

**CONFLICT OF INTEREST POLICY FOR DIRECTORS
AND MEMBERS OF BOARD OF DIRECTORS COMMITTEES OF DUKE
UNIVERSITY HEALTH SYSTEM, INC.**

WHEREAS, the proper governance of the nation's institutions of higher learning and academic health systems depends upon governing board members and members of governing board committees who give of their time for the benefit of the organizations they serve; 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, this service nevertheless carries with it a requirement of loyalty and fidelity to the institution served, it being the responsibility of the members of the Board and of its committees to govern the institution's affairs honestly and economically, exercising their best care, skill, and judgment for the benefit of the institution; 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.

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 Directors or any Committee of the Board of Directors in which a participating Director or committee member has an interest other than the interest of Duke University Health System, Inc. ("DUHS"), including interests of family members and organizations in which the Director 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 Director to be associated with or seeking association with DUHS, whether as suppliers of goods or services, employees, faculty, students, or others, the Director 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 Director or committee member 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 that action shall also be recorded in the minutes.
2. Annually, each Director and each committee member shall be furnished an information and interest disclosure statement by the appropriate DUHS officer together with a copy of this resolution. Annually, each Director and each committee member shall disclose any possible duality or conflict of interest which might affect DUHS. This information shall be filed with and reviewed by the Health System Counsel who will confer with the DUHS Secretary as necessary. The information so disclosed shall be held in confidence except as it

may be determined by the Health System Counsel that it is in the best interest of the Health System to disclose the information to the Board of Directors.

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, 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 FURTHER RESOLVED, that the appropriate officers of DUHS 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 January 15, 2010 and replaces the policy adopted by this Board of Directors on August 21, 1998; and

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

Submitted to the Board of Directors on January 15, 2010.

Approved by the Board of Directors on January 15, 2010.

Signed: _____


Monte Brown, M.D.
Secretary

cc: Mark Gustafson
Christy Gudaitis
Colleen Shannon
Michael Somich