



## Conflict and Disclosure of Interest Policy

THIS CONFLICT AND DISCLOSURE OF INTEREST POLICY (this “Policy”) is written pursuant to and intended to be consistent with the provisions of O.C.G.A. § 14-3-860 et seq., (as the same may be amended from time to time, the “Statute”); however, to the extent that this Policy imposes a higher standard of conduct than any provision of the Statute, the higher standard shall govern. Capitalized terms used in this Policy shall have the meanings ascribed to such terms in the Statute and the Definitions attached hereto as Exhibit “A.”

- 1) **Procedures to Determine Whether a Conflicting Interest Exists.** In the event any Covered Person believes that he or she may have a Conflicting Interest, such Covered Person must:
  - a) Make the Required Disclosure;
  - b) Play no part, directly or indirectly, in the deliberation or vote of the Board of Trustees of the Foundation (the “Board”) with respect to the determination of whether a Conflicting Interest exists; and
  - c) Must absent himself or herself from the meeting at which the potential Conflicting Interest is discussed.

The minutes of the meeting of the Board at which the potential Conflicting Interest is discussed shall include the names of the persons who disclosed a potential Conflicting Interest, the nature of the potential Conflicting Interest and whether the Board determined there was a Conflicting Interest.

- 2) **Procedures When a Conflicting Interest Has Been Determined to Exist.** In the event any Covered Person has a Conflicting Interest, such Covered Person must:
  - a) Make the Required Disclosure;
  - b) Play no part, directly or indirectly, in the deliberation or vote of the Board with respect to such transaction; and
  - c) Must absent himself or herself from the meeting at which the potential Conflicting Interest is discussed.



# UNIVERSITY OF GEORGIA FOUNDATION

In order for the Board to proceed with a Conflicting Interest Transaction, it must determine, by a majority vote of the non-interested members present, that the transaction is in the Foundation's best interests, is for its own benefit, and is fair and reasonable to the Foundation. The minutes of the meeting of the Board at which the transaction is discussed shall include the names of the person who disclosed a Conflicting Interest and the nature of the Conflicting Interest.

- 3) **Annual Disclosure of Interests.** This Policy shall be distributed annually to each Covered Person, and each Covered Person shall complete and submit annually to the Chairman of the Foundation the Disclosure of Interest and Confidentiality Statement attached hereto.
- 4) **Violation of Conflict of Interest Procedures.** Upon learning that a Covered Person may have willfully violated the provisions of this Policy, the Board shall form a special committee to investigate such violation. Upon receipt of such committee's report, the Board (excluding the person whose actions are being investigated) shall take such corrective or remedial action as it deems appropriate, including exoneration, censure or request for resignation.



# UNIVERSITY OF GEORGIA FOUNDATION

## EXHIBIT "A"

### DEFINITIONS

- a) "Covered Person" means each Trustee or Associate Member of UGA Foundation, Inc. (the "Foundation") and each officer of the Foundation.
- b) "Conflicting Interest" means the interest a Covered Person has respecting a transaction effected or proposed to be effected by the Foundation (or by a subsidiary of the Foundation or any other entity in which the Foundation has a controlling interest) if:
  - (1) Whether or not the transaction is brought before the Board of Trustees of the Foundation (the "Board") for action, to the knowledge of the Covered Person at the time of commitment, the Covered Person or a Related Person is a party to the transaction or has a beneficial financial interest in or so closely linked to the transaction and of such financial significance to the Covered Person or a Related Person that it would reasonable be expected to exert an influence on the Covered Person's judgment if the Covered Person were called upon to vote on the transaction; or
  - (2) The transaction is brought (or is of such character and significance to the Foundation that it would in the normal course be brought) before the Board for action, and to the knowledge of the Covered Person at the time of commitment, any of the following persons is either a party to the transaction or has a beneficial financial interest so closely linked to the transaction and of such financial significance to that person that it would reasonably be expected to exert an influence on the Covered Person's judgment if the Covered Person were called upon to vote on the transaction: (i) an entity (other than the Foundation or any direct or indirect subsidiary of the Foundation or any entity controlled by, controlling or under common control with the Foundation) of which the Covered Person or a Related Person is a director, general partner, agent or employee; (ii) a person that controls one or more of the entities specified in division (i) of this subparagraph or an entity that is controlled by, or is under common control with, one or more of the entities specified in division (i) of this subparagraph; or (iii) an individual who is a general partner, principal, or employer of the Covered Person or the Related Person.
- c) "Covered Person's Conflicting Interest Transaction" means a transaction effected or proposed to be effected by the Foundation (or by a subsidiary of the Foundation or any other entity in which the Foundation has a controlling interest) respecting which a Covered Person has a Conflicting Interest.



UNIVERSITY OF GEORGIA  
FOUNDATION

- d) “Related Person” of a Covered Person means:
- (1) The spouse (or a parent or sibling thereof) of a Covered Person or a child, grandchild, sibling, parent (or spouse of any thereof), or an individual having the same home as the Covered Person, or a trust or estate of which an individual specified in this subparagraph is a substantial beneficiary; or
  - (2) A trust, estate, incompetent, conservatee, or minor of which a Covered Person is a fiduciary.
- e) “Required Disclosure” means disclosure by the Covered Person who has a Conflicting Interest of (1) the existence and nature of the Covered Person’s Conflicting Interest, and (2) all facts known to the Covered Person respecting the subject matter of the transaction that an ordinarily prudent person reasonably would believe to be material to a judgment as to whether or not to proceed with the transaction. Notwithstanding the foregoing, if a Covered Person has a Conflicting Interest respecting a transaction, but neither he nor a Related Person of the Covered Person is a party thereto, and if the Covered Person has a duty under law or professional canon or a duty of confidentiality to another person, respecting information relating to the transaction such that the Covered Person cannot, consistent with that duty, make a disclosure as defined in the preceding sentence, then the actions required by Section 1(a) and 2(a) of the Policy shall be sufficient for purposes of the Required Disclosure if the Covered Person discloses to other persons voting on the transaction the existence and nature of such person’s Conflicting Interest and informs them of the character of the limitations imposed by that duty prior to their vote on the transaction.
- f) “Time of Commitment” respecting a transaction means the time when the transaction is consummated or, if made pursuant to contract, the time when the Foundation (or its subsidiary or the entity in which it has a controlling interest) becomes contractually obligated so that its unilateral withdrawal from the transaction would entail significant loss, liability, or other damages.



## Policy on Confidentiality and Privacy

In the course of performing their duties, members of the Board of Trustees and employees of The University of Georgia Foundation necessarily acquire information that is considered sensitive and privileged. Much information is shared with the Foundation because of its reputation for professionalism and its long record of good stewardship of donor funds and information. To safeguard the Foundation's reputation and maintain the trust of its donors, to protect its capacity to gather data necessary to make sound decisions, and to enable the Foundation to carry out responsibly and effectively its duties in support of the University of Georgia, the Foundation adopts this policy on confidentiality and privacy.

# # # # #

Except as is necessary to conduct the business of the Foundation, the trustees and employees of the Foundation shall not engage in the discussion of or use Foundation confidential information, and they shall not disclose such information to persons – other than trustees, Foundation employees, and appropriate staff of the University – without the express authorization of the Foundation's Chair or Executive Director. For purposes of this policy, confidential information shall include: (i) donor or prospect records, donor financial information or any other information, whether written or oral, related to or provided by individual donors or prospects or by development staff; (ii) home contact information and other personal information of trustees and employees; (iii) employment information regarding Foundation personnel; (iv) detailed financial records of the Foundation, not including audited financial statements and tax information which are a matter of public record; and, (v) information related to the Foundation's strategic investment strategies.



# UNIVERSITY OF GEORGIA FOUNDATION

Confidential information, whether in written or electronic format, that is used, prepared, or collected in connection with a trustee's or employee's work with the Foundation, in whatever form, is and will remain the property of the Foundation. At the end of a trustee's term of service, or an employee's employment relationship, with the Foundation, he or she will destroy or return to the Foundation all Foundation documents and other materials that constitute or contain any confidential information regardless of how stored or maintained.

Certain information that might otherwise be confidential information may be subject to disclosure under certain laws and regulations, including Georgia's open records acts, and federal and state tax laws. This policy shall not be construed in any manner to prevent the Foundation from disclosing information to tax authorities, other governmental agencies, courts having regulatory control or jurisdiction over the Foundation, or to other third parties who may be entitled by law to such information. Trustees and employees shall consult with the Chair, the Executive Director, or the Foundation's legal counsel prior to disclosing confidential information that may otherwise be subject to public disclosure.

Each trustee and employee shall sign a statement annually that affirms that he or she has received a copy of this confidentiality and privacy policy, has read and understands the policy, and has agreed to comply with the policy.