

# American Brain Foundation

## Policy on Conflicts of Interest

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### **I. Definition**

A director of the American Brain Foundation (“Foundation”) has a conflict of interest if the director has a private interest that may interfere with the director’s official responsibilities to the Foundation. This policy also applies to any other person who has an official position with the Foundation.

### **II. Importance**

Conflicts of interest are a matter of concern for the Foundation. Directors have a fiduciary duty to exercise impartial judgments for the best interests of the Foundation. The presence of a private interest may impair the director’s ability to exercise competent judgment and objectivity in the director’s official capacity. A perceived conflict also diminishes the confidence of the public in the organizations’ operations.

### **III. Resolution of Conflicts**

Conflicts of interests can be resolved or lessened through several strategies.

A. Avoidance. Serious conflicts should be avoided altogether by directors by not participating in situations in which there is a serious conflict of interest.

B. Withdrawal. Directors with serious conflicts wishing to retain their official Foundation responsibility can divest the conflicting interest or withdraw from the conflicting relationship.

C. Disclosure. Directors with potential conflicts should disclose them fully to responsible Foundation officials. Disclosure does not eliminate the conflict but mitigates it insofar as it permits others to become aware of the conflict, to monitor the director’s performance, and to consider its effect when interpreting the director’s official judgments. Disclosure is the appropriate remedy for mitigating most instances of conflicts of interest.

### **IV. Disclosure Statement of Conflict of Interest**

Disclosure of conflicts of interest to responsible Foundation officials is an ethical responsibility of the director having the conflict. The Board of Directors has the ultimate responsibility of determining what limitations or actions may be necessary to protect the organization. If a director is uncertain whether a conflict of interest exists, it is better to err on the side of disclosure. At the beginning of each member’s term of service on the Board of Directors and annually thereafter, the director must complete or update the enclosed disclosure form. The director must also update the disclosure statement if a change in personal circumstances causes the previously-submitted disclosure to be no longer correct.

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**V. Administrative Review and Action on Disclosure Statements**

A. The following table explains who is responsible for promptly reviewing submitted conflict of interest disclosure statements:

<b>Directors Submitting Disclosure Statements</b>	<b>Reviewing Authority</b>
Board of Directors (including Executive Director)	Chair, Board of Directors
Chair, Board of Directors	Board of Directors
Chairs of committees and task forces	Chair, Board of Directors
Members of committees and task forces	Chairs of standing committees and task forces
Chairs of subcommittees	Chairs of committees
Members of subcommittees	Chairs of subcommittees

The Reviewing Authority can take one of three possible courses of action with respect to each statement in which a conflict is acknowledged:

1. There is no serious conflict. No action, short of appropriate disclosure, must be taken. This is the most common action.
2. There is a serious conflict. The director must be removed from the official Foundation capacity, must divest the conflicting interest, or must withdraw from the conflicting relationship. Disclosure alone is insufficient to handle the conflict.
3. There is an intermediate conflict. The presence of such a conflict is compatible with concurrent maintenance of the director’s official Foundation capacity and the conflicting interest or relationship. The situation should be monitored carefully and appropriate disclosure made.

B. Any disagreement between a director and the Reviewing Authority may be submitted to the Foundation Executive Committee for resolution.

C. Submitted conflict of interest disclosure statements will be promptly provided to the reviewing authorities

**Policy History:**

Approved by the Foundation Executive Committee on January 6, 2009.

Adopted by the Foundation Board of Trustees on February 20, 2009.

Updated by the Foundation General Counsel to reflect organizational name change and “Board of Trustees” name change.

## Disclosure of Conflicts of Interest

I have reviewed the American Brain Foundation's Policy on Conflicts of Interest. I understand that, as a Foundation official, I have a conflict of interest if I have a private interest that may interfere with my official responsibilities to the Foundation. Further, I understand that I must disclose a potential conflict of interest at the beginning of my term as a Foundation official, annually thereafter, and whenever a change in my personal circumstances causes the previously-submitted disclosure form to be no longer correct.

In addition, when I am aware of a potential conflict of interest concerning an agenda item in a Foundation meeting, I will promptly disclose that conflict to the chair.

I declare the following potential conflicts of interest:

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Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*Guy Duan*  
*5-15-2017*