



Statement of Agreement

POLICY TYPE: BOARD PROCESS
POLICY TITLE: BP 7: BOARD MEMBER'S CODE OF ETHICS & CONDUCT
ADOPTED: September 17, 2003
LAST REVISED: March 2015
Monitoring Report: *Internal: Each Board Member to the President annually*

BP 7: Board Member's Code of Ethics and Conduct

This code of ethics and conduct clarifies the role, conduct, and authority of the individual Directors in order to create unity and coordination between Directors, management, member/owners and staff. Ethics is defined as a moral philosophy or code of conduct practiced by a person or group of people.

BP 7.1: The Board's authority is to oversee the Co-op's affairs in a manner deemed beneficial to the cooperative as a whole. As representatives, the Directors shall conduct themselves so as to foster confidence in the Board and reflect positively on the Co-op, its members, managers and employees.

BP 7.2: The Board of Directors commits itself to honest, ethical, professional, and lawful conduct, including proper use of authority. Directors work to build a community of trust and respectful relationships within the Co-op. Directors shall keep member/owners informed of the Co-op's status and plans, and of the Board's work, as appropriate.

BP 7.3: Directors will refrain from interfering authority of the General Manager who, under the direction of the Board, has the authority for the overall and day-to-day operation of the business. The General Manager employs, supervises, and discharges all employees, agents and laborers, and engages in all negotiations and discussions on behalf of the cooperative as necessary.

BP 7.4: Directors shall actively participate in training opportunities and utilize resources available to improve Board leadership skills.

BP 7.5: Directors shall work to ensure that the Co-op is controlled in a democratic fashion by its members, that all elections are open and fair, and that participation of all members is encouraged.

BP 7.6: Each Director's authority is equal only to the rights and authority of any individual member of the Co-op, except when the Board is in formal meeting. No individual Director may take action on behalf of the Co-op alone, unless explicitly delegated by Board policy or action of the Board. Directors will refrain from asking for special privileges.

BP 7.7: Directors shall contribute to and encourage open, respectful, and thorough discussions by the Board. Directors shall act supportively, work cooperatively, participate fully, and abide by the consensual action of the Board, even if it is not a Board member's personal opinion.

BP 7.8: No individual Director has an exclusive right to information that has not been made available to all Directors. Board members will give no voice to individual judgments by others regarding General Manager or staff performance without Board authority.

BP 7.9: Any individual Director shall have the right to present further evidence to the Board for consideration in a manner consistent with the Board's practices. The Board shall have the duty to reconsider its action appropriately.

BP 7.10: All Directors will maintain confidentiality with regards to actions, policies, or issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the Co-op's financial status unless all Directors agree that such information is no longer confidential.

BP 7.11: Directors will represent loyalty to the interests of the Co-op's member/owners. This supersedes any conflicting loyalty, such as advocacy or interest groups and membership on other Boards or staffs.

BP 7.12: Directors will present the agreed-upon view of the Board of Directors, not their own, when speaking for the Co-op to employees, members, shoppers, and the general public, press or other entities.

BP 7.13: Directors shall disclose all conflicts of interest and refrain from discussing or voting on related issues. When the Board is to decide upon an issue that a member has an unavoidable conflict of interest, that member shall leave without comment and not participate in deliberations or voting. Members will annually disclose involvements with organizations, vendors, or associations that may produce a conflict.

BP 7.14: To assure openness, competitive opportunity, and equal access to information, there shall be no conducting of private business between any Board member and the organization.

BP 7.15: Board members must not use their positions to obtain employment for themselves, family, or close associates. Should a Board member desire employment, they must first resign from the Board.

BP 7.16: Board members pledge to do their best for Fare Share Co-op. They shall prepare for, promptly attend, and attentively participate in all regular and special Board meetings.

BP 7.17: The Board is responsible for carrying out other duties as provided by the By-laws or by general or specific corporate laws devoting the time needed to fulfill the responsibilities of the position.

BP 7.18: If, by consensus of the Co-op Directors, a Board member has violated this Code, he or she shall resign their position and shall not seek to cause any disruption to the Co-op and Board, for that action.

Each Board member shall review this policy annually and acknowledge compliance with a signature, collected by the Secretary. If a member's situation changes during the year, this should be made known immediately to the Board President in writing for inclusion in the Agenda at the next Board meeting.

III. Conflict of Interest

I affirm that, to the best of my knowledge, neither I, nor any of my affiliates (hereinafter defined) have any financial or other personal interest, direct or indirect, that is incompatible with the proper discharge of my fiduciary duties as a member of the Board of Directors of Fare Share Co-op or would tend to impair my independence, judgment or action in performance of my duties as Director, except as described below. I further affirm that, to the best of my knowledge, neither I nor any of my affiliates is an officer or managing agent of any municipal, state, federal, or private granting or contracting entity that provides or receives funds or other benefits to or from Fare Share Co-op, except as described below. As used herein, I understand the term "affiliate" to mean any relative, business or professional partner or associate, or other person or entity (including without limitation any corporation or partnership in which I have a

personal or financial interest) with whom I have any significant relationship.

Conflict Disclosure: As a co-op Director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority of co-op Directors, I have violated the letter or spirit of this agreement that I shall resign my position on the Board immediately.

Printed Name of co-op Director

Signature of co-op Director

Date