

ETHICS POLICY and AGREEMENT FOR DIRECTORS & COMMITTEE MEMBERS
Adopted May 5, 2016 and Revised August 12,2018

This policy/agreement is intended to provide guidance to board and committee members related to ethical issues and provide a mechanism for addressing unethical conduct. The ethics policy and agreement on this and the following page are required to be signed, initialed and attached to all volunteer and candidate forms submitted to the HOA Board during the year and are to be submitted annually thereafter by all board and committee members. Failure to submit an ethics agreement will result in the board or committee member's removal from all the committees of which they are a member, or the board as applicable, for the remainder of their term.

It is important that when working on behalf of the association, whether as a member of the board or a committee, or in another capacity, members need to always remember and respect that the interests of the overall association are paramount. As such there can be no actions that even appear to suggest the avocation of a personal agenda. In the end our actions need to be transparent and in the best interests of the overall HOA.

A. RESPONSIBILITIES

The general duties and responsibilities for board members are to enforce the HOA's governing documents, collect and preserve the HOA's financial resources, insure the HOA's assets against loss and keep the common areas in a state of good repair. To fulfill those responsibilities, board members must: regularly attend board meetings, review material provided in preparation for board meetings, review the association's financial reports and make reasonable inquiry before making decisions. Committee members must: regularly attend committee meetings, review material provided in preparation for committee meetings, make reasonable inquiry before making applicable and/or responsible, fact-based decisions and or recommendations to the board.

B. PROFESSIONAL CONDUCT

Board and committee members must conduct all dealings with vendors, their employees and management company employees with honesty and fairness, and safeguard information that belongs to the HOA.

1. Prohibition Against Self-Dealing. Self-dealing occurs when board or committee members make decisions that materially benefit themselves or their relatives at the expense of the HOA. "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(s) of value. Accordingly, no board/committee member may: Solicit or receive any compensation from the HOA or a vendor for serving on the board or any committee, make promises to vendors unless he/she has prior approval from the board, solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking, or has, a business or financial relationship with the HOA, seek preferential treatment for themselves or their relatives, take or use HOA property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the HOA. Additionally, board and committee members should avoid even the appearance of self-dealing.

2. Prohibition Against Using/Releasing Confidential Information. Board and committee members are responsible for protecting the HOA's confidential information. As such, they may not maintain or use confidential information for the benefit of themselves or their relatives as above. Except when disclosure is duly authorized or legally mandated, no board or committee member may disclose confidential information. Confidential information includes, without limitation: private personal information of fellow board or committee members, private personnel information of the HOA's management company's employees, disciplinary actions against members of the HOA, assessment collection information against members of the HOA, and legal disputes in which the HOA is or may be involved. Board members may not discuss such matters with persons not on the board without the prior approval of the HOA's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

3. Prohibition Against Misrepresentation. Board and committee members may not knowingly misrepresent facts or their HOA positions/appointments or authority, to other homeowners, HOA vendors or any person or organization having any connection to or dealings with the HOA. All HOA board and committee information, data, records and reports and all other disseminated information by the board or a committee member must be accurate and truthful and prepared in a proper manner.

4. Prohibition Against Interaction/Interference. To ensure efficient management operation, avoid conflicting instructions from the board to management and avoid potential liability, board and committee members shall observe the following guidelines: The president of the board and committee chair shall serve as a liaison between the board, committees and management and provide direction on day to day matters. Except for the president, no board or committee member may give direction to management, employees or vendors

Signatures Name: (print) _____ Signature _____ Date _____

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without the specific approval of the president of the board. Neither board members nor committee chairs or members should contact management after hours unless there is an emergency representing a threat of harm persons or property. If board or committee members are contacted by employees of vendors with complaints, the employee shall be instructed to contact the management company. No board or committee member may threaten or retaliate against an employee of a vendor or the management company who brings information to the board regarding improper actions of a board or committee member.

We are all working as volunteers. While we do meet regularly to conduct the various affairs of the association, our personal time is our own. All inputs to the board need to be made through the management company. Sudden, unexpected or otherwise uninvited visits to the residences (or places of business) of board members or committee members is prohibited.

Board and committee members are prohibited from confronting, name-calling, harassing or threatening employees of vendors, the vendors themselves, consultants, management staff, other board or committee members, homeowners or other residents, verbally in person or via telephone, in writing via letter, email or other electronic communication, physically or by any other means. Board and committee members are also prohibited from preventing, hindering or interfering with, in any way, employees of vendors, the vendors themselves, consultants, management staff or any other persons performing assigned HOA duties.

5. Proper Decorum Required. Board and committee members must act with proper decorum. Although members 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, board and committee members must focus on issues, not personalities and conduct themselves with courtesy toward each other and all those listed in Section 4 above. Board members shall act in accordance with board decisions and committee members shall act in accordance with committee decisions and shall not act unilaterally or contrary to the board's or applicable committee'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. Board and committee members should immediately raise such situations with the board. If appropriate, the board will seek guidance from the HOA's legal counsel.

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

2. Violations of Policy. Board and committee members who violate the HOA's ethics policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of the ethics policy may be subject to disciplinary action, including, but not limited to censure, removal from the board or committee(s) for the remainder of their term and legal action. Additionally or alternatively, the board may request the violator's voluntary resignation from the board or committee. Prior to taking any of the actions described above, the board in executive session, shall review the evidence of violation, endeavor to meet with the board or committee member believed to be in violation, confer with the HOA's legal counsel as needed, and make a decision for appropriate action. The board shall endeavor to meet with the director or committee member in executive session prior to imposing disciplinary action against that person.

D. ETHICS POLICY AGREEMENT

I have read the Ethics Policy and agree to act in accordance with the requirements on page 1 and 2 of this Ethics Policy.

Signature: _____ Date: _____

Print name: _____ FOR HOA USE ONLY- DATE RECEIVED _____