

SDIN, INC.
CONFLICT OF INTEREST POLICY
*For Directors and Officers and
Members of a Committee with Board Delegated Powers*

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MAY 26 2017

MA Dept. of Public Health
99 Chauncy Street
Boston, MA 02111

ARTICLE I - PURPOSE

This conflict of interest policy is designed to help directors, officers, and employees of SDIN, Inc. identify situations that present potential conflicts of interest and to provide SDIN, Inc. with a procedure that, if observed, will allow a transaction to be treated as valid and binding even though a director, officer, or employee has or may have a conflict of interest with respect to the transaction. In the event there is an inconsistency between the requirements and the procedures prescribed herein and those in federal or state law, the law shall control.

ARTICLE II - DEFINITIONS

- A. A "*Conflict of Interest*" is any circumstance described in Part 1 of this Policy.
- B. A "*Responsible Person*" is any person serving as an officer, employee, or member of the board of directors of SDIN, Inc.
- C. A "*Family Member*" is a spouse, domestic partner, parent, child, or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- D. A "*Material Financial Interest*" in an entity is a financial interest of any kind that, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation. (The board may wish to establish an amount that it would consider to be a "material financial interest.")
- E. An "*Agreement or Transaction*" is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, or the establishment of any other type of pecuniary relationship by SDIN, Inc. The making of a gift to SDIN, Inc. is not an Agreement or Transaction within the meaning of this document.

ARTICLE III - PROCEDURES

- A. Before board or committee action on an Agreement or Transaction involving a Conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- B. A director or committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- C. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

- D. A person who has a Conflict of Interest with respect to an Agreement or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Agreement or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the board of directors of SDIN, Inc. has a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the board of directors.
- E. Responsible Persons who are not members of the board of directors of SDIN, Inc. or who have a Conflict of Interest with respect to an Agreement or Transaction that is not the subject of board or committee action, shall disclose to the Chair or the Chair's designee any Conflict of Interest that such Responsible Person has with respect to an Agreement or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect SDIN, Inc.'s participation in such Agreement or Transaction.
- F. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Chair or the Chair's designee, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

ARTICLE IV - CONFIDENTIALITY

Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of SDIN, Inc. Furthermore, a Responsible Person shall not disclose or use information relating to the business of SDIN, Inc. for the personal profit or advantage of the Responsible Person or a Family Member or the Responsible Person's company.

ARTICLE V - REVIEW OF POLICY

- A. Each new Responsible Person shall be required to review a copy of this Policy and to acknowledge in writing that he or she has done so.
- B. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest arising. Such relationships, positions, or circumstances might include service as a director of or consultant to a not-for-profit organization, or ownership of a business that might provide goods or services to SDIN, Inc. Each Responsible Person should also disclose to the board of directors any potential Conflict of Interest that may arise during the course of the year between the submission of annual disclosure forms. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Chair, the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- C. This policy shall be reviewed annually by each member of the board of directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

ARTICLE VI – RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in fact existed.
- B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Dated this 12th day of May, 2017.