

## CELEBRATION RESIDENTIAL OWNER'S ASSOCIATION, INC.

### Board of Directors Standards of Conduct

**General.** As duly elected representatives of the Members of Celebration Residential Owner's Association, Inc., each member of the Board of Directors owes a fiduciary obligation to the Board and its Members to carry out his/her respective duties and responsibilities in a diligent, fair and honest manner. Each Board member recognizes that he/she owes a duty of care and a duty of loyalty to the Board and its Members in connection with all aspects of his/her Board position, thereby requiring each Board member to act in the best interests of the Board and its Members in his/her official capacity and not to act in a manner that may undermine the integrity or well-being of the Board and its Members. This general standard of conduct includes, but is not limited to, the following specific situations and types of conduct.

#### 1. Specific Rules and Standards.

- a. **Employment.** Each Board member shall publicly disclose the general nature of current employment or other principal business activities.
- b. **Due Care.** Each Board member shall discharge his/her duties in good faith, with the care of an ordinarily prudent person in a like position under similar circumstances. Furthermore, each Board member shall take whatever action is reasonably necessary to become adequately informed with respect to their duties.
- c. **Personal Advantage.** A Board member shall not use his/her position for personal or financial advantage.
- d. **Conflict of Interest.** A Board member must declare any possible conflict of interest to the Board of Directors and may abstain from any discussion, vote or other action that directly affects a financial or other substantial personal, property, or business interest of the Board member, his/her spouse, a relative, close friend, client, employee, business partner or associate in a manner distinct from its effect on the Members generally. In such a case, the Board member must promptly disclose the possible conflict of interest to the Board of Directors and may abstain in any discussion, vote or other action, although the director may be required to abstain if the action is challenged, as expressed through a majority vote of disinterested Board members

*For purposes of this provision, "relative" is defined as a Board member's children or grandchildren, brother or sister, parents or grandparents, as well as the spouse's such relatives.*

- e. **Objectivity.** Each Board member shall act impartially and not give preferential treatment to any one group, organization, business or individual. Each Board member must disclose to the Board of Directors any agreement, understanding, or special arrangement which he/she has with any person, business or organization regarding any particular matter that concerns any Board activity or item that the Board is considering.
  - f. **Gifts.** A board member shall not solicit or accept anything of value from any individual, group, organization or business as a result of his/her current position on the CROA Board of Directors.
  - g. **Confidentiality.** Each Board member shall maintain the confidentiality of any Board documents, materials or other information that are designated as such for the purposes of protecting the Board's best interests or the privacy of a Member, resident, employee or others with whom the Board has dealings. A Board member may not publicly disclose any confidential Board documents, materials, or information unless the Board of Directors authorizes such disclosure.
  - h. **Use of Board Property.** A Board member shall not use any Board property or facility for personal use unless such use is generally available to residents.
  - i. **Good Standing.** Each Board member shall satisfy in good faith his/her obligations as a Member of the Celebration Residential Owner's Association, Inc. or a resident of a service area within the Celebration Residential Owner's Association, including but not limited to, all financial obligations, covenants and regulations as contained in the Articles of Incorporation, By-laws, rules and policies of the Celebration Residential Owner's Association, Inc. and the service area or condominium association of which he/she is a member.
  - j. **Conduct.** A Board member shall not engage in, incident to carrying out his/her Board business, any illegal activity; harassment or threats toward any individual or group; discrimination on the basis of age, race, color, sex sexual orientation, religion, national origin or disability.
  - k. **Responsibilities.** Each Board member shall listen carefully to and respect the opinions of fellow Board members; participate actively in Board meetings or other board-assigned Committee or functions; keep well informed of developments relevant to issues that may come before the Board; and respect and uphold the majority decision of the Board.
2. **Breach of Conduct:** Breach of conduct by any director or office of the board may be remedied as described in Article III, Section 3.5 of the By-laws of the Celebration Residential Owner's Association, Inc.

Approved by CROA Board of Directors on this the 25th day of March, 2014.

AB 3/25/14 William A. Elave  
President Date Vice President Date

Ceri 3/25/14 [Signature] 3/25/14  
Secretary Date Treasurer Date

[Signature] 3/25/14 Deana Vassallo 3/25/14  
Director-At-Large Date Director-At-Large Date

[Signature] 3/25/14  
Director-At-Large Date