1 HOMEOWNERS ASSOCIATION FOR THE SILVER SPRINGS SINGLE FAMILY OWNERS

2 BOARD OF TRUSTEES CONFLICT OF INTEREST POLICY AND DISCLOSURE FORM

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## 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 the HOA, c) avoid actual or perceived conflicts of interests, and d) fully and immediately 8 disclose any real or perceived conflict of interest as herein defined. The SSSFHOA Board 9 adopts the following Conflict of Interest Policy. This policy shall apply to all Board members, all 10 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.				

42		GENERAL DUTIES
43	6.	When you have a real or perceived conflict of interest you shall:
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45		a. Immediately disclose to the entire Board material facts underlying the
46		conflict of interest as soon as you become aware of it.
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48		b. Refrain from voting on the matter giving rise to the conflict of interest at
49		any Board meeting.
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51		c. Refrain from acting on behalf of the HOA or dealing with the HOA on the
52		matter giving rise to the conflict of interest discussion.
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54		d. Excuse yourself from that portion of any Board meeting where the
55		matter giving rise to the conflict is discussed.
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57		e. Refrain from using your position, office or affiliation with the HOA to
58		pursue or advance your personal interests or of those described in
59		paragraph 1b above.
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61		f. Excuse yourself from being or becoming a Board member if your
62		conflict of interest is pre-existing and/or longstanding.
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64		g. Excuse yourself from being or becoming a member of the HOA Board if
65		your personal interests include providing a compensated service to the
66		SSSF Board or the MA Board, thereby directly or indirectly creating a
67		fiduciary conflict of interest.
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69		h. Refrain from all discussion of the matter giving rise to the conflict in
70		any meeting of the Board, or elsewhere.
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72		i. Not use your relationship with the HOA to confer a benefit on a person
73		described in paragraph 1b.
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75		j. Not personally benefit from any business activity involving the HOA or
76		any activity authorized by the Board.
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78		k. Not indirectly benefit from any business activity involving the HOA or
79		any activity authorized by the Board. An indirect benefit is:
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81		i. a benefit derived by yourself, a close friend, family member, business
82		associate, or business entity in which you hold any ownership interest or
83		any of the outstanding debt; or

84		iii. a benefit which advances or protects your interests although it may
85		not be measurable in money.
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87	7. TI	ne Minutes shall reflect the nature and substance of the actual or perceived
88	conflict	t of interest.
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90	8. If	you are in doubt about whether you are or may be in a conflict of interest
91	you are	e required to request advice of the Board and:
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93	a	you shall disclose to the entire Board the material facts underlying the
94		possible conflict of interest issue prior to Board discussion and deliberation
95		on the issue, and you shall not participate in the discussion;
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97	b)	) a vote of the entire Board, excluding yourself, shall be taken on whether or
98		not there is an actual or perceived conflict of interest. If there is a tie vote
99		on whether or not there is an actual or perceived conflict of interest, the
100		conclusion must be that there does exist a conflict of interest.
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102		USING HOA PROPERTY
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104	9. A	BOT member shall use HOA property only for HOA and SSSF property
105	owner	purposes.
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108	10. A	BOT member shall not use HOA property for personal purposes or for the
109	Master	Association, or for another HOA association.
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