

THE INTERNATIONAL SOCCER CLUB

In Mississauga



CONFLICT OF INTEREST POLICY

This Conflict of Interest Policy, as adopted, shall govern the conduct of all Officers and Directors of the International Soccer Club.

Officers and Directors are bound to act honestly, in good faith and in the best interest of the International Soccer Club, its members, partners and supporters. Consistent with such standards of conduct, conflicts of interest and the appearance of conflicts of interest are to be avoided where possible and acted upon openly and appropriately when encountered.

"Conflict of Interest" shall mean a situation in which a Director of the Club has, in relation to any matter coming before the Club, a personal interest, sufficient to influence or to appear to influence the objective, and open-minded, loyal exercise of his or her function as a Director.

"Perceived Conflict of Interest" shall mean a reasonable perception by an informed person that a conflict of interest situation exists. Conflicts of interest must be declared in connection with any actual or "perceived" conflict of interest.

Types of Conflict of Interest: There are basically two situations giving rise to a conflict of interest. One is that of **"financial interest"** and the other is an **"obligation of loyalty"**.

Related Parties: The circumstance giving rise to a conflict of interest need not only be those of the individual Officer/ Director but may be the interest of a person having close family ties to the Officer/ Director, or a friend, business associate, or colleague of the Officer/ Director".

General Provisions: Directors and/ or Officers MUST:

1. Sign an annual Conflict of Interest Declaration and immediately disclose, in writing, any professional or business activity that may be construed as a potential Conflict of Interest;
2. At all times act honestly, in good faith and in the best interests of the Club and be in compliance with the Code of Conduct and Rules and By-laws of the Club;
3. Not engage in any business or transaction, or have a financial or other personal interest, that is incompatible with their official duties with the International Soccer Club, unless such business, transaction, or other interest is properly disclosed and or approved by the Club's Board of Directors.
4. Not knowingly place themselves in a position where they are under obligation to any Person who might benefit from special consideration or who might seek preferential treatment

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5. Not give preferential treatment to anyone in the performance of their official duties

6. Not derive personal benefit from information that they have acquired during the course of fulfilling their official duties with the Club, if such information is confidential or not generally available to the public. Confidential Information gained by their involvement with the Club shall be kept confidential and used only for the proper purposes and interests of the Club exclusively

7. Not use the Club's property, equipment, supplies, or services for activities not associated with the performance of their official duties with the Club or use their position as a Director to gain preferential use of the Club's property, equipment, supplies or services in relation to any other roles they may have within the Club, unless otherwise duly approved by the Board of Directors, the Executive Director or the Technical Director.

8. Not place themselves in positions where they could, by virtue of their position, influence decisions or contracts from which they could derive any direct or indirect benefit

9. Not be affiliated or associated in any manner whatsoever with any other soccer club, academy, organization while on the Board of Directors or holding a position of Officer with the Club. If there are any questions as to any actual or perceived Conflicts of Interest, they must be immediately declared to the Board of Directors;

10. Disclose to the Board of Directors if they are a director or officer of any corporation or organization which is a supplier of equipment, materials or any services to the Club or if they have any close family ties, friends, business colleagues, associates or the like, associated or affiliated with any of the Club's suppliers;

11. Not seek, gain, receive, or benefit financially from preferential treatment in the performance of their duties and responsibilities to the Club or exploit their relationship with the Club in any manner whatsoever for their personal benefit or gain;

12. Not on their personal behalf or behalf of a third party enter into an agreement or contract for the sale or manufacturing of soccer equipment and/or related services with any organization or entity which could be construed as an endorsement of, or promotion by the Club;

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13. Not publicly behave in such a manner as to embarrass the Club or bring the name of the Club into disrepute;

14. Not exchange personal gifts or favours of any kind with any individual or corporation that is a supplier of materials or any services to the Club and may not accept any gift in cash or in kind from persons doing or seeking to do business with the Club, except as may be of a personal nature and of nominal value;

15. Not evaluate and/or vote on a sponsorship proposal from a company or corporation for whom they work or from whom they receive a personal benefit. Any such dealings must be arm's length in nature;

16. Not make an investment in any situation in anticipation of the Club taking a material interest therein or which results from knowledge of facts not generally available to the public or in anticipation of actions which may be taken by the Club in such a situation. In some cases, this type of information may be construed as insider information and the party is prohibited from acting where she/he is privy to insider information;

Decision-Making Process when a Conflict of Interest is Declared:

When a potential conflict of interest is relevant to a decision being considered by the Board of Directors, the following process shall occur:

- 1.** The affected individual shall disclose their actual or perceived conflict of interest to the Board.
- 2.** The affected individual shall not be allowed to vote on the matter
- 3.** The affected individual shall refrain from lobbying or participating in the decision making process.
- 4.** The affected individual shall leave the room and shall not participate in the final deliberation. However, prior to leaving, questions may be asked of them, in the sole discretion of the Board.
- 5.** Any contract or transaction being considered by the Board of Directors where a conflict of interest applies MUST be approved by a Directors Resolution that complies with the requirements of the Club's Purchasing Policy.

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6. The Board of Directors must formally approve the essential terms and conditions of the contract or transaction including a description of the specific goods or services being purchased, the purchase price and terms of payment, the delivery date or time when any services will be provided, a description of any preferential value to the Club, and any other essential provisions.

7. Any such transaction must be recorded in a written contract signed by a duly authorized officer of the Club, who must not have a conflict of interest.

8. Any such contract or transaction being considered by the Board of Directors will be binding if the conflict of interest is disclosed and the Board approves, authorizes or ratifies the action in good faith by a majority of directors (not including the affected Officer and/ or Director) at a meeting where a quorum is present.

9. If no quorum exists for the purpose of voting on a matter only because a Director is not permitted to be present at the meeting by reason of a conflict of interest, the remaining Directors shall be deemed to constitute a quorum for the purposes of dealing with the matter

10. The Minutes of the Meeting shall reflect that these requirements have been met.

Rulings Pertaining to any Conflict of Interest:

Any Director of the Club may seek a ruling by the Board of Directors by a majority vote, if they believe that another Officer or Director has a real or perceived conflict of interest but has failed to declare their conflict of interest.

The Board of Directors shall determine the appropriate action in response. The actions may range from:

- a declaration that the conflict is minor or insignificant and should result in no further action;
- a declaration that the Director concerned should not vote, but may otherwise participate in the discussion;
- a declaration that the Director concerned should not participate in the discussion, should leave the room and should not vote; or
- a declaration that the Conflict of Interest is fundamentally contrary to the interest of the Club and that the Director concerned should resign from the Board of Directors.

Fundamental Conflict of Interest- Removal of a Director:

Any Director and/or Officer who, by personal or business conduct, materially violates any part of this policy which cannot be resolved as provided herein, may be removed as a Director by a two-thirds (2/3) majority vote of the Board of Directors of the Club after an investigation has been made and after the Director and/or Officer concerned has been given a proper hearing with full opportunity to explain her/his action. When such a hearing is being initiated, notice of such hearing shall be given to all concerned, in writing, not less than 10 working days before such hearing.