

Related-Party Transactions Policy

(Est. 12-09-2003)

1. Understanding that there may be times when members of the Association are able to offer products and services to the Association at market or below market prices, and/or with significant benefits to the community, the Board should consider these products and services without prejudice.
2. If a member offering such services also serves as a Director or is related to or has a special personal or business relationship with any member of the Board of Directors, a potential for a conflict of interest may exist. Any transactions conducted with the Association shall be considered “related-party” transactions for the purpose of this policy.
3. Any related-party contracts representing more than one thousand dollars (\$1,000) in annual aggregate business must be executed only in writing and with at least a seventy-five percent (75%) affirmative vote of the Board of Directors, excluding the vote of any Director who might represent a conflict of interest.