

Conflict of Interest Policy
For ADMIRAL'S COVE BEACH CLUB
Board of Directors

1. The purpose of this Board conflict of interest policy is to protect ADMIRAL'S COVE BEACH CLUB's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or director of ACBC or might result in a possible excess benefit transaction.

2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Definitions

1. Interested person — Any director or member of a committee given 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 ACBC has a transaction or arrangement,
- b. A compensation arrangement with ACBC or with any entity or individual with which ACBC has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ACBC is negotiating a transaction or arrangement.

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

4. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists, in accordance with this policy.

Procedure

1. Duty to Disclose — In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest to the Board of Directors.

2. Recusal of Self - Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3. Determining Whether a Conflict of Interest Exists — After disclosure of the financial or personal interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Director's meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board of Directors shall decide if a conflict of interest exists.

4. If the Board of Directors 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.
5. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
6. The minutes shall contain 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.
7. Compensation: Any voting member of the Board or any committee who receives compensation from ACBC, either individually or collectively, must provide information to the Board or committee regarding this compensation. A voting member of the Board who receives compensation, directly or indirectly, from ACBC for services is precluded from voting on matters pertaining to that member's compensation.
8. Annual Statements: Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person;
 - a. Has received a copy of the conflict of interest policy,
 - b. Has read and understands the policy,
 - c. Has agreed to comply with the policy, and
 - d. Understands ACBC is not for profit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
9. The Board of Directors shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

I have read and understand my responsibility as a Member of the Board of Directors of Admiral's Cove Beach Club to maintain compliance with the Conflict of Interest Policy as described above.

Signed: _____ Date: _____