BOARD OF DIRECTORS CODE OF CONDUCT

Governance Resolution 2026 - 7

To increase member confidence in the governance of the Tahoe Donner Association, and to encourage high standards of behavior collectively and individually, the Board of Directors has adopted the following Code of Conduct for the Directors.

This Code of Conduct applies to all Directors while serving on the Board. Each Director shall comply with it unless and until it is amended or superseded by Board action.

The Board of Directors Code of Conduct is intended to complement and to be read in conjunction with the Board Organization, Governance, and Meetings Policy.

I. ACTING AS A FIDUCIARY

Members of the Board of Directors have a fiduciary duty to the Association, requiring them to act in the best interest of the Association. This fiduciary duty includes the duty of care, the duty to act within the scope of the Board's authority under the law and the Association's governing documents, and the duty of loyalty. Directors should at all times make decisions that they believe are in the best interests of the Association as a whole, regardless of their personal interests.

II. BOARD AND DIRECTOR RESPONSIBILITIES

The Board serves as the Association's strategic, policy-making, and oversight body. The Board ordinarily focuses on setting goals, rules, policies, priorities, and overall direction, while staff and, where appropriate, committees carry out implementation and administration subject to Board oversight and review. Consistent with a Director's fiduciary duty, each Director is required to:

- Remain well-informed on Association matters;
- Regularly attend Board meetings and other official meetings as assigned;
- Diligently prepare for Board meetings and review material provided in advance, including all financial reports and minutes.
- Support efforts to enforce the Association's governing documents, collect and preserve the Association's financial resources, obtain/maintain insurance to protect the Association's assets in the event of loss, and keep the common areas and facilities in a state of good repair.
- Correct or question any inaccurate or improperly prepared association data, records and/or reports that the Director becomes aware of while serving on the Board.
- Make reasonable inquiries before making decisions, employing the support of staff and

professionals where necessary. The Board is specifically authorized to rely on information, opinions, reports, or statements, including financial statements, prepared or presented by:

- One or more corporate officers or employees the Director believes to be reliable and competent in the matters presented;
- Counsel, independent accountants, and other persons on matters that the Director believes to be within such person's professional or expert competence; and
- A committee of the Board on which the Director does not serve, as to matters within the committee's designated authority.

III. PROFESSIONALISM, CIVILITY, AND DECORUM

Because they are expected to set an example and promote the shared goal of maintaining and enhancing the reputation of Tahoe Donner as a valuable, vibrant, and thriving community, Directors are obligated to maintain a high standard of professionalism, civility, and decorum. Directors are expected to understand that they are accountable for their actions and words.

To fulfill this end, Directors are obliged to:

- Work cooperatively and productively to ensure that decisions are made in a respectful and collaborative manner.
- Encourage members to be involved in the community, to stay informed about Association matters, and to participate in Association affairs with civility and decorum.
- Conduct themselves and interact with fellow Directors, members, staff, vendors, and the community with civility and courtesy at all times.
- Be respectful of all points of view and provide a reasonable opportunity for all to express their views. Seek common ground where possible.
- Refrain from knowingly misrepresenting facts or otherwise disseminating misinformation about Association matters.
- Focus on issues, not personalities.
- Act respectfully and with dignity without making derogatory comments or personal attacks, including when disagreements arise.

It is vital to the function of the Board of Directors, as well as member confidence in the Board, that decisions are based on as complete and accurate information as reasonably possible, and that Directors remain open to all points of view while deliberating. Directors should therefore endeavor not to promote or advocate for a particular decision or outcome before the matter has been fully vetted and addressed at a duly noticed Board meeting.

No Director shall undermine the Board, impugn Board decisions or deliberations, or take other actions that will negatively impact member confidence in the Board. Once a decision is made by the Board, each Director shall act in accordance with that decision, even if they voted against it.

Directors are prohibited from harassing or threatening employees, vendors, Directors, committee members, or Association members, whether verbally, physically, or otherwise.

IV. CONDUCT WITH STAFF AND DIRECTION TO THE GENERAL MANAGER

To promote orderly governance and management, preserve clear lines of authority, and avoid conflicting direction, Directors shall observe the following standards in their interactions with staff:

A. General Manager Role and Authority

The General Manager is responsible for the supervision, direction, and management of staff, operations, and the implementation of Board direction. The Board and its individual Directors shall work through the General Manager regarding Association matters.

Questions, concerns, or recommendations regarding operations, staffing, departmental functions, or organizational practices shall be raised with the General Manager for appropriate review and action.

Except as otherwise provided in this Resolution, any individual Director seeking information, action, or assistance from staff shall work through the General Manager or a staff member designated by the General Manager.

B. Board Direction to The General Manager

The General Manager reports to the Board as a whole and receives direction from the Board only through majority action taken at a duly noticed Board meeting. No individual Director has authority to direct the General Manager or any other staff member.

Nothing in this section prohibits the President or another Director authorized by the Board from communicating with the General Manager regarding Board direction or coordinating with the General Manager regarding Board or Association business.

C. Relations With Management, Staff, and Operations

Individual Directors shall not attempt to direct, influence, or interfere with:

- Personnel matters under the General Manager’s authority;

- Staff in the performance of their duties;
- Departmental policies, practices, or operations; or
- The procurement of goods and services, or the work of vendors, contractors, or service providers.

Individual Directors shall not direct, suppress, or otherwise improperly interfere with staff reports, presentations, analyses, or recommendations to the Board. However, at the request of, or with the approval of, the General Manager, individual Directors may provide input, editing assistance, strategic feedback, or other assistance with such materials.

D. After-Hours Contact

Directors shall avoid contacting the General Manager or staff outside normal business hours, except in the case of an emergency, an immediate threat to persons or property, or other urgent or time-sensitive matters that reasonably require the General Manager's attention.

Nothing in this section prohibits a Director from sending a non-urgent email or other time-delayed communication outside normal business hours, provided that such communication does not request, require, or reasonably imply an expectation of an immediate response.

E. Employee Complaints

If an individual Director is contacted by an employee with a complaint, the Director shall not independently investigate or act on the matter. The Director shall refer the matter to the General Manager. If the matter concerns the General Manager, the Director shall refer the matter to the Board President and the Human Resources Department.

F. Threats, Retaliation, and Harassment

In their interactions with employees, committee members, Association members, vendors, contractors, consultants, and any other individuals engaged with Tahoe Donner, Directors shall be subject to and shall comply with Tahoe Donner's anti-harassment policy, including its provisions regarding threats and retaliation, as set forth in the Tahoe Donner Employee Handbook.

G. Incidental and Social Interaction

Nothing in this section prohibits routine, incidental, or social communication between Directors and staff, provided that such communications do not interfere with operations or the General Manager's authority.

H. Standing Exceptions

The Board recognizes standing exceptions for direct communication between:

- The Treasurer and the Director of Finance and Accounting
- The Treasurer and the Controller
- The Board Secretary and the Board Clerk

If the Board elects a Vice Treasurer or Vice Secretary, as applicable, these standing exceptions also extend to those offices.

The Board Clerk is authorized to act on behalf of the General Manager and may initiate or receive communications from individual Directors.

V. CONFIDENTIAL INFORMATION

Directors must be diligent in protecting the Association's confidential information and may not use confidential information for the benefit of themselves or others. Except when disclosure is duly authorized or legally mandated, no Director may disclose confidential information.

Confidential information includes, without limitation:

- Private and personal information about fellow Directors.
- Confidential information about the Association's employees.
- Disciplinary actions involving members of the Association.
- Assessment collection and delinquency matters.
- Confidential and privileged information (including attorney-client communications) and such information received as part of a dispute resolution process or litigation in which the Association is or may become involved.
- Information which is the subject of an executive session.

Additionally, Directors must refrain from using non-public information or documents obtained as a result of his or her position as a Director to advance personal interest or gain.

VI. SELF-DEALING AND CONFLICTS OF INTEREST

As a fiduciary, each Director has a duty of loyalty. This duty requires them to act in good faith and in what they believe to be the best interests of the Association, rather than for their personal interest or gain. Directors must be alert to and at all times avoid conflicts between their personal interests and the best interests of the Association.

Directors are obliged to read, understand, and abide by Article IX, Section 3 of Tahoe Donner's Bylaws, which among other things, preclude a Director from participating in any discussions or Board action concerning, or in any way attempt to use his or her Board position to influence, a Board decision in which the Director knows or has reason to know that he or she has a material financial interest. A Director shall be deemed to have a material financial interest in a decision if it is reasonably foreseeable that the decision will have a material financial effect on the Director distinguishable from its effect on the members generally. On or before July 1 of each year, Directors are required to endeavor in good faith to disclose to the Board of Directors any pending transactions involving the Association in which they have a material financial interest, and investments, businesses, or relationships that may reasonably lead to or become a material financial interest during their term of office.

Directors must also avoid "self-dealing" or the perception of self-dealing. In general, self-dealing occurs when Directors make decisions that materially benefit themselves or any of their relatives at the expense of the Association. For the purpose of this Section F, the term "Relatives" includes a Director's spouse, registered domestic partner, parents, siblings, children, parents-in-law, children-in-law, siblings-in-law, and anyone who resides, occupies, or co-owns the person's residence. "Benefits" include money, privileges, special benefits, gifts, or other items of value.

To avoid self-dealing or the perception of self-dealing, no Director may, for themselves, their co-owners, relatives, or affiliated businesses:

1. Solicit or receive any compensation from the Association for serving on the Board.
2. Make promises to vendors without Board approval.
3. Solicit or receive any gift, gratuity, favor, entertainment, loan, or any other thing of value from a person or company who is seeking, or who has, a business or financial relationship with the Association.
4. Seek preferential treatment from the Association, or vendors doing business with the Association.
5. Use the Association property, services, equipment, or business for their personal gain or benefit, except as may be provided for all members of the Association.

The Association's employment of a Director's relative in a non-supervisory seasonal or part-time capacity is permitted as an exception to above Section V (5).

The Association's employment of a Director in a non-supervisory seasonal or part-time capacity is permitted as an exception to above Section F (5), provided that:

- The Director discloses his/her/their intent to seek employment to the Board and the

General Manager in writing; and

- The Director/employee works no more than 1,248 hours per year and no more than 24 hours per week; and
- The Board approves any such employment of the Director in accordance with the Bylaws Article IX, Section 3; and
- Such arrangement and its approval are disclosed to the membership at the next regular board meeting after such arrangement is approved by the Board.

No Director shall be eligible for employment in a Tahoe Donner Association senior management role (defined as General Manager or a direct report to the General Manager) for a period of one (1) year from the date the Director ceases to serve on the Tahoe Donner Association Board, due either to resignation, expiration of the Director's term, or any other reason.

Potential conflicts of interest may arise that are not expressly covered by this Code of Conduct or where the proper course of action is unclear. Directors should immediately raise such situations with the Board. If appropriate, the Board will seek guidance from the Association's legal counsel.

VII. MEMBERSHIP VOTES AND RELATED OBLIGATIONS

A Director is obligated to act and speak in all matters pertaining to Tahoe Donner in accordance with his or her fiduciary duties and this Code of Conduct, including during elections and other membership votes.

A Director may not use his or her position as a Director to benefit or harm the campaign of any candidate that is on an Association election ballot. Directors may not interfere with the fairness and impartiality of Association elections.

Unless advocating for his or her own reelection, to ensure member confidence in a fair and impartial election process, and to promote an amicable and productive working relationship within the Board, it is the best practice and strongly recommended for Directors to refrain from advocating for the election or defeat of any candidate on an Association ballot.

If a Director chooses to advocate for the election or defeat of any candidate on an Association ballot or is a candidate for reelection, that Director might not be considered impartial regarding election related matters that may reach the Board, and may be obligated to recuse him or herself from participating in any Board discussions or decisions related to such matters.

VIII. VIOLATIONS OF THIS CODE OF CONDUCT

Directors who violate this Code of Conduct are deemed to be acting improperly outside the course and scope of their authority. Any Director in violation of this Code of Conduct may be subject to, among other things:

- censure by the Board,
- limitations on involvement with committees,
- exclusion from discussions or deliberations on issues which the Board has determined create or involve a conflict of interest;
- removal as an officer of the Association,
- request for resignation from the Board,
- a Board - or member - initiated recall process,
- loss of the qualified immunity Directors normally enjoy,
- legal proceedings.

Prior to taking any action against the Director for violation of this Code of Conduct, the Board shall, in executive session, review the evidence of alleged violation, meet with the involved Director to provide an opportunity for the Director to respond, and confer with the Association's legal counsel.

In its sole discretion, the Board may retain a third-party investigator, and/or appoint an ad-hoc advisory committee, to investigate and review the alleged violation and to present its findings and recommendations to the Board for appropriate action.

IX. APPROVAL

Approval of the Board of Directors Code of Conduct and any changes, amendments, or modifications thereafter, may only be accomplished at a properly noticed meeting of the Board, with reasonable time allowed for Member Comment.

ACCEPTED AND DATED: June 22, 2026, by the Board of Directors of Tahoe Donner Association

____________________________	____________________________
Benjamin Levine, Director and President	Don Koenes, Director and Treasurer
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Denise Gauny, Director and Vice President	Jay Wertheim, Director and Vice Treasurer
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Courtney Murrell, Director and Secretary	

CERTIFICATE OF SECRETARY

I certify that I am the duly qualified and acting secretary of the Tahoe Donner Association, a California Nonprofit Mutual Benefit corporation. The foregoing is a true and correct copy of the Resolution duly adopted by the Board of Directors at a duly noticed Board meeting held on June 22, 2026 and entered in the minutes of such meeting. The Resolution, as of this date, has not been modified or appealed and is, as of now, in full force and effect.

DATED: ________________________ ____________________________

COURTNEY MURRELL, Secretary