Fiduciary Obligations of Association Directors

DUTY OF LOYALTY

- Assn's interests treated as paramount
  - Business, personal interests subordinate
- Proper handling of conflicts of interest
  - Disclosure and, if necessary, recusal
- Exercise "good Faith"
  - Honesty and integrity
  - Keeping confid-ences
  - Supporting board actions publicly

DUTY OF CARE

- Diligence in perform-ance of functions
  - Attend and participate in Board meetings
  - Receive and read reports
  - Make informed decisions
- Under-standing of assn's activities
- Familiarity with assn's business/ financial status
  - Review financial statements
  - Approve annual budget

Protections

- Indemnification
- D&O liability insurance
- Volunteer protection laws

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