

Canopy Realtor® Association, Inc. 2024 Conflict of Interest Policy

Policy on Conflicts of Interest, Confidentiality, Corporate Opportunity Acceptance of Gifts, Gratuities and Entertainment

Conflict of Interest Policy

Service as an officer, director or volunteer committee member (each, collectively, a “Leader”) for the Charlotte Regional Realtor® Association, Inc., d/b/a Canopy Realtor® Association, and any of its affiliated entities¹ (collectively, “Association”) gives rise to certain ethical and legal obligations to the Association. One such obligation is the fiduciary duty which is owed to the Association by the Leader. This fiduciary duty requires the exercise of reasonable care in performing functions for the Association, exhibiting honesty and good faith and includes the responsibilities of both care and loyalty to the Association. The duties of good faith and loyalty require Leaders to avoid Conflicts of Interest (defined below) and to safeguard the Association’s best interests, not those of the Leader.

A Conflict of Interest may exist when the Leader participates in the decision-making process on an issue for the Association while, concurrently, having other business, professional or personal interests that could tend the Leader toward bias or predisposition on the issue. The fiduciary duty of a Leader also requires the Leader to avoid the appropriation of programs and activities, particularly business prospects that properly belong to the Association. Leaders must also maintain the confidentiality of Association information. These obligations run from the Leader to the Association as a whole.

Even where the Leader might be appointed or elected regionally or by virtue of the Leader’s professional position within a particular company or practice area, the primary obligations of the Leader are to the Association as an organization, not to the Leader’s constituency. The following policies apply to all Leaders of the Association.

Conflict of Interest Defined

According to *Black’s Law Dictionary*, a Conflict of Interest is defined as: “A term used in connection with public officials and fiduciaries and their relationship to

¹ For purposes of this Conflict of Interest Policy, “Association” shall be deemed to include any and all entities affiliated with the Charlotte Regional Realtor® Association, Inc., d/b/a Canopy Realtor® Association, including, but not limited to, Carolina Multiple Listing Services, Inc., d/b/a Canopy MLS, the Canopy Real Estate Institute and the Charlotte Regional Realtor® Association Housing Opportunity Foundation, Inc., d/b/a Canopy Housing Foundation.

matters of private interest or gain to them.” In the event there is an inconsistency between the following requirements and procedures prescribed herein and those in federal or state law, the law shall control. For purposes of this policy, the following circumstances shall be deemed to create Conflicts of Interest:

A Leader will be considered to have a Conflict of Interest whenever the Leader:

1. is a principal, partner, officer, director, member, manager, agent, associate, trustee, personal representative, receiver, guardian, custodian, conservator, consultant to, legal representative or owner of, any interest in a business (“the Business”) providing products or services to, or competing with, the Association;
2. is a principal, partner, officer, director, member, manager, agent, associate, trustee, personal representative, receiver, guardian, custodian, conservator, consultant to, legal representative of or owner of, any interest in the Business being considered as a provider of products or services to, or competing with, the Association; or
3. holds any other unique and/or substantial interest in the Business, financial, material or otherwise, such as a personal, employer-employee, competitor, contractor-contractee, shareholder or governance relationship with the Business.
4. holds any Familial Interest in the Business with “Familial Interest” being defined as an interest held by a spouse, domestic partner, parent, child, spouse of a child, brother, sister, spouse of a brother or sister, cousin, spousal cousin or other family member.

Conflict of Interest Procedures

Association Leaders with actual or potential Conflicts of Interest must immediately disclose all facts material to the actual or potential Conflict of Interest at the outset of any discussions by the Association pertaining to the Business. The Leader shall immediately refrain from any action that may affect the Association’s decision to participate with the Business.

Such Leaders shall be excused from such discussions unless otherwise requested by the Board of Directors and shall respond to all questions asked of them. They shall not participate in or be permitted to hear the discussion of the matter except to disclose all facts and respond to questions. Such Leaders shall not attempt to exert any personal influence with respect to the matter, either in or outside of the meeting.

Furthermore, no Leader with a Conflict of Interest may vote on any matter in which the Leader has a Conflict of Interest and will not be permitted to be present in the meeting room when any vote is taken on the matter.

Minutes of meetings shall reflect that any such disclosure was made, shall contain the facts material to the Conflict of Interest, that the Leader was excused from the discussion of the matter and that the Leader did not vote on the matter.

In the event it is not entirely clear that a Conflict of Interest exists, the Leader with the potential Conflict of Interest shall disclose the circumstances at the onset of any discussion and the decision-making body will determine whether there exists a Conflict of Interest that is subject to this Policy.

Corporate Opportunities Policy

Any Leader who learns of a business opening, investment, opportunity, project or program that may be of beneficial interest to the Association may not pursue that opportunity outside of the Association without first offering it to the Association. Only if the Association decides not to proceed (i.e., abandons such corporate opportunity) may the Leader proceed independently of the Association.

NOTE: No Leader is prohibited from engaging in conduct in the same general line of commerce as the Association, but the Leader must conduct such Leader's own activities in good faith and without injury to the Association. For example², assume that the Leader's service on a committee entails development of an educational course to be delivered to the Association members. It would be a violation of this Policy to take the work of the committee and use it to create an educational course for the Leader's personal or familial financial gain. Further, and in this regard, the Leader does hereby assign to the Association all right, title and interest in and to any and all information or material developed, conceived or created relating to all Association projects, including all copyrights and other proprietary interests.

Confidentiality Policy

A Leader must (a) maintain in confidence and not disclose or cause to be disclosed to anyone, other than the Association, any information determined as confidential with such determination of confidentiality being determined at the Association's sole discretion; (b) keep any materials containing confidential information in a safe and secure place to protect against inadvertent disclosure; and (c) preserve confidential information indefinitely, even after expiration of the Leader's service. Upon expiration of the Leader's service, the Leader must

² Any examples given within these various policies are for illustrative purposes only and are not exclusive in nature.

promptly return to the Association, upon request, any materials containing confidential information sent to or acquired by the Leader relating to the Leader's work for the Association. For example, assume that the executive committee, during its search for a CEO, designates the deliberations as "confidential" to preserve the integrity of the search. It would be a violation of this Policy for the Leader to disclose such deliberations to anyone outside the committee except as may be required to conduct the committee's business or as required by law.

Gifts, Gratuities and Entertainment Policy

No Leader may accept gifts, entertainment or other favors from any individual, entity or organization that does or is seeking to do business with the Association, or one that has received, is receiving or is seeking to receive or secure, a financial commitment from the Association or under any circumstance where it might be inferred that such action was intended to influence the Leader in the performance of the Leader's duties. This does not, however, preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value that are not related to any particular transaction or activity of the Association.

Review of Policy

Each Leader shall be required to review a copy of this Policy and to acknowledge in writing that he or she has done so.

Each Leader shall annually complete a disclosure form identifying any relationships, positions or circumstances in which the Leader is involved that the Leader believes could contribute to a Conflict of Interest arising. Such relationships, positions or circumstances might include service as a director of or consultant to a competing business, or ownership of a business that might provide goods or services to the Association.

This Policy shall be reviewed annually by the Board of Directors of the Association. Any changes to the Policy shall be communicated immediately to all Leaders.

**Canopy Realtor® Association, Inc.
Fiduciary Responsibility and Conflict of Interest Information Form**

Name: _____ Date: _____

Please describe below any relationships, positions or circumstances in which you are involved that you believe could contribute to a Conflict of Interest (as defined in the Association’s Conflict of Interest Policy) arising. If none, indicate as “not applicable.”

check all that apply

Executive Committee Canopy MLS Board of Directors
 Association Board of Directors Canopy Housing Foundation Board of Directors

Committee(s) I am serving on in 2024:

check all that apply

| | |
|--------------------------|--|
| <input type="checkbox"/> | Audit Budget and Finance Committee |
| <input type="checkbox"/> | Marketing & Communications Advisory Group |
| <input type="checkbox"/> | Canopy MLS Advisory Group |
| <input type="checkbox"/> | Diversity & Inclusion Alliance Leadership Group |
| <input type="checkbox"/> | Diversity & Inclusion Alliance |
| <input type="checkbox"/> | Education Advisory Group |
| <input type="checkbox"/> | Leadership Academy Selection Committee |
| <input type="checkbox"/> | Government Affairs Committee |
| <input type="checkbox"/> | Grievance Committee |
| <input type="checkbox"/> | Canopy Housing Foundation Committee |
| <input type="checkbox"/> | Canopy Housing Foundation Fair and Affordable Housing Advisory Group |
| <input type="checkbox"/> | Realtors® Care Day Core Committee |
| <input type="checkbox"/> | Canopy Housing Foundation Strides for Shelter Committee |
| <input type="checkbox"/> | Nominating and Election Committee |
| <input type="checkbox"/> | Professional Standards Committee |
| <input type="checkbox"/> | Real Estate and Building Industry Coalition |
| <input type="checkbox"/> | Young Professionals Network |

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by this Policy on Conflict of Interest. I have also read, understand and agree with the terms of any job description applicable to my position as a Leader, including all meeting attendance policies and rules.

Signature: _____ Date: _____