

# **THE BOARD OF DIRECTORS' CODE OF ETHICS**

## **General Standards:**

- Professional competence: A Board member shall undertake only those responsibilities and assignments that he/she can reasonably expect to perform with professional competence.
- Due professional care: A Board member shall exercise due professional care in the performance of his/her duties. A Director shall not knowingly fail to comply with the requirements of the documents as long as the documents comply with the law.
- Planning and supervision: A Board member shall adequately plan and supervise all his/her assigned duties and functions for the Association.

## **Integrity and Objectivity:**

A Board member may not knowingly make an untrue statement of a material fact or knowingly fail to state a material fact in order to achieve any measure of personal gain for him/herself, or any affiliated company from which he/she may benefit. All decisions and representations must be made with the best interests of the Association in mind.

## **Operating Standards:**

A member shall comply with all current internal operating standards, or those that may, from time to time, be promulgated by the Board of Directors.

## **Professional Courtesy:**

All Board members shall exhibit professional courtesy to community Association management and employees. Such professional courtesy shall include not interfering with the contractual relationships between community management professionals and contractors, vendors, suppliers, and employees.

## **Conflicts of Interest:**

No Board member, or employee of a Board member, may use his/her position to enhance his/her own financial status through recommendation of vendors, suppliers, or contractors that may pay a gratuity to the member or employee. In addition, any situation that may appear as a conflict of interest must be disclosed in writing to the Board of Directors at the earliest opportunity. Any dealings with related parties must be fully disclosed to the Association, and the appropriate abstention must be noted in the minutes on all discussion and voting relating to the perceived conflict of interest.

**Gratuities:**

It is recognized many clients, vendors, and suppliers consider reasonable gifts and entertainment as an accepted business practice without any intent to unduly influence the judgment of the Board of Directors. Nevertheless, it shall be the policy of the Board of Directors to discourage the acceptance by its members of gifts, entertainment, or other favors from existing or prospective clients, contractors, vendors, or suppliers. Cash gifts of any amount are unacceptable. Gifts of a normal value and personal nature given as a token of friendship or special occasions such as Christmas, a job promotion, or length-of-service award are acceptable.

If the gift, entertainment, or other favor is (1) judged to be above the standard of living of the Board member and the donor, or (2) is judged to be beyond the ability of the Board member to reciprocate, either on a personal basis, or with a legitimate claim for reimbursement from the Association, or (3) the gift or entertainment received would suggest to a disinterested third party the Board member might be influenced in the conduct of the Association's business with the donor, it does not meet acceptable standards.

**Use of Association Funds:**

No Board member may use any funds being held for Association business for personal use. All funds held in bank accounts must be completely segregated and not commingled with any Board member's funds.

**Related Entities:**

Any engagement of a company or individual related to any member of the Board of Directors in any way must be disclosed to the Association. This disclosure must be made in writing and approved by the Association for the Board member to remain active.

**Limitations of Practice:**

A Board member engaged in the practice of another professional shall not perform such other services for the Association while serving as a Board member, if the performance of such services is likely to result in a conflict of interest, real or perceived.

## **THE DIRECTORS' PLEDGE**

I understand that the policy of Pine Ridge Property Owner's Association is that Directors, committee chairs, and committee members will work together in a cooperative spirit for the best interests of all of the members of the Association. Therefore, I promise to:

Maintain a positive attitude toward my position as a Director and toward my fellow Board members; Maintain a positive and professional attitude toward our members so as to maintain morale and promote cooperative, efficient relationship between the Board, Management, and the membership; Refrain from harassing, intimidating, or publicly making derogatory comments about fellow Board members, Association members, property manager, or employees; Work with my fellow Directors in a cooperative manner; Represent the total community and not any special interest group; and Use my influence to enhance the reputation of the Association, and develop and maintain mutual respect between the members of the Association and the Board of Directors.

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