

Parent Project Muscular Dystrophy

CONFLICTS OF INTEREST

(Section 7.6 of the PPMD By-Laws)

Section 7.6 Conflicts of Interest Parent Project Muscular Dystrophy conforms to all IRC 4958 standards with regard to Conflict of Interest Policy for its Board members as well as its staff. The Conflict of Interest policy in this section shall be periodically reviewed by legal counsel.

Section 7.6.1 Gifts No Trustee, officer, or employee of the Corporation shall solicit or accept, directly or indirectly, anything of substantial monetary value (including any gift, gratuity, favor, entertainment, loan or other consideration) from any person or entity, which has, or is seeking a contractual, donative, employment, financial, or other beneficial relationship with the Corporation without first making a disclosure of such conflict of interest to the Board of Trustees.

Section 7.6.2 Conflict of Interest Procedure When the Board of Trustees is considering a proposed transaction that may benefit the private interest of an officer or Trustee, the procedure outlined below shall be followed:

- a) Such Trustee or officer shall disclose the existence of any actual or possible conflict of interest as well as all material facts.
- b) After such disclosure, the interested Trustee or officer shall leave the meeting and the remaining Trustees shall determine if a conflict of interest exists.
- c) If a conflict of interest is determined to exist, the following procedures shall occur:
 - (1) Any interested Trustee or officer shall not be present during discussion of and vote on, the proposed transaction.
 - (2) The Board, if appropriate, shall obtain comparability data as to similar transactions and investigate alternatives to the proposed transaction.
 - (3) After exercising due diligence, the Board shall determine if the Corporation can obtain a more advantageous arrangement with reasonable efforts from a person that would not give rise to a conflict of interest.
 - (4) If a more advantageous arrangement is not reasonably attainable, the Board shall determine by a majority vote of the disinterested Trustees whether the transaction is in the best interests of the Corporation and shall make its decision as to whether to enter the transaction in conformity with such determination.
- d) The minutes of Board meetings concerning the proposed transaction shall document all of the preceding steps and such minutes shall be approved at the next Board meeting.
- e) All Trustees shall sign an Annual Disclosure Statement to be filed with the Corporation's records with regard to possible conflicts of interests that may develop (See Appendix).