



## **TORRINGTON FARMS ASSOCIATION, INC.**

### **BOARD OF DIRECTORS CODE OF ETHICS**

**MEMBER IN GOOD STANDING:** For the purpose of this Code of Ethics, the definition of a Member in Good Standing will be a Unit Owner, residing within Torrington Farms Association, Inc., for a period of not less than one year, who does not owe assessment, fine or late charge monies to the Torrington Farms Association, Inc., nor has a documented history of owing assessment, fine or late charge monies to the Torrington Farms Association, Inc. in the preceding six months for longer than a thirty day period, other than scheduled future payments. A Member in Good Standing will comply with the Declarations, Bylaws and Rules and Regulations of Torrington Farms Association, Inc. and who has not received a warning or violation letter accompanied with an associated fine in the preceding six months, other than those which have been successfully appealed.

For the duration of the term served by the board member, he/she must maintain the definition of a Member in Good Standing at all times.

**PROFESSIONAL COMPETENCE:** A board member shall undertake only those responsibilities and assignments that he/she can reasonably expect to perform with professional competence.

**DUE PROFESSIONAL CARE:** A board member shall exercise due professional care in the performance of his/her duties.

**PLANNING AND SUPERVISION:** A board member shall adequately plan and supervise all functions for the homeowner association.

**INTEGRITY AND OBJECTIVITY:** A board member may not knowingly misrepresent facts in order to achieve any measure of personal gain for himself or herself, or any affiliated company from which he/she may benefit. All decisions and representations must be made with the best interests of the association in mind.

**OPERATING STANDARDS:** A member shall comply with all operating standards (internal operating procedures) that are in force or may from time to time be promulgated by the board of directors.

**PROFESSIONAL COURTESY:** All board members shall exhibit professional courtesy to all community association management professionals. Such professional courtesy shall include and should not interfere with, among other things, contractual relationships between community management professionals and contractors.

**CONFLICTS OF INTEREST:** No board members, or employees of board members, may use their position to enhance their own financial status through recommendation of vendors, suppliers, or contractors that may pay a gratuity to the members or employees. In addition, all situations in which any appearance of a conflict of interest could exist must be disclosed in writing to the board of directors at the earliest opportunity. Any dealings with related parties must be fully disclosed to the homeowner association, and the appropriate abstention and/or recusal must be entered on all voting and discussion issues relating to the contractors.

**GRATUITIES:** It is recognized that many clients, vendors, and suppliers consider reasonable gifts and entertainment as an accepted business practice without any intent to unduly influence the judgment of the board of directors. Nevertheless, it shall be the policy of the board of directors to discourage the acceptance by its members of gifts, entertainment, or other favors from existing or prospective clients, vendors, or suppliers. Cash gifts of any amount are unacceptable.

Gifts of a nominal value and personal nature given as a token of friendship or special occasions such as Christmas, a job promotion, or length-of-service award are acceptable. Any gift, entertainment, or other favor does not meet acceptable standards if:

- The gift, entertainment, or other favor is judged to be above the standard of living of the board member and the donor.
- It is judged to be beyond the ability of the board member to reciprocate, either on a personal basis or with a legitimate claim for reimbursement from the homeowner association; and the gifts or entertainment received would suggest to a disinterested third party that the board member might be influenced in the conduct of the homeowner association's business with the donor.

**USE OF HOMEOWNER ASSOCIATION FUNDS:** No board member may use any funds being held for homeowner association business for personal use. All funds must be segregated completely, through either bank accounts or accounting records.

**RELATED ENTITIES:** Any engagement of a company or individual who is related to any member of the homeowner association board of directors in any way must be disclosed to the association. This disclosure must be made in writing and approved by the Board of Directors for the board member to remain active.

**LIMITATIONS OF PRACTICE:** A board member who is also engaged in the practice of another profession shall not perform such other services for the homeowner association while serving as a board member, if the performance of such services is likely to result in a perceived or real conflict of interest.

**ATTENDANCE AT BOARD MEETINGS:** Any board member who misses three consecutive meetings of the board of directors will be removed from the board. Any board member who misses four meetings in any twelve-month period will be removed from the board. Any board member who is unexcused for a board meeting will be considered a no call, no show, and the missed meeting will be counted as two missed consecutive meetings and/or two missed meetings within any twelve-month period.

**DISCIPLINARY ACTION:** Any allegation that this Code of Ethics has been violated must be presented in writing and should be brought to the attention of any member of the Executive Board of Directors, who shall refer the matter to the Association Attorney for appropriate further action or investigation. Following an investigation of facts, all parties related to the alleged violation shall cause

to be served with a Notice of Hearing to appear before the Board of Directors in a meeting to answer any and all allegations. Disciplinary action remedies may include a written warning, a fine not to exceed 100.00 dollars, and/or removal from the board as determined by the Executive Board of Directors. In cases of violation of City, State and Federal ordinances or laws, as determined by the Association Attorney, the matter may be turned over to authorities for possible civil and/or legal remedies. Any action, including dismissal of the allegations, will cause a final report to be prepared by the Secretary or his/her designee informing all parties of the final resolution.

**NOTE:** Immediately following the annual meeting and election meeting (twice a year), or at the time a Unit Owner is used to fill a vacancy for the unexpired portion of any term previously filled by an elected board member and at the time of the initial adoption of this document, each board member will sign, date, and retain a copy of these Code of Ethics. The Management Company will also retain a copy in the Board Member homeowner's file as a matter of record.

The original Code of Ethics was entered into the meeting minutes at the Board of Directors' meeting held on April 13, 2005 and mailed to all Tarringford Farms Association, Inc. Homeowners as a Notice of Hearing dated April 21, 2005. Subsequent signings per paragraph above (NOTE).

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President	Date
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Vice President	Date
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Secretary	Date
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Treasurer	Date
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Director	Date
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Director	Date
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