

AMERICANA CENTRE CONDOMINIUM, INC.

Code of Ethics for the Board of Directors

Administrative Resolution No: _____

WHEREAS, the Board of Directors of the American Centre Condominium, Inc. (“Board of Directors” or “Board”) has established the goal of conducting the business of the Council of Unit Owners of Americana Centre Condominium, Inc. (“Council”) with high levels of dignity, civility, and respect for the Council as an entity and for the individual members of the Council, the Board, and Committees;

WHEREAS, the Board of Directors wishes to establish a code of ethics for itself in order to further its efforts to accomplish its goal;

NOW THEREFORE, BE IT RESOLVED that the Board adopts the following code of ethics as its formal policy:

I. DECORUM AT MEETINGS

- A. Members of the Board of Directors shall exercise their best efforts to attend and be on time to all meetings or functions of the Board, and shall plan to be in attendance during the entire proceeding. Whenever a Board member knows in advance that he or she cannot attend the entire meeting or function, he or she shall exercise best efforts to inform the President or General Manager in advance of the meeting.
- B. When a meeting of the Board of Directors is called to order, all members of the Board shall be prepared to focus on the business of the meeting. Board members shall take precautions to minimize any distractions during the meeting, including, but not limited to, turning off electronic devices, audio or visual recorders or other forms of telecommunications equipment and refraining from other activities which might interrupt the fluidity of the Board meeting or distract any other member of the Board.
- C. Board members shall show respect to each other at all times. No member of the Board shall speak out of order or without recognition from the President, nor shall any member of the Board engage in any activity which interrupts or distracts any member of the Board when another member of the Board has the floor for discussion purposes. Board members also owe a special duty of civility to the Council’s membership and shall be particularly courteous to the individual members at all times during official functions of the Council. In addition, Board members shall employ these same standards when communicating with one another, with management, staff and individual members of the Council via other means (e.g., in emails and voicemail messages).
- D. The President shall have authority to enforce the provisions of Section I during Board meetings, and may do so on his or her own or at the unseconded request of any other member of the Board. To enforce Section I, the President shall issue a call to order to the particular member of the Board, who then must obey the directive immediately; however,

the member called to order shall have the right to appeal the President's directive. The appeal shall be open to debate and vote of the Board.

- E. The Board further reserves additional enforcement powers for itself, as set forth in Section V.

II. DUTY OF RESPECT TO THE BOARD AND THE COMMUNITY

- A. All members of the Board owe a duty of respect to the Board of Directors as an entity, particularly with respect to its formally-approved policies. During the decision-making process, robust debate between members of the Board is encouraged, as it is often necessary for the development of the best decision-making process; however, once the Board formally votes on a matter, no member of the Board shall engage in any activity which undermines the ability of the Board to successfully effectuate the results of a duly-authorized policy or decision. The duty of respect owed to the Board requires dissenting members to work within the formal procedures of the Board to modify or rescind the previously-adopted votes or policies with which they disagree. Dissenting members of the Board may voice their disagreement with any such votes or policies at any official function of the Council, but must do so in a manner which shows respect for the Board as an entity.
- B. All members of the Board shall recognize that their individual behavior is a reflection upon the Board as an entity; therefore, Board members must show the proper respect towards other residents, owners, and Board members even outside of formal meetings.
- C. In recognition of the effect that Board members' comments may have on individual owners, when Board members have concerns/issues/questions about a particular Board policy or decision, Board members shall refrain from communicating those concerns with members of the Council directly until after the Board member has placed the issue or concern on the Board's agenda and the Board has fully discussed it. If the matter has been addressed fully by the Board, Board members may discuss it with other members of the community, but must afford the Board's decision its due respect. Specifically if a Board member believes that the Board is treating an owner or resident unfairly or with special treatment, the Board member must address that concern with the Board and not with individual members of the Council, even if the Board has fully discussed the Board member's concerns and has taken no additional action.
- D. As Board members are responsible for overseeing the business of the Council as a whole, Board members shall make themselves familiar with the Council's Articles of Incorporation, By-laws, Rules and Regulations, and any other governing documents of the Council.
- E. All Board members shall take part in annual Board training. The training shall include information on Board member responsibilities, and ethical and legal requirements of Board members. The training shall be conducted by legal counsel for the Council and paid for by Council funds.

- F. All Board members are strictly prohibited from using Council property (including Confidential Information, as discussed below) for private purposes, unless the use is afforded to all members of the Council, and the Board member has proper permission to use the property.

III. CONFLICTS OF INTEREST

- A. Members of the Board owe a fiduciary duty to the Council which requires them to consider only the best interests of the Council when voting on matters and to exclude any competing interest from consideration. If a member of the Board has any duality of interest, concerns which compete with his/her fiduciary duty, or a conflict of any sort, then he/she must disclose such interest, concern, or conflict on the record. If the Board member believes that he or she is unable to fulfill the fiduciary duty to the Council because of such interest, concern, or conflict, he or she must recuse him or herself from all discussions and votes on that matter.
- B. If the Board member believes that such interest or concern does not rise to the level of a conflict of interest and does not impede his or her ability to exercise the fiduciary duty, he or she must state her reasons on the record and his or her intent to participate in the discussion and vote on the motion. Under such circumstances, the President shall have the authority to call for a vote of the other members of the Board to approve the right of the member to participate in the discussion and vote. Under such circumstances, the other Board members shall presume good faith on the part of their fellow member of the Board and shall not vote to disapprove their fellow Board member's right to participate in the discussion and vote unless there is clear and convincing evidence that the member's participation in the discussion and vote would damage the integrity of the Board and be injurious to the interests of the Council.
- C. Board members are encouraged to review any fiduciary duty requirements that they may have as a result of their relationship with other organizations, including with their employers, other corporations, or other non-profit organizations.
- D. Under no circumstances shall any member of the Board participate in the discussion or vote on any matter in which the member has a conflict of interest. For the purposes of this resolution, the term "conflict of interest" shall include, but not be limited to, the following situations:
1. whenever the Board intends to review a case involving the compliance of a member of the Board with the Council's legal requirements, and
 2. whenever the Board intends to review a contract or expenditure of funds involving the direct pecuniary interest of a Board member.
- E. No member of the Board shall vote to approve the expenditure of funds for the acquisition of services or goods from any Board member, relative of a Board member, or

entity which is affiliated with any of the Board members or their relatives, unless the Board member with such relationship discloses the relationship on the record and there is convincing reason to believe that a vote in favor of such an expenditure would be in the best interests of the Council. Under such circumstances, the vote must pass by at least a two-thirds majority of a quorum of members of the Board of Directors.

- F. Under no circumstances shall any Board member solicit a gift or gratuity of any sort, including, but not limited to free or discounted services, from any resident or any employee, vendor, or professional serving the Council or attempting to obtain business from the Council. Any member of the Board who receives an unsolicited gift or gratuity from any employee, vendor, or professional serving the Council or attempting to obtain business from the Council must promptly disclose his or her receipt of the gift or gratuity at a meeting of the Board. The Board of Directors shall then decide on the public record whether the member of the Board should return the gift, turn it over to the Council, or, if the gift is of innocuous consequence or nominal value, keep the gift. This prohibition does not cover situations where members of the Board meet with a vendor or professional to discuss business matters of the Council at times when it would be ordinary to eat breakfast, lunch, or dinner and the vendor or professional pays for the meal. Such circumstances shall be considered ordinary and acceptable acts of professional courtesy on the part of the vendor or professional.
- G. In order to avoid potential violations of subsection F above, any Board member who wishes to enter into a private contract for services with any employee, vendor, or professional currently serving the Council must notify the Board of that relationship. If the absence of a form, the Board member must provide the identity of the employee, vendor or professional with whom the Board member wishes to engage into a private contract and the general terms of the contact (i.e. ongoing service contract or singular transaction). The Board member must also sign an agreement that the private agreement shall not interfere in any way with the hours of employment or services provided by the employee, vendor, or professional to the Council.

IV. CONFIDENTIALITY REQUIREMENT

- A. All members of the Board shall recognize that matters pertaining to the Council's business conducted in Executive Session should be kept confidential and not disclosed to the community membership or to members of the public at large. All persons, including, but not limited to, members of the Board, any Committee, or general membership are strictly prohibited from recording any portion of the Executive Session via the use of any audio or visual recording device without making a written request and obtaining express written consent of a majority of the Board members. Any such request shall be made at least seven business days in advance of the meeting.
- B. The same confidentiality applies to any written communications from legal counsel denoted as a confidential document. Board members shall not disclose Confidential Information (as that term is defined below) under any circumstances to any person not on

the Board without the express consent of a majority of the Board voting at a duly-convened meeting of the Board of Directors.

- C. In any instance when a Board member might be confused about the confidentiality requirements and in order to minimize the possibility of inadvertent disclosure, Board members shall consult with the President before making any disclosure to any third party which might arguably release any Confidential Information covered by this Resolution, as that term is defined below.
- D. All Confidential Information is the property of the Council. Board members shall keep in strict confidence any and all information, documentation, records, and devices, including e-mails which contain Confidential Information, and, upon the expiration of the Board member's term, shall return all Confidential Information in his possession to the Board and shall keep confidential all non-tangible Confidential Information.
- E. For the purpose of this Resolution, the term "Confidential Information" shall mean any information related to:
1. discussion of matters pertaining to employees and personnel;
 2. protection of the privacy or reputation of individuals in matters not related to the Council of unit owners' business;
 3. consultation with legal counsel on legal matters;
 4. consultation with staff personnel, consultants, attorneys, board members, or other persons in connection with pending or potential litigation or other legal matters;
 5. investigative proceedings concerning possible or actual criminal misconduct;
 6. compliance with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or
 7. discussions of individual owner assessment accounts.
- F. For the purpose of this Resolution, the term "Confidential Information" shall not be deemed to include:
1. information that, at the time of disclosure, is available to the general public through public records or records of the Council which the Council must make available to the members for inspection or copying under state law; and
 2. information that an administrative agency or court of competent jurisdiction orders to be disclosed, provided however, that upon receipt of any order, subpoena, or summons of any kind, before providing the information or document requested, the Board member shall give the Council immediate notice thereof in order to allow the

Council an opportunity to protect its Confidential Information. The Board member shall provide all necessary cooperation for this purpose.

V. ENFORCEMENT

- A. In addition to the enforcement remedies provided to the President stated above, the Board may enforce all provisions of this resolution by private reprimand, public censure, suspension from the Board for a maximum of two months, or the initiation of a removal action.
- B. The Board shall not take any such enforcement action against any Board member until the Board votes on the public record to cite the member of the Board for a flagrant or repeated violation of the code of conduct cited herein. The Board must then provide the Board member in question with written notice of the alleged violation and an opportunity to be heard on the matter at a duly-convened meeting of the Board. Once the Board concludes this process, it may vote to impose or pursue any of the enforcement actions described above.

IN WITNESS WHEREOF, the undersigned certifies that this Resolution was adopted by the Board of Directors of the Americana Centre Condominium, Inc. on this ____ day of _____, 2012.

**AMERICANA CENTRE CONDOMINIUM,
INC.**

By _____
John Becker, President