

**RESOLUTION OF THE BOARD OF DIRECTORS OF
HOMES ASSOCIATION OF CEDAR HILLS**

Code of Ethics and Conduct

This Resolution sets forth action taken by the Board of Directors (“Board”) of the Homes Association of Cedar Hills (“HACH”) and is effective as of the date set forth below.

RECITALS

A. The Board serves on behalf of the HACH to make decisions for the benefit of the entire community. The Board is empowered to maintain a high standard of conduct in performing HACH business.

B. Article IV, Section 4 of the Bylaws of Homes Association of Cedar Hills the Board has the authority to conduct, manage, and control the affairs and business of the corporation, and to make rules and regulations.

C. For the benefit of all HACH members, the Board wishes to implement this Resolution to (1) encourage Board participation; (2) foster positive working relationships among Directors; (3) provide for rules and conduct to be followed by all Directors; (4) control expenses; and (5) provide remedial sanctions for violations of the Code of Ethics, Behavior, and Conduct.

NOW, THEREFORE, the Board of Directors hereby adopts the following Code of Ethics and Conduct Resolution, and,

IT IS RESOLVED THAT Directors **must**:

1. Serve for the benefit of the entire community and will strive to do what is best for the HACH regardless of their personal interests.

2. Hold themselves to the highest standards as members of the HACH and will review and comply with all provisions of HACH governing documents.

3. Use their best efforts and sound business judgment to make the best possible business decisions for the taking into consideration all available information, circumstances, and resources.

4. Disclose and exclude themselves from participation in any Board business where they have a personal conflict of interest and will not participate in business decisions that will provide them or their family with personal gain or advantage.

5. Use best efforts to make reasonable, fair, and unbiased decisions that promote equitable treatment of all homeowners and that are consistent with the HACH governing documents.

6. Work within the HACH framework and abide by the system of management established by the HACH governing documents and Board resolutions.

7. Support, and speak with one voice, concerning all duly adopted Board decisions—even if in the minority on actions that did not obtain unanimous consent.

8. Communicate with vendors, employees, or other persons in accordance with Board policy with the intent that only a single Director should give instruction to these persons.

9. Conduct themselves at all meetings, including Board meetings, executive sessions, annual member meetings, and committee meetings, in a professional and business-like manner.

10. Maintain the confidentiality of all legal, contractual, personnel, and management matters involving the HACH and will also maintain the confidentiality of the personal lives of other Directors, HACH members, residents, and employees.

11. Disclose the sale of their property within the HACH that would bar their ability under the governing documents to continue to serve or run for re-election.

12. Follow and support a policy of open communication and invite HACH member input wherever appropriate.

13. Agree to execute the Declaration and Oath of Director as attached to this Resolution.

IT IS FURTHER RESOLVED THAT, Directors must not:

1. Act unilaterally or contrary to Board decisions or act outside the scope of their authority by seeking to solicit or make contracts not duly approved by the Board or making unauthorized promises to any vendor, contractor, supplier, or bidder.

2. Use their positions for private gain or to seek advantage over another owner or resident.

3. Solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking a contractual or other business or financial relationship with the HACH.

4. Use the resources of the community, including HACH funds, or any legal, financial or consultant resources, to enhance or protect their private interests.

5. Seek preferential treatment by the Board, any of its committees, or any contractors or suppliers.

6. Misrepresent facts in any issue involving HACH business for any purpose.

7. Harass, threaten, defame, personally attack, stalk, physically harm, or attempt through any means to intimidate, control, or instill fear in any other Director, owner, resident, employee, or contractor.

8. Attend meetings after recently consuming, or while consuming, alcohol, recreational marijuana, or illicit drugs.

9. Use abusive, threatening, or intimidating language at any Board meeting or annual meeting.

10. Disrupt any Board or annual meeting such that it cannot continue without removing the Director or, through such action, causing the meeting to be rescheduled.

11. Interfere with the duties of a Director, Officer, employee, or any contractor in their work.

12. Divulge personal information about any owner, resident, or employee obtained in the performance of Board duties.

13. Reveal to any owner, resident, or third party the discussions, decisions, and comments made by Directors in an executive session.

14. Record, by any means, any Board or annual meeting without the express, unanimous consent of all participants.

15. Become delinquent in assessments or fines in any amount.

16. Make any presumption of guilt or liability of any co-owner or community member, regarding violation of a Bylaw or community rule before a review and discussion of all pertinent facts is complete.

IT IS FURTHER RESOLVED THAT any Director, after an opportunity to be heard, who violates any of the provisions above, will be deemed by the Board to have acted outside the course and scope of that Director's authority, and may be sanctioned in any or all the ways as follows:

1. **Request for Resignation.** The Board, by a majority vote, may request that the Director resign from the Board.

2. **Board Censure.** The Board, by a majority vote, may issue a resolution censuring the Director for conduct that violates this Resolution.

3. **Removal from Officer Position.** The Board, by a majority vote, and in accordance with the Bylaws, may remove a Director from an Officer position for conduct violating this Resolution.

4. **Removal.** In accordance with the procedures of ORS 94.640(6), any Director or HACH member may call for the removal of a Director. Alternatively, the Board, by a

majority vote, and in accordance with the governing documents and Oregon law, may commence legal action to remove a Director or take any other legal action resulting from Director conduct that violates the governing documents including this Resolution.

5. **Prohibition from Future Service.** In accordance with any Bylaw amendment approved by the owners, if a Director violates any provision in this Resolution that results in censure, removal from an officer position, legal action, or removal as a Director upon a vote of the ownership, that Director will be barred from serving as a Director for a period of six years from the last date of any of those occurrences.

IT IS FURTHER RESOLVED THAT each current and subsequent Director must review this Resolution and attest in writing that Director's commitment to adhere to the provisions herein, all other Board resolutions, and the Association's governing documents.

The undersigned Secretary certifies that this Resolution was adopted by the Board of Directors at a duly called meeting effective October 11, 2022. The Secretary also certifies that this Resolution supersedes all prior codes of ethics and confidentiality agreements and that a copy of this Resolution has been posted to the Association's website.

Chris Mussolf
Secretary