

Adopted December 15, 2010

Director's Rules of Conduct (DRC)

1.0 Introduction

It must be clearly understood that the Wimbledon community will expect its Board of Directors (BOD), individually or collectively, to comport themselves in a manner in keeping with their position. It is believed that the community will expect its Directors to do so anytime they are on the premises and irrespective of whether or not they are acting in the capacity of a Board member as opposed to that of a homeowner.

Supplementing the provisions in the Homeowner's Association's (HOA) underlying legal documents (ie Declarations and Bylaws) bearing upon related issues pertaining to Directors (such as requirements of good faith, acting in the best interest of the HOA etc), the purpose of the DRC is to clarify, describe and further specify in more detail the standards that the Board desires to impose upon itself, and future Boards, for the purposes of maintaining a high degree of professionalism while fulfilling its obligations as representatives of the HOA.

2.0 Rules of Conduct

2.1 No Unilateral Action: Unless authorized by a majority vote of the full Board, no individual Director may act on behalf of, bind or hold him/herself out as a representative of the Board of Directors and/or Wimbledon Homeowner's Association. The purpose of this rule is to prevent unauthorized actions to include, but not limited to, the following:

- A. Spending HOA money and/or HOA debt incurrence;
- B. Entering into, negotiating and/or modifying contracts;
- C. Doing anything under the "cloak of apparent authority";
- D. Using position of a Director for personal gain or agenda;
[note: C & D would be analogous to wearing two hats i.e., using director position to enhance, support or give weight to a personal position.]
- E. Undermining the purpose and intent of decision-making by a Board versus an individual i.e., there are no "super-Directors."
- F. The only exception is unilateral action taken during a true emergency and even then, the involved director must make

best efforts to discuss the emergency with other Directors.

2.2 Inappropriate Behavior: Being a Director, by definition, requires one to be "interactively responsible" with respect to interpersonal relationships. Whether dealing with HOA members, management and/or its employees, residents, providers etc, a director must always endeavor to be alert to the circumstances and context within which he/she is present. Mature appropriate behavior is the standard and that is what is to be expected of a Director. Common sense should dictate what constitutes inappropriate behavior but some examples would include, but would not be limited to, the following:

- A. Bias and/or discrimination (age, gender, race etc);
- B. Illegal and/or criminal conduct;
- C. Conduct known by the director (or should have been known to a reasonable/average person acting in the same or similar circumstance) to be detrimental to the best interests of the Wimbledon HOA;
- D. Conduct known by the director (or should have been known to a reasonable person acting in the same or similar circumstance) which would reflect poorly upon the HOA and/or the Board of Directors;
- E. Behavior and/or language which is "offensive" by virtue of its content, frequency, shouting and/or in a manner disproportionate to the situation at hand and/or such as might be characterized by rudeness, threats (express or implied), intimidation, immoral and/or sexual in nature;
- F. Actions (in the capacity of a Director) while under the influence of an intoxicant.

2.3 Uniformity of Purpose: Each Director has an obligation to the HOA to perform his/her duties in a good faith manner and to always act in the best interests of the HOA. Likewise, each director owes an obligation to fellow Board members to act in a good faith manner, cooperate fully and conduct oneself in a manner calculated to enhance the Board's efficiency, productivity and its relationship with the HOA and the Wimbledon community. Some examples that would illustrate these principles might include, but not be limited to, the following:

- A. Respectful behavior by and between Board members;
- B. Never losing sight of the obligation to do whatever is best for the Wimbledon HOA takes priority and is more important than any Director's perceived agenda to the contrary;
- C. Putting the HOA (community) service first and discarding ego gratification or any lesser priority;
- D. Focusing on large issues and avoiding getting bogged down or preoccupied with (relative) minutia.
- E. During Open Board Meetings, the Board shall behave itself as a group and conduct itself in a professional manner. Opposing points of view will be expressed in a calm, discussion atmosphere. Ultimately, opinions are expressed with votes. After a vote has taken place and an issue decided upon, the Board will act in a unified manner (ie it has accepted and will abide by its own decision) and move forward;
- F. Obligations of confidentiality are to be respected, maintained and will be enforced. Any Director sharing confidential information (ie Executive Session events or minutes, e-mails between directors etc) prior to (or violative of) any prescribed protocol will be deemed to be in breach of this section, as well as, the general obligation of **Loyalty** and said violation can be dealt with in accordance with the terms of Section 3.0 (Director Discipline) below;
- G. As a further extension of **Loyalty**, no (active) Director is permitted to undermine or sabotage the Board of Directors and/or its decision or contract. Similarly, a director is not permitted to lead, orchestrate, organize, assist or direct a (hypothetical) recall election, HOA rebellion, protest, campaign or any other kind of effort against the Board or party under contract while still a Director. If a Director intends to engage in such (or similar) type of conduct, he/she must resign first.

2.4 Interaction with Management Company: Notwithstanding other provisions herein, the HOA's Management Company Contract (MCC) may also have a bearing upon expected conduct of the BOD or any member thereof. This contract could modify some provisions of the DRC. Examples might include, but not be limited to, the following:

- A. If the management company requires a single director (e.g.

the Board President) with whom to interface, approve work and/or approve expenditures within specified parameters, then this would not violate section 2.1E . Synopsis of such communications to be provided to all Board members;

- B. If the management company has protocols it desires to be followed, once agreed upon with the BOD, all Directors shall adhere to unless (or until) modified;
- C. BOD members shall not interfere with the management company's performance of its contractual obligations. If, hypothetically, a director takes issue with the quality or propriety of management company performance or conduct, then said director must notify the BOD and the management company's designated property manager (or the President, Tom Hast). No unilateral **confrontation(s)** shall occur.

3.0 Director Discipline

The Board of Directors shall have the right and full authority to discipline its own members unless otherwise limited or precluded by the Homeowner's Association's By Laws and/or Declarations. In short, the types of discipline fall under the following categories:

- Private reproof of any director, appointed or elected;
- Public reproof of any director, appointed or elected;
- Termination of office of any director, appointed or elected;
- Termination from Board of Directors of any Board appointed director*. (Grounds for termination must be set forth in the Minutes);
- Commencement of steps for Special Meeting re Termination from Board of Directors by Homeowners Association of an elected director.

Note: DRC provision for Board termination of a Board appointed Director may require an amendment to Bylaws, in which case, said amendment will be pursued with due diligence and a need for same shall not invalidate, nor delay the implementation of any other DRC provision.

/s/ Joel W. Marx, Secretary, 12/21/10