

**BOARD OF TRUSTEES
OF
THE METROHEALTH SYSTEM**

CONFLICTS OF INTEREST POLICY

1. Statement of General Policy. The purpose of this conflicts of interest policy (the “Policy”) is to protect The MetroHealth System’s interest in the context of transactions or arrangements involving the private interest of a Trustee, officer or employee of MetroHealth. This Policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to MetroHealth as a public institution. In addition to supporting the general fiduciary duty of Trustees, officers and employees to MetroHealth, this Policy is intended to support MetroHealth’s compliance with applicable Ohio conflicts of interest laws.

2. Coverage of Policy. This Policy will apply to all members of the Board of Trustees, and to all MetroHealth officers and employees.

3. General Principles. Members of the Board of Trustees have a clear fiduciary duty to the organization and Trustees should exercise the utmost good faith in all transactions related to their duties for MetroHealth. Trustees should not use their positions, or the knowledge gained therefrom, in such a way that a conflict of interest might arise between the interest of MetroHealth’s interest and their personal interest. General principles of fiduciary duty and Ohio law prohibit all trustees and executive officers from disclosing or using any confidential information acquired in the course of their official duties.

4. Conflicts of Interest.

4.1 Statutory Conflicts of Interest. The Ohio conflicts of interest and ethics laws applicable to MetroHealth include Sections 102.03 and 2921.42. The Ohio ethics laws were enacted to promote confidence in government and these laws are directed at situations which involve public officials and employees who are in a position to make or influence decisions which may directly affect their personal interests. These statutory conflict of interest and ethics provisions are complex and require careful evaluation of specific facts and circumstances pertaining to such a personal or private interest. Persons who may have such a potential conflict of interest should understand that the Ohio conflicts of interest laws are criminal statutes and violation of such law could result in serious consequences.

4.2 General Conflicts of Interest. In addition to statutory conflicts of interest, Trustees, officers and employees also may have potential conflicts of interest which, although not expressly prohibited by the Ohio statutes, raise issues of fiduciary duty. Such a conflict of interest may exist if a person (directly or through

family or business associates) has an interest in or other financial arrangement with an entity with which MetroHealth is engaging in a transaction or arrangement.

4.3 Specific Prohibitions. For purposes of this Policy, it is important to note that the law prohibits a public official from:

- (i) Having a private interest in a public contract;
- (ii) Using his or her authority or position to secure a public contract;
- (iii) Using his or her office or position to secure anything of value;
or
- (iv) Soliciting or accepting anything of value.

In terms of private interest in a public contract, the prohibition relates not only to the public official but also to any member of his or her family or any of his or her business associates. For purposes of the ethics law, family members mean spouse, children (whether dependent or not), parents, grandparents, siblings and other persons related by blood or marriage and residing in the same household. The term “business associate” applies to any situation where the public official has a relationship with one or more persons or entities to act together to pursue a common business purpose. A Trustee’s outside employer is considered to be his or her “business associate”.

Both Sections 102.03 and 2921.42, copies of which are attached hereto, are considered an integral part of this Policy.

5. Procedures.

5.1 Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her personal or private interest to the Board of Trustees in writing. Such notice should be delivered to the General Counsel.

5.2 Determining Whether a Conflict of Interest Exists. Any Trustee having a conflict of interest on any matter should not vote or use his/her personal influence on the matter, even though the conflict is not prohibited by law. If an issue arises as to whether a personal or private interest constitutes a conflict of interest, the remaining Board of Trustees shall decide if a conflict of interest exists. The interested person shall not participate in the Board of Trustees meeting while the personal or private interest is discussed and voted upon.

5.3 Violations of the Conflicts of Interest Policy.

(a) If the Board of Trustees has reasonable cause to believe that a person has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board of Trustees determines that the person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

6. Records of Proceedings. The minutes of the Board of Trustees and all committee with Board of Trustees delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a personal or private interest in connection with an actual or possible conflict of interest, the nature of the personal or private interest, any action taken to determine whether a conflict of interest was present, and the Board of Trustees' decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, and a record of any votes taken in connection therewith.

7. Annual Statements. Each Trustee, officer and such other management and clinical leaders as the President shall determine, in his reasonable discretion, shall annually sign a statement which affirms that such person:

(a) has received a copy of this Conflicts of Interest Policy,

(b) has read and understands the Policy, and

(c) has agreed to comply with the Policy.

8. Periodic Reviews. This Policy shall be reviewed annually for the information and guidance of the Board of Trustees, and any new Trustee shall be advised of the Policy upon entering on the duties of office.

Reviewed by October 2011