

Myrtle Beach Downtown Alliance Inc.

Conflict of Interest Policy for Directors, Officers and Key Employees

Myrtle Beach Downtown Alliance Inc. (“Corporation”) is an organization whose directors, officers, and key employees (“Covered Persons”) are responsible for serving the public purposes to which the Corporation is dedicated. These persons have a duty to conduct the affairs of the Corporation in a manner consistent with those purposes and not to advance their personal interests. The purpose of this Conflict of Interest Policy (“Policy”) is to set forth procedures to assist the Corporation and its Covered Persons to identify, evaluate, report, and address any real, potential or apparent conflicts of interest that might, in fact or in appearance, call into question their duty of undivided loyalty to the Corporation.

1. Covered Transactions

This Policy applies to the following Covered Transactions:

- (a) transactions between the Corporation and a Covered Person;
- (b) transactions between the Corporation and an Affiliated Entity or a Family Member of a Covered Person; and
- (c) transactions in which the interests of a Covered Person may appear to be advanced, or may compete with the Corporation’s interests, or otherwise may appear to affect their objectivity or independence in fulfilling their duties to the Corporation.

For purposes of this Policy, the following definitions apply:

- “Affiliated Entity” means an entity in which the Covered Person has a material financial interest – including entities in which the Covered Person (and his or her Affiliated Entity and Family Members) owns, in the aggregate, more than 35% (or, in the case of a partnership or a professional corporation, has a direct or indirect interest of more than 5%), or an entity in which the Covered Person is a director, trustee, officer, or employee.
- “Family Member” means a spouse, sibling, ancestor, child, grandchild, great-grandchild, or spouse of a sibling, child, grandchild or great-grandchild.

2. Disclosure, Refrain from Influence, and Recusal

When a Covered Person becomes aware of a proposed Covered Transaction, he or she shall have a duty to immediately disclose the existence and material facts concerning the Covered Transaction to the chair of the Board.

A Covered Person who has an interest in a current or proposed Covered Transaction shall:

- (a) refrain from using his or her personal influence to affect the Corporation’s decision to enter into the Covered Transaction or make any attempt to influence the deliberations or voting on the Covered Transaction; and

- (b) excuse himself or herself from attendance and participation during the portion of any meeting with any discussions, deliberations, voting, or decisions regarding the Covered Transaction with directors, officers and employees of the Corporation, except to respond to requests for information about the Covered Transaction.

3. Procedure for Approval of Covered Transactions

The Corporation may enter into a Covered Transaction when the Board, or an authorized Board committee, determines that the Covered Transaction is fair and reasonable and in the best interests of the Corporation. In making its determination, the Board may consider factors such as (a) market data on comparable transactions, (b) alternative transactions that do not involve a conflict, and (c) whether the Covered Transaction may be subject to any federal or state laws that apply to such transactions.

The Board, or an authorized Board committee, shall contemporaneously document the basis for its determination in the minutes of the meeting(s) at which the Covered Transaction is considered. The documentation should include, to the extent applicable, any documents reviewed, expert advice received, consideration of alternatives, comparative costs or bids, market value information and similar information relied on to support the determination, and the names of the persons who were present for discussions and votes relating to the Covered Transaction.

4. Conflict of Interest Questionnaire

Each Covered Person must acknowledge that he or she has read and is in compliance with this Policy and complete a Conflict of Interest Questionnaire (the form of which is attached to this Policy) prior to taking office or beginning employment and annually thereafter. Each Covered Person shall update the Questionnaire as necessary to reflect changes during the course of the year. Completed Questionnaires should be submitted to the chair of the Board.

5. Administration of Policy

This Policy shall be administered by the Board, or an authorized Board committee, which shall be responsible for the following:

- (a) reviewing reports regarding the Conflict of Interest Questionnaires;
- (b) receiving disclosures of current or proposed Covered Transactions;
- (c) reviewing proposed Covered Transactions to determine whether they meet the above-described standard; and
- (d) maintaining minutes and such other documentation as may be necessary and appropriate to document its review of Covered Transactions.

A copy of this Policy shall be furnished to each director, officer and key employee who is currently serving the Corporation, or who may hereafter become associated with it. New directors, officers and key employees shall be given a copy of this Policy prior to undertaking the duties of such office.

The Board may amend this Policy.

Adopted by the Board on June 10, 2021.

Myrtle Beach Downtown Alliance Inc.

Conflict of Interest Questionnaire

Myrtle Beach Downtown Alliance Inc. (“Corporation”) requires each director, officer, and key employee annually to (1) review the Corporation’s Conflict of Interest Policy (“Policy”); (2) disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest; and (3) acknowledge that he or she is acting in accordance with the letter and spirit of the Policy. Please respond to the following questions to the best of your knowledge; use an additional page if necessary.

1. Are you aware of any current or proposed Covered Transactions (as defined in the Policy) or any other transactions between the Corporation and you, a Family Member, or an Affiliated Entity (each as defined in the Policy)? If so, please describe.

2. Are you aware of any other relationships, arrangements, transactions or matters involving the Corporation which could create a conflict of interest or the appearance of a conflict? If you are aware of any of the above, please describe.

3. Please list your Affiliated Entities (including entities affiliated through a Family Member), and any other entities in which you have an economic interest, that by their nature or purposes might seek to enter into a transaction with the Corporation.

I have received and read the Corporation’s Conflict of Interest Policy. I am currently, and agree to remain, in compliance with the Policy.

Date

Signature

Printed Name

Please return this document to _____ in person or via email at _____.