

1 **HOMEOWNERS ASSOCIATION FOR THE SILVER SPRINGS SINGLE FAMILY OWNERS**
2 **BOARD OF TRUSTEES CONFLICT OF INTEREST POLICY AND DISCLOSURE FORM**

3 **Effective February 1, 2005**

4 Every Board and committee member has a fiduciary duty to the Homeowners Association
5 for the Silver Springs Single Family Homeowners (HOA). This duty includes the duty of loyalty
6 to the HOA and requires that each Board member, each Board member nominee, and each
7 committee member: (a) act in good faith, b) act in the best common and collective interests of
8 the HOA, c) avoid actual or perceived conflicts of interests, and d) fully and immediately
9 disclose any real or perceived conflict of interest as herein defined. The SSSFHOA Board
10 adopts the following Conflict of Interest Policy. This policy shall apply to all Board members, all
11 HOA members seeking Board membership and all Committee members.

12 **DEFINITION OF CONFLICT OF INTEREST**

- 13 1. A real or perceived conflict of interest arises where:
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15 a) Your personal interest; or
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17 b) The interest of a spouse, family member, close friend, business associate,
18 business entity (including trusts, limited liability companies, corporations or
19 partnership), including affiliated entities in which you or any of the preceding
20 holds any ownership interest in, or any of the outstanding debt, or a person
21 to whom you owe an obligation, which could influence your HOA Board
22 decision and impair your ability to:
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24 i. act in the HOA's best common and collective interest; and/or
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26 ii. represent the HOA fairly, impartially and without bias.
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- 28 2. A conflict of interest exists if the decision could be, or could appear to be, so
29 influenced. It is not necessary that the influence take place.
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- 31 3. The appearance of a conflict of interest occurs when a reasonably well
32 informed person could reasonably have the perception that you are making
33 decisions that promote your personal interests or those of a person or entity
34 described in paragraph 1b above.
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- 36 4. Board Members shall use their best efforts at all times to make reasonable
37 decisions that are consistent with the Declaration, Bylaws, and other governing
38 documents of the Association, and to be familiar with all such documents.
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- 40 5. In sum, you have a conflict of interest if the conflict is real or perceived, or
41 there is an appearance of a conflict.

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GENERAL DUTIES

6. When you have a real or perceived conflict of interest you shall:
- a. Immediately disclose to the entire Board material facts underlying the conflict of interest as soon as you become aware of it.
 - b. Refrain from voting on the matter giving rise to the conflict of interest at any Board meeting.
 - c. Refrain from acting on behalf of the HOA or dealing with the HOA on the matter giving rise to the conflict of interest discussion.
 - d. Excuse yourself from that portion of any Board meeting where the matter giving rise to the conflict is discussed.
 - e. Refrain from using your position, office or affiliation with the HOA to pursue or advance your personal interests or of those described in paragraph 1b above.
 - f. Excuse yourself from being or becoming a Board member if your conflict of interest is pre-existing and/or longstanding.
 - g. Excuse yourself from being or becoming a member of the HOA Board if your personal interests include providing a compensated service to the SSSF Board or the MA Board, thereby directly or indirectly creating a fiduciary conflict of interest.
 - h. Refrain from all discussion of the matter giving rise to the conflict in any meeting of the Board, or elsewhere.
 - i. Not use your relationship with the HOA to confer a benefit on a person described in paragraph 1b.
 - j. Not personally benefit from any business activity involving the HOA or any activity authorized by the Board.
 - k. Not indirectly benefit from any business activity involving the HOA or any activity authorized by the Board. An indirect benefit is:
 - i. a benefit derived by yourself, a close friend, family member, business associate, or business entity in which you hold any ownership interest or any of the outstanding debt; or

