

Walden on Lake Conroe Community Improvement Association, Inc.

CONFLICT OF INTEREST POLICY

I. Purpose:

This policy is intended to supplement the By Laws of Walden On Lake Conroe Community Improvement Association, Section, Article IV, Section 8, Conflict of Interest.

II. Policy:

1. Definitions

a. **Conflict** shall occur when a member 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. The member, officer, or trustee;
2. Any member of 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 a member in an action that results in, or has the appearance of resulting in, personal, organizational, or professional gain.

c. **Member** shall be defined as a member, director, or officer of the Association.

2. Statement of Policy

a. When a conflict of interest exists in a matter requiring action by the Board, the interested member(s) shall disclose the material facts of such conflict to the Board.

b. The interested member(s) shall not vote on the matter requiring action but may be included in determining the presence of a quorum. The interested member(s) should excuse himself or herself from the meeting during such vote.

c. The interested member(s) shall not participate in the final decision or related deliberation regarding the matter under consideration. The interested member(s) should excuse himself or herself from the meeting during such deliberation.

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CONFLICT OF INTEREST POLICY(cont.)

- d. When there is a doubt as to whether a conflict exists, the matter shall be resolved by vote of the Board of Trustees, excluding the vote by the person(s) concerning whose situation the doubt has arisen.
- e. The disinterested members may vote to authorize such matter requiring action in good faith and with ordinary care by the affirmative vote of the majority of the disinterested members.
- f. The official minutes of the Board shall reflect that the conflict of interest was disclosed and the interested person(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 Montgomery County, supplements the By-laws regarding Conflict of Interest, 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 WCIA shall remain in full force and effect.

October 18, 2012

DEDICATORY INSTRUMENTS
OF
WALDEN ON LAKE CONROE COMMUNITY IMPROVEMENT
ASSOCIATION, INC.

BEFORE ME, the undersigned authority, on this day personally appeared the below named person, who, being by me first duly sworn, states the following:

My name is Scott Sustman. I am over 21 years of age and of sound mind. I am capable of making, and authorized to make, this affidavit. I am personally acquainted with the facts herein stated. I am the agent and General Manager of Walden on Lake Conroe Community Improvement Association, Inc. Pursuant to the Texas Property Code, Section 202.006, the attached documents are the originals, or true and correct copies of the originals, of the governing instruments of the Association:

- Walden on Lake Conroe Board Policy – General Manager Compensation Review Policy
- Walden on Lake Conroe Board Policy – Conflict of Interest Policy
- Walden on Lake Conroe Board Policy – Travel and Expense Reimbursement Policy
- Walden on Lake Conroe Board Policy – Whistleblower Policy

Dated this the 29th day of October, 2012

WALDEN ON LAKE CONROE COMMUNITY IMPROVEMENT ASSOCIATION, INC.

By: Scott Sustman
Agent and General Manager

Print Name: Scott Sustman

**THE STATE OF TEXAS
COUNTY OF MONTGOMERY**

THIS affidavit was acknowledged before me on the 29th day of OCTOBER, 2012 by Scott Sustman who stated that he is the agent and General Manager for Walden on Lake Conroe Community Improvement Association, Inc.




Cynthia Keasling
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

AFTER RECORDING RETURN TO:
Scott Sustman, General Manager
Walden on Lake Conroe CIA
13301 Walden Road,
Montgomery, Texas 77356
936-582-1622

FILED FOR RECORD

11/05/2012 1:59PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number
sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

11/05/2012



County Clerk
Montgomery County, Texas