

## **International Guild of Miniature Artisans, Ltd.**

### **CONFLICT OF INTEREST POLICY**

#### **Article I: Purpose**

This conflict of interest policy is designed to foster public confidence in the integrity of the International Guild of Miniature Artisans, Ltd. (IGMA or “the Guild”) and to protect the Guild’s interest when it is contemplating entering a transaction or plan (defined below) that might benefit the private interest of a Trustee, a corporate officer, the top management or top financial official, or a key employee (defined below).

This policy is not intended to remove the right of the Trustees, officers, top management or key employees to do business with IGMA, but rather to make sure that those interested parties are not a part of the decisions regarding those plans or transactions.

#### **Article II: Definitions**

The following are considered “*insiders*” for the purposes of this policy:

1. Each member of the Board of Trustees.
2. The president, chief executive officer, chief operating officer, treasurer and chief financial officer, executive director, or any person with the responsibilities of any of these positions (whether or not the person is an officer of the Guild under the IGMA Bylaws).
3. Any key employee, meaning an employee who (a) has responsibilities or influence over the organization similar to that of officers, directors, or trustees; **or** (b) manages a program that represents 10% or more of the activities, assets, income, or expenses of the organization; **or** (c) has or shares authority to control 10% or more of the organization’s capital expenditures, operating budget, or compensation for employees.

*Interest* means any commitment, investment, relationship, obligation, or involvement, financial or otherwise, direct or indirect, that may influence a person’s judgment, including benefit, receipt of compensation from the Guild, a sale, loan, or exchange transaction with the Guild.

*A conflict of interest* is present when, in the judgment of the Board of Trustees, an insider's stake in any decision is such that it reduces the likelihood that an insider's influence can be exercised impartially in the best interests of the Guild and not for purposes of their own benefit.

*Transaction* means any transaction, agreement, or arrangement between an insider and the Guild, or between the Guild and any third party where an insider has an interest in the transaction or any party to it.

*Plan* means any proposed change to the bylaws, guidelines, or other governing document, or course of action considered where an insider or their business can benefit from the change or event in ways other IGMA members may not.

### **Article III: Procedures**

#### *1. Duty to Disclose*

Each insider shall disclose to the Board all material facts regarding his or her interest in the plan or transaction, promptly upon learning of the proposed plan or transaction.

#### *2. Recusal of Self*

Any insider may recuse himself or herself at any time from involvement in any decision or discussion in which the insider believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

#### *3. Determining Whether a Conflict of Interest Exists*

With regard to an insider, the Board shall determine if a conflict of interest exists. The insider(s) and any other interested person(s) involved with the plan or transaction shall not be present during the Board's discussion or determination of whether a conflict of interest exists, except as provided in Article IV below.

#### *4. Procedures for Addressing a Conflict of Interest*

The Board shall follow the procedures set forth in Article IV in order to decide what measures are needed to protect the Guild's interests in light of the nature and seriousness of the conflict, to decide whether to enter into the plan or transaction and, if so, to ensure that the terms of the plan or transaction are appropriate.

### **Article IV: Review by the Board**

The Board may ask questions of and receive presentation(s) from the insider(s) and any other interested person(s), but shall deliberate and vote on the plan or transaction in their absence. The Board shall ascertain that all material facts regarding the plan or transaction and the insider's conflict of interest have been disclosed to the Board and shall compile appropriate data, such as comparability studies, to determine fair market value for the transaction.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Board shall determine whether the plan or transaction is in the Guild's best interest, for its own benefit, and whether it is fair and reasonable to the Guild; the majority of disinterested members of the Board then in office may approve the plan or transaction.

#### **Article V: Records of Proceedings**

The minutes of any meeting of the Board pursuant to this policy shall contain the name of each insider who disclosed or was otherwise determined to have an interest in a plan or transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; any alternative transactions considered; the members of the Board who were present during the deliberations on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

#### **Article VI: Annual Disclosure and Compliance Statements**

Each trustee, officer, committee member, and each key employee of the Guild, shall annually sign a statement on the form attached, that:

- affirms that the person has received a copy of this conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy; and
- discloses the person's financial interests and family relationships that could give rise to conflicts of interest.

#### **Article VII: Violations**

If the Board has reasonable cause to believe that an insider of the Guild has failed to disclose actual or possible conflicts of interest, including those

arising from a plan or transaction with a related interested person, it shall inform such insider of the basis for this belief and afford the insider an opportunity to explain the alleged failure to disclose. If, after hearing the insider's response and making further investigation as warranted by the circumstances, the Board determines that the insider has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

### **Article VIII: Annual Reviews**

To ensure that the Guild operates in a manner consistent with its status as an organization exempt from federal income tax, the Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.

## International Guild of Miniature Artisans

### CONFLICT OF INTEREST POLICY: ACKNOWLEDGMENT AND FINANCIAL INTEREST DISCLOSURE STATEMENT

The International Guild of Miniature Artisans (The Guild or IGMA) follows a conflict of interest policy designed to foster public confidence in our integrity and to protect our interest when we are contemplating entering a transaction or plan that might benefit the private interest of a trustee, an officer, committee members or any of our key employees.

#### Part I. Acknowledgment of Receipt

I hereby acknowledge that I have received a copy of the conflict of interest policy of the International Guild of Miniature Artisans, have read and understood it, and agree to comply with its terms.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**Part II. Disclosure of Financial Interests**

The International Guild of Miniature Artisans is required, annually, to file Form 990 with the Internal Revenue Service, and the form we file is available to the public. To complete Form 990 fully and accurately, we need each officer, Trustee and key employee to disclose the information requested in this Part II.

A “conflict of interest,” for purposes of Form 990, arises when a person in a position of authority over an organization, such as an officer, trustee, committee chairperson, or key employee, may benefit financially or otherwise from a decision he or she could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.

**Part II** Please check ONE of the following boxes:

- My interests and relationships have not changed since my last disclosure of interests. [Proceed to signature block below. Do not complete the tables.]

**OR**

- I hereby disclose or update my interests and relationships that could give rise to a conflict of interest: [Complete the table below. Use additional pages as needed.]

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grand-children, and spouses/ domestic partners of brothers, sisters, children, grandchildren, and great grandchildren	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with the Organization	
Transactions or affiliations with other nonprofit organizations	
Substantial business or investment holdings	
Transactions or affiliations with businesses not listed above	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name