

**AMENDED AND RESTATED**  
**CONFLICT OF INTEREST POLICY AND AGREEMENT**

THE OPTIMIST CLUB OF COOPER CITY INC., a Florida not-for-profit corporation (“Club”)

**ARTICLE I**

**PURPOSES**

It is important for the Directors, Officers, and staff of the Club to be aware that both real and apparent conflicts of interest or dualities of interest sometimes occur in the course of conducting the affairs of the Club and that the appearance of conflict can be troublesome even if there is in fact no conflict whatsoever. Conflicts occur because the many persons associated with the Club should be expected to have, and do in fact generally have, multiple interests and affiliations and various positions of responsibility within the community. In these situations, a person will sometimes owe identical duties of loyalty to two or more corporations. The purpose of the conflict-of-interest policy is to protect the Club’s tax-exempt interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Club or might result in a possible excess benefit transaction. The policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Conflicts are undesirable because they potentially or eventually place the interests of others ahead of the Club’s obligations to its charitable purposes and to the public interest. Conflicts are also undesirable because they often reflect adversely upon the person involved and upon the institutions with which they are affiliated, regardless of the actual facts or motivations of the parties. However, the long-range best interests of the Club do not require the termination of all association with persons who may have real or apparent conflicts that are harmless to all individuals or entities involved.

Each Director, Officer, and staff member of the Club has a duty of loyalty to the Club. The duty of loyalty generally requires an interested person to prefer the interests of the Club over their own interest or the interests of others. In addition, interested persons shall avoid acts of self-dealing which may adversely affect the tax-exempt status of the Club or cause there to arise any sanction or penalty by a governmental authority.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of Committees with Board delegated powers considering the proposed transaction or arrangement.

## ARTICLE II

### DEFINITIONS

#### 2.1 Interested Person

Any Director, Officer, or member of a Committee with Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

#### 2.2 Financial Interest

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

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

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

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board or appropriate Committee decides that a conflict of interest exists.

## ARTICLE III

### PROCEDURES

3.1 Duty to Disclose In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of Committees with Board delegated powers who are considering the proposed transaction or arrangement.

3.2 Determining Whether a Conflict of Interest Exists After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Committee meeting while the determination of a conflict of

interest is discussed and voted upon. The remaining Directors or, if applicable, Committee members, shall decide if a conflict of interest exists.

### 3.3 Procedures for Addressing the Conflict of Interest

- (a) An interested person may make a presentation at a Board or Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- (b) The President or, if applicable, the Committee chairperson, shall, if appropriate, appoint a disinterested person or other Committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board or a Committee shall determine whether the Club 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.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Club'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 to enter into the transaction or arrangement.

### 3.4 Violations of the Conflicts of Interest Policy

- (a) If the Board or a Committee has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform such interested person of the basis for such belief and afford an opportunity to explain the alleged failure to disclose.
- (b) If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board or a Committee determines the interested person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## ARTICLE IV

### RECORDS OF PROCEEDINGS

The minutes of the Board and all Committees with Board delegated powers shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board or Committee's decision 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, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings including any abstentions.

## ARTICLE V

### COMPENSATION

5.1 A voting member of the Board who receives compensation, directly or indirectly, from the Club for services is precluded from voting on matters pertaining to that member's compensation.

5.2 A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Club for services is precluded from voting on matters pertaining to that member's compensation.

5.3. No voting member of the Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Club, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

## ARTICLE VI

### ANNUAL STATEMENTS

Each Director, Officer and member of a Committee with Board delegated powers shall sign a statement which affirms such person:

- (a) Has received a copy of this Conflict of Interest Policy,

- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understands that the Club 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.

## ARTICLE VII

### PERIODIC REVIEWS

To ensure the Club operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic 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 corporations conform to the Club's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## ARTICLE VIII

### USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VII, the Club may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

SIGNATURE PAGE FOLLOWS

## CERTIFICATE OF ADOPTION OF CONFLICT OF INTEREST POLICY AND AGREEMENT

I do hereby certify that the above stated Conflict of Interest Policy and Agreement for The Optimist Club Of Cooper City Inc. was approved and adopted by the Board of Directors on this \_\_\_\_day of \_\_\_\_202\_\_\_\_ and constitutes a complete copy of the Conflict of Interest Policy of the Club.

### CERTIFICATION OF SECRETARY:

By: \_\_\_\_\_, Secretary

### Acknowledgment of Receipt and Review

I, \_\_\_\_\_, acknowledge that on this \_\_\_\_\_, I received a copy of the Club's Conflict of Interest Policy and that I read it, understood it, and agree to comply with it. I understand that the Club has the maximum discretion permitted by law to interpret, administer, change, modify, or delete this policy at any time with or without notice. No statement or representation by director, or any other member, whether oral or written, can supplement or modify this policy. Changes can only be made if approved in writing by the majority vote of the board of directors of the Club, with the assistance of the Club's legal counsel and Club Executives. I also understand that any delay or failure by the Club to enforce any work policy or rule will not constitute a waiver of the Club's right to do so in the future.

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Signature

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Printed Name

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Date