



Bluewater Cove Homeowner's Association, Inc.

147 White Heron Ln
Swansboro, NC 28584
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October 21, 2021

Re: Board of Directors Code of Professional Ethics

GENERAL STANDARDS

Professional Competence – A Board member shall understand and take only those responsibilities and assignments that he or she can reasonably expect to perform with professional competence.

Due Professional Care – A Board member shall exercise due professional care in the performance of their duties.

Planning and Supervision - A Board member shall adequately plan and supervise all functions for the Association.

INTEGRITY AND OBJECTIVITY

A member may not knowingly misrepresent facts in order to achieve any measure of personal gain for themselves or any affiliated company from which he/she may benefit. All decisions and representation made to the Owners Association must be made with the best interest of all of the Association in mind.

TECHNICAL STANDARDS

A member shall comply with all technical standards that are in force or may from time to time be promulgated by the Owners Association.

CONFLICT OF INTEREST

No member, or employee of a member, may use their position to enhance their own financial status through recommendation of vendors, suppliers or contractors that may pay a gratuity to the member or employee of a member of the organization. In addition, all situations where any appearance of a conflict of interest could exist must be disclosed in writing to the Board of Directors at the earliest opportunity. Any dealings with related parties must be fully disclosed to the Owners Association and abstention from all voting and discussion issues relating to the contractors.

GRATUITIES

It shall be the policy of the Owners Association to discourage the acceptance by its members of gifts, entertainment, or other favors from existing or prospective clients, vendors or suppliers. The following are intended to provide guidance in this regard:

- Gifts of a normal value and personal nature given as a token of friendship or special occasions such as Christmas, a job promotion or length of service award are acceptable.
- Likewise, entertainment that would be difficult to describe as "lavish" is acceptable.

- Although no precise definition of "nominal value" or "lavish entertainment" is possible, it is possible, if it is intended that any gift, entertainment or other favor does not meet acceptable standards of the Owners Association if:
 - If the gift, entertainment or other favor, is judged above the standard of living of the donee and the donor:
 - It is judged beyond the ability of the donee to reciprocate, either on a personal basis or with a legitimate claim for reimbursement from the Owners Association; and
 - The gifts or entertainment received would suggest to a disinterested third party that the donee might be influenced in the conduct of the Owners Association business with the donor.
- It is recognized that many clients, vendors and suppliers consider reasonable gifts and entertainment as an accepted business practice without any intent to unduly influence the judgment of the Board of Directors.
- Cash gifts of any amount are deemed unacceptable.
- Members must use discretion when vendors offer to pay for lunches or dinner that may be considered excessive under the circumstances of the donee.
- No member, or employee of a member, may accept any unearned fees or other forms of remuneration that may actually be or appear to be a conflict of interest.

USE OF OWNERS ASSOCIATION FUNDS

No member may use any funds being held for Owners Association business for their own personal use. All funds must be segregated either through bank accounts or accounting records.

RELATED ENTITIES:

Any engagement of a company or individual that is related to any member of the Owners Association Board of Directors in any way must be disclosed to the Owners Association. This disclosure must be made in writing and approved by the Owners Association for the member to remain active on the Owners Association Board of Directors.

LIMITATIONS OF PRACTICE:

A Board member who is also engaged in the practice of another profession shall not perform such other services for the Owners Association while serving as a Owners Association Board member, if the performance of such services is likely to result in a perceived or real conflict of interest.

ABSENCES

Any member who misses three consecutive meetings of the Board of Directors will be removed from the Board.