

Conflict of Interest Policy

Department: Compliance

Document Owner: Compliance & Ethics Officer

Scope

Company-wide

Purpose

The purpose of this policy is two-fold. It is designed to protect Mountain-Pacific's interest when it is contemplating entering into a transaction and/or relationship that might benefit the personal interest of a board member, corporate officer, or key employee.

Policy

This policy is also designed to ensure that the board of directors, corporate officers and key employees recognize when an actual or potential conflict of interest exists while performing their duties on behalf of Mountain-Pacific. It further documents the proper procedure for making a disclosure.

Definitions

The following are considered *insiders* for the purposes of this policy:

- Board of directors
- Chief Executive Officer (CEO), Chief Operating Officer (COO), and Chief Corporate Development Officer (CCDO)
- Key employees

Interest means any material financial interest, whether through commitment, investment, relationship, obligation, involvement or otherwise direct or indirect, that may influence a person's judgement.

A *conflict of interest* is present when an insider or person related to the insider by family or business relationship, has a material financial interest in the transaction such that it reduces the likelihood that an insider's influence can be exercised impartially in the best interests of Mountain-Pacific.

A *conflict of interest* is also present when an insider is unable or potentially unable to act impartially or objectively on behalf of Mountain-Pacific due to a family member's, or a business associate's other activities or relationships, both personal or financial. It is the responsibility of each insider to recognize a perceived, potential or actual conflict of interest and to follow related disclosure procedures.

Transaction means any transaction, agreement, or arrangement between an interested person and Mountain-Pacific, or between Mountain-Pacific and any third party where an interested person has a material financial interest in the transaction.

Procedure

Duty to Disclose – each interested person shall disclose to the compliance officer all material facts regarding their interest (including relevant affiliations) in the transaction. The interested person shall make that disclosure promptly and prior to committing Mountain-Pacific to the transaction.

Determining Whether a Conflict of Interest Exists – the compliance officer shall determine if a conflict of interest exists and notify the board compliance committee of the conflict, as appropriate.

Procedures for Addressing a Conflict of Interest – the compliance officer may ask questions of and receive information from the insider(s) and any other interested person(s). For insiders employed by Mountain-Pacific, the CEO and the HR director shall be part of the investigation and mitigation plan. This action may occur without consulting the board compliance committee.

The board compliance committee shall be responsible for addressing a conflict of interest with a governing body member. The committee may deliberate and vote on the appropriate action, which may include investigating alternatives that do not present a conflict.

Disclosure - all board members, the CEO, COO, CCDO, and key employees shall annually sign an Attestations and Disclosures Statement that affirms that the person received a copy of the conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy and disclose the personal financial interests, family relationships, and board and/or committee service involving all healthcare-related organizations.

Violations – if the compliance officer or the board compliance committee has reasonable cause to believe that an insider of the organization has failed to disclose actual or possible conflicts of interest, it shall inform such insider of the basis for this belief and afford the insider an opportunity to explain the alleged failure to disclosure. If, after hearing the insider's response and making further investigation as warranted, the board compliance committee determines that the insider has failed to disclose an actual or possible conflict of interest, the board compliance committee or the committee's designee(s) shall take appropriate disciplinary and corrective action.

Annual Reviews – to ensure Mountain-Pacific operates in a manner consistent with its status as a tax-exempt organization, the compliance officer shall annually review this conflict of interest policy.