

**CONFLICT OF INTEREST POLICY FOR TRUSTEES
AND MEMBERS OF TRUSTEE COMMITTEES OF DUKE UNIVERSITY**

Approved May 10, 2013

Effective July 1, 2013

WHEREAS, the proper governance of the nation's institutions of higher learning depends upon governing board members and members of governing board committees who give of their time for the benefit of the organizations they service; and

WHEREAS, the giving of this service, because of the varied interests and backgrounds of the governing board and committee members, may result in situations involving dual interests that might be perceived as conflicting interests; and

WHEREAS, this service should not be rendered impossible solely by reason of duality of interest, or possible conflicting interests; and

WHEREAS, such duality of purpose or conflict of interest may arise for a member of the Board or of its committees when (1) the individual has an existing or potential financial or other interest which impairs, or might appear to impair, his or her independence or objectivity in serving the University or (2) the individual might derive, or appear to derive, a financial or other material benefit from confidential information learned in the course of his or her Board service; and,

WHEREAS, service on a governing board and its committees nevertheless carries with it a requirement to act in good faith, with due care, with undivided loyalty, and in the best interests of the institution served; and

WHEREAS, the matter of any duality of interest or possible conflict of interest can best be handled through full disclosure of any such interest, together with noninvolvement in any vote wherein that interest is involved, or the implementation of an appropriate conflict management plan for that individual.

NOW THEREFORE, BE IT RESOLVED, that the following policy on conflict of interest is hereby adopted:

1. In any matter requiring a decision by the Board of Trustees or any Committee of the Board of Trustees in which a participating trustee or committee member has an interest other than the interest of the University, including interests of family members and organizations in which the trustee or committee member has a significant management function or ownership interest, and including interests arising from the acceptance of any material gifts, favors, or hospitality from persons or organizations known by the trustee to be associated with or

seeking association with the University, whether as suppliers of goods or services, employees, faculty, students, or others, the trustee or committee member shall disclose the material facts pertaining to such interest and to the matter requiring the decision to the Board or the applicable committee, and such interest shall be noted in the minutes. The trustee or committee member shall act in accordance with his/her Conflict Management Plan, and if the trustee or committee member does not have a Conflict Management Plan in effect, then he/she shall withdraw from the meeting unless requested to remain by the presiding officer, and shall abstain from voting when such a matter is before the Board or a committee for authorization, approval, or ratification, and those actions shall also be recorded in the minutes.

2. Annually, each trustee and each committee member shall be furnished an information and interest disclosure statement by the appropriate University officer together with a copy of this resolution. Annually, and at any point throughout the year if there are additions or changes to a disclosure statement on file, each trustee and each committee member shall disclose any possible duality or conflict of interest which might affect Duke University. This information shall be filed with the Office of the University Secretary to be reviewed by the University Secretary and University Counsel. The information so disclosed shall be held in confidence except as it may be determined by the University Secretary and University Counsel that it is in the best interest of the University to disclose the information to the Executive Committee of the Board of Trustees.
3. The following definitions apply to this policy: (a) A family member or family relationship includes an individual's spouse, spousal equivalent, ancestors, children, grandchildren, great-grandchildren, siblings (whether by whole or half-blood), and the spouses of children, grandchildren and great-grandchildren and siblings. (b) "Material" as applied to gifts, favors or hospitality is defined as having a fair market value of twenty-five dollars or more.

AND BE IT FUTHER RESOLVED, that the appropriate officers of the University are hereby authorized and directed to take such further actions as they shall deem necessary and appropriate, and as may be required to fully implement this resolution; and

FURTHER RESOLVED, that this resolution shall be effective July 1, 2013 and replaces the policy adopted by this Board of Trustees in October of 2008; and

FURTHER RESOLVED, that any action which has heretofore been taken by any of the Board of Trustees or the officers of the University in connection with the foregoing resolution or the matters contemplated thereby is hereby ratified, approved and confirmed.