

LOCH LOMOND BEACH CLUB

POLICY AND PROCEDURES MANUAL

SUBJECT: CONFLICT OF INTEREST POLICY#: 1 EFFECTIVE DATE: 4/16/2011
REVISED: 7/18/2017 PAGE: 1
POLICY:

The Board of Directors and employees shall use their best efforts at all times to make decisions that are consistent with high principles, and to protect and enhance the value of properties of the members and LLBC. All Directors and employees shall exercise their power and duties in good faith and in the best interest of, and loyalty to LLBC. All Directors and employees shall comply with all lawful provisions of the Covenants and Restrictions, Constitution and By-laws, Policies and Procedures.

A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: a Director, a Director's relative, an employee, an employee's relative or an entity in which a Director or employee has a personal financial interest.

Any conflict of interest, as defined above, shall be verbally disclosed to the Directors in open session at the first open meeting of the Board of Directors at which the interested Director or employee is present prior to any discussion or vote on the matter. After disclosure, the interested Director or employee may participate in the discussion, but shall not vote on the matter.

PROCEDURE:

The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

Code of Ethics: In addition to the above, each Director and the Board as a whole and employees shall adhere to the following:

1. No contributions will be made to any political parties or political candidates by LLBC.
2. No Director or employee shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with LLBC.
3. No Director or employee shall accept a gift or favor made with intent of influencing decision or action on any official matter.
4. No Director or employee shall willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.
5. No Director or employee shall interfere with a contractor engaged by LLBC while a contract is in progress. All communications with LLBC contractors shall go through the Board President or be in accordance with policy.
6. No Director or employee shall harass, threaten or attempt through any means to control or instill fear in any member, Director, employee or agent of LLBC.
7. No promise of anything not approved by the Board as a whole can be made by any Director or employee to any subcontractor, supplier, or contractor during negotiations.
8. Any Director convicted of a felony shall voluntarily resign from his/her position.
9. No Director or employee shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.
10. No Director or employee shall receive any compensation from LLBC for acting as a volunteer.

Any contract entered into in violation of this policy shall be void and unenforceable. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision or other action taken in violation of this Policy.