

THE VINEYARDS OF SARATOGA HOMEOWNERS' ASSOCIATION (HOA)

BOARD OF DIRECTORS CODE OF CONDUCT

This Code of Conduct outlines the core principles that members of The Vineyards of Saratoga Board of Directors, hereafter referred to as Board Members (by extension Committee Members), must honor and describes parameters that lie outside the line of propriety. If the Code of Conduct establishes obligations that may be higher than those mandated by law, in any instance where the Code of Conduct and the law conflict, the obligations of the law must take precedence.

INTRODUCTION

Board Members can have a significant impact on the HOA's community. In doing so, they need to be sure that they are serving in their role and the HOA as responsibly as possible. Board Members can ensure this by understanding their fiduciary responsibility.

The services provided by the Board require honesty, impartiality, fairness, and equity and must be dedicated to the protection of the public health, safety, and welfare of the HOA. The Board must perform under a standard of professional behavior that requires adherence to the highest principles of ethical conduct.

When representing the Homeowners, the Board Members pledge themselves to protect and promote the interests of their Homeowners and the HOA. This obligation of absolute fidelity to the HOA's interests is primary when serving a Homeowner, Resident or other party.

The HOA has Articles of Incorporation in the governing documents which establishes itself as a non-profit corporation. Even though it is non-profit and Board Members are volunteers, the HOA also follows corporate law, California Civil Code 4000-6150. This means that Board Members have a fiduciary duty to the HOA and its individual owners. This also means that they must competently manage the property of the HOA with due regard for the rights, responsibilities, benefits, safety and health of Residents and others lawfully on the premises.

This Code of Conduct places all Board Members and Committee Members on notice of their respective roles and responsibilities. Violations by a Board Member of the HOA's Code of Conduct may subject the Board Member to censure by the Board. Examples of conduct that is commonly used and recognized as the basis for censuring a Board Member include:

- A breach of the Board Member's fiduciary duties
- Improper or offensive conduct toward association members, employees, residents, or vendors
- Conflicts of interest which the Board Member failed to disclose
- Disruption of board meetings (i.e., overt hostility, profanity, intimidation, etc.)

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Board Members must:

- Familiarize themselves with and act within the scope of their authority as determined by the law and the HOA's governing documents.
- Always endeavor to serve the HOA's best interests and put their own personal interests aside.
- Carry out their responsibilities with impartiality, applying the rules to one as if they applied to everyone.
- Perform their duties without bias for or against any individual or group of Owners or Non-owner Residents.
- Make decisions for the HOA using sound judgment and due diligence, taking into consideration all available information, circumstances, and resources.
- Ensure whenever possible that contracts or agreements shall be in writing and shall be in clear and understandable language expressing the specific terms, conditions, obligations, and commitments of all the parties.
- Provide reasonable opportunities for Homeowners to comment on decisions facing the association.
- Support open, honest, and fair elections.
- Support all duly adopted Board of Directors' decisions—even if a Board Member is in the minority regarding that decision.
- Disclose personal or professional relationships with any company or individual who has or is seeking to have a business relationship with the HOA. If a conflict of interest exists, the Board Members must recuse themselves from the discussion and vote.
- Place all pertinent facts before the proper tribunal or council and take no action to disrupt or obstruct such process, if required to present evidence or to cooperate in any other way in any professional standards proceeding or investigation.

Board Members must not:

- Support or promote any activity, action, or behavior that breaches the law or other regulatory requirement.
- Disclose confidential information to any party outside of the Board including contractors or share information with those bidding for association contracts unless specifically authorized by the Board.

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- Spend unauthorized HOA funds for any reason including but not limited to their own personal use or benefit.
- Share to any third party any discussions or decisions made in the executive session of Board meetings unless specifically authorized by the Board.
- Reveal personal information about any Homeowner, Resident, or employee.
- Exploit their position as a Board Member for personal gain or to seek advantage over another Owner or Non-owner resident.
- Identify themselves outside of the HOA as a member of The Board of Directors except on authorized HOA business or when specifically authorized by the Board.
- Accept substantial gifts, directly or indirectly, from members of the community, suppliers, or contractors.
- Misrepresent known facts concerning HOA business, threaten, intimidate, or harass any Board Member, Homeowner, Resident, contractor, or employee.
- Make unauthorized promises to a bidder or contractor.
- Reveal to any Owner, Resident or other third party the discussions, decisions and comments made at any meeting of the Board properly closed or held in executive session.
- Undertake to provide specialized professional services that is outside their field of competence unless they engage the assistance of one who is competent on such types of matters or service with the consent and supervision of the Board.
- Participate or engage in social media of any kind as a Board Member unless specifically authorized by the Board.

Signature Page

I have read and agree to abide by the Vineyards Association of Saratoga Code of Conduct as outlined above and duly adopted.

Board Member

Date

David V. Felt

31 MAY 22

Laurel Smith

5-20-22

Thomas J. Smith

5-20-22

Blayne H. Delaney

5/20/2022

Michael Toback

5/20/22

Pamela M. M.

5/20/22

Chris (Sundt)

5/20/22
