

Maryland Technology Development Corporation (TEDCO)

Conflict of Interest Policy

Version 2.0

May 15, 2020

Approved by the Board

May 21, 2020

I. INTRODUCTION

As a body politic and a public instrumentality of the State of Maryland, the Maryland Technology Development Corporation (“TEDCO”) has an obligation to ensure that its actions, and those of its individual staff, or others acting on behalf of the organization, meet the highest standards of public trust. To this end, TEDCO has established this Conflict of Interest Policy (“Policy”) to ensure that actual or perceived conflicts of interest are disclosed and properly managed or avoided.

As a public corporation, TEDCO’s Board of Directors, executives, and staff are subject to the Maryland Public Ethics Law (Annotated Code of Maryland – General Provisions Article– Title 5 – Maryland Public Ethics Law) (the “Ethics Law”), which sets forth various requirements to address matters of public ethics including conflicts of interest. Nothing in this Policy is intended to conflict with or diminish any requirements established by the Ethics Law or any other State or Federal law (collectively “Existing Law”); rather, requirements of this Policy should be met in addition to any required by Existing Law. In the event that a conflict between this Policy and Existing Law is to be construed, Existing Law shall prevail.

TEDCO’s Executive Director has the responsibility to ensure implementation of and adherence to this Policy.

II. DEFINITIONS

1. **“TEDCO Employee(s)”** shall mean an individual currently employed by TEDCO pursuant to a written Employment Contract. For the avoidance of doubt, this does not include individuals or entities under contract to render review, advisory, or other services as an independent contractor.
2. **“TEDCO Personnel”** shall mean TEDCO Employees, contractors, reviewers, and others who might be in a position to influence decisions made by TEDCO during the course of its operations. TEDCO Personnel shall specifically exclude reviewers who are members of a scientific peer review committee advising the MD Stem Cell Research Commission (who are subject to a separate Conflict of Interest Policy) and members of TEDCO’s Board of Directors.
3. **“Family Member”** shall mean a spouse, parent, child, brother, or sister.
4. **“Financial Interest”** shall mean (1) ownership of an interest as the result of which the owner has received within the past 3 years, is currently receiving, or in the future is entitled to receive, more than \$1,000 per year; or (2) ownership of more than 3% of a business entity or ownership of securities of any kind that represent, or are convertible into, ownership of more than 3% of a business entity.
5. **“Financial Relationship”** shall mean (1) any type of present employment relationship or potential future employment relationship; (2) any other business relationship including, but not limited to, a contract or partnership; (3) a relationship involving the transfer of anything of

economic value, regardless of form, without adequate and lawful consideration, for example, a gift; or (4) a relationship involving the demand or receipt of a bribe, fee, reward, or testimonial.

6. **“Matter”** shall mean (i) a process for making a decision associated with a TEDCO investment, grant or other award, or procurement, or (ii) any other situation in which there is the potential for TEDCO Personnel to influence a decision made by or on behalf of TEDCO.

III. GENERAL CONFLICT OF INTEREST PROVISIONS: The following shall apply to TEDCO Personnel regardless of position or years of service.

1. TEDCO Personnel may not participate in a Matter involving an entity in which he or she, or a Family Member, has a Financial Interest or Financial Relationship.
2. TEDCO Personnel may not participate in a Matter involving a business entity in which he or she or a Family Member may have employment, prospective employment, contractual, or creditor relationships.
3. TEDCO Personnel may not hold any secondary employment relationship that would impair his or her impartiality or independence of judgment associated with a Matter. Secondary employment includes membership on a private board of directors, even if there is no compensation paid to the TEDCO Personnel for participation on the board of directors.
4. TEDCO Personnel may not have Financial Interests in, or be employed by, an entity having or negotiating a contract with TEDCO with which the TEDCO Personnel is involved. Employment includes membership on a private board of directors having such a relationship, even if there is no compensation paid to the TEDCO Personnel for participation on the board of directors.
5. TEDCO Employees may not intentionally use the prestige of the employee’s office for his or her private gain or that of another, influence the award of a TEDCO contract to a specific person, initiate a solicitation for a person to retain the compensated services of a lobbyist, or use public resources or title to solicit a political contribution.
6. TEDCO Personnel may not disclose or use for personal economic or other benefit or that of another, confidential information acquired by reason of his or her position.
7. TEDCO Employees may not solicit gifts for themselves or others, and generally may not accept gifts from lobbyists or others doing (seeking to do) business with TEDCO.
8. TEDCO Employees are subject to the provisions of the Maryland Public Ethics Law (the “Law”), set out in Title 5 of the General Provisions Article of the Annotated Code of Maryland, including but not limited to its provisions regarding Conflicts of Interest generally (Subtitle 5 of the Law), Outside Employment and Disclosure of Confidential Information (Subtitle 5, Part I of the Law),

and Financial Disclosure (Subtitle 6 of the Law). TEDCO Employees shall always comply with all provisions of the Law.

IV. PROCEDURES FOR DISCLOSURE

1. **Disclosure.** TEDCO Personnel must at all times provide a written disclosure of any Conflicts of Interests listed in Section III of this Policy, Financial Interests or Financial Relationships held by themselves, any known Financial Interests or Financial Relationships held by a Family Member, or any other financial or non-financial interests in a company that is doing business, or being considered for business, with TEDCO (“Disclosure”). Such Disclosures must be submitted to the individual’s supervisor or other appropriate TEDCO Employee as soon as the TEDCO Personnel becomes aware that they have an obligation to make a Disclosure pursuant to this paragraph. In the case of TEDCO’s Executive Director, Disclosures must be made to TEDCO’s entire Board.
2. **Maryland Innovation Initiative.** The Maryland Innovative Initiative (“MII”) includes members from each of five participating universities, and functions to approve grants to those same institutions. It is inherent in the design of MII that a Financial Interest or Financial Relationship will be held by a member of the MII Board. In these circumstances, the member holding the Financial Interest or Financial Relationship will recuse themselves from the discussion and approval of any proposals associated with the institution in which they hold the Financial Interest or Financial Relationship.
3. **Maryland Stem Cell Research Commission.** The Maryland Stem Cell Research Commission (“MSCRC”) includes some Commissioners who are appointed and employed by the University of Maryland or the Johns Hopkins University, and functions to approve awards to grantees which may include the aforementioned universities. In each such instance, the conduct of the Commissioners is governed by MSCRC Guidelines on Disclosure and Recusal adopted on January 7, 2007, as may be amended.
4. **Contract Provision.** TEDCO shall include in any contract, appointment letter, or other form of engagement with a board or commission member, a reviewer, or a contractor, a provision that requires a Disclosure consistent with this Policy.
5. **Review Process.** Disclosures must be reviewed by TEDCO’s Executive Director or a designee, which may vary by program. In the case of a Disclosure from TEDCO’s Executive Director, the Disclosure must be reviewed by a majority of the Board.
6. **Management or Avoidance of Conflict of Interest.** Once a Disclosure is made and reviewed, an action to avoid an actual or perceived conflict of interest must be taken. Often, temporarily removing the TEDCO Personnel who holds the Financial Interest or Financial Relationship, or who has a Family Member who holds a Financial Interest or Financial Relationship, in the company from a position of influence in a decision-making process related to the company will

be sufficient. For situations in which the TEDCO Personnel cannot be removed, a documented management or oversight plan must be implemented and approved by TEDCO's Executive Director, the Attorney General's Office, and the State Ethics Commission.

7. **Records.** TEDCO's Executive Director or a designee will be responsible for retaining a file for any written Disclosure statements and any associated management or oversight plan. The file shall also contain information regarding who reviewed the Disclosure and the steps taken to avoid a potential or actual conflict of interest.