

CONFLICT OF INTEREST POLICY

Section 1. Purpose

The purpose of this Conflict of Interest Policy (this “**Policy**”) is to protect the interests of the Massachusetts Dental Society (the “**Society**”) when it is considering a transaction, arrangement, decision, or matter that might benefit or compete with the private or professional interest of (i) an officer of the Society, (ii) a member of the Board of Trustees (“**Trustee**”), (iii) a member of any Committee of the Society (“**Committee Member**”), or (iv) a key employee of the Society (the persons in (i)-(iv), collectively, “**Covered Persons**”). This Policy is intended to supplement but not replace any applicable state laws governing conflict of interest applicable to nonprofit and charitable organizations. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Constitution and Bylaws of the Society (the “**Bylaws**”).

Section 2. Definitions

A. “Conflict of Interest”: Arises when, in the judgment of the Board of Trustees as determined under the procedures set forth in Section 3B of this Policy:

1. The private or professional interests or activities (such as Covered Interests) of a Covered Person interfere or compete with the Society’s interests;
2. The stake of a Covered Person in a transaction, arrangement, or decision is such that it reduces the likelihood that such person's influence can be exercised impartially in the best interests of the Society;
3. A Covered Person has divided loyalties; and/or
4. A Covered Person uses their position with the Society, including, but not limited to, the use of any status or information gained through such position, for personal gain or advantage.

B. “Covered Interest”: Exists when a Covered Person has directly, or indirectly through business, investment, or Family:

1. An ownership or investment interest in any Mutual Person;
2. A compensation arrangement with any Mutual Person;
3. A potential ownership or investment interest in, or potential compensation arrangement with, any Mutual Person;
4. A legal commitment or financial interest, including by virtue of a board appointment, employment position, or volunteer arrangement, to act in the interests of any Mutual Person;

5. An involvement with any dental organization, cause, or movement as an advocate, public representative, or spokesperson, including lobbying on behalf of such organization, cause, or movement; or
6. Any other private or professional relationship, position, interest, or engagement, whether commercial or non-commercial, that may raise a conflict of interest or impair such person's objectivity on matters affecting the Society.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Covered Interest is not necessarily a Conflict of Interest. Under Section 3B of this Policy, a person who has a Covered Interest may have a Conflict of Interest only if the Board of Trustees decides that a Conflict of Interest exists.

C. "Interested Person": Any Covered Person who has a direct or indirect Covered Interest.

D. "Family": An Interested Person's (i) spouse (or spousal equivalent), (ii) ancestors, (iii) siblings (whether whole or half blood), (iv) children (whether natural or adopted), (v) grandchildren, (vi) great-grandchildren, and (vii) spouses (or spousal equivalent) of an Interested Person's siblings, children, grandchildren, and great-grandchildren.

E. "Mutual Person": Any entity or individual with which the Society has or is considering or negotiating a transaction or arrangement. A Mutual Person shall also include the Covered Person if such Covered Person proposes to enter into such transaction or arrangement directly with the Society.

Section 3. Procedures

A. Duty to Disclose

In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of their Covered Interest and all material facts to the Board of Trustees and/or Committee Chair, as applicable. The disclosure shall be made as promptly as possible upon such Interested Person's knowledge of the existence of their Covered Interest, but in no event later than the commencement of any consideration or discussion by the Board of Trustees and/or applicable Committees of any matters giving rise to such Conflict of Interest.

B. Determining Whether a Conflict of Interest Exists

After disclosure of the Covered Interest and all material facts, and after any discussion with the Interested Person, such Interested Person shall leave the Board of Trustees meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Trustees shall decide whether a Conflict of Interest exists.

If the remaining Trustees determine by majority vote that no Conflict of Interest exists, (i) no further review by the Board of Trustees of the Covered Interest is required if not ordinarily required in the normal course of business, and (ii) the Interested Person cleared of such Conflict of Interest shall be permitted to participate in any discussion or vote with

respect to any matters if such Interested Person would ordinarily be permitted to participate in such matter in the normal course of business. The discussion and determination of the existence of a Conflict of Interest shall be documented in accordance with the procedures outlined in Section 5 of this Policy.

The determination that a Conflict of Interest exists shall not preclude the Board of Trustees (other than the conflicted Interested Person(s)) from approving any matter giving rise to such Conflict of Interest, but such determination shall require the Board of Trustees to follow the procedures set forth in Section 3C below.

C. Procedures for Addressing the Conflict of Interest

To address a Conflict of Interest, the Board of Trustees shall follow the procedures described in this Section 3C:

1. Approving a Transaction or Arrangement Involving a Conflict of Interest

- An Interested Person may make a presentation at the Board of Trustees meeting, but after such presentation, they shall leave the meeting during the discussion of, and the vote on, such matter giving rise to the Conflict of Interest.
- The Interested Person shall not attempt to intervene with or improperly influence the deliberations or voting on the matter giving rise to the Conflict of Interest.
- The President of the Society may, in their discretion, appoint a disinterested person or committee to investigate potential alternatives to the proposed transaction or arrangement. In the event the President is the Interested Person, the Vice President shall appoint a disinterested person or committee to investigate potential alternatives to the proposed transaction or arrangement.
- To the extent applicable, after exercising due diligence, the Board of Trustees shall determine whether the Society can obtain a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest.
- If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the Board of Trustees shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is (i) in the Society's best interest, (ii) for its own benefit, and (iii) fair and reasonable to the Society. In conformity with such determination, the Board of Trustees shall make its decision as to whether to enter into such transaction or arrangement.
- If, and to the extent that, the transaction or arrangement decision needs to be further approved or ratified by the House of Delegates pursuant to the Bylaws,

(i) the Conflict of Interest and all material facts related thereto shall be disclosed to the House of Delegates by a designee of the Board of Trustees (other than the Interested Person), and (ii) the transaction or arrangement must be approved by the House of Delegates (excluding the Interested Person) in good faith.

2. Resolving Other Conflicts of Interest. For all other Conflicts of Interest:

- The Interested Person shall not be present at any Board of Trustees or Committee meeting, as applicable, or any portion of any such meeting, during which the matter giving rise to the Conflict of Interest is being discussed, deliberated, and/or voted upon, nor shall the Board of Trustees or Committee Chair, as applicable, permit the Interested Person to vote on such matter.
- The Interested Person shall not attempt to intervene with or improperly influence any discussions, deliberations, or voting on the matter giving rise to the Conflict of Interest.
- The Interested Person shall not have access to any nonpublic information or materials relating to the matter giving rise to the Conflict of Interest.
- The Board of Trustees may determine, in its reasonable discretion, that the Conflict of Interest rises to a level that necessitates the Interested Person either to resign from their position(s) with the Society or Committee, as applicable, or to withdraw from such involvement, relationship, interest, or engagement that gives rise to the Conflict of Interest. If the Board of Trustees makes this determination, it shall ask the Interested Person to choose between resigning from their position(s) with the Society or Committee, as applicable, or to withdraw from such involvement, relationship, interest, or engagement that gives rise to the Conflict of Interest. If the Interested Person refuses either to resign from their position(s) with the Society or Committee, as applicable, or to withdraw from such involvement, relationship, interest, or engagement that gives rise to the Conflict of Interest, then the Board of Trustees may, in its discretion, undertake disciplinary and corrective action in accordance with the procedures set forth below.

D. Violations of the Policy

If the Board of Trustees has reasonable cause to believe that an Interested Person has (i) failed to disclose actual or possible Conflicts of Interest or (ii) violated any other terms of this Policy, including failure to abide by any procedures or remedies established by the Board of Trustees to address any Conflict of Interest, the Board of Trustees shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain their alleged failure.

If, after hearing the response of the Interested Person and making such further investigation as may be warranted under the circumstances, the Board of Trustees determines that the

Interested Person has in fact (i) failed to disclose an actual or possible Conflict of Interest or (ii) violated any other terms of this Policy, the Board of Trustees shall take appropriate disciplinary and corrective action, including precluding the Interested Person from participating in the decision affected by the Conflict of Interest by majority vote of the Board of Trustees or by the Committee, as applicable, and as further provided in Section 4 below.

Section 4. Disciplinary and Corrective Action

If the Board of Trustees determines that an Interested Person has violated this Policy (including refusing to resign or withdraw as set forth above), the Board of Trustees may impose or initiate disciplinary and corrective actions in accordance with the procedures set forth in Chapter IV covering Trustees, Chapter V covering Elective Officers, and Chapter VII concerning Members.

Section 5. Records of Proceedings

The minutes of the Board of Trustees shall contain:

- the names of the persons who disclosed or otherwise were found to have a Covered Interest in connection with an actual or possible Conflict of Interest, the nature of the Covered Interest, any action taken to determine whether a Conflict of Interest was present, and the Board of Trustees' decision as to whether a Conflict of Interest in fact existed,
- the names of the persons who were present for discussions and/or votes relating to the transaction, arrangement, decision, or matter, the content of the discussion, including any alternatives to a proposed transaction or arrangement, and a record of any votes taken in connection therewith, and
- any disciplinary or corrective actions taken or proposed to be taken, and the names of the persons against whom such actions were or may be taken, to resolve any violation of the Policy.

Section 6. Compensation

A voting Committee Member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.

Section 7. Annual Statements

Each Covered Person shall annually sign a statement (attached as Exhibit A) which affirms that such person:

- has received a copy of this Policy,
- has read and understands the Policy,

- has disclosed any Covered Interests,
- has agreed to comply with the Policy, and
- understands that the Society is a charitable organization and that, in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 8. Replacement of Existing Conflict of Interest Policy

This Policy is intended to serve as the governing Conflict of Interest Policy in accordance with the Board's power to establish rules and regulations to govern its organization and procedure. The Board, in accordance with the procedures and requirements of Chapter XI of the Bylaws, reserves the right to propose this Policy as an amendment to Chapter XIII of the Bylaws.