

Barton Creek North Property Owners Association  
Code for Conduct for Board Members

WHEREAS, the Board of Directors ("Board") of Barton Creek North Property Owners Association ("Association") has the authority and responsibility to make decisions for the benefit of the entire community, and

WHEREAS, the Board wishes to insure that it and its individual members ("Board Member") maintain a high standard of ethical conduct in the performance of the Association's business, thereby enhancing the reputation of Barton Creek North as a desirable place to live and assuring that the Association's members maintain confidence in and respect for the entire Board.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of the Association hereby adopts the following rules of conduct, standards of behavior, ethical rules, and enforcement procedures that are applicable to all members of the Board:

1. Board Members shall act in the best interests of the Association. Residential Directors, as defined in Section 2.18 of the Bylaws, serve for the benefit of the entire community, and shall, at all times, strive to do what is best for the Association as a whole. All Board members shall discharge their duties with reasonable care and diligence to protect property values and promote safety, while doing so in a fiscally responsible manner. Board Members shall not use their positions as such for personal or private gain, for example:

- No Board Member shall solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking a contractual or other business or financial relationship with the Association.
- No Board Member shall seek preferential treatment by the board, any of its committees, or any contractors or suppliers.
- No Board Member shall accept a gift or favor made with the intent of influencing a decision or action on any official matter.
- No Board Member shall receive any compensation from the Association for serving on the Board.
- No Board Member shall willingly misrepresent facts to advance a personal cause or influence the community to advance a personal cause.
- No Board Member shall use his/her position to enhance his/her financial status through the use of certain contractors or suppliers.

The above list of examples is offered for illustration purposes only, and is not intended to be exclusive.

2. Board Members shall comply with governing documents and relevant law. Board Members shall use reasonable efforts at all times to make decisions that are consistent with the Declarations, Bylaws, and other governing documents of the Association, and to be familiar with all such documents. Board members shall likewise comply with and make decisions that are consistent with all applicable laws, including, but not limited to, refraining from discriminating against any person on the basis of race, color, religion, national origin, gender, family status, or mental or physical disability.

3. Board Members shall set high standards for themselves as Association members. Board members shall hold themselves to the highest standards as members of the Association, and shall comply with the provisions of the Association's governing documents.

4. Board Members shall work within the Association's framework and refrain from unilateral action. Board Members shall at all times work within the Association's framework and abide by the system of management established by the Association's governing documents and the Board. The Board shall conduct business in accordance with state law and the Association's governing documents, and shall act upon decision duly made, and no Board Member shall act unilaterally contrary to such decision. Toward that end, no Board member shall seek to have a contract implements that has not been duly approved by the Board, nor promise anything not approved by the Board to any contractor, supplier, or otherwise.

5. Board Members shall behave professionally at meetings. Board members shall conduct themselves at all meetings, including board meetings, annual meetings of the members, and committee meetings, in a professional and businesslike manner. Personal attacks against other Board Members, Association members, residents, officers, management, or guests are not consistent with the best interests of the community and will not be tolerated. Language at meetings shall be kept professional. Though differences of opinion are inevitable, they must be expressed in a professional and businesslike manner.

6. Board Members shall maintain confidentiality when appropriate. Board Members shall maintain the confidentiality of all privileged communication and personnel matters involving the Association. Board members shall also respect the confidentiality of personal matters, involving other Board members, association members, residents and management staff.

7. Board Members shall disclose conflicts of interests. Board Members shall disclose to the Board any perceived or potential conflicts of interest as specified in Section 4.1 (a) of the Association's Bylaws.

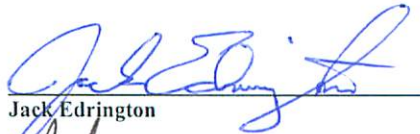
8. Board Members shall refrain from interfering with management staff and contractors. No Board members shall interfere with the duties of management staff or any contractor executing a contract in progress. All communications with contractors must go through one designated Board Member or management staff, or must otherwise be in accordance with the Association's Bylaws and Board policy.


9. Board Members shall always act responsibly with respect to the natural environment. The Board will support initiatives to promote greater environmental responsibility throughout the Barton Creek North area as well as complying with relevant locally applicable environmental law.

#### VIOLATION OF CODE

Violations of the Code of Conduct shall be brought to the Governance Committee, which may recommend to the Board whether a Director should be reprimanded or removed from office. If the Board concurs with a recommendation to remove a Director from office, the Board shall take such action as may be necessary to do so in accordance with Section 4.4 of the Association's Bylaws.

ADOPTED BY BOARD RESOLUTION AS PART OF THE MEETING AGENDA ON MAY 25, 2011.

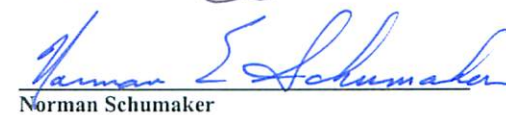
  
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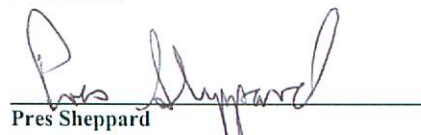
  
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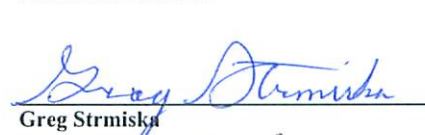
  
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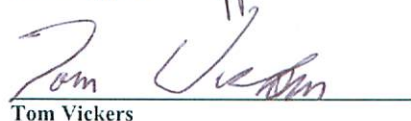
  
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