

# ONEBLOOD, INC.

## Conflicts of Interest and Related Party Business Transactions Policy

**A. Purpose.** The officers, directors, employees, and committee members of ONEBLOOD, INC., a Florida not for profit corporation (“OneBlood”), owe a duty of loyalty to OneBlood and have an obligation to ensure that their outside activities and interests are not unreasonably in conflict with their duties and actions with respect to OneBlood. The officers, employees, members of the board of directors and committee members, because of their varied interests and backgrounds, may be presented with situations involving a dual interest that might be interpreted as an improperly conflicting interest.

It is the policy of OneBlood to avoid improper conflicts of interest in conducting its business affairs so that the property and other assets of OneBlood will be used in full compliance with the laws, regulations, and policies applicable to the environment in which OneBlood operates. This Conflicts of Interest and Related Party Business Transactions Policy (this “Policy”) is intended to supplement, but not replace, any applicable state laws governing conflicts of interest applicable to nonprofit corporations.

### **B. Definitions.**

**(1) Related Party.** The following persons are “Related Parties” for purposes of this Policy:

**(i)** Any person who is an officer, director member of a committee with Board-delegated powers, or management-level employee (above department-head level) of OneBlood or its affiliates, or any other person who is in a position to exercise significant influence over the affairs of OneBlood or its affiliates.

**(ii)** The relative or spouse of any person listed in Paragraph B(1)(i) above, or any relative of such spouse, who is living in the same home as such person listed in Paragraph B(1)(i) above.

**(iii)** Any entity which is not a 501(c)(3) organization and in which any person listed in Paragraph B(1)(i) or Paragraph B(1)(ii) above serves as an officer, director, trustee, partner, or in which any such person has an ownership interest other than a modest ownership interest in a publicly-traded company as a regular investor.

**(iv)** Any entity wherein any person listed in Paragraph B(1)(i) or Paragraph B(1)(ii) above would have a financial interest if a Business Transaction were carried out, regardless of the person’s role with the entity.

**(2) Business Transaction.**

**(i)** The term “Business Transaction” includes any transaction in which OneBlood or its affiliates is required to make payment of any amount of consideration, whether in money, services, or property, to another party in exchange for goods, services, or intangible property or rights, regardless of the relationship of the value of such consideration given to the value of goods, services, or intangible property or rights received. The term Business Transaction also includes any transaction in which another party is required to make payment of any amount of consideration, whether in money, services, or property, to OneBlood or any of its affiliates in exchange for goods, services, or intangible property or rights, regardless of the relationship of the value of such consideration given to the value of goods, services, or intangible property or rights received.

**(ii)** A Business Transaction does **not** include the following:

**(a)** a unilateral transfer of money, services or property to OneBlood or its affiliates where no consideration is to be paid by OneBlood or its affiliates to the transferor;

**(b)** the payment by OneBlood or its affiliates to an employee of reasonable compensation for services rendered as an employee;

**(c)** the reimbursement of documented business expenses incurred by an employee or volunteer pursuant to an “accountable plan” as defined in the Internal Revenue Code of 1986, as amended from time to time (the “Code”) and the related regulations thereunder; or

**(d)** a transaction that otherwise meets the definition of a Business Transaction in Paragraph B(2)(i) above, but which involves total consideration exchanged of less than (ten thousand dollars (\$10,000)). This exception does not apply to an ongoing or multi-year contract, arrangement or series of transactions likely to ultimately result in an exchange of total consideration of at least ten thousand dollars (\$10,000). Transactions falling within this exception shall be subject to the disclosure requirements of Paragraphs D(1), F(1) and I, but not subject to the Board approval requirements of Paragraph D(2).

**(3) Conflict of Interest.** A “Conflict of Interest” is considered to arise any time a Business Transaction is entered into, or is being considered, which involves a Related Party.

**C. Examples of Defined Terms.**

**(1) Example of an Entity that is not a Related Party.** Director L owns 10,000 shares of stock in Amazon.com as a regular investor. Director L’s ownership interest in Amazon.com does not cause Amazon.com to be a Related Party.

(2) **Example of an Entity that is a Related Party.** Assume Director B would receive a commission or similar payment from ABC Real Estate Brokerage Firm if OneBlood used ABC Real Estate Brokerage Firm to sell property. ABC Real Estate Brokerage Firm would be a Related Party regardless of whether Director B is an officer, Director, trustee, partner or holder of an ownership interest in ABC Real Estate Brokerage Firm.

(3) **Example of an Entity that is not a Related Party.** Assume XYZ Communications is a provider of cellular telephone service and Director A is an employee of XYZ Communications, but not an officer, director or owner of XYZ. OneBlood procures cellular telephone service from XYZ Communications in a Business Transaction in which Director A has no financial interest (receives no commission, etc.). Director A's employment relationship with XYZ Communications does not cause XYZ Communications to be a Related Party.

(4) **Example of a Business Transaction.** A purchase by OneBlood of property valued at one hundred thousand dollars (\$100,000) for which OneBlood pays fifty thousand dollars (\$50,000) is a Business Transaction.

**D. Related Party Business Transactions.**

(1) OneBlood and its affiliates shall not enter into any Business Transactions with any Related Parties without the prior written authorization, approval or ratification by (two-thirds (2/3)) of the directors of OneBlood who are not Related Parties with respect to, and will not have a financial interest in, the Business Transaction.

(2) Any existing or proposed Business Transaction with any Related Party shall be fully disclosed by the Related Party in writing to the Board. The disclosure shall include all relevant facts and details regarding the transaction, including, without limitation: (a) the name of the Related Party, (b) the nature of the relationship, (c) the nature of each transaction, (d) copies of any contracts or agreements and (e) the amount and nature of consideration paid or to be paid by OneBlood and its affiliates to the Related Party or by the Related Party to OneBlood or its affiliates. The Board may authorize, approve or ratify the "Business Transaction" by a vote of two-thirds (2/3) of the directors who are not Related Parties with respect to, and will not have a financial interest in, the Business Transaction. OneBlood and its affiliates shall diligently seek to expeditiously terminate any existing unauthorized Business Transactions with any Related Party, while mitigating any potential adverse financial or legal impact to OneBlood.

**E. Business Transactions with Former Related Parties.** Business Transactions being considered between OneBlood or its affiliates and any person or entity that constituted a Related Party during a two-year period immediately preceding the date of consideration must also be approved by the Board in the manner set forth in Paragraph D(2) herein. In considering such transactions for approval, the Board shall evaluate the relevant facts as well as the disclosures which may be required on federal information returns and other regulatory or public documents.

**F. Procedures.**

**(1) Duty to Disclose.** Prior to commencing the duties that would cause an individual to be covered by this Policy, and at least annually thereafter, every person who is an officer, Director, member of a committee with Board-delegated powers, or management-level employee (above department-head level) of OneBlood or its affiliates shall submit in writing to the Board a statement of the type described in Paragraph I of this Policy. Each such person shall have the continuing duty to update such disclosures in the event of a change of facts or knowledge. No party covered by this Policy shall knowingly permit a Business Transaction to be entered into with a Related Party that is in violation of this Policy, and parties covered by this Policy shall take affirmative steps to report in writing to the chairperson of the Board (“Board Chair”) the relevant facts of a proposed transaction under consideration if such person believes that the proposed transaction may violate this Policy.

**(2) Determining Whether a Business Transaction with a Related Party Exists and Procedures for Addressing such Transaction.** In the event that any person covered by this Policy is unsure as to whether an existing or proposed arrangement constitutes or would constitute a Business Transaction with a Related Party, such person may request the Board Chair to have the Governance and Regulatory Committee make a recommendation on the matter. If the matter is referred by the Board Chair to the Governance Committee, the Governance Committee shall issue a recommendation on the matter which shall be decided by the full Board, whose decision shall be final. In considering the matter, any member of the Governance Committee with an interest in the outcome of the matter shall be recused from the discussion and voting on the matter in his or her capacity as a member of the Governance Committee. However, the Governance Committee may afford any party covered by this Policy an opportunity to present arguments as part of its process in making a determination.

**(3) Violations of the Related Party Transactions Policy.** Upon determination by the Board that a party covered by this Policy has violated this Policy, the Board shall take appropriate disciplinary and corrective action.

**G. Periodic Reviews.** To ensure that OneBlood operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews of compliance with this Policy shall be conducted.

**H. Use of Outside Experts.** In conducting the periodic reviews provided for in Paragraph G, OneBlood may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

**I. Annual Statements.** Each Director, officer, member of a committee with board-delegated powers, and management-level employee (above department-head level) of OneBlood or its affiliates shall annually sign a statement which discloses all Business Transactions with Related Parties of which such person is aware and affirms that such person:

- (1)** has received a copy of this Policy;

(2) has received a copy of OneBlood's Code of Ethics and Standards of Personal Conduct;

(3) has received a copy of OneBlood's Whistleblower Policy;

(4) has received a copy of OneBlood's Confidentiality Policy and Agreement for the Board of Directors;

(5) has read and understands areas to comply with and is in compliance with the policy documents listed in Subparagraphs I(1) - I(4);

(6) understands that OneBlood is a charitable 501(c)(3) organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Such person shall have a continuing duty to update his or her annual statement in the event of a change of facts or knowledge that would affect such answers or affirmations.