

STANDARDS OF CONDUCT FOR DIRECTORS AND COMMITTEE MEMBERS

The Board of Directors have adopted the following ethics policy for its board members and committees. This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

A. BOARD RESPONSIBILITIES

The general duties for directors are to enforce the association's governing documents, collect and preserve the association's financial resources, insure the association's assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, directors must:

- Regularly attend board meetings, and participate in all meetings and communications to the best of their ability.
- To respect executive board procedure at all meetings, to refrain from speaking out of turn, and to participate in a business-like manner.
- To accept the board's decisions, even if I disagree, as I understand there may not be unanimous support for every action taken by the board.
- review material provided in preparation for board meetings,
- review the association's financial reports, and
- Make reasonable inquiry before making decisions.
- No drugs, alcohol or substance abuse will be tolerated.
- No Board Member may be convicted of a felony and maintain his/her Executive position.
- The Board Members will protect confidentiality of other Board Members' personal lives, as well as all residents' personal lives.
- When acting as a Director or VP ensure vendors maintain a high degree of professionalism with interaction to board, membership and other vendors acting on behalf of the association. Any violation of professionalism, it will be that director's responsibility to request for vendor removal.
- To maintain confidentiality with respect to the board's "executive session" meetings, discussions, and communications.
- To promote the goals and interests of the Association in a constructive manner.
- To uniformly, without selectivity, enforce the covenants and other governing documents.
- Ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex (with or without sexual conduct), age, disability, alienage or citizenship status, marital status, creed, sexual orientation or any other characteristics protected by law. We prohibit and will not tolerate any such discrimination or harassment.

B. PROFESSIONAL CONDUCT

In general, directors and committee members must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

1. Self-Dealing. Self-dealing occurs when directors or committee members make decisions that materially benefit themselves or their relatives at the expense of the association. "Relatives" include a person's spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person's residence. Benefits include money, privileges, special benefits, gifts or other item of value. Accordingly, no director or committee member may:

- solicit or receive any compensation from the association for serving on the board or any committee,
- make promises to vendors unless with prior approval from the board,
- solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing/service of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the association,
- seek preferential treatment for themselves or their relatives,
- Use association property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the association.

2. Confidential Information. Directors and committee members are responsible for protecting the association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director or committee member may disclose confidential information to non-Association Members. Confidential information includes, without limitation:

- private personal information of fellow directors and committee members,
- private personnel information of the association's employees,
- Financial information received through "Request For Quote" while soliciting vendors both before and after quote has been awarded,
- Reveal confidential information provided by contractors or share information with those bidding for association contracts unless specifically authorized by the board
- disciplinary actions against members of the association,
- To accept the board's decisions in choosing outside vendors and to take direction from the board at all times and respect the processes chosen and the appointed contact point-person to communicate with the outside vendors.
- assessment collection information against members of the association, and
- Legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

3. Misrepresentation. Directors and committee members may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner.

- To the extent email is used as a means of board communication, to refrain from having secret communications with fewer than quorum of Directors unless there is a situation that dictates discretion because of potential misuse of information or leaks of confidential information by any board member.

4. Interaction with Membership. To ensure efficient management operations, avoid conflicting instructions from the board to membership and avoid potential liability, committee members and directors shall observe the following guidelines:

- The president of the board shall serve as liaison between the board and membership and provide direction on day to day matters.
- Except as noted in the By-Laws, committee members may not give direction to membership or vendors.
- If directors or committee members are contacted by membership with complaints, the membership shall be instructed to contact the board as a whole.
- No director may threaten, harass, or retaliate against any member(s) who brings information to the board regarding improper actions of a director or committee member.
- Directors and committee members are prohibited from harassing or threatening membership, vendors, directors, committee members, and owners, whether verbally, physically or otherwise.

5. Proper Decorum. Directors and committee members are obligated to act with proper decorum. Although they may disagree with the opinions of others on the board or committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, directors and committee members must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in accordance with board decisions and shall not act unilaterally or contrary to the board's decisions.

C. WHEN CONFLICTS OF INTEREST ARISE

Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Directors and committee members should immediately raise such situations with the board. If appropriate, the board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal. Directors and committee members must immediately disclose the existence of any conflict of interest, whether their own or others. Directors and committee members must withdraw from participation in decisions in which they have a material interest.

2. Violations of Policy. Directors and committee members who violate the association's ethic's policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- censure,
- removal from committees,
- removal as an officer of the board,
- request for resignation from the board,
- recall by the membership, and
- Legal proceedings approved by **Membership of the Association**

Prior to taking any of the actions described above, the board shall appoint an executive committee to investigate the violation. The committee shall review the evidence of violation, endeavor to meet with the director/committee member believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the board for appropriate action. The board shall endeavor to meet with the director/committee member in executive session prior to imposing disciplinary action against that person.

I have read the above Standards of Conduct. I pledge to act in accordance with my obligations as described above.

Signature: _____ Date: _____

Print name: _____