

Resolution #2015-002

**CODE OF ETHICS AND RULES OF CONDUCT
FOR
VOLUNTEER BOARD MEMBERS, OFFICERS, AND COMMITTEE
MEMBERS**

WHEREAS, the Board of Directors of Palm Desert Country Club Association (hereinafter "Association") has the power and the responsibility to make decisions for the entire community; and

WHEREAS, the Board of Directors is responsible for appointing officers and committee members; and

WHEREAS, the volunteer leaders of the Association are responsible for setting a standard and a tone for behavior that is in the best interests of the entire community;

NOW, THEREFORE BE IT RESOLVED THAT the Board of Directors of the Association hereby adopts the following guidelines that are applicable to all volunteers serving the community; the Board of Directors will use its best efforts at all times to make decisions that are consistent with high principles, and to protect and enhance the safety and property value of the residents.

1. No volunteer leader of the Association will accept gifts of any type worth \$15.00 or more from any resident, contractor, or supplier.
2. Board members will not divulge information received in confidence during executive sessions to persons other than other board members, professional advisers, and others whose work is essential to the work of the Board as a whole.
3. Board members and committee members will protect the confidentiality of the personal lives of other Board members, residents, and employees. No Board member shall engage in any writing, publishing, or speech that defames any other member of the Board, an employee, or a resident of the community.
4. Board members or committee members shall not interfere with the employees or contractors implementing a contract in progress. All communications with contractors must go through Association's site staff or management personnel. Board members shall not interfere with the system of management established by the Board as a whole and the management company. Board members shall not harass, threaten, or attempt through any means to control or intimidate a member of the staff. The Board of Directors retains the ultimate decision making authority on behalf of the Association.
5. No one may promise anything to any subcontractor, supplier, or contractor during negotiations unless approved by the Board as a whole. No Board member shall seek to have a contract implemented which has not been duly approved by the Board.

6. The Board and the Association will not tolerate the abuse of drugs, alcohol, or other substances by any volunteer leaders of the Association.
7. Any Board member convicted of a felony agrees to resign from his or her position.
8. Board members agree that they will immediately remove any volunteer leader from an officer or committee position if that person has been convicted of a felony.
9. Any Board member under investigation for a felony agrees to request a leave of absence from the Board of Directors during the investigation and trial period. The Board will appoint a director to serve until the investigation and trial are completed or until the normal end of the Board member's term of office, whichever occurs first.
10. Language at Board meetings and membership meetings shall be considerate and professional both by volunteer leaders and others present. Personal attacks against owners, residents, officers, directors, and employees are not consistent with the best interests of the community and are prohibited.
11. It is understood that differences of opinion will occur. Such differences of opinion should be expressed in a clear and business-like fashion. Directors are encouraged to accept the decision of the majority of the board and the undersigned acknowledges the finality of a board vote on particular issues. Further, once an issue has been decided by a vote of the Board, the undersigned agrees that he/she will not reintroduce the issue unless there is an intervening and substantial change in the underlying facts.
12. A director's vote will be recorded in the minutes of both executive and regular session minutes. Minutes need not contain a detailed record of debate; if any director feels his or her vote or abstention requires explanation not included in the minutes, such director may place the explanation in a letter to the Association, requesting the same to be made a part of the minutes.
13. A volunteer leader may not knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way
14. A volunteer serving the community may not use his or her position to enhance his or her financial status through the use of certain contractors or suppliers. Any direct or indirect financial interest in a contractor or supplier or other potential conflict of interest must be disclosed to the other volunteers, especially the Board of Directors. This is intended to comply with Corporations Code 7233 and 7234.
15. A Board member may not use his or her position to enhance his/her financial status by use of confidential information received by director pertaining to members, including without limitation knowledge regarding the financial condition of a member in arrears to the association. Board members must disclose to the board the nature of financial dealings, such as proposed purchase or sale of homes within the community, by or to such director.

16. Directors and committee members will at all times abide by Civ. Code 5350 (effective 1/1/2014, but adopted by the Board immediately.) Thus the director or committee member will not vote on any of the following matters:

- Discipline of the director or committee member
- An assessment against the director or committee member for damage to the common areas
- A request, by the director or committee member, for a payment plan for overdue assessments
- A decision whether to foreclose on a lien on the separate interest of the director or committee member
- Review of a proposed physical change to the separate interest of the director or committee member
- A grant of exclusive use common area to the director or committee member

Each new volunteer will be given a copy and will be asked to sign a statement to the effect that he or she has been given a copy, has read it, and agrees to abide by it. Further, if the Board or the Association adopts a formal procedure for discipline of board members or committee members who violate this Code of Ethics, the undersigned agrees to abide by such procedures

Violations of the Code of Ethics will be brought to the attention of the Board of Directors, which will then determine what action is appropriate. Such action may include removal of a committee member, removal from office of an officer, public or private censure of a director, suspension of a director's right to attend executive sessions for some period of time, and/or convening a recall procedure for a director.

This resolution is adopted this 7th of April, 2015, at an open Board meeting where a quorum of the Board was present and it will become effective immediately.

_____ Date: April 7, 2015
President, Palm Desert Country Club Association

_____ Date: April 7, 2015
Secretary, Palm Desert Country Club Association

I, the undersigned, acknowledge receipt of this Code of Ethics and Rules of Conduct and agree to abide thereby.

Received: _____ Date: _____
(Printed Name _____)

**THIS DOCUMENT WAS SIGNED BY ALL BOARD DIRECTORS AT ITS
APRIL 7, 2015 OPEN BOARD MEETING.**