

CONFLICT OF INTEREST POLICY

BACKGROUND: In fulfilling the duties of the Board of Directors, each individual member of the Board has certain responsibilities. Specifically, each individual Director owes *a duty of care* and *a duty of loyalty*.

1. **A DUTY OF CARE** means that a Director (a) will keep him or herself reasonably informed of the activities of the affiliate and the Board; (b) will participate in making the decisions as a steward of the organization and a member of the Board; and (c) will do these things in good faith and with the care of an ordinarily prudent person.
2. **A DUTY OF LOYALTY** requires that each Director always act in the best interests of Pikes Peak Habitat for Humanity. This duty requires that each Director avoid conflicts of interest and that no Director take advantage of corporate opportunities. This duty also requires that each Director avoid the appearance of a conflict of interest that could undermine the interests of the affiliate and must act in the best interests of the organization.
3. **A DUTY OF OBEDIENCE** requires that the board members be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the organization's central goals.

POLICY: It is the policy of Pikes Peak Habitat for Humanity (PPHFH) to avoid all conflicts between the interests of PPFH and the interests of its Directors and employees. Its Directors and employees shall not engage in any activities or maintain any relationships that are in conflict with the duties and responsibilities of their role as Directors. Conflicts of interest, or potential conflicts of interest, shall include relationships and activities that impair or could impair the independence of judgment, or influence decisions in matters pertaining to PPFH. Further, a conflict of interest exists when the actions of the individual may result in improper personal gain or advantage to the Director or have an adverse effect on the interests of PPFH. Whenever a Director thinks such a conflict exists, he or she must first disclose the conflict before the Board takes any action on the matter. Such disclosure should be in writing and be recorded in the minutes. The Director who has the conflict should not participate in any discussion of the motion regarding the transaction, should abstain from voting on the matter, and should leave the meeting while the discussion is taking place. The Director's absence from the meeting and discussion, and his or her abstention from the vote shall be recorded in the minutes.

The Board of Directors, *April 2, 2018*, adopts this conflict of interest policy. It shall be **presented** to the Board **annually**.

Signed and accepted by:

_____ Date: _____
Member, Board of Directors

Printed Name