

VILLA INTERNATIONAL ATLANTA, INC.
CONFLICT OF INTEREST POLICY AND PROCEDURE

Date Adopted: July 19, 2023

ARTICLE I

Purpose

Villa International Atlanta, Inc. (the "Organization") aspires to achieve the highest levels of professional excellence and service to the public in accomplishing its mission and goals. As a nonprofit, tax-exempt organization, the Organization is operated exclusively for charitable purposes, and it must observe the highest ethical standards. The purpose of this Conflict of Interest Policy and Procedure (the "Policy") is to protect the Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit (or appear to benefit) the private interest of a director, officer, Committee Member, employee, or volunteer of the Organization. This Policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

ARTICLE II

Definitions

1. Committee

A Committee is a committee with board designated powers created by the board of directors of the Organization.

2. Committee Member

A Committee Member is a member of a Committee.

3. Conflict of Interest

A Conflict of Interest arises when a person in a position to exercise substantial influence over the organization, such as a director, officer, Committee Member, employee or volunteer, may benefit personally from a decision the board of directors or a Committee, as applicable, could make.

4. Family Member

Family Members include an Interested Person's brothers and sisters (including half siblings and step-siblings), children, grandchildren and great grandchildren (including step-children, step-grandchildren, and step-great grandchildren), ancestors (parents, grandparents, etc., including step-

parents and step-grandparents) and spouses (of the person and any person in the foregoing categories). Family Members also include siblings, descendants and ancestors by adoption and by marriage. If a person qualifies as a Family Member of an Interested Person's spouse, then that person shall be considered the Interested Person's Family Member.

5. Interest

A person has an Interest if the person, directly or indirectly, through business, investment or a Family Member –

- a. has more than a 35% ownership or investment interest in any Vendor or is a Vendor;
- b. has a compensation arrangement with any Vendor;
- c. has a potential ownership or investment interest of more than 35% in, or a compensation arrangement with, any Vendor with which the Organization is negotiating a transaction or arrangement;
- d. is a director, officer, employee or independent contractor of any Vendor;
- e. has a non-ownership financial interest (e.g. loans, advances) in any Vendor; or
- f. has or has had a business transaction with any Vendor in the last twelve months.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

An Interest is not necessarily a Conflict of Interest. Under Article III, Section 4, a person who has an Interest may have a Conflict of Interest only if the appropriate board or Committee decides that a Conflict of Interest exists.

6. Interested Person

An Interested Person is any director, officer, Committee Member, employee or volunteer who has a direct or indirect Interest.

7. Vendor

A Vendor is a company, nonprofit, or individual that currently has or has had a financial transaction and/or arrangement (including but not limited to sales of goods, performance of services, joint ventures, leases and licenses) with the Organization in the last twelve months. Notwithstanding the foregoing, an Interested Person who receives compensation or has received compensation from the Organization in the last twelve months is defined as a Vendor for the purposes of this Policy regardless of the amount of compensation received. Excluded from this definition are employees where the financial

transaction or arrangement is employee wages and donors and sponsors where the financial transaction or arrangement is the payment of the donation or sponsorship.

ARTICLE III

Procedures

1. Duty to Disclose

In connection with any actual or possible Conflicts of Interest, an Interested Person must disclose the existence of his or her Interest, as well as any Family Member's Interest, to the board of directors or a Committee, as applicable, and must be given the opportunity to disclose all material facts to the board or Committee considering the proposed transaction or arrangement.

2. Distribution of Policy and Procedures

This Policy shall be presented and discussed annually for the information and guidance of officers, directors, Committee Members, employees and volunteers. An Annual Statement Regarding Conflict of Interest Policy and Procedure, attached as EXHIBIT A (the "Annual Statement"), shall be furnished to and completed by each director, officer, Committee Member, employee and volunteer. Any new officers, directors, Committee Members, employees and volunteers shall receive from the Executive Director a copy of this Policy and an Annual Statement to complete upon undertaking the duties of such office.

3. Disclosure Procedures

- a. Each director, officer, Committee Member, employee and volunteer shall receive and be required to complete and sign the Annual Statement not more than 90 days from the start of the fiscal year.
 - i. Interested Persons shall disclose his or her Interests, if any, with Vendors during the twelve months that ended.
 - ii. Interested Persons shall also disclose any Family Member's Interests with Vendors during the twelve months that ended.
 - iii. Each Interested Person shall also sign the Annual Statement affirming such person:
 - i. has received a copy of the Policy;
 - ii. has read and understood the Policy;
 - iii. has agreed to comply with the Policy;
 - iv. understands that 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; and

- v. has answered the questions in the Annual Statement completely and honestly regarding the Interested Person's relationship or any Family Member's relationship, if any, with Vendors.
 - b. Directors, officers, Committee Members, employees and volunteers must immediately contact the Executive Director of the Organization under the following circumstances:
 - i. Upon finding that such director, officer, Committee Member, employee, volunteer or a Family Member has an Interest that creates, or might create, a Conflict of Interest;
 - ii. Upon entering into any relationship that might involve a Conflict of Interest with the Organization; or
 - iii. Upon learning that another director, officer, Committee Member, employee or volunteer or that person's Family Member has an Interest that creates, or might create, a Conflict of Interest.
 - c. From time to time, the Organization may enter into a financial transaction or arrangement with new Vendors.
 - i. When the Organization plans to enter into a financial transaction or arrangement with a potential Vendor, the financial transaction or arrangement will be presented to the board or a Committee of the Organization, as applicable, for approval if such transaction or arrangement exceeds the threshold of \$1,000.
 - ii. At that time, the Chair of the board or Committee, as applicable, will ask if any director, officer, Committee Member, employee or volunteer has an Interest in the entity in question, and the board or Committee shall address the situation in the meeting pursuant to this Policy.
 - iii. Then on an annual basis, the Organization shall, in preparation for the annual board meeting, update the Annual Statement to reflect all Vendors.
 - iv. The updated Annual Statement will then be reviewed by the directors, officers, Committee Members, employees and volunteers when completing and signing their Annual Statements.

4. Determining and Addressing a Conflict of Interest

- a. After an Interested Person discloses an Interest, including a Family Member's Interest, and presents all material facts to the board or Committee, as applicable, the board or Committee shall identify, investigate, and determine if there is a Conflict of Interest regarding the Interested Person. If a Conflict of Interest exists, the Interested Person shall not participate in the decision-making related to this transaction or arrangement.

- b. The Chair of the board or Committee shall, if appropriate, appoint a disinterested person or a separate committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the board or Committee shall determine whether the Organization can obtain a more advantageous transaction or arrangement with reasonable efforts from a potential Vendor that would not give rise to a Conflict of Interest.
 - d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the board or Committee shall determine by a majority vote of the disinterested directors or members whether the transaction or arrangement is in the Organization's best interest and for its own benefit and whether the transaction is fair and reasonable to the Organization and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.
5. Violations of the Conflict of Interest Policy and Procedure
- a. If the board or Committee has reasonable cause to believe that an Interested Person has failed to disclose actual or possible Interests, including any Family Member's Interests, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.
 - b. If, after hearing the response of the Interested Person and making such further investigation as may be warranted in the circumstances, the board or Committee determines that the Interested Person has in fact failed to disclose an actual or possible Interest, including any Family Member's Interests, it shall take appropriate disciplinary and corrective action.

ARTICLE IV

Records of Proceedings

The minutes of the board of directors and all Committees shall contain:

- 1. The names of the persons who disclosed or otherwise were found to have an Interest in connection with an actual or possible Conflict of Interest, the nature of the Interest, any action taken to determine whether a Conflict of Interest was present, and the board's or Committee's decision as to whether a Conflict of Interest in fact existed; and
- 2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

ARTICLE V

Compensation

Notwithstanding the foregoing, if a director, officer, or Committee Member receives compensation from the Organization in any amount, the board or Committee should follow the procedures laid out in ARTICLES III and IV of this Policy and such person is precluded from voting on matters pertaining to that compensation.

ARTICLE VI

Confidentiality

1. The Organization shall maintain the confidentiality of any disclosures made in connection with this Policy and limit access to the information.
2. Each director, officer, employee, and volunteer shall exercise care not to use, publish, or disclose confidential information acquired in connection with disclosures of actual, potential, or perceived Conflicts of Interest during or subsequent to his or her employment, participation as a volunteer, or participation on the board of directors.

EXHIBIT A
**ANNUAL STATEMENT REGARDING CONFLICT OF INTEREST POLICY AND
 PROCEDURE**

This Annual Statement Regarding Conflict of Interest Policy (the “Annual Statement”) requires disclosure of certain Interests by officers, directors, Committee Members, employees and volunteers of Villa International Atlanta, Inc. (the "Organization"). It is not uncommon to have these Interests, but it is important to make known these Interests to the Organization. Use this document to disclose whether you or your Family Members have certain affiliations, interests or relationships with outside organizations.

1. Contact Information of Director, Officer, Committee Member, Employee or Volunteer.

Last Name: _____ First Name: _____ MI: _____

Home Address: _____

2. Outside Affiliations.

In accordance with the Conflict of Interest Policy and Procedure (the “Policy”), please disclose any Interest or relationship that you have with a Vendor listed below that presents a potential Conflict of Interest in the last twelve months that ended [INSERT END OF FISCAL YEAR DATE]. For the purposes of the Policy, an Interested Person who receives compensation or has received compensation from the Organization in the last twelve months that ended [INSERT END OF FISCAL YEAR DATE] is defined as a Vendor regardless of the amount of compensation received.

- A. With the list of Organization’s Vendors listed below, please put an “X” next to each Vendor where you:
- i. Have more than a 35% ownership or investment interest in any Vendor or are a Vendor;
 - ii. Have a compensation arrangement with any Vendor;
 - iii. Have a potential ownership or investment interest of more than 35% in, or compensation arrangement with, any Vendor with which the Organization is negotiating a transaction or arrangement;
 - iv. Are an officer, director, employee or independent contractor of any Vendor;
 - v. Have a non-ownership financial interest (e.g. loans, advances) in any Vendor; or
 - vi. Have or have had a business transaction with any Vendor in the last twelve months that ended [INSERT END OF FISCAL YEAR DATE].
- B. Additionally, please provide the type of Interest or relationship you have with each Vendor in the space provided below, if any. You may use the choices from Section 2A above.

Vendor Name	Affiliation? (Place an “X” if Affiliation)	Type of Relationship You Have with Vendor

3. Family Affiliations.

A “Family Member” is defined as: a person’s brothers and sisters (including half siblings and step-siblings), children, grandchildren and great grandchildren (including step-children, step-grandchildren, and step-great grandchildren), ancestors (parents, grandparents, etc., including step-parents and step-grandparents) and spouses (of the person and any person in the foregoing categories). Family Members also include siblings, descendants and ancestors by adoption and by marriage. If a person qualifies as a Family Member of an Interested Person’s spouse, then that person shall be considered the Interested Person’s Family Member.

In accordance with the Policy, please disclose any Interest or relationship your Family Members have with a Vendor listed below, if any, that presents a potential Conflict of interest for you in the last twelve months that ended [INSERT END OF FISCAL YEAR DATE].

A. With the list of Organization’s Vendors listed below, please put an “X” next to each Vendor where to the best of your knowledge a Family Member:

- i. Has more than a 35% ownership or investment interest in any Vendor or is a Vendor;
- ii. Has a compensation arrangement with any Vendor;
- iii. Has a potential ownership or investment interest of more than 35% in, or compensation arrangement with, any Vendor with which the Organization is negotiating a transaction or arrangement;
- iv. Is an officer, director, employee or independent contractor of any Vendor;
- v. Has a non-ownership financial interest (e.g. loans, advances) in any Vendor such as a loan or cash advances; or

Has or has had a business transaction with any Vendor in the last twelve months that ended [INSERT END OF FISCAL YEAR DATE].

B. Additionally, please disclose the identity of each interested Family Member and provide what type of relationship your Family Member has with each Vendor in the space provided below, if any. You may use the choices from Section 3A above.

Vendor Name	Family Affiliation? (Place an “X” if Yes)	Name of Family Member	Type of Relationship Family Member Has with Vendor

EXHIBIT B
**ANNUAL STATEMENT REGARDING CONFLICT OF INTEREST POLICY AND
PROCEDURE
FOR PUBLIC DISCLOSURE**

In order to comply with the Annual Statement provision of the Conflict of Interest Policy and Procedure (the "Policy") adopted by the Organization on July 19, 2023, the undersigned director, officer, Committee Member, employee or volunteer hereby affirms as follows:

- a.** I have received a copy of the Policy,
- b.** I have read and understand the Policy,
- c.** I have agreed to comply with the Policy, and
- d.** I understand 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.
- e.** I have answered the questions above completely and honestly regarding my relationship and any Family Member's relationship, if any, with any listed Vendor.

Signed: _____

Name: _____

Title: _____

Date: _____