



February 21, 2013

Dear Hunters Green Cluster Residents and Owners,

It has come to the Board's attention that a best practice adopted by many other Homeowner Associations (HOA's) is the adoption of a Board Code of Conduct. A Code of Conduct serves two major benefits and purposes:

1. Prospective and current Board members have a clear and consistent understanding of responsibilities and expectations of them
2. The HGCA membership has a clear and consistent understanding on the expectations of their Board of Directors

The current Board believes that a Code of Conduct would be beneficial in ensuring the Board, now and in the future, adheres to the highest ethical and operational standards in representing this community. The Board has therefore drafted Policy Resolution 13-2 covering "Policies and Procedures Related to the Operations of the Board of Directors and Creating a Board Members' Code of Conduct". This Resolution is included and follows this page, and covers such things as the following:

- Conduct and decorum at meetings
- Duty of respect for the Board
- Dualities and conflicts of interest
- Confidentiality requirements
- Contractual relations

The Board is hereby notifying the membership of its intent to adopt this Resolution during the March 6, 2013, Board meeting. Until such time it is in draft and subject to amendment by the Board. Should it be adopted by majority vote of the Board during this meeting it will become effective on April 1, 2013.

Sincerely,  
HGCA Board

**HUNTERS GREEN CLUSTER ASSOCIATION, INC.**

**POLICY RESOLUTION NO. 13-2**

**POLICIES AND PROCEDURES RELATED TO THE OPERATIONS OF THE BOARD OF DIRECTORS  
AND CREATING A BOARD MEMBERS' CODE OF CONDUCT**

**ADOPTED MARCH 12, 2013**

**EFFECTIVE AS OF APRIL 1, 2013**

**WHEREAS**, the Bylaws of the Association empower the Board of Directors (hereinafter "Board") with the authority to establish formal policies in connection with the manner in which the Board conducts the business of the Association; and

**WHEREAS**, the Bylaws of the Association require the Board to exercise its power and duties in good faith and with a view to the best interests of the Association; and

**WHEREAS**, the Board has established the goal of conducting the business of the Association with high levels of dignity, civility, and respect for the Association as an entity and for the individual members of the Association, Board and the Association's staff members; and

**WHEREAS**, the Board has decided to establish a Code of Conduct for itself in order to further its efforts to accomplish its goal.

**NOW THEREFORE, BE IT RESOLVED** that the Board adopts the following code of conduct as its formal policy:

**I. CONDUCT AND DECORUM AT MEETINGS**

- A. Board members shall exercise their best efforts to attend and be on time at all meetings or functions of the Association and shall plan to be in attendance at all times during the proceedings. Whenever a Board member knows in advance that he cannot attend a meeting, will be late for a meeting, or will have to leave a meeting early, he shall exercise his best efforts to inform the President in advance of the meeting.
- B. There shall not be a dress code for Board meetings; however, each Board member is expected to dress consistently with the Board's objective of promoting and pursuing a high standard of respect and decorum at its meetings and all Association functions.
- C. The President shall chair all meetings of the Board. In the President's absence, the Vice-President shall chair the meeting.
- D. All Board meetings shall be conducted in accordance with the then current edition of Robert's Rules of Order, except where it is in conflict with the Virginia Code or the Association's Governing Documents.

- E. The President is responsible for the preparation of a preliminary agenda and its circulation to the other members of the Board. The agenda typically should include seven categories of action items for the meeting in the following order: (1) Adopting the agenda; (2) Reading and approval of the minutes of the prior meeting; (3) Reports of officers, management and committees; (4) Reports of Special or Ad Hoc committees; (5) Agenda action items (which includes new matters specified on the agenda to be considered at the Board meeting) (6) Unfinished business; and (7) New business. An agenda is deemed to be preliminary prior to its formal adoption by the Board. Any member of the Board may ask the President to include an action item on the preliminary agenda for the meeting. However, the President is not required to include any item on the preliminary agenda, even if a Board member asks the President to do so, provided, however, the President shall not deny a reasonable request from a Board member to add an item to the agenda.
- F. The Board may deviate from the preliminary agenda if a majority of the Board votes to modify the agenda prior to its formal adoption by the Board. Once the Board adopts the agenda, a new matter not set forth in the adopted agenda may only be raised upon the affirmative vote of two-thirds of the Board.
- G. A member of the Board may raise an issue not specifically addressed in the agenda for the meeting during the new business portion of the meeting by making a motion for the new matter to be considered by the Board. The motion need not be seconded; however, a motion to consider a new matter is out of order if it is raised at any time prior to the new business portion of the meeting. Once made, the President shall state the question on the motion for the Board to decide whether to consider the issue raised by the Director. Once the President states the question, the motion is then open for debate, and upon conclusion, the motion is put to a vote. Any motion to consider a new matter after the agenda has been adopted requires the affirmative vote of two-thirds of the Board to pass.
- H. Any matter that has been voted on previously by the Board may only be reconsidered if a Director makes a formal motion to rescind the prior vote and the motion passes by a two-thirds vote of the Board.
- I. When the President calls the meeting of the Board to order, all members of the Board shall turn off any cell phones, beepers, or other forms of telecommunications equipment which might interrupt the fluidity of the meeting or distract any other Board member. If special circumstances warrant the use of such equipment, then the Board member who wishes to use such equipment shall make arrangements with the President to obtain permission to do so before the President calls the meeting to order.
- J. When the President calls the meeting to order, all members of the Board shall organize their reading materials pertaining to the meeting and put away any other unrelated material. All conversation with seatmates shall immediately cease, as well

as any other activity, which might interrupt the fluidity of the meeting or distract any member of the Board.

- K. When a member of the Board wishes to speak at a meeting or function of the Association, he shall wait for the President to formally recognize him for the purpose of granting him the floor. No member of the Board shall speak out of order or without recognition from the President, nor shall any member of the Board engage in any activity, which interrupts or distracts any member of the Board when another member of the Board has the floor for discussion purposes. The President shall not recognize any member of the Board more than once on any motion until all members of the Board who wish to discuss the motion have had an opportunity to speak. At all times, the President shall determine who has the floor to speak and may impose reasonable and uniform time limitations.
- L. Board members shall not use inappropriate language or verbal tone during their debate of the issues. Any actions (including physical gestures or body language) or comments designed to insult, demean, or attack the personal character of any member of the Board, the Board as an entity or any person in attendance shall be strictly prohibited. Board members owe a special duty of civility to the Association's membership and shall be particularly courteous to the individual members at all times during official functions of the Association.
- M. The President shall have the authority to enforce the code of conduct or may do so in response to the unseconded request of any other member of the Board if the President agrees with the request. The first step of enforcement shall consist of the President issuing a call to order to the particular member of the Board, who then must obey the directive immediately; however, the member called to order shall have the right to appeal the President's ruling, which appeal shall be open to debate and vote of the entire Board.
- N. In any instance of a flagrant violation of this code of conduct (defined as a threat of bodily harm to another person, behavior that threatens the property of the Association, or behavior that is disruptive to the continued conduct of a meeting) or repeated violations of this code of conduct (defined as three or more violations in any twelve month period), the President may issue a ruling to that effect against the offending member and may require the offending member of the Board to leave the premises of the meeting. Any such ruling shall not be appealable by the offending member and must be immediately obeyed, unless another member of the Board wishes to appeal the President's ruling, in which case the appeal shall be open to debate and vote of the entire Board.
- O. The Board further reserves additional enforcement powers, as set forth in Section VI.

## **II. DUTY OF RESPECT FOR BOARD**

- A. All members of the Board owe a duty of respect to the Board members and Board as an entity, particularly with respect to its formal votes and formally approved policies. If conducted civilly, robust disagreement between members of the Board is perfectly acceptable behavior and even encouraged, as it is often necessary and appropriate for the development of the best decision-making process; however, once the Board formally votes on a matter, no member of the Board shall engage in any unauthorized activity which undermines the ability of the Board to successfully effectuate the results of the vote. The duty of respect owed to the Board and the Association requires dissenting members to work within the formal procedures of the Board to modify or rescind the previously adopted votes or approved policies with which they disagree. Dissenting Board members may voice their disagreements with any such votes or policies at any official function of the Association, but must do so in a manner which shows respect for the Board as an entity.
- B. All Board members shall recognize that their individual behavior is a reflection upon the Board and the Association; therefore, they shall at all times refrain from any public conduct within the community, which would bring the Board or the Association into disrepute. Outside of meetings, Board members are expected to be honest and respectful when communicating with other members of the community.
- C. No Board member shall willingly misrepresent facts to the residents of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a Board member's personal cause.

## **III. DUALITIES AND CONFLICTS OF INTEREST**

- A. All members of the Board must provide their services ethically and in a businesslike fashion at all times. This means that members of the Board owe a duty of loyalty to seek and protect the best interests of the Association and shall strive to avoid personal conflicts of interest, nepotism, or personal benefits.
- B. Board members owe a fiduciary duty to the Association, which requires them to consider only the best interests of the Association when they vote on any matter and to exclude any competing interest from their consideration. If a Board member has any duality of interest, or concerns, which compete with her fiduciary duty, or any potential conflict of any sort, then she must disclose such interest, concern, or potential conflict on the record and is encouraged to do so at the time that any relevant agenda item is addressed by the Board. If she believes that such interest or concern does not rise to the level of a conflict of interest and does not impede her ability to exercise her fiduciary duty, she must state her reasons on the record and her intent to participate in the discussion and vote on the motion. Under such circumstances, the other Board members shall presume good faith on the part of their

fellow Board member and shall not disapprove their fellow member's right to participate in the discussion and vote; however, if the Board member with a potential conflict insists on voting and participating in the discussion of any topic related to their potential conflict of interest despite the objections of their fellow members of the Board, the Board member with a potential conflict understands that their continued participation in the vote and discussion of the topic related to their conflict of interest may constitute a breach of their fiduciary duties to the Association and as such may expose the Board member to personal liability.

- C. Under no circumstances should any Board member participate in the discussion or vote on any matter in which the member has an undisclosed or actual conflict of interest, as defined below; however, if the Board member insists on participating in the vote and discussion of any topic related to their conflict of interest, their continued participation in the vote and discussion of the topic related to the conflict may constitute a breach of their fiduciary duties to the Association, which may expose the board member to personal liability. For the purposes of this resolution, the term "conflict of interest" shall include, but not be limited to, the following situations:
1. Whenever the Board intends to review a case involving the compliance of a Board member with the Association's legal requirements, the relevant Board member should recuse herself from the discussion and voting on the matter.
  2. Whenever the Board intends to review a contract or expenditure of funds involving the direct pecuniary interest of a Board member, the relevant Board Member should recuse herself from the discussion and voting on the matter.
- D. No Board Member should vote to approve the expenditure of funds for the acquisition of services or goods from any Board member, relative of a Board member, or entity which is affiliated with any of the Board members or their relatives, unless the Board member with such relationship discloses the relationship on the record and there is convincing reason to believe that a vote in favor of such an expenditure would be in the best interests of the Association. Under such circumstances, the vote must pass by at least a two-thirds majority of a quorum of Board Members.
- E. Under no circumstances shall any Board member solicit a gift or gratuity of any sort from any vendor or professional serving the Association (or attempting to obtain business from the Association.) Any member of the Board who receives an unsolicited gift or gratuity must promptly disclose her receipt of the gift or gratuity at a duly convened meeting of the Board. The Board shall then decide on the public record whether the member of the Board should return the gift, turn it over to the Association, or, if the gift is of innocuous consequence or nominal value, keep the gift. This prohibition does not cover situations where members of the Board meet with a vendor or professional to discuss business matters of the Association at times when it would be ordinary to eat breakfast, lunch, or dinner and the vendor or professional pays for the meal. Such circumstances shall be considered ordinary and acceptable acts of professional courtesy on the part of the vendor or professional.

- F. A member of the community is ineligible to be a candidate for an open Board position while in violation of any HGCA standards and/or governing documents such as the Bylaws, all Resolutions and any other documented policies. A member is also ineligible while overdue in the payment of any dues or assessments, and while any property violations exist as identified by HGCA or Reston Association. A Board member is expected to lead by example in all aspects and therefore must also maintain compliance with all HGCA governing documents and Cluster standards while in office.

#### **IV. CONFIDENTIALITY REQUIREMENT**

- A. All Board members shall recognize that matters pertaining to the Association's business conducted in executive session should be kept confidential and not disclosed to the community membership or to members of the public at large. The same applies to any written communications from legal counsel denoted as a confidential document. Board members shall not disclose Confidential Information (as that term is defined below) under any circumstances to any person not on the Board without the express consent of a majority of the Board voting at a duly convened meeting of the Board.
- B. In any instance when a Board member might be confused about the confidentiality requirements and in order to minimize the possibility of inadvertent disclosure, Board members shall consult with the President before making any disclosure to any third party which might arguably release any Confidential Information covered by this Resolution, as that term is defined below.
- C. All Confidential Information is the property of the Association. Board members shall keep in strict confidence any and all information, documentation, records and devices which contain Confidential Information, and, upon the expiration of the Board member's term, shall return all Confidential Information in his possession to the Association and shall keep confidential all non-tangible Confidential Information.
- D. For the purpose of this Resolution, the term "Confidential Information" shall mean any information related to:
1. Communications with the Association's legal counsel or professional consultants;
  2. Pending litigation;
  3. Pending matters involving formal proceedings for enforcement of the governing documents or rules or regulations of the Association; and
  4. Pending negotiations for transactions involving the Association and agreements containing confidentiality requirements, or

5. Any matters concerning or involving subject matter that may be withheld from the membership pursuant to §55-510(C) of the Virginia Code.

E. Confidential Information shall not be deemed to include information:

1. That at the time of disclosure is available to the general public through public records or records of the Association which the Association must make available to the members for inspection or copy under state law;
2. That an administrative agency or court of competent jurisdiction orders to be disclosed, provided however, that upon receipt of any order, subpoena, or summons of any kind, before providing the information or document requested, the Board member shall give the Board immediate notice thereof in order to allow the Board an opportunity to protect its Confidential Information. The Board member shall provide all necessary cooperation for this purpose.



## **V. CONTRACTUAL RELATIONS**

- A. Board Members shall not exercise individual authority over the business of the Association in a unilateral fashion. All actions shall be based upon authorities as explicitly set forth in the Bylaws, policies, or motions of the Board. Specifically, individual Board Members shall not enter into formal and/or informal contracts, agreements and/or arrangements with contractors, vendors and/or staff members for the Association without explicit approval of the other Board members at a duly called and convened meeting of the Board.
- B. Only the President or his or her designee shall have direct contact with representatives from the Association's contract service providers, unless otherwise approved pursuant to a vote of the Board.

## **VI. ENFORCEMENT**

- A. If any Board Member: (1) has three (3) unexcused absences from regular or special meetings of the Board in any twelve (12) month period or two (2) unexcused absences from consecutive regular or special meetings of the Board; (2) becomes more than thirty (30) days delinquent in the payment of any financial obligation to the Association; or (3) has been notified by the Association of a rules violation and remains in violation for more than thirty (30) days, the Board of may schedule a Special Meeting of the members to vote to remove such Board member, who shall be removed by a vote of a majority of the common element interests of the Association, as provided by the Bylaws. The Board may proceed immediately with submitting to the members the vote to remove a Board Member for the reasons stated in Section 3.3 of the Bylaws and this Section VI. A. without the need to follow the procedures set forth Section VI. B-F of this Code of Conduct.
- B. All allegations of violations or perceived violations of the Code of Conduct shall be presented to the Association's Board President. The Board President shall call and be in charge of all proceedings to investigate such allegations.
- C. As such allegations are considered to be a personnel issue, all proceedings to investigate the allegations shall be conducted in a closed hearing, which shall be called and conducted as soon as is practical and fair to all parties involved.
- D. If the allegation is against the President or the President is unable to accept the responsibility of presiding over the proceedings, then the allegation shall be presented to the Vice President. If both the President and Vice President are unable to perform such duty, then the allegations shall be presented to the Board Member with the most seniority.
- E. Resolution of the allegations shall be made by a quorum of the Board Members or a designated tribunal.

- F. After hearing from the member of the Board alleged to be in violation, the Board shall deliberate in closed session.
- G. In addition to the remedies described in Section VI. A. of this policy, the Board shall have the following options to remedy a violation:
  - 1. The Board may demand that the Board Member immediately cease such violation(s); and/or
  - 2. The Board may request that the Board Member resign from the Board; and/or
  - 3. The Board may temporarily remove the Board Member from his or her office as provided in Article V, Section 3 of the Bylaws.
  - 4. The Board President may exercise his or her power to call a special meeting of the members of the Association to vote on whether the Board Member should be removed from the Board. In accordance with Section 3.3 of the Bylaws, a majority of all members of the Association must vote affirmatively to remove the Board Member. If such vote is reached, a successor may then be elected by the members of the Association to fill the vacancy. Any Board Member whose removal has been proposed by the membership shall be given at least fourteen (14) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

**VI. MISCELLANEOUS**

- 1. Board members will be required to sign an acknowledgement in the form of Exhibit A, or substantively similar thereto, stating that they have read and understand the Code of Conduct as laid out in this resolution.
- 2. The Board may deviate from the procedures set forth in this Policy Resolution by a majority of vote of the Board.

The effective date for this policy shall be April 1, 2013.

**HUNTERS GREEN CLUSTER  
ASSOCIATION, INC.**



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John Klonaris, HGCA Board President

HUNTERS GREEN CLUSTER ASSOCIATION, INC.

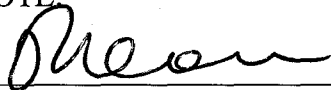
POLICY RESOLUTION NO. 13-2

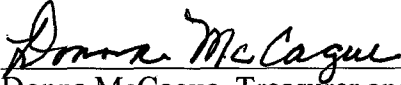
(POLICIES AND PROCEDURES RELATED TO THE OPERATIONS OF THE BOARD OF DIRECTORS AND CREATING A BOARD MEMBERS' CODE OF CONDUCT)

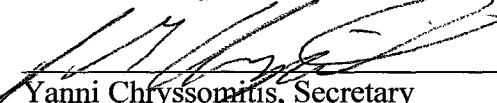
Duly adopted at a meeting of the Board of Directors held MARCH 12, 2013


Motion by: JULIE SANDE Seconded by: DONNA MCCAGUE

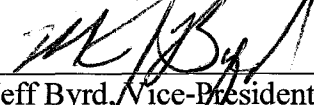
VOTE: YES NO ABSTAIN ABSENT

      
John Klonaris, President

      
Donna McCague, Treasurer and Vice-President

      
Yanni Chyssonitis, Secretary

      
Julie Sande, Vice-President at Large

      
Jeff Byrd, Vice-President at Large