

## **EXHIBIT “A” ETHICS POLICY**

1. **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:

- a. Review material provided in preparation for Board meetings;
- b. Review the Association’s financial reports;
- c. Make reasonable inquiries before making decisions, and;
- d. Act, at all times, in the best interests of the Association.

2. **Professional Conduct.** Directors must conduct themselves as follows:

a. *Self-Dealing.* Self-dealing occurs when a Director makes decisions or takes actions that materially benefit the Director or the Director’s 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 Director’s residence. “Benefits” include, without limitation, a Director who receives money, privileges, special benefits, gifts or other items of value. Self-dealing by a Director is prohibited under these Bylaws. Accordingly, no Director may engage in any of the following activities while serving on the Board: (i) solicit or receive any compensation from the Association, (ii) make promises, enter into agreements on the Association’s behalf without prior Board approval, or engage in other activities with vendors in exchange for goods, services, preferential treatment, kickbacks or other benefits, (iii) solicit or receive any gift, gratuity, favor, entertainment, loan, waiver of penalties, receipt of special privileges or preferential treatment, or any other benefit or thing of value (monetary, non-monetary, or otherwise) for themselves or their Relatives from a person or company seeking or having an existing business or financial relationship with the Association, (iv) seek preferential treatment for themselves or their Relatives, (v) use their position to obtain benefits, any type of favored treatment for themselves or their Relatives in personal and/or business dealings or to obtain a competitive edge in personal or business dealings, (vi) use Association property, services, equipment or business for the gain or benefit of themselves or their Relatives; and (vii) list and/or sell Units and/or otherwise actively market their professional goods or services to the Association’s Members while serving as a Director.

b. *Confidential Information.* Directors 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 may disclose confidential information. Confidential information includes, without limitation: (i) private personal information of fellow directors, (ii) private personnel information of the Association’s employees, (iii) disciplinary actions against Members of the Association, (iv) assessment collection information against Members of the Association, (v)

legal disputes in which the Association may be involved, and (vi) any matter discussed in an Executive Session Board meeting.

c. *Misrepresentation.* Directors may not knowingly misrepresent facts.

d. *Proper Decorum.* Directors are obligated to act with proper decorum. Although they may disagree with the opinions of other Directors or Members, they must not engage in personal attacks against them.

3. When Ethics Issues Arise. Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Directors should immediately raise such situations with the Board. If appropriate, the Board will seek guidance from the Association’s legal counsel.

a. *Disclosure and Recusal.* Directors must immediately disclose the existence of any conflict of interest they may have as it relates to any issue that comes before the Board.

b. *Violations of Policy.* Directors, Officers, and Committee Members who violate the Association’s ethics policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to disciplinary action, following proper notice and a hearing, which can include, but is not limited to: (i) private or public censure, (ii) removal from committees, (iii) removal as an Officer of the Board, (iv) removal as a Director from the Board, and (v) legal proceedings.

AS A CONDITION TO BEING ELECTED OR APPOINTED TO THE BOARD OF DIRECTORS AND REMAINING ON THE BOARD, I AGREE TO READ AND FOLLOW THE ABOVE ETHICS POLICY.

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Print Name

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Dated

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Signature