

**MISSOURI TECHNOLOGY CORPORATION
CONFLICT OF INTEREST POLICY**

ARTICLE I
Purpose

The purpose of the Conflict of Interest Policy is to protect the interest of the Missouri Technology Corporation (the “Organization”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization (or other person listed below) or might result in a possible excess benefit transaction. A “conflict of interest” is defined as a conflict between an interest in, or duty owed to, one party and an interest in, or duty owed to, a second party (where a party could be an organization, a person, including oneself, or the general public). “Interests” for purposes of the preceding sentence are not limited to financial interests, but also include personal and professional interests. This Policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable organizations. This Policy amends and restates the Organization’s existing policy and is effective as of June 28, 2013.

ARTICLE II
Definitions

1. Interested Person

An “interested person” is any Organization director, officer, manager, employee, counsel, key contractor,¹ or member of a committee with governing board-delegated powers.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (a) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- (b) A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

¹ A “key contractor” is a vendor doing more than \$5,000 of business annually with the Organization.

3. Existence of an Interest

A financial or other interest does not necessarily create a conflict of interest. Under Article III, a person has a conflict of interest only if the disinterested members of the audit committee (or, potentially, the Board of Directors) decide that a conflict of interest exists.

ARTICLE III **Procedures**

1. Duty to Disclose

In connection with any actual or potential conflict of interest, an interested person (except counsel, to the extent prohibited by applicable rules of professional conduct) must disclose the interest and the material facts related to such person's interest in the proposed transaction. The disclosure must be made to the audit committee, the Chairperson of the Board of Directors and the Executive Director. Any real or perceived conflict of interest raised by an interested person shall be reviewed and considered as set forth in Sections 2 and 3 of this Article.

2. Determining Whether a Conflict of Interest Exists

After a person who has an actual or potential conflict of interest discloses the interest and the material facts related to the transaction as provided above that person shall recuse himself or herself from any further discussions relating to the proposed transaction and any vote on such transaction and shall, if requested, leave any meeting for the duration of any further discussions, until action on the matter related to such interest is taken by the disinterested members of the audit committee or the Board of Directors. Without limiting the generality of the foregoing, a person who is affiliated with a not-for-profit entity to which the Organization proposes to provide funding ordinarily should be deemed an interested person with respect to that funding transaction and should recuse himself or herself from the applicable discussions and vote on any such funding transaction.

The disinterested members of the audit committee or the full Board of Directors will review the information disclosed under this Policy and determine the proper level of investigation required as set forth in Section 3 of this Article.

Notwithstanding anything to the contrary in this Policy, the disinterested members of the Board of Directors may review the information disclosed under this Policy and take such action as it deems necessary to determine if a conflict of interest exists. From time to time, the Organization may consider providing financial assistance under a program (such as the IDEA Fund), where multiple merit-based decisions are made independently by the Organization's staff, Board of Directors and committees thereof ("Merit-Based Programs"). Without limiting the generality of the foregoing, with respect to Merit-Based Programs, recusal of an interested person (after disclosure of such person's interest) from all discussions and voting on any action related thereto and approval by a majority of the disinterested persons shall be sufficient for compliance with this Policy.

With respect to any transaction involving federal funds provided pursuant to the State Small Business Credit Initiative ("SSBCI"), the Organization's staff will confirm the transaction complies

with all of the requirements and limitations of the SSBCI program, including the conflicts of interest requirements, and will provide a report to the Board of Directors that evidences the Organization's staff's analysis of the related party prohibitions as defined in 12 C.F.R. 215. If such report identifies the existence of any related party, the Organization shall not provide any financial assistance to the applicant using funds provided by SSBCI. For avoidance of doubt, recusal shall not be sufficient action to resolve any actual or potential conflict of interest in connection with consideration of, or a vote on, providing financial assistance using funds provided by SSBCI in instances where there is a related party relationship as defined in 12 C.F.R. 215.

3. Procedures for Addressing the Conflict of Interest

(a) If the disinterested members of the audit committee so request, an interested person may make a presentation to the audit committee. After the presentation, the interested person shall recuse himself or herself from any further discussions relating to the proposed transaction and any vote on such transaction.

(b) If the audit committee determines that, in view of the recusal of the interested person as set forth in Section 3(a) above, the decision on the subject matter can be made by the disinterested members free of any actual or potential conflict of interest, such determination shall be noted in the minutes of the meeting and no further formal procedures will be required. If the audit committee determines that despite such recusal a conflict of interest will continue to exist, the audit committee shall follow the procedures outlined in Sections 3(c) through (f) of this Article.

(c) If deemed advisable by the audit committee, the chairperson of the audit committee shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(d) After exercising due diligence (including consideration of any recommendation of a disinterested person or committee appointed pursuant to Section 3(c) of this Article), the audit committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(e) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the audit committee shall determine by a majority vote of the disinterested committee members whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether it is advisable to enter into the transaction or arrangement.

(f) The audit committee shall report its decisions under this Section 3 to the Board periodically.

4. **Violations of the Conflict of Interest Policy**

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

(b) If, after considering the interested person's response and after making further investigation as the audit committee deems warranted by the circumstances, the audit committee determines the interested person has failed to disclose an actual or possible conflict of interest, it shall relate such determination to the executive committee.

(c) If the executive committee has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest and such failure has not been investigated by the audit committee, the executive committee shall direct the audit committee to perform the procedures in Sections 4(a) and (b) of this Article.

(d) Upon reviewing the determination and recommendation of the audit committee, the executive committee shall decide whether to take disciplinary and/or corrective action. The executive committee may repeat any of the procedures taken by the audit committee as set forth in this Article 4 or take such other actions it deems necessary to inform its decision.

(e) The executive committee shall report its decisions under this Section 4 to the Board periodically.

ARTICLE IV **Records of Proceedings**

The minutes of the governing board and all committees with board-delegated powers (subject to R.S. Mo. Chapter 610) shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the audit and executive committees' decision(s) 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, a summary of the content of the discussion, including (if applicable) any alternative to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

Notwithstanding the foregoing, the minutes of a meeting of the Board of one of its committees at which action is taken in respect of a Merit-Based Program where a director or officer of the Organization has an interest shall be sufficient for compliance with this Policy if they identify the interested person, recite that such person was recused from the applicable discussion and/or vote, and the action was approved by a majority of the disinterested directors. For avoidance of doubt, in

such circumstances the minutes will not be required to include the more detailed information set forth in clauses (a) and (b) above.

ARTICLE V
Compensation

Compensation shall be determined in accordance with the procedures set forth in the Organization's compensation policy, where applicable. The following provisions shall be followed to avoid conflicts of interest when following the compensation policy.

- (a) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- (c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI
Annual Statements

Each interested person shall annually sign a statement which affirms such person:

- (a) Has received a copy of this Policy,
- (b) Has read and understands this Policy,
- (c) Has agreed to comply with this Policy, and
- (d) Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

In addition, on such statement, each interested persons shall disclose or update his or her interests that could give rise to a conflict of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations and those of family members.

ARTICLE VII
Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its performance, reputation or tax-exempt status, regular and consistent reviews (at least annually) shall be conducted by the audit committee. The reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investments or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- (c) Whether the Board of Directors and all committees with board-delegated powers are properly implementing this Policy.
- (d) Whether any improvements should be made to this Policy.

ARTICLE VIII
Use of Outside Experts

When complying with this Policy, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility under this Policy.

