

**Code of Ethics for
the Sun City Civic Association Board of Directors
(Section 6.3.2 of the Amended and Restated Bylaws of 2013)**

The members of the Board of Directors of Sun City Civic Association (SCCA) acknowledge and accept the scope and extent of our duties as directors. We have a responsibility to carry out our duties in an honest and businesslike manner and within the scope of our authority, as set forth in the Governing Documents and the Laws of the State of California.

We are entrusted with and responsible for the oversight of the assets and business affairs of SCCA in an honest, fair, diligent and ethical manner. As Directors we must act within the bounds of the authority conferred upon us and with the duty to make and enact informed decisions and policies in the best interests of SCCA and its members.

The principles set forth in this document describe how Directors should conduct themselves. This Code does not address every expectation or condition regarding proper and ethical business conduct. Each Director is expected to comply with the letter and spirit of this Code. Good common sense is the best guide.

Core Values, each Board Member will:

- Act in the best interests of, and fulfill their fiduciary obligations to, SCCA members;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves at all times in a professional, courteous and respectful manner;
- Comply with all applicable laws, rules and regulations;
- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- Act in a manner to enhance and maintain the reputation of SCCA;
- Make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of SCCA and its Board of Directors

Conflict of Interest

Directors must avoid any conflicts of interest with SCCA. (See Civil Code Section 5350 and Corporations Code Section 7233 regarding conflicts of interest.) In addition to the statutory standards, at SCCA, "conflict of interest" occurs when a Director's private interest interferes in any way with the interests of the community as a whole. In addition to avoiding conflicts of interest, Directors should also avoid even the appearance of a conflict. This Code does not attempt to describe all possible conflicts of interest that could develop. Some of the more common conflicts that Directors must resolve or avoid, however, are set out below:

- A conflict situation can arise when a Director, a member of his or her family, or a close personal friend takes actions or has interests that may make it

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difficult for the Director to make decisions on behalf of SCCA objectively and effectively.

- A conflict of interest can also arise when a Director, a member of his or her family, or close personal friend receives any special benefits as a result of the Director's position.
- Further, a Director must at all times comply with the qualifications specified by Section 7.1 of the Amended and Restated Bylaws effective August 29, 2013.

If a Director believes he or she has an actual or potential conflict of interest with SCCA, the Director shall notify the President¹ of the Board of Directors as promptly as practicable and shall in any event not participate in any decision by the Board of Directors that in any way relates to the matter that gives rise to the conflict of interest.

Confidentiality

Directors have access to SCCA's most sensitive information. Each Director, during his or her term of office, and after leaving the Board, must maintain the confidentiality of information entrusted to him or her by SCCA and any other confidential information about SCCA that comes to him or her, from whatever source, in his or her capacity as a Director.

For purposes of this Code, "confidential information" includes all non-public SCCA information.

Media Questions

Other than Board-authorized SCCA spokespersons, Directors are not to respond to inquiries from the news media, including newspapers, television, radio, magazines or online publications. Such inquiries should always be referred to the management office.

Board Operational Responsibilities

- Report any management or vendor performance concerns or issues clearly and concisely in writing to the management company ten days before every Board Meeting.
- Communicate any items to be discussed at the Board Meetings no less than ten days prior to the meeting, to either the management company or Association President.

¹All references herein to the President shall refer to the Vice President in the President's absence.

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- Read the Board packets within three days of receipt, and communicate any questions related to the Board packet or the meeting to the management company no less than 24 hours prior to the meeting.
- All such Director communications shall be respectful and businesslike.
- Directors shall not engage in or initiate any Board meeting per Civil Code Sections 4090 and 4900, et seq., unless conducted in compliance with the Civil Code.

Board Meeting Conduct

Directors:

The President will chair the meetings of the Board, and members of the Board will speak only when recognized by the President. Directors will speak from their seats, and do not need to stand.

The President may limit the time available for a particular issue, or for each Director as part of a meeting. The President may also order a Directors to stop speaking if they have exceeded their allotted time, or in the view of the President, are departing from the subject or repeating themselves.

A speaker may not be interrupted except by the President. However, a speaker may agree to allow another Director to intervene. Directors wishing to intervene may do so by raising their hand. Any Director intervening still requires to be invited to speak by the President.

Directors will address each other by name or by title.

Directors must conduct themselves in a courteous, orderly and respectful manner and must respect the authority of the President at all times. In particular, they must not behave in a manner which would disrupt the meeting.

In accordance with the expected standards of behavior, during Board Meetings members should not read newspapers, magazines, use laptops, recording equipment or telephones, smoke, eat, or drink (except for water provided).

A Director may not in the non-executive session make reference to any matter in which legal proceedings are active unless special permission has been received from the President. If a Director raises an issue which, in the view of the President is, or may be a legal issue, they may order the Director to stop. The Director must abide by the President's ruling at that meeting. However, the member might wish to consider approaching the President for a discussion on the matter prior to the next meeting if he or she has not already done so.

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Members of the Association

The Board of Directors recognizes the importance of the President's conduct of orderly Board meetings or membership meetings. Accordingly, Directors shall support the following:

Members of the association who are present at the meeting must comply with the conditions of behavior. Information for the members on the required standards of behavior within the Board Meeting room can be obtained from the management office.

The President may order that any member who does not observe these conditions may be removed from the room, and may be excluded for a period determined by the President.

If any disturbance in the meeting threatens the orderly conduct of business, the President may close the meeting, or adjourn or suspend it for a specified period to allow order to be restored. If, in these circumstances, the President leaves the meeting after ordering that the disturbance stop, this will have the effect of suspending the meeting. The President may reconvene the meeting as soon as he/she considers it appropriate to do so.

I, _____, have read, hereby agree to and acknowledge receipt of a copy of this Code of Ethics for Sun City Civic Association as of _____, 20__.

Signature: _____

PRINT NAME CLEARLY: _____