

THE STONEBRIDGE RANCH COMMUNITY ASSOCIATION, INC.


Conflict of Interest Policy

WHEREAS, the Board of Directors ("Board") of The Stonebridge Ranch Community Association, Inc. ("Association") recognizes the need to guide the Board on any real or perceived conflicts of interest in the governance process of the Association.

NOW, THEREFORE, IT IS RESOLVED the Association desires to adopt the Conflict of Interest Policy attached hereto as Exhibit "A" which is intended to address potential or perceived conflict of interest concerns (the "Policy").

This is to certify that the foregoing resolution was adopted by the Board of Directors of the Stonebridge Ranch Community Association, Inc., at a meeting of same on July 30, 2015, and has not been modified, rescinded or revoked.

DATE: Aug 7, 2015


Signature Board President

STONEBRIDGE RANCH COMMUNITY ASSOCIATION, INC.
CONFLICT OF INTEREST POLICY

I. Purpose:

This policy is intended to guide the Board of Directors of the Stonebridge Ranch Community Association, Inc. (Association) on addressing any real or perceived Conflicts of Interest.

II. Policy:

1. Definitions

- a. **Conflict** shall occur when either an Owner or other person listed below participates in the selection, award, or administration of a purchase or contract with a vendor where, to his or her knowledge, any of the following has a financial interest in that purchase or contract:
 1. A Board Director, Officer or Committee Member of the Association;
 2. Any Owner or their immediate family;
 3. Their partner;
 4. An organization in which any of the above is an officer, director or employee;
 5. A person or organization with whom any of the above individuals is negotiating or has an arrangement concerning prospective employment.
- b. **Interest** shall include an actual or perceived interest by any individual listed above in an action that results in, or has the appearance of resulting in, personal, organizational, or professional gain.
- c. The terms herein are given the same definitions as those terms set forth in the Association's Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Stonebridge Ranch, which is incorporated herein by reference.

2. Statement of Policy

- a. When a conflict of interest exists in a matter requiring action by the Board or Reviewing Body, the interested Director(s) or Committee Members shall disclose the material facts of such conflict to the Board or a Reviewing Body.
- b. The interested Director(s) or Committee Member(s) shall not vote on the matter requiring action but may be included in determining the presence of a quorum. The interested Director(s) or Committee Member(s) should excuse himself or herself from the meeting during such vote.
- c. The interested Director(s) or Committee Member(s) shall not participate in the final decision or related deliberation regarding the matter under consideration. The interested Director(s) or Committee Member(s) should excuse himself or herself from the meeting during such deliberation.

CONFLICT OF INTEREST POLICY
(continued)

- d. When there is a doubt as to whether a conflict exists, the matter shall be resolved by vote of the Board of Directors or Committee Members, excluding the vote by the person(s) concerning whose situation the doubt has arisen.
- e. The disinterested Director(s) or Committee Member(s) may vote to authorize such matter requiring action in good faith, ordinary care and if the matter reasonably appears to be in the best interest of the Association, by the affirmative vote of the majority of the disinterested Directors or Committee Member(s) assuming quorum requirements are met.
- f. The official minutes of the Board or of any Reviewing Body shall reflect that the conflict of interest was disclosed and the interested Director(s) or Committee Member(s) did not participate in the final discussion, did not vote on the matter and was not present for either.

This Policy is effective upon recordation in the Public Records of Collin County, and supersedes any Policy for Conflict of interest which may have previously been in effect. Except as affected by this Policy, all other provisions contained in the Deed Restrictions or any other dedicatory instruments of the SRCA shall remain in full force and effect.

**STONEBRIDGE RANCH COMMUNITY ASSOCIATION,
INC.**

a Texas non-profit corporation

By: *Ju. [Signature]*
Name: *Tom [Signature]*
Title: *BOARD PRESIDENT*

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS 7 DAY OF August,
2015.

Joyce A. Martin
Notary Public in and for the State of Texas

My commission expires: 5-11-2016

AFTER RECORDING, RETURN TO:
Daniel E. Pellar
The Pellar Law Firm, PLLC
2591 Dallas Parkway, Suite 300
Frisco, Texas 75034

