

CONFLICT OF INTEREST POLICY

The Maine Technology Institute (the "Institute") is committed to achieving its mission of stimulating and supporting research and development activity in the State's technology-intensive industrial sectors by operating within the spirit and letter of all applicable laws and regulations. The Institute seeks to achieve a high level of public confidence in its operations through commitment to the highest standards of integrity and fairness in the course of its work.

Consistent with this philosophy, as well as the conflict of interest requirements of 5 M.R.S.A. § 15307, and the State fiscal agent standards of 5 M.R.S.A. § 15303(1), the Board adopts the following Conflict of Interest Policy, applicable to all Institute directors, Technology Board members and employees. This Policy shall also apply to individuals who serve in a contractor or volunteer capacity to review funding or other applications on behalf of the Institute.

It is the policy of the Institute to avoid conflicts of interest between the Institute and its individual directors, employees and their respective family members as well as between the Institute and its Technology Board members, application reviewers and their respective family members. A conflict of interest is any situation in which an individual's personal interest or the interest of the individual's family members could interfere with the individual's ability to make objective decisions on behalf of the Institute. There may also be circumstances in which a relationship will create an appearance of a conflict of interest and is to be treated as a conflict of interest.

Directors and employees of the Institute and Technology Boards, as well as Technology Board members and application reviewers, are prohibited from using their positions or Institute information for personal purposes or gain in a manner that would be a conflict of interest as defined by this Conflict of Interest Policy. Directors, members and employees may be required to sign this statement annually.

"Family members" covered by this Policy include parents, children, brothers, sisters, spouse, spouse's parents, and any persons sharing the same household with the Director, Technology Board member, or employee. The "Institute" means the Maine Technology Institute or any of its Technology Boards.

Grants or Transactions with Entities Related to Director, Member or Employee.

A conflict of interest arises where an entity in which an individual or a family member has a financial interest makes an application for a financial award or other transaction with the Institute and where the individual is in a position to influence decisions pertaining to that transaction. In all cases in which an entity in which the individual or a family member has a financial interest makes application to the Institute for a grant or assistance of any kind, the individual must disclose to the Chair of the Institute Board, the Technology Board or the President of the Institute the nature and extent of the interest. The purpose of the disclosure is to enable the Institute to determine if a conflict of interest exists. As a general matter, if the only financial interest is the direct ownership of less than \$5,000 of a publicly held company, the Institute will determine that no conflict of interest exists. Ownership of shares in a privately held company will constitute a financial interest.

If a conflict of interest is determined to exist, the Director, Technology Board member, or employee must recuse himself/herself from the matter, assuring he/she is not in a position to influence decisions pertaining to that transaction. The recusal shall ensure that the director, Technology Board member or employee: (i) does not participate in discussions or analysis of the grant proposal; (ii) is not present at the time the proposal is evaluated by the Institute; and (iii) abstains from voting on the proposal or application. The abstention shall be recorded in the minutes of the meeting.

A similar disclosure and recusal standard shall apply to any contract awarded by the Institute.

Indirect Conflicts of Interest.

An indirect conflict of interest may arise when a board director, Technology Board member, employee or their family member has a recent, current or imminent future relationship of a financial or business nature with a person or organization seeking a grant or other assistance from the Institute. Such a situation might involve a recent past (within one year) or expected prospective employment relationship, strategic business alliance, or even a direct competitor relationship in the same market niche. This type of indirect conflict of interest can create the appearance of a conflict of interest, if not an actual conflict.

In all cases of indirect conflict of interest, the director, Technology Board member or employee shall disclose the existence of the indirect conflict to the Chair of the Institute Board, the Technology Board or the Institute President. The purpose of the disclosure is to enable the Institute to determine if a conflict of interest exists. If the Institute

determines that a conflict of interest exists, the protocol outlined above for financial conflicts of interest shall be observed by the recused director, Technology Board member or employee.

Contacts with Applicants.

All directors, Technology Board members and employees are prohibited from accepting any gift, entertainment, or other personal favor from any person or organization seeking a grant or other assistance from the Institute if the gift could be perceived as given to influence decision-making, could be regarded as inconsistent with ethical business practice, or could place the employee or the Institute under an obligation to the giver. Any gift, entertainment, or other personal favor accepted from any person or organization seeking a grant or other assistance from the Institute or a Technology Board with a value in excess of \$25.00 must be reported to the Chair of the Institute Board, the Technology Board or the President of the Institute either within 30 days of receipt, or before any action on the donor's application, whichever date occurs earlier.

Reviewers of Funding or other Applications to the Institute.

In the event the Institute or a contractor to the Institute retains the services of a reviewer or other outside person to assist the Institute in a paid or volunteer capacity in evaluating funding or other applications to the Institute, the reviewer shall be required to comply with the provisions of this Policy. Prior to retaining the reviewer's services, the Institute shall request the reviewer to sign this statement certifying that he/she understands and is in compliance with this Policy.

Read and Accepted By: _____ Date: _____

Printed Name and Title: _____
(Name) (Title)