

BOARD OF DIRECTORS

141 Conflict of Interest

No director shall have an interest in or be employed by any entity which is, or has a pending proposal to be, under contract with the Association or with the Fairfield Sapphire Valley Master Association, Inc. to provide management, administrative, or other contract services to the Association or to the Master Association. In the event that a director becomes so employed or acquires such an interest after his election to the Board, said director immediately shall become ineligible to continue service as a director and shall be replaced pursuant to the provisions of Article V, Section 10 of the By-Laws.

In the event a Board member is employed by a corporation or business which furnishes goods or other non-contract services to the Association, the Board member shall declare his/her association with the organization and shall not debate or vote upon the question of the purchase.

It is not the intent of this Policy to prevent the Association from contracting with corporations or businesses because a Board member is an employee of the firm. The policy is designed to prevent placing a Board member in a position where his/her interest in the Association and his/her interest in his/her place of employment might conflict and to avoid appearances of conflict of interest even though such conflict may not exist.

The Board shall forbid:

a Board member from being employed for compensation by the Board;

Board member from having, directly or indirectly, any pecuniary interest in any contract with the Board;

a Board member from accepting a reward, gift or reduction in price for favoring, recommending or advocating the purchase of any item of equipment, supplies, or services to on behalf of the Association;

a Board member from soliciting or using the authority or influence of his/her office to secure a contract with the Board;

a Board member from voting on a contract if that contractor is related to the Board member as father, mother, brother, or sister, spouse, son, daughter, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

142 Oath of Office

Each member of the Board will, before entering his/her duties of office, take an oath prescribed for the office of a member of the Board of Directors of the Holly Forest Association.

143 Orientation

The Board believes that the preparation of each Board member for the performance of duties is essential to the effectiveness of the Board. The Board shall encourage each new member to understand the functions of the Board, acquire knowledge of matters related to the operation of the Association and learn Board procedures.

Accordingly, each new Board member, no later than the first regular meeting shall receive a copy of the Board Bylaws and policy manual, and a current budget statement, audit report, and other related fiscal materials, as well as such other materials the Property Manager may deem necessary.

The Board will establish and maintain publications and reference materials for the use of members and will provide a new Board member with a list of references that should be reviewed prior to being sworn in.

Each new Board member shall be invited to meet with the Board President and the Property Manager to discuss Board functions, Bylaws, policies, and procedures.

144 Resignation or Removal

Whenever a Director shall cease to be an active member of the Association, his/her membership as a member of the Board of Directors shall cease immediately.

The vacancy created by a member who resigns shall become effective upon the presentation of the resignation to the Board duly convened or upon the effective date specified in the resignation.

Any elected Director may be removed from the Board, with or without cause, by a majority vote of the active members of the Association present in person or represented by a proxy at a Special Meeting called for said purpose.

The unexcused absence of an elected Director from three consecutive regular meetings of the Board, during a Term Year, shall be deemed a resignation. Term year is the period from September through August. This vacated position may be filled as outlined in Article V, Section 10 of the Holly Forest By-Laws.

145 Compensation

Each member of the Board of Directors shall serve without compensation or reimbursement of travel expenses for attending regularly scheduled meetings.

146 Public Expressions by Board Members

From time to time individual Board members make public statements, written or verbal, on Association matters to local media and/or to local or State officials.

Sometimes the letters imply, or the readers (listeners) infer, that the opinions expressed or statements made are the official positions of the Board. The misunderstandings that can result from these incidents can embarrass both the member and the Board.

Therefore, Board members should, when writing or speaking on Association matters to Association members, the media, legislators, and other officials, make it clear that their views do not necessarily reflect the views of the Board or of their colleagues on the Board.

This Policy shall apply to all statements and/or writings by individual Board members not explicitly sanctioned by a majority of its members, except as follows:

1. Correspondence, such as legislative proposals, when the Board member has received official guidance from the Board on the matters discussed in the letter.
2. Routine, not for publication, correspondence of the Property Manager and other Board members.

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3. "Campaign articles" or "position papers" of candidates for elections to the Board or the Board of any other Association in Sapphire Valley.
4. Routine "thank you" letters of the President of the Board.
5. Statements by Board members on Association matters (providing the statements do not identify the author as a member of the Board).
6. Personal statements not intended for publication.
7. Post-election statements by Board members thanking Association members for voting for them.