

**LVE II HOMEOWNERS ASSOCIATION, INC.  
ADMINISTRATIVE RESOLUTION AR 22-05**

**Board of Directors and Committee Code of Conduct**

**WHEREAS**, the Virginia Property Owners' Association Act ("the Act") provides the Board of Directors ("the Board") of the LVE II Homeowners Association, Inc. ("the Association") with the power to enforce the Association's Declaration, Bylaws, and any rules and regulations adopted by the Board (together with the Articles of Incorporation, the "Association Documents"), and to establish penalties for the infraction thereof; and

**WHEREAS**, Article VII, Section 7.14 of the Bylaws of LVE II Homeowners Association, Inc. ("Bylaws") assigns the Board all of the powers and duties necessary for the administration of the affairs of the Association; and

**WHEREAS**, for the benefit of protection of the Association, and its owners and members, the Board of Directors desires to adopt a binding resolution to regulate the decorum and conduct of the members of the Board of Directors, and the members of the Association's various Committees.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Board of Directors hereby adopts the following Board of Directors and Committee Code of Conduct.

**I. Conflicts of Interest and Affiliations**

**A. Board and Committee Members shall:**

1. Conduct themselves in an ethical and businesslike manner at all meetings and when representing the Association with the public.
2. Represent unconflicted loyalty to the interests of the members of the entire Association. This accountability supersedes any conflicting loyalty such as that to any advocacy or interest groups, or membership on other Associations or staffs. This accountability supersedes the personal interest of any Board Member or Committee Member acting as an individual consumer of the Association's services.
3. Avoid all fiduciary conflict of interest or nepotism conflicts in accordance with state laws and/or the Association documents.
4. Disclose any conflict of interest, or concerns or personal concerns which compete with his or her fiduciary duty, or any potential conflict of any sort, such interest, concern, or potential conflict on the record at the time that any relevant agenda item is addressed by the board or committee.
5. Owe a fiduciary duty to the Association, which requires them to consider only the best interests of the Association when they vote on any matter and to exclude any other interest from their consideration.
6. Conduct themselves in a manner that not only avoids impropriety but also the appearance of impropriety. Members shall avoid any action which might result in, or create the appearance of:
  - a. Using membership on the Board or Committee for personal gain.
  - b. Giving unjustified preferential treatment to any person or organization.

- c. Adversely affecting the confidence of the owners in the integrity of the Board, Committee or Association.

**B. Board and Committee Members shall not:**

1. Solicit a gift or gratuity of any sort from any vendor or professional serving the Association (or attempting to obtain business from the Association Board or Committee Members.
2. Participate, through decision, approval, disapproval, recommendation, the rendering of advice or otherwise, in any board or committee matter in which the member, the member's family, or an organization which the member serves as an officer or employee, has a financial or property interest.
3. Attempt to induce individual authority over the Association except as explicitly set forth in Board policies.
4. Appear on behalf of the private interests of third parties before the Board or any Committee.
5. Make any promises or commitments to contractors, vendors, legal, or other parties who are engaged with or seek to engage with the Association in business.
6. Request, direct or authorize the expenditure of Association funds without the explicit approval of the Board of Directors as recorded in the Board's minutes.

**II. Confidentially**

- A.** Board and Committee Members shall respect the confidentiality of information exchanged in executive sessions and information which is otherwise privileged under the Virginia Property Owners' Association Act and Board policy. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance personal, financial, or other private interests. The same applies, but is not limited, to any written communications from legal counsel denoted as a confidential document. Board and Committee Members shall not disclose confidential information to any person not on the Board, Committee, or the Management Agent of the Association without the express consent of a majority of the Board voting at a duly convened meeting of the Board of Directors, unless required to do so as a matter of law. Whenever there is a question about the confidentiality requirements and in order to minimize the possibility of inadvertent disclosure, the Board of Directors shall be consulted, and a majority Board approval will be necessary before making any disclosure to any third party which might arguably release any confidential information.
- B.** Confidential information means any information discussed in executive session or any information related to:
1. Communications with the Association's legal counsel or professional consultants.
  2. Pending or probable litigation.
  3. Pending matters involving formal proceedings for enforcement of the governing documents or rules or regulations of the Association.

4. Pending negotiations for transactions involving the Association, including contract bids and agreements containing confidentiality requirements.
5. Owners' assessment obligations to the Association.
6. Matters which the disclosure of which would be in violation of law; or information that is deemed proprietary by another entity.

**C. Confidential information shall not be deemed to include information:**

1. That at the time of disclosure is available to the public through public records or records of the Association which the Association must make available to its association members for inspection or copy under the Virginia Property Owners' Association Act.
2. That an administrative agency or court of competent jurisdiction orders to be disclosed, provided however, that upon receipt of any order, subpoena, or summons of any kind, before providing the information or document requested, the Board Member shall give the Board immediate notice thereof in order to allow the Board an opportunity to protect its Confidential Information.

**III. Acknowledgement**

- A. Newly elected board members and appointed committee members will be provided a copy of this resolution prior to the first meeting of the Board of Directors and committees after the annual meeting.
- B. All members of the Board of Directors and all committee members will receive a brief annually on the contents of this resolution and sign a document acknowledging that they have received the brief.

**IV. Cancellation.** This Administrative Resolutions remain in effect until restated or canceled by a vote of the Board of Directors.

**V. Effective Date.** This Resolution is effective October 4, 2022.

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Paul Dykeman, Acting President

I hereby certify that a vote was duly taken, and the above Resolution was adopted by a majority vote at the meeting of the Board of Directors on this 4th day of October 2022.

SEAL

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Shashidhar Koukuntla, Secretary