

CONFLICT OF INTEREST POLICY

I. REASON FOR STATEMENT

TBBA is a nonprofit organization, tax-exempt under I.R.C. 501 § (c)(6). Maintenance of its tax-exempt status and its reputation for fair dealing is important both for the Association's continued financial stability and to retain the complete trust of its members and of those with whom TBBA may conduct business in the future.

Consequently, Executive Committee, Board Members and Committee Chairs (hereinafter Senior Officers) owe a fiduciary duty to the Association that carries with it a broad duty of loyalty and fidelity. The Senior Officers have the responsibility of administering the affairs of TBBA honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of TBBA. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with TBBA or confidential information gained there from for their personal benefit. Transactions shall include those of a regulatory nature. The interests of the Association must have the first priority in all decisions and actions.

This Policy is intended to supplement but not replace any applicable laws governing conflicts of interest applicable to nonprofit corporations.

II. PERSONS CONCERNED

This Policy is directed specifically to the TBBA's Executive Committee, Board Members, and Committee Chairs, voting and non-voting alike. This Policy would also include all those individuals who act on behalf of TBBA by virtue of appointment or by action of the Bylaws. This Policy shall refer to all persons concerned collectively and individually as "Members".

III. AREAS IN WHICH CONFLICT MAY ARISE

Conflicts of interest may arise in the interaction of the Senior Officers with any of the following third parties ("related parties"):

- A. Persons and firms supplying goods and services to TBBA
- B. Persons and firms from whom TBBA leases property or equipment
- C. Persons and firms with whom TBBA is dealing or planning to deal in connection with the gift, purchase, lease or sale of real estate, securities, or other property.
- D. Competing organizations or corporations.
- E. Business partners of TBBA or those entities with which TBBA has entered into a joint venture or an endorsement relationship.
- F. Public or private agencies, organizations, and associations which affect the operations of the TBBA, its members, or the building industry, including regulatory agencies.
- G. Family members, friends, employees of the Member's company and TBBA staff.

- H. Agencies, organizations and governmental bodies which affect the business(es) of the members of TBBA through regulation and/or licensing.

IV. NATURE OF CONFLICTING INTEREST

A material conflicting interest may be defined as an interest, direct, or indirect, with any persons and firms mentioned in Section III. Such an interest might arise through:

- A. Owning stock or holding debt or other proprietary interest in any third party dealing with TBBA (excluding investments in publicly traded mutual funds and trusts.) For purposes of this Policy, a “material interest” shall be defined as ownership in excess of one percent of the value of the contemplated business partner.
- B. Holding office, serving on the Board, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with TBBA.
- C. Receiving remuneration for services with respect to individual transactions involving TBBA.
- D. Using TBBA’s time, personnel, equipment, supplies, or good will for other than TBBA-approved activities, programs, and purposes.
- E. Serving as an Officer, or as a member of the Executive Committee, Board of Directors, or Committee while otherwise employed by an agency that provides oversight or regulatory authority over the TBBA, its members, or the building industry generally.
- F. Receiving personal gifts, loans, or other benefits from third parties dealing with TBBA. Receipt of **any** gift is disapproved except for gifts of nominal value that could not be refused without discourtesy. No personal gift of money or securities should ever be accepted.

V. INTERPRETATION OF THIS STATEMENT OF POLICY

The areas of conflicting interest listed in Section III, and the relations in those areas which may give rise to conflict, as listed in Section IV, are neither exhaustive nor all-inclusive. Conceivably, conflicts might arise in other areas or through other relations. This Policy assumes that the Senior Officers, members, and other decision-makers will recognize such areas and relationships by analogy.

However, it is TBBA’s policy that the existence of any of the interests described in Section IV shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the Senior Officers to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.