

Chapter 2 -Section 2.2

Date of Board Approval: 10/13/10

TITLE: BOARD ROLE, AUTHORITY, FIDUCIARY RESPONSIBILITY

POLICY:

The purposes and objects for which the Rotonda West Association is organized are any and all purposes authorized to be performed by a corporation not for profit under Chapter 617 of the Florida Statutes.

The role of the Board of Directors ("the Board") is to manage the property and business of the Rotonda West Association ("the Association"). The Board may exercise all corporate powers not specifically prohibited by statute, the Articles of Incorporation, these By-Laws or the Declaration of Restrictions recorded or to be recorded with respect to the Rotonda West Property.

In their role as Corporate Officers, the Directors will carry out their fiduciary duty to the members who are served by the Association.

No member, except as an officer of this Association, and with the approval of the Board of Directors, shall have any authority to act for the Association or to bind the Association. (RWA Bylaws, Article II, Section 1). All such approval shall be provided by the Board, after due deliberation at one or more public meetings, and shall be recorded in the minutes of said meeting(s). Such approval shall be by majority vote of the Board, and shall include the scope and duration of such authority.

The officers of the Association are accountable to the Board of Directors (RWA Articles of Amendment of Certificate of Incorporation of RWWMA, Inc. 1992, Article VII).

The Board of Directors may, by Resolution, adopted by its majority, designate such committees consistent with the requirements of the Florida Statutes as may be required. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

I. APPLICATION:

Fiduciary Responsibility

(1) A Director shall discharge his or her duties as a Director, including his or duties as a

member of a committee:

- (a) In good faith;
 - (b) With the care an ordinary prudent person in a like position would exercise under similar circumstances; and
 - (c) In a manner he or she reasonably believes to be in the best interest of the Corporation.
- (2) In discharging his or her duties, a Director may rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:
- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
 - (b) Legal Counsel, Public Accountants, or other persons as to matters the Director reasonably believes are within the persons' professional or expert or competence; or
 - (c) A committee of the Board of Directors of which he or she is not a member if the Director reasonably believes the committee merits confidence.
- (3) A Director is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection F.L. 617.083 (2) unwarranted.

Conflict of Interest

A Director is not acting in good faith if she/he has any real or perceived interest in the matter at hand, and fails to disclose such interest or appearance prior to engaging in any discussions or deliberations regarding said matter. Directors must at all times avoid even the appearance of impropriety. In such circumstances, it may be necessary for the Director to recuse him/herself from such deliberations

Decision Making

When making decisions for the Association, the Board of Directors shall:

- Stay informed. The Board may rely on experts such as, but not limited to, attorneys, engineers, and/or auditors in order to make informed decisions.
- Consider alternatives, and choose the best alternative for the Association.
- Document the reasons for making decisions in the minutes of meetings.
- Establish good hearing and due process procedures to ensure persons representing all sides of an issue have the opportunity to voice their opinions.
- Make decisions based on laws, Governing Documents, policy, facts, committee recommendations and expert opinion, in order to avoid arbitrary and capricious decisions.

ID. SOURCES:

Florida State Law Chapter 720.303(1}
Florida State Law Chapter 617.0801
Florida State Law Chapter 617.0830 RWA
Articles of Incorporation

CAI. Stephen Barber and Vickie Gaskill. A Guide to Association Management