

BOARD OF DIRECTORS CODE OF ETHICS

The HOA is committed to following the highest ethical standards. HOA has earned the trust of its members and the public over many years of ethical, thoughtful and forthright communications as well as ethical, careful and dependable stewardship of the funds contributed by our members.

While no document can anticipate all of the challenges which may arise, **HOA** Board of Directors' Code of Ethics ("Code") sets out key guidelines to assist Board members in making good, ethical decisions as **HOA** conducts its business. It is the responsibility of all Board Directors to familiarize themselves with the Code and to abide by the Code at all times. Any questions or concerns should be discussed with the Board Chair.

I. COMPLIANCE WITH LAW, RULES AND REGULATIONS

All Directors must fully comply with all applicable federal, state and local laws, rules and regulations which govern **HOA**'s business activities and conduct.

II. CONFLICTS OF INTEREST

Business decisions must be made in the best interest of **HOA**, not motivated by personal interest or gain. Therefore, as a matter of **HOA** policy, all directors must avoid any actual or perceived conflict of interest.

A "conflict of interest" occurs when an individual director's personal interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of **HOA**. A conflict of interest situation can arise when a director or a member of his or her family receives personal benefits as a result of his or her position on the Board of **HOA** regardless of whether such benefits are received from **HOA** or from a third party. It is difficult to identify exhaustively what constitutes a conflict of interest. For this reason, directors must avoid any situation in which their independent business judgment might appear to be compromised.

If a conflict or the appearance of a conflict arises for any director, that director shall fully disclose the conflict to all other directors and shall abstain from voting on the issue which creates the conflict or the appearance of a conflict.

III. CONFIDENTIALITY

Occasionally, confidential information may be discussed with Board Directors. In this case, the confidential nature of the information will be stated clearly. Subject to the rights of **HOA**'s members to receive information, each director will maintain the confidentiality of all information entrusted to them, except when disclosure of such information is specifically authorized by the Chair or is required by applicable

law. Confidential information includes all non-public information that might be harmful to our members, if disclosed.

IV. ACCEPTANCE AND REAFFIRMATION OF THE CODE OF ETHICS

At the time a director first joins the Board of **HOA**, the new director will execute a document indicating that he or she has received and read this Code and agrees to be bound by it. Each May, every director will execute a reaffirmation of his or her agreement to be bound by the terms and provisions of this Code.

Term (Year): _____

Date: _____

X

Board Member / Director

Printed name: _____