

# FLORIDA AGRICULTURE CENTER AND HORSE PARK AUTHORITY, INC.

## CONFLICT OF INTEREST POLICY

### Article I Definitions

#### 1. Interested Person

Any member of the Board of Directors (hereinafter the “Board”) or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

#### 2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Florida Agriculture and Horse Park Authority, Inc., a Florida not-for-profit corporation (hereinafter the “Horse Park”) has a transaction or arrangement,
- b. A compensation arrangement with the Horse Park or with any entity or individual with which the Horse Park has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Horse Park is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article II, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### Article II Procedures

#### 1. Duty to Disclose

In connection with any actual or possible conflict of interest (including any connection which could reasonably be construed to create the appearance of a conflict of interest), an interested person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the Board and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

#### 2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial or other interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

#### 3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the Board shall, if appropriate in the chairperson’s sole discretion, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the Board shall determine whether the Horse Park can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors, whether the transaction or arrangement is in the Horse Park’s best interest, for its own benefit, and whether it is

fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

#### **4. Violations of the Conflicts of Interest Policy**

**a.** If the Board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose to the Board.

**b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and/or corrective action.

### **Article III Records of Proceedings**

The minutes of the Board shall contain:

**a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial or other interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

**b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

### **Article IV Compensation**

**a.** A voting member of the governing board who receives compensation, directly or indirectly, from the Horse Park for services is precluded from voting on matters pertaining to that member's compensation.

**b.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Horse Park for services is precluded from voting on matters pertaining to that member's compensation.

**c.** No voting member of the Board or any committee whose jurisdiction includes compensation matters, directly or indirectly, from the Horse Park, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

### **Article V Annual Statements**

Each Board member, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a.** Has received a copy of the conflicts of interest policy,
- b.** Has read and understands the policy,
- c.** Has agreed to comply with the policy, and
- d.** Has completed and returned a copy of the Conflict of Interest Disclosure Statement.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_