

Policy on Code of Conduct for Directors and Committee Members

Per the NM Homeowner Association Act, within ninety days after being elected or appointed to the board, each board member must certify in writing to the secretary of the association that the member (1) has read the community documents; (2) will work to uphold the community documents and policies to the best of the member's ability; and (3) will faithfully discharge the member's duties to the association. Failure to do so will result in suspension from the BOD until the member complies.

The BOD of ~~the San Pedro Creek Homeowners' Association (SPCEHOA)~~ has the authority and responsibility to make decisions for the benefit of the entire community and wishes to ensure that it and its individual members (Directors), Committee Chairs and their Members (Leaders) maintain a high standard of ethical conduct in the performance of the Association's business, and that the Association's members maintain confidence in and respect for its Board and Committees.

- 1.1.1. This Policy was adopted on April 19, 2023. Version 1.0. Last updated ~~April 19~~ November 7, 2023.
- 1.1.2. This Code of Conduct is compliant with the NM Homeowner Association Act requirement and delineates standards of ethical behavior applicable to all members of the Board ("Directors"). It is also adopted that Committee Chairs and Members ("Leaders") serving the community will review and agree to ~~similar this~~ standards of ethical behaviors.
- 1.1.3. Directors are the elected leaders and fiduciaries of the financial trust and personal confidence of all of the members of the Association. Directors are required to deliberate and act in the best interests of the Association as a whole. Directors serve for the benefit of the entire community and will not use their positions for private gain.
- 1.1.4. Leaders are assumed to maintain the trust and personal confidence of all of the members of the Association. Leaders are required to

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deliberate and act in the best interests of the Association as a whole. Leaders serve for the benefit of the entire community and will not use their positions for private gain.

- 1.1.5. Each Director and Leader as of the date of the adoption of this Policy, shall sign his/her acceptance of the responsibility to comply with this Code of Conduct. Each Board Director and Leader shall sign annually to acknowledge his/her acceptance of this responsibility.
- 1.1.6. At the beginning of each BOD Meeting, Directors will review the agenda items and will inform the BOD if there are any discussion items that may pose an actual, perceived, or potential conflict of interest. Should a Director find him/herself in this position, the BOD shall pursue a responsible and ethical course of action. Similarly, Leaders will advise the BOD immediately if there is a question of actual, perceived, or potential conflict of interest in researching, contracting, or discussing community business on behalf of the Association and its members.
- 1.1.7. Directors and Leaders shall treat members of the Association with courtesy and respect and should expect such treatment in return. However, Directors and Leaders must be prepared to extend courtesy and respect even when they do not receive it.
- 1.1.8. Directors and Leaders shall conduct themselves professionally at all times. Directors or Leaders may challenge each other on professional conduct, but any discussion or challenge of another Director's conduct should only take place in Executive Session, or in the case of Committee issues, with the BOD directly.
- 1.1.9. Directors and Leaders will not knowingly misrepresent or distort facts to the Board or the Association. Directors should make best efforts to gather the information required to make an informed decision based on facts instead of relying exclusively on second-hand information.
- 1.1.10. Directors, Committee Chairs, and their Members shall not seek to have a contract implemented that has not been duly approved by the BOD.

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- 1.1.11. Directors and Leaders shall not interfere with the duties of management staff or any contractor executing an existing contract. All communications with contractors must be in accordance with BOD policy.
- 1.1.12. Directors and Leaders shall, at all times, maintain the confidentiality of all legal, contractual, personnel, management or personal matters involving the Association unless and until the Board has taken official action to release specific information.
- 1.1.13. Directors and Leaders agree to respect and abide by the decisions of the BOD and of the Association members, whether by majority or supermajority, as applicable to the issue decided according to the ~~Bylaws~~By-Laws.
- 1.1.14. Directors and Leaders shall not attempt to subvert such BOD or Association decisions.
- 1.1.15. Directors and Leaders shall comply with Governing Documents and relevant laws.
- 1.1.16. Directors will be familiar with the Declaration, By-Laws, Articles of Incorporation, ~~Bylaws, CC&Rs~~, and other Governing Documents of the Association. Directors shall comply with and make decisions that are consistent with these Governing Documents.
- 1.1.17. Leaders will be familiar with specific Declaration, By-Laws, Articles of Incorporation, ~~Bylaws, CC&Rs~~, and other Governing Documents of the Association as they pertain to the information and authority of the Committee served. Leaders shall comply with and make decisions that are consistent with these Governing Documents.
- 1.1.18. Directors and Leaders will lead by example and provide guidance and understanding of the documents of the Association to the Association membership. This Code of Conduct will be periodically reviewed for compliance with NM State Law as well as for reasonableness, clarity, and best practices.

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