

Chimney Hill Owners Association, Inc.
ETHICS POLICY FOR
BOARD OF DIRECTORS

Voted on and Adopted by unanimous vote of the Chimney Hill Board of Directors on
May 29, 2021

The Board of Directors has adopted the following ethics policy for its Board members. This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

A. 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:

- 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.
- make decisions which are in the best interest of Chimney Hill Owners Association, Inc.

B. PROFESSIONAL CONDUCT

In general, directors must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

1. Self-Dealing. Self-dealing occurs when directors make decisions that materially benefit themselves or their relatives at the expense of the association. Benefits include money, privileges, special benefits, gifts or other items of value. Accordingly, no director may:
 - solicit or receive any compensation from the association for serving on the Board,
 - make promises to vendors unless with 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 a business or financial relationship with the association,
 - seek preferential treatment for themselves or their relatives.

2. 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:
 - private personal information of fellow directors and committee members,
 - private personnel information of the association's employees,
 - disciplinary actions against members of the association,
 - assessment collection information against members of the association, and
 - legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the Board without the prior approval of the association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.
3. Misrepresentation. Directors may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner and in accordance with the By-Laws of the Association.
4. Interaction with Employees. To ensure efficient management operations, the Board members will avoid conflicting instructions to management and to avoid potential liability, directors shall observe the following guidelines:
 - The President of the Board shall serve as liaison between the Board and management and provide direction on day to day matters, unless otherwise directed from the Board.
 - Except for the President, or his/her designee, directors may not give direction to management, employees or vendors without the authorization of the President and/or Board prior authorization.
 - If directors are contacted by employees with complaints, the employees shall be instructed to contact management or the Board as a whole. In the event of a complaint against management the employee should be instructed to contact the President or the Board as a whole.
 - No director may threaten or retaliate against an employee who brings information to the Board regarding improper actions of a director, committee or staff member.
 - Directors are prohibited from harassing or threatening employees, vendors, directors, committee members, and owners, whether verbally, physically or otherwise.
4. Proper Decorum. Directors are obligated to act with proper decorum. Although they may disagree with the opinions of others on the Board they must act with respect and dignity and not make personal attacks on others. Accordingly, directors must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in accordance with Board decisions and shall not act unilaterally or contrary to the Board'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. Directors should immediately raise such situations with the Board. If appropriate, the Board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal. Directors must immediately disclose the existence of any conflict of interest, whether their own or others. Directors must withdraw from participation in decisions in which they have a material interest. Conflict of interest shall be defined as: Conflict of interest means a direct personal or monetary interest of a director, his or her spouse, household member, business associate, employer or employee, in the outcome of a cause, proceeding, application or any other matter pending before the Board. Conflict of interest does not arise in the case of votes or decisions on matters in which the director has a personal or monetary interest in the outcome no greater than that of other persons generally affected by the decision.

2. Violations of Policy. Directors 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, including, but not limited to:
 - censure,
 - removal from committees,
 - removal as an officer of the Board,
 - request for resignation from the Board,
 - removal from the Board (by majority vote of the owners in the event that the Board member was elected by the owners). In the event that the Board member was appointed to the Board (not by vote of the owners) the Board, by majority vote of the Board, can remove the Board member.

Prior to taking any of the actions described above, the Board shall appoint an executive committee to investigate the violation. The committee shall review the evidence of violation, endeavor to meet with the director(s) believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the Board for appropriate action. The Board shall endeavor to meet with the director(s) in executive session prior to imposing disciplinary action against that person.

D. PLEDGE

I have read the Ethics Policy and pledge to act in accordance with my obligations as described above.

Signature: _____ Date: _____

Print name: _____