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Dayton Valley Community Association
Board Resolution for
Board Member Code of Conduct Policy

RECITALS

R.1. NRS 116.3102 provides for the power and limitations of the power of Board members to act on behalf of Dayton Valley Community Association (the "Association").

R.2. NRS 116.3103 provides that Board members and officers are fiduciaries with a high duty of care. Officers and members of the Board: (a) are required to exercise the ordinary and reasonable care of officers and directors of a nonprofit corporation, subject to the business judgment rule; and (b) are subject to conflict of interest rules governing the officers and directors of a nonprofit corporation organized under the law of Nevada.

R.3. Being a fiduciary requires the Board members act on an informed basis, in good faith and in the honest belief that their actions are in the best interest of the Association.

R.4. In applying NRS 116.3103 and determining whether a Board member has performed his or her duties, the Commission may consider whether the director has, among other things: (a) acted outside the scope of the authority granted in the governing documents; (b) acted for reasons of self-interest, gain, prejudice or revenge; (c) committed an act or omission which amounts to incompetence, negligence or gross negligence; (d) except as otherwise required by law or court order, disclosed confidential information relating to a unit's owner, a member of the executive board or an officer, employee or authorized agent of the association; and (f) uniformly enforced the governing documents.

R.S. NRS 116.31183 and 116.31184 prohibit a Board member from retaliation, threats or harassment directed toward fellow Board members, employees, agents, owners, tenants or guests of an owner or tenant.

R.6. NRS 116.31185-116.31189 prohibit a Board member from directly or indirectly soliciting or accepting any gifts, incentives, gratuities, rewards or other items of value above a certain dollar amount or any compensation, gratuity or reward, or any promise thereof, in exchange for his or her vote, opinion or action in a matter before the Board. Nor shall a director enter into a contract or renew a contract with the Association to provide financing, goods or services to the Association.

R.7. NRS 115.31084 requires directors who stand to gain any personal profit or compensation of any kind or whose family (i.e. persons related by blood, adoption or marriage within the third degree of consanguinity or affinity) or household members may benefit from a transaction before the Board to disclose such conflict and, in the case of financial benefit to themselves, recuse themselves from voting.

R.B. The Board members are required to comply with NRS 116 and NAC 116.

R.9. The Board members must perform their duties as required under NAC 116.405.

R.0. The Association conducts regular meetings of the Board of Directors, member meetings, special meetings, and workshops as necessary.

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THEREFORE, pursuant to Nevada law and the Association's Governing Documents (i.e. the most current Declaration, By-laws, and Rules & Regulations), the Board of Directors ("Board") by at least a majority vote, hereby adopts the following Policy to be enforced as Rules and Regulations of the Association:

Board Members' Code of Conduct Policy:

It is hereby resolved that the Association adopts this Policy regarding a Code of Conduct for the Board to better run the affairs of the Association in a civil, prudent and efficient manner. The Association has the right and obligation of conducting business in the State of Nevada according to the standards set forth in NRS, NAC and the Governing Documents of the Association.

1) General Procedures: Board Members Shall:

a. Follow all laws as set forth in NRS, NAC and the provisions of the Governing Documents.
b. Strive at all times to serve the best interests of the Association as a whole regardless of personal interests.
c. Use sound judgement to make the best possible business decisions for the Association, taking into consideration all available information, circumstances and resources.
d. Act within the boundaries of their authority as defined by law and the Governing Documents of the Association.
e. Perform their duties without bias for or against any individual or group of owners or non-owner residents.
f. Disclose personal or professional relationships with any company or individual who has or is seeking to have a business relationship with the Association.
g. Always speak with one voice, supporting all duly adopted Board decisions even if the Board member was in the minority regarding actions that may not have obtained unanimous consent, subject to the minutes reflecting the votes on any action.
h. When communicating in email, refrain from engaging in personal attacks on either fellow Board Members, fellow Association Owners, management, professionals engaged by the Association, vendors or others involved in any aspect of the Association.
i. Make all decisions as a fiduciary of the Association and act on an informed basis, in good faith and in the honest belief that the Board member's actions are in the best interest of the Association.
j. Return to the Association at the termination of serving as a Board member all property, documents, emails, communications, or other item received in the capacity of serving as a Board member.
k. Obtain authority of the majority of the Board before placing anything in an official publication, such as newsletters.
1. Include all members of the Board on official communications or discussions about the business of the Association.

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2) ***General Procedures: Board Members Shall Not:***

a. Make personal attacks on colleagues, staff, vendors, contractors, professionals engaged by the Association or residents.
b. Harass, threaten or attempt through any means to control or instill fear in any Board member, Owner, resident, employee. manager, vendor, professional engaged by the Association, or contractor.
c. Reveal to any Owner, resident or other third party the discussions, decisions and comments made at any Meeting of the Board held in Executive Session.
d. Advocate or support any action or activity that violates a law or regulatory requirement.
e. Use their positions or decision-making authority for personal gain or to seek advantage over another Owner or non-owner resident.
f. Misrepresent known facts in any issue involving Association business.
g. Divulge privileged communications from the Association's attorney or personal information about any Association Owner, resident, or employee that was obtained in the performance of Board duties.
h. Spend unauthorized Association funds for their own personal use or benefit.
i. Except as allowed by NRS 116.31187(2), accept any gifts — directly or indirectly — from Owners, residents, contractors, vendors, professionals engaged by the Association or suppliers.
j. Use social media to discuss Association business.

3) ***Meetings, Workshops:*** It is essential for the efficient and effective transaction of Association business at all meetings or workshops that all Board members conduct themselves in a businesslike, ethical, and appropriate manner that serves the best interests of the Association as a whole. Meeting and workshop conduct shall include:

a. Maintain decorum, sit quietly, and refrain from speaking until recognized by the meeting or workshop chair. During officer reports, hold all questions until the reports are finished, then wait to be recognized.
b. Do not interrupt anyone who validly has the floor, or otherwise disrupt the meeting or workshop.
c. When speaking, abide by time limits set by the meeting or workshop chair for comment.
d. Refrain from engaging in personal oral attacks on fellow Board Members, fellow Association Owners, management, professionals engaged by the Association or vendors.
e. Refrain from using other Board Members' names when speaking and address all remarks to the meeting or workshop chair.
f. Confine comments to things relevant to the agenda item being discussed.
g. Refrain from speaking for a second time until everyone who wants to speak has been given a chance to speak once.
h. Refrain from speaking more than twice on any one issue, subject to the discretion of the meeting or workshop chair.
i. Follow all orders made by the meeting or workshop chair, including an order to step down.

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j. Behave with common courtesy and civility, and refrain from the use of abusive, rude, threatening, or crude language.
k. Prepare fully for the meeting or workshop by reviewing the Board packet and/or any other information or documents necessary to make informed decisions.
1. Hearings are conducted in executive session (except as requested to be in an open meeting by the Owner who is the subject of the hearing) and unless the Board appoints a hearing panel, the Board must participate in the hearings with the same decorum as described in this provision regarding meetings and workshops.
m. Directors shall not promise any outcome to an Owner, resident or contractor unless such outcome has been agreed to by a majority of the Board.
n. Except in an emergency or a scheduled vacation or other scheduled conflicting matter, attend all Association meetings, hearings, or workshops of the Board.

4) ***Harassing Conduct Prohibited:*** Any and all activities by any Board member that are improper, whether directly intended or not, serve to hinder or affect the Association's ability to conduct business or the Board's ability to act according to fiduciary standards and in an efficient business-like manner, or which serve to damage the good will of the Association, are hereby prohibited. This includes unauthorized, unfounded, subversive, harassing, threatening, defaming, or otherwise disruptive and onerous contact via any means at any time, including but not limited to meetings, with the Board, management companies, vendors, legal counsel and/or other Owners or tenants/residents. This also includes using this Policy to make a frivolous or retaliatory allegation against another Board Member. A frivolous or retaliatory allegation includes one which is brought with malicious intent or knowing the allegation is false or made with a reckless disregard for the truth.

5) ***Confidential Information:*** All Board members shall safeguard any and all information pertaining to the Association or its Owners that may be considered confidential including but not limited to, attorney privileged communications, ownership information, contact information, status of account(s), alleged violations, and/or any other Association matters which involve an Owner.

6) ***Licensed and Insured Contractors Required:*** All Board members shall be required to ensure that the Association hires contractors, vendors or companies which hold proper license and insurance as required by Nevada law and/or the State Contractor's Board to conduct projects for the Association.

7) ***Board Member Communications:*** Each Board member shall ensure that his or her correspondence and/or communication to any Owner, vendor, managing agent, and/or other third party must be approved by the Board as such correspondence or communication may be seen as an opinion or act of the Board. No individual Board member has the authority to act on behalf of the Board without being authorized to do so in advance by at least a majority of the members of the Board.
8) ***Owner Communications:*** All communications from Owners shall be to the Association in care of the community manager, and individual Board members shall not communicate directly, oral or in

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writing, regarding Association business with Owners unless authorized to do so in advance by a majority of the Board.

9) ***Enforcement of Code of Conduct:*** If a Member of the Association, including a Member of the Board, alleges a violation of this Policy, the information shall be provided to the Association using any Dayton Valley Complaint Form then in effect. The Dayton Valley Complaint Form shall be available from management. The Association shall have the authority to enforce this Code of Conduct using any means available under the Governing Documents or state law. Enforcement shall include proceeding to a hearing regarding any alleged violation as provided in NRS 116.31031 and determining if sanctions are appropriate. Such sanctions may include, but not be limited to, fines, revocation of privileges, revocation of voting, assessment of any damages or expenses incurred by the Association as a result of the alleged violation or as a result of a frivolous or retaliatory allegation that a violation occurred, including but not limited to attorney's fees and costs. Remedies may include commencement of an action under Chapter 38 of the Nevada Revised Statutes and/or commencement of an action in a court of competent jurisdiction. If a Board member is accused of violating this code, they will be informed in writing that a hearing will be held. At that time the Board will hear evidence from both sides. After the evidence has been reviewed the accused will be asked to leave so the remaining Board members can discuss the alleged violation and take a vote as to whether or not a violation occurred and/or whether to assess a fine or other sanction. An affirmative vote of at least 2/3 of those present and voting will be required in order to find that the violation occurred and to assess a fine or other sanction. Each violation can carry a fine up to $100.00. If a violation of the Code of Conduct reoccurs during the remainder of any Board member's term, such violation will be deemed continuing and the Association may assess continuing violation fines up to the amount of the original fine per occurrence without further notice or opportunity to be heard. *See* NRS 116.31031(7).

10) ***Intent of Policy and Code of Conduct:*** It is resolved that this Policy is not meant to be used arbitrarily or as a basis of harassment or abuse but rather as a mechanism to allow the Association to conduct its business unfettered by wasteful, divisive, needless and expensive conflict towards safeguarding both homeowner value and living experience in a positive and transparent environment and according to law and Governing Document. It is also resolved that it is the Board's intention to improve and maintain the very best good will at its Board meetings.

11) ***Omnibus Rules and Regulations:*** This Policy may be incorporated into the omnibus Rules and Regulations.

DATED THIS 18 DAY OF June, 2025, as approved by a majority vote of the Board of Directors of the Dayton Valley Community Association at a properly noticed meeting.

Carla Cobb
_____
President

Evelyn Schultz
_____
Secretary

The undersigned certifies that a copy of this Policy was delivered to all Owners of record on

July 2025
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