

## **Penn Estates Property Owners Association**

<b>POLICY RESOLUTION:</b>	<b>CODE OF CONDUCT</b>	<b>NO:</b>	<b>A-006</b>
<b>SUBJECT:</b>	<b>Board Member Code of Conduct</b>	<b>PAGE:</b>	<b>1 of 4</b>
<b>DATE APPROVED:</b>	<b>April 05, 2019</b>		
<b>DATE(S) REVISED:</b>			

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**Purpose:** The Board of Directors of Penn Estates Property Owners Association (“PEPOA” or “Association”) has adopted the following Code of Conduct for Directors of the PEPOA (“Directors” or “Board Members”). This Code is intended to foster and sustain a culture of competence, honesty and accountability. Each Director must comply with the letter and spirit of this Code.

It is understood that no code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles. Board Members are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the President, who may consult with legal counsel as appropriate.

### **1. General Standards.**

**Competence.** A Board Member shall undertake only those responsibilities and assignments that the Board Member can reasonably expect to perform with reasonable competence.

**Reasonable care.** A Board Member shall exercise due care in the performance of all duties. A Director shall not knowingly fail to comply with the requirements of the Association’s governing documents as long as the documents comply with the law.

**Planning and oversight.** A Board Member shall adequately plan for, complete and oversee all assigned duties and functions as a Director for the benefit of the Association.

### **2. Act in the Best Interest of the Community.**

Recognizing the need to preserve the design and intent of the community, Board Members will work for the common good of the members of the Association and not for any private or personal interest. They will assure fair and equal treatment of all persons in transactions coming before the Board. All decisions and representations must be made with the best interests of the Association in mind.



**3. Comply with the Law.**

Board Members shall comply with all applicable laws and regulations of the United States, the Commonwealth of Pennsylvania, and the local municipalities, as well as the governing documents of the Association.

**4. Conduct of Board Members.**

Board Members' conduct must be above reproach and avoid even the appearance of impropriety. Board Members shall exhibit honesty, civility and professionalism at all times and shall refrain from abusive conduct, personal charges and/or verbal attacks on the character or motives of PEPOA members, management, administration, staff, Directors, chairs and the public. No Board Member shall knowingly misrepresent facts.

**5. Conduct of Meetings.**

Board Members will make every effort to attend meetings regularly and to perform their duties in accordance with established rules of order governing deliberation of Association issues. Board members shall prepare themselves for all meetings; listen courteously and attentively to discussions; and focus on the business at hand. They shall refrain from interrupting other speakers, making personal comments not germane to the business of the body, or otherwise interfering with the orderly conduct of meetings.

**6. Decisions Based on Merit.**

Board Members shall base their decisions on the objective merits and substance of the matter at hand rather than unrelated or subjective considerations.

**7. Integrity and Communication.**

Board Members shall share with the Board any substantive information that is relevant to the matter under consideration, even if it has been received from sources outside the normal decision-making process. Board members may not knowingly make an untrue statement of a material fact or knowingly fail to state a material fact.

**8. Conflict of Interest.**

In order to assure independence and impartiality, Board Members shall not use their position to influence decisions in which they have a material, personal, financial or political interest or advantage. A conflict of interest exists when a Director has an affiliation, relationship, or interest (financial or otherwise) or activity which is different from any interest or advantage shared in common with all other members of the association, and incompatible with a Director's fiduciary responsibilities as an impartial decision-maker as a member of the Board. Each Board Member must disclose any conflict of interest in connection with the matters being addressed by the Board, at the time the matter comes before the Board for consideration. The Board shall then determine



whether the interest significantly impairs the Director's objectivity or significantly compromises the Director's professional judgment so as to exclude the Director from substantive discussion, voting and working on the action under consideration. To the extent not addressed herein, any Board Member having any personal interest in any transaction with the Association shall fully disclose that interest to the Board before completion of that transaction as required by state law.

**9. Gifts and Favors.**

Board Members shall not take or accept any special advantage of services or other opportunities for personal gain that are different from any interest or advantage shared with all other members of the Association. Board Members shall not accept any gifts, favors or promises of future benefits which might compromise, or give the appearance of compromising, their independence of judgment or action.

**10. Confidential Information.**

Board Members shall respect and protect confidential exchanged in meeting sessions. They shall neither disclose confidential information without proper Board authorization, nor use such information to advance personal, financial or other private interests. They shall abide by the Association's Confidentiality Policy; any violation of the Confidentiality Policy shall also constitute a violation of this Code of Conduct.

**11. Use of Association Resources.**

Board Members shall not use resources of the Association that are not available to all members of the Association, such as staff time, equipment, supplies or facilities.

**12. Representation of Private Interests.**

In keeping with the role as stewards of the Association's interests, Board Members shall not appear before the Board on behalf of the private interests of third parties.

**13. Positive work place environment.**

Board Members shall support a positive and constructive workplace environment for employees, members and businesses dealing with the Association. Board Members shall recognize their special role as Directors does not include direct supervision of employees, vendors and association operations. Board Members shall not deal inappropriately with the Association's employees, who shall be supervised by their respective managers.

**14. Model of Excellence.**

- ❖ Board members shall uphold this Code of Conduct and conduct themselves in accordance with the following model of excellence. They shall:

- ❖ Recognize the worth of individual members and appreciate their individual talents, perspectives and contributions;
- ❖ Help create an atmosphere of respect and civility in which other Board Members, individual members and staff are free to express their ideas and encouraged to work to their full potential;
- ❖ Conduct their personal and public affairs with honesty, integrity, fairness and respect for others;
- ❖ Respect the dignity and privacy of other individuals and organizations;
- ❖ Keep the common good as their highest purpose and focus on achieving constructive solutions for the benefit of the general membership.
- ❖ Act in the best interests of the Association, and endeavor to discourage or avoid conduct which is divisive or harmful to the best interests of the Association.
- ❖ Immediately notify the Board and Management if at any time during term on the Board they cease to be in Good Standing, acknowledging that this change automatically ends a Director's term on the Board of Directors.

**15. Communications with Legal Counsel the Board's Role in Relation to the Community Manager**

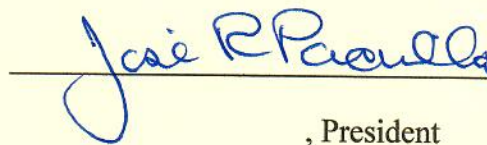
The President shall be the Board's sole point of contact with the Association's legal counsel. All other Directors shall refrain from contacting legal counsel without the prior approval of the Board. Any Director who violates this procedure shall be personally responsible for compensating the Association for any and all resulting fees.

Notwithstanding anything to the contrary above, the Association's staff, including but not limited to the Community Manager and Controller, may contact legal counsel as needed to fulfill their work responsibilities.

Adopted by resolution of the Association's Directors on this 5<sup>th</sup> day of April, 2019.



, Secretary



, President