

SPRING VALLEY LAKE ASSOCIATION

RESOLUTION AND POLICY ON A CODE OF CONDUCT FOR THE BOARD OF DIRECTORS

WHEREAS, the Board of Directors of Spring Valley Lake Association (Association) has the power and responsibility to make decisions for the entire community, and

WHEREAS, the leaders of the Association are responsible to set a standard and a tone for behavior that is conducive to the best interests of the entire community,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Association hereby adopts the following code of conduct for its members in order to ensure that they maintain a high standard of ethical conduct in the performance of the Association's business and to ensure that the residents maintain confidence in, and respect for, the entire Board:

1. The Board of Directors will use its best efforts at all times to make decisions that are consistent with high principles and to protect and enhance the safety and property value of the common area and assets.
2. No individual shall use the position as a Board member for private gain.
3. No Board member shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.
4. No promise of anything not approved by the Board as a whole can be made by any Director to any employee in relationship to their duties as an employee of the Association as defined in the Governance Policy adopted by the Board.
5. No promise of anything not approved by the Board as a whole can be made to any subcontractor, supplier, or contractor during negotiations of any contract or purchase.
6. No contributions will be made to any political parties or political candidates on behalf of the Association. All contributions to any public good, organization, or entity will be approved by the Board.
7. No Board member shall accept a gift or favor made with intent of influencing decision or action on any official matter.
8. No Board member shall receive any compensation from the Association for acting in the capacity as a Board member. Any gratuity, gift, or compensation of any kind, from any source must be disclosed to the Board as a whole and noted in the minutes of the Board Meeting at which time it is disclosed.

9. No Board member shall engage in any writing, publishing, or speech making that defames any other member of the Board or resident of the community.
10. Confidentiality of the personal lives of Board Members, residents and employees will be protected by the Board members. Employee information regarding compensation, hiring, or termination is considered confidential information.
11. No Board member will willingly misrepresent facts to the residents of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a Board member's personal cause.
12. No agent, employee, or family member of a Board member shall enter into a personal service contract with the Association without previous disclosure of such interest to the Board. No Board member will seek to have a contract implemented that has not been duly approved by the Board or where personal relations of a familial or personal nature are involved.
13. No Board member will interfere with a contractor implementing a contract in progress. All communications with contractors will go through management or be in accordance with policy.
14. No Board member will interfere with the system of management established by the Board.
15. No Board member will interfere with the duties of any staff member of the Association. This includes directing the staff in their duties or suggesting a change in their duties.
16. No Board member will harass, threaten, or attempt through any means to control or install fear in a member of the staff.
17. The Board member that has a personal or business relationship(s) with a staff member or other Board member is to disclose the relationship(s) and excuse oneself and not be present during any discussions regarding the staff member.
18. The Board will not retain any family member of any Board members, committee members or any other person that has a close personal or working relationship within the community.
19. Language at Board meetings will be professional and differences of opinion should be expressed in a clear and business-like fashion. Personal attacks against owners, residents, officers, directors and employees are prohibited and are not consistent with the best interest of the community.
20. Any Board Member under investigation for a felony must request a leave of absence from the Board of Directors during the investigation and trial period. Any Board member convicted of a felony will be removed from the Board in accordance with the California Civil Code.

21. Board members are expected to attend open, executive, and special board meetings. It is imperative for a board member to have a keen understanding and involvement to represent the community. Minimum expectation is a board member should not fall below 80% attendance in a calendar year. Remote access does qualify as attendance.

Any Board Member(s) accused of any provisions herein shall be entitled to a hearing by the rest of the Board or Board appointed Executive Committee. Any Board Member who, after completion of the hearing process is found to have violated any part of this Code of Conduct will face appropriate action up to, and including censure, removal as an officer of the board, request for resignation from the board, recall by the membership, and legal proceedings.

No provision of this Agreement can be rescinded, altered, and/or amended without majority vote of the members of the Board of Directors.

The Board of Directors will stand and face the members in attendance at an Open Session Meeting and signify agreement to abide by this Code of Conduct.

This resolution will be presented to the Board of Directors at the Open Session Meeting on May 21, 2019. Upon agreement of the Board of Directors the policy will become effective immediately.

Original acceptance and approval date of the Resolution for the Code of Conduct for the Board of Directors was July 2009. Each year the Resolution has been accepted by the Board of Directors at the Open Session Meeting generally following the Election Meeting.

Revised August 22, 2017