

## Florida Trail Association

### CONFLICT OF INTEREST STATEMENT OF POLICY

1. Each officer and member of the Board of Directors or any committee, thereof, of the Florida Trail Association, Inc., and each officer and member of the Board of Directors of any affiliate of the Florida Trail Association, Inc., or agent of such corporations or affiliates, shall disclose, fully, all actual and potential conflicts of interest, and shall refrain from voting and being present during discussion of any issue in which an actual or potential conflict of interest may be involved (except for the right to make a short statement or answer questions relating thereto, prior to leaving the meeting).
2. A conflict of interest exists when a person or anyone for whom that person acts as agent, has an interest, present or contingent, adverse to that of the Florida Trail Association, Inc. A board member or officer of the Corporation, is bound to act in the highest good faith towards the Corporation, and may not obtain any advantage therein, over the latter, by the slightest misrepresentation, concealment, threat, or adverse pressure of any kind.
3. Interested Directors or Officers may be counted in determining the presence of a quorum of a meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction; provided that no such interested Board member may vote on the question of authorization, approval, or ratification of such contract or transaction.
4. The Board of Directors should consider whether the contract or transaction is fair and reasonable to the Corporation at the time it is authorized by the Board considering all relevant factors in regard to the transaction, such as but not limited to, the parties involved, the financial benefit to the Corporation, the financial benefit to any other interested party, the cost of the contract or transaction in comparison to the same contract or transaction, such as but not limited to, the parties involved, the financial benefit to the Corporation, then financial benefit to any other interested party, the cost of the contract or transaction in comparison to the same contract or transaction in the normal course of business, the availability of other providers or vendors, the nature of the services or goods reflected in the contract or transaction, and the financial ability of the other parties to the contract to perform.
5. The minutes of the meeting of the Board of Directors at which a transaction or contract involving a conflict of interest or potential conflict of interest, shall reflect that the related party abstained from discussion and was absent during discussion and voting on the transaction and should reflect the essential nature of the conflict or potential conflict and the essential nature or terms of the transaction or contract. For all purposes of this policy, a person disqualified because of interest or a potential interest, shall include any officer or director of the Corporation or any spouse, child, or sibling or any such officer or member having a financial or ownership interest in the transaction or contract.

6. In any contract or transaction in which a conflict of interest is disclosed by an affected party to the Board of Directors, the contract or transaction shall not be consummated without the prior approval by a two-thirds (2/3) majority vote of the Board of Directors

The Board of Directors shall perform the following in all transactions with related parties involving a conflict of interest:

- a. The Florida Trail Association, Inc., shall avoid conflicts of interest. Related party transactions may be undertaken only if the Board of Directors has given its prior approval. If action is needed regarding a related party transaction at the time when the Executive Committee is in session, a telephone conference may be scheduled with the other members of the board for final approval if needed.
  - b. In any transaction involving a conflict of interest in which the monetary value of such contract is \$10,000.00 or more, the contract shall be in writing signed by all interested parties therein and approved by the Board of Directors as required in Paragraph 3 through 5 above.
  - c. A material transaction shall be fully disclosed in the audited financial statements as the corporation. The corporation shall adopt the definition of a material transaction requiring disclosure in the corporation's audited financial statements as determined from time to time by the corporation's auditing firm.
  - d. For material transactions the corporation shall obtain competitive bids or comparable valuations for the subject matter of the contract; and
  - e. A finding by the Board of Directors, considering all relevant factors, that the transaction is in the best interest of the corporation.
7. Upon election as an officer or director of the Corporation the officer or director will provide disclosure of any interest, membership, or other relationship that could possibly lead to a conflict of interest. A copy of this policy shall be furnished to each officer and director as soon as practicable, after its adoption. Thereafter, each new officer or director shall receive a copy thereof. Any additions, amendments, or changes to this policy shall be distributed to each officer and member of the Board of Directors, preferably no later than the next regular Board meeting of the Corporation, subsequent to the adoption of the amended policy statement. All such persons to whom notice is required shall acknowledge receipt thereof, in writing, of any subsequent changes, additions, or amendments to the policy.

