

Sample ethical conduct agreement

Sample ethical conduct agreement for members of the board of directors

I, _____, am a member of the board of directors
of _____ Housing Co-op (the Co-op).

1. I agree that, as I carry out my duties as a director of the Co-op,

- a) I will act honestly, in good faith and in the best interests of the Co-op. In carrying out my duties as a director I will use the care, skill and diligence that any reasonably prudent person would use in a similar situation;
- b) I owe a duty of loyalty to the Co-op and I will always put the interests of the Co-op before my personal interests;
- c) I will declare any conflict of interest I may have in a matter before the board right away, either in writing or by asking that my declaration be noted in the board minutes. I will not take part in any discussion of the matter in which I have a conflict of interest and I will not vote if the matter is put to a vote;
- d) I will follow all laws, rules, by-laws and policies that apply to the Co-op and to the board of directors and I will abide by the decisions of the board;
- e) I will publicly support the decisions of the board;
- f) I will keep secret any confidential or private information about the Co-op's business and employees or other individuals that I become aware of through my position. If I am not sure whether certain information should be kept confidential, I will ask the Board of Directors for a decision on the matter. I recognize that my duty of confidentiality continues after I cease to be a director.

Sample ethical conduct agreement for members of the board of directors (cont'd)

2. I also agree that I will be deemed to have resigned from the board of directors, if

- I declare bankruptcy;
- I am refused a bond;
- I fail to remain in good standing as a director, as defined below.

3. I am in good standing as a director if

- I do not owe money to the Co-op other than
 - my housing charge for the current month;
 - scheduled future payments to purchase shares or to pay my member deposit or member loan;
 - any other payments for which I have a payment agreement with the Co-op, but these payments cannot be for housing charges that I owe to the Co-op;
- I am not in breach of this agreement, or of my lease or occupancy agreement or any other rule, by-law or policy that applies to me as a member or director of the Co-op.

Name (PLEASE PRINT)

Signature

Date
