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# THE TERRACE AT CANYON HILLS HOMEOWNERS ASSOCIATION

*Board Governance & Fiduciary Duty  
Seminar*

**Monday, December 6, 2021  
1:00 p.m.**

## **I. THE BOARD OF DIRECTORS**

### **A. Overview**

The Board of Directors (“Board”) of a homeowners’ association (“HOA”) is the corporate policy-making body with authority over the maintenance, administration and financial well-being of the HOA. It is important to understand the Board’s authority. The Board may delegate some of its *responsibility*; however, it may not delegate its *authority*. The Board may give a committee, management, or other entities the responsibility to carry out the decisions on behalf of the Board but may not give any entity the ability to make the decisions for the Board.

Although the Board should feel free to delegate, the Board establishes the boundaries of acceptability within which management or committees must act.

The following are some examples of the Board’s duties:

- Approve budgets and make decisions considering the budget;
- Authorize the appropriate assessment to fund the HOA’s financial needs;
- Set policy and establish goals and objectives for the community;
- Establish communications with the membership (such as a periodic newsletter or bulletins);
- Structure committees, provide objectives and guidelines, review and approve their work;
- Obtain most cost-effective, quality management, and evaluate the work;
- Establish performance standards for contractors and provide management responsibility to communicate effectively to meet those standards.

### **B. Board Members**

The position of a Board member is distinctly different than that of an Officer; however, in most HOAs, an individual is in both positions concurrently. All Board members hold equal status. The voting at a Board meeting is related to the position of being a Board member, not an Officer. All Board members, including the President, should vote on matters brought before the Board. Board members are elected by the members of the HOA or may be appointed by the Board to fill a vacancy on the Board. A Board member:

- Holds a position of trust as a fiduciary to the corporation and must exercise proper care in decisions;
- Owes a duty of loyalty to the HOA and homeowners;
- Acts in “good faith” in accordance with the governing documents and law;
- Makes reasonable inquiry as the basis for decisions;
- May rely on the advice of professionals;
- Makes reasonable and unbiased decisions;
- Maintains appropriate confidentiality;
- Has no authority to act or speak on behalf of the Board outside of a Board meeting, unless specifically authorized by a proper resolution of the Board.

### **C. Officers**

Typically, the Officers are also members of the Board. However, this may not be a requirement in every HOA. Officers are appointed by the members of the Board and not by the membership. The responsibilities of the Officers are generally stated below but may be more specifically described in the HOA's Bylaws.

#### 1. President

- Presides at meetings;
- Executes legal documents;
- Acts as Board liaison to management;
- May make motions and vote (if also a Board member); and
- May be a signer on bank accounts.

#### 2. Vice President

- Acts on behalf of the President in his or her absence;
- May be designated by the President to appear on his or her behalf; and
- May be a signer on bank accounts.

#### 3. Secretary

- Attests to the accuracy and legitimacy of documents;
- Prepares or reviews the minutes for accuracy;
- May be a signer on bank accounts; and
- May prepare and/or approve newsletters prior to mailing.

#### 4. Treasurer

- Reviews accuracy of financial records;
- Should be one of the signers on all bank accounts;
- Monitors budget and spending; and
- Supervises in the preparation of the budget.

## **II. BOARD FIDUCIARY DUTIES AND CORPORATE GOVERNANCE**

### **A. Five "Primary" Fiduciary Duties**

#### 1. Duty of Confidentiality

- a. Duty to keep confidential any attorney-client information—written or verbal—from anyone not on the Board, including family members, friends.
- b. Do not talk or communicate to any homeowners about any matters pending before the Board, including financial or legal issues.
- c. Board members should not copy, reproduce, circulate or share any written Board information/communication with anyone not on the

Board, nor should Board members leave information accessible to others around the home. Documents should be placed in locked cabinets or files.

- d. If a Board member shares, distributes, copies, communicates or discusses any HOA information, Board packet documents, other HOA records, executive session information or documents, that Board member may be sued by the HOA for breach of fiduciary duty. The HOA may seek a restraining order, monetary damages, and removal of that director from the Board.
- e. This duty applies to current and former Board members. That is, the duty to preserve confidences continues even after a person no longer serves on the Board.

2. Duty of Loyalty

- a. Board members cannot have any divided loyalties and may not take any personal action/opinion which is against or inconsistent with the HOA's best interests. Board members must place the HOA's interests before any personal interests and before any individual member's interests.
- b. Board members may not circulate any written materials to members without the entire Board's prior knowledge and approval.

3. Duty of Competence (see Standard of Care, Section C, below)

**B. Additional Fiduciary Duties**

1. Duty to Enforce Governing Documents

- a. The Board has a duty to enforce the HOA's governing documents, such as its CC&Rs and Rules and Regulations. This enforcement must be in "good faith, not in an arbitrary or capricious manner, and [the HOA's] enforcement procedures must be fair and applied uniformly." (*Nahrstedt v. Lakeside Village Condominium Assn.* (1994) 8 Cal.4th 361, 383.)
- b. Boards have discretion when deciding whether to litigate the enforcement of the governing documents. The scope of such discretion is dependent on the particular facts of the case. (See *Beehan v. Lido Isle Community Assn.* (1977) 70 Cal.App.3d 858, 865.) Typically, Boards are able to weigh the gravity of the violation, the likely outcome of the litigation and its expected cost, when making the decision whether to litigate a violation of the governing documents.

2. Duty of Impartiality

- a. Board members must carry out their obligations in a fair and consistent manner. They may not favor or act with partiality to any owner(s).

3. Duty to Avoid Commingling of Assets

- a. HOAs must establish at least two bank accounts, an operating and reserve account. Board members must keep their personal funds separate from HOA funds. Board members must also ensure that the HOA's manager is not commingling the HOA's funds with the manager's own money or with the funds of other people or companies.

4. Duty to Defend Actions

- a. HOAs have standing to defend (as well as initiate) litigation and other proceedings (arbitration, mediation) in the name of the HOA on behalf of the members.

5. Duty of Disclosure

- a. Though HOAs are not required to disclose that it has filed litigation (except for litigation against developers for construction defect), Boards should keep members informed of its activities.

**C. Standard of Care**

- 1. The Judicial Deference Rule (Corp. Code §7231; *Lamden v. La Jolla Shores Condominium Homeowners Assn.* (1999) 21 Cal.4th 249. 265) protects Directors from personal liability so long as the Director acted:

- a. In good faith;
- b. In a manner the Director believes to be in the best interest of the corporation;
- c. With such care, including reasonable inquiry, as a prudent person in the same position, under similar circumstances; and
- d. Upon the advice of experts.

- 2. As volunteers, the Davis-Stirling Act (Civ. Code §5800) provides that Directors will not be personally liable for errors and omissions if:

- a. The Director was acting within the scope of his/her HOA duties;
- b. The act was performed in good faith;
- c. The act or omission was not willful, wanton, or grossly negligent; and
- d. The HOA maintains appropriate general liability and D&O insurance.

- 3. However, the Judicial Deference Rule is not unlimited.

- a. Conduct contrary to the governing documents or remaining "willfully blind" to the governing documents, may not protect the Director from

the Judicial Deference Rule, such that the Director may be subject to personal liability for his or her actions. (See *Palm Springs Villas II HOA v. Parth* (2016) 248 Cal.App.4th 268.)

- b. The Board must enforce an unambiguous provision in the CC&Rs even if it in good faith believed that enforcing the CC&Rs was not in the best interests of the HOA. (*Ekstrom v. Marquesa at Monarch Beach Homeowners Assn.* (2008) 168 Cal.App.4th 1111.)

**D. Documenting the Exercise of the Business Judgment Rule**

- 1. Minutes of meetings.
  - a. Minutes should reflect the motion, and the vote.
  - b. Keep Minutes of both executive and regular session Board meetings.
- 2. Benefits of written resolutions.
  - a. To explain reasons supporting business judgment (e.g., documenting basis for the Board’s decision.)
  - b. To adopt policies of the HOA.
- 3. Written reports and opinions of experts.
- 4. Written findings, recommendations of committees.
- 5. Onsite inspections/reviews of locations for architectural improvements.

**E. Conflicts of Interest**

- 1. A director has a conflict of interest if he or she has a material financial interest in contracts or transactions with the HOA.
  - a. An exception exists if the contract or transaction was objectively reasonable for the HOA at the time it was authorized or approved, the director disclosed the conflict of interest to the Board, and the director recused self from the discussion and vote.
- 2. A conflict of interest also exists if the director has a personal interest in the outcome of a decision by the Board or committee, such as:
  - a. Friends, relatives, neighbors, impacted by Board decision.
  - b. Non-monetary relationship with vendor.
  - c. Business contact with a vendor outside the Board. (Example: Board member/insurance broker who steers insurance of HOA to his/her firm)
  - d. Board member should disclose and recuse self from vote.

### III. “ROGUE” OFFICERS AND DIRECTORS

#### A. **Potential Personal Liability**

Directors and Officers who act outside their authority may become personally liable for those actions. (Civ. Code §5800).

#### Examples:

1. The Board decides against hiring a particular landscape company, but the President signs the contract anyway.
2. The Board authorizes payment to a vendor, but the Treasurer refuses to prepare or sign the check.

#### B. **Handling Rogue Officers**

Officers hold their office at the pleasure of the Board and can be removed by the Board at any time with or without cause upon a vote of a majority of the Board. Removed Officers remain on the Board of Directors as a “Member at Large,” meaning they are now a Director without any particular Officer designation.

#### C. **Handling Rogue Directors**

##### 1. Censure

- a. A censure is a formal reprimand of a Director. Conduct worthy of censure may include but is not limited to:
  - i. Disruption of meetings (shouting, use of profanity, engaging in personal attacks against fellow directors, etc.);
  - ii. Breach of confidences;
  - iii. Interference with HOA operations;
  - iv. Breach of fiduciary duties;
  - v. Improper behavior toward HOA vendors or employees;
  - vi. Undisclosed conflicts of interest.
- b. In matters where a censure may be appropriate, a noticed hearing should be called. The censure is then recorded in the minutes, which should clearly reflect the reasons for the censure.
- c. While expressing strong disapproval of a director’s behavior, a censure does not remove a director from the Board nor does it impair the director’s ability to attend meetings, make and second motions or vote on motions, unless there is reason for recusing the director from a particular vote.

2. Removal

- a. A director can only be removed by:
  - i. The courts, which may remove directors from office, but only for fraudulent or dishonest acts, gross abuse of authority, or breach of duty. (Corp. Code §7223);
  - ii. A vote of the membership, with or without cause, via a recall election;
  - iii. As otherwise provided for in the Bylaws (i.e., when the director ceases to be qualified as a director).

3. Request for Resignation

- a. The Board can request a misbehaving director’s resignation. However, the director can refuse.

4. Executive Committee

- a. Definition: An “Executive Committee” is any committee composed entirely of directors (with a minimum of two directors), who serve at the discretion of the Board. (Corp. Code §7212.)
- b. Non-directors are prohibited from serving on an Executive Committee. Thus, an Executive Committee can be formed to exclude a director from sensitive issues (usually litigation or reprimand of the director).
- c. Sometimes it is necessary to exclude a rogue director from particular executive session matters because that director has a history of breaching confidential matters or has announced his/her intention to do so. To preserve confidentiality and/or attorney-client privilege, the Board may create an Executive Committee of directors (minus the rogue director) to address those issues.

5. Recommendations

- a. Boards should adopt an ethics policy for directors and committee members.
- b. HOAs should also consider amending their Bylaws to include circumstances in which a director can be removed from the Board for misconduct, without a vote of the members.

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#### IV. **BOARD MEETINGS**

##### **A. Definition**

1. Civil Code section 4090 defines a “Board meeting” as either:
  - a. A “congregation” at the “same time and place, of a sufficient number of directors to establish a quorum of the board, to hear, discuss, or deliberate upon any item of business that is within the authority of the board”; or
  - b. A “teleconference,” where a “sufficient number of directors to establish a quorum of the board, in different locations, are connected by electronic means, through audio or video, or both.”
    - i. A teleconference meeting must be conducted in a manner that “protects the rights of the members of the association and otherwise complies with the requirements of the [Davis-Stirling Act].” (Civ. Code §4090(b).)
    - ii. In addition, except for a meeting that will be held solely in executive session, the notice of the teleconference meeting shall identify at least one physical location, so that members of the HOA may attend. At least one director or a person designated by the Board shall be present at the designated physical location.
2. Board are prohibited from taking action on “any item of business” outside of an official Board meeting. (Civ. Code §4910(a).)
3. The rules governing Board meetings are found in Civil Code section 4900, et seq., which is known as the “Open Meeting Act.”

##### **B. Types of Board Meetings**

1. Regular Meetings
  - a. Typically set by the Board (unless prescribed otherwise in the Bylaws).
  - b. Frequency of regular meetings is enumerated in the Bylaws (usually monthly).
2. Annual Meeting
  - a. Election of directors takes place at the annual meeting.
  - b. If quorum is not met, the Board must adjourn the meeting and set a new meeting date.

- c. Directors remain on the Board until successors are formally elected. Thus, if meeting postponed, directors remain on the Board during that time.
- 3. Special Meetings
  - a. Held in intervals between regular meetings, usually to conduct business that must be handled prior to the next regularly scheduled meeting.
- 4. Emergency Meetings
  - a. An “emergency” is a circumstance that could not have been “reasonably foreseen which require[s] immediate attention and possible action by the board, and which of necessity make[s] it impracticable to provide notice” to the membership. (Civ. Code §4923.)
  - b. An emergency meeting of the Board may be called by the president or by any two members of the Board other than the president. (Civ. Code §4923.)
  - c. May be held via email (see below) or telephone/video conference. (Civ. Code §4090(b).)
- 5. Executive Session
  - a. Closed to the membership.
  - b. Per Civil Code §4935, the Board is permitted to meet in executive session, only for the following scenarios, to consider: (i) litigation (including all meetings with counsel); (ii) matters related to the formation of contracts with third parties; (iii) member discipline; (iv) personnel matters; (v) to meet with a member, at the member’s request, regarding delinquent assessments, payment plans, and/or member discipline; and (vi) to decide whether to foreclose on a lien.
  - c. Any matter discussed in Executive Session “shall be generally noted in the minutes” of the subsequent meeting that is open to the entire membership. (Civ. Code §4935(e).)
- 6. Email Meetings
  - a. Civil Code §4910(b) states that Boards “shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail,” except for emergencies, and as long as all members of the Board consent in writing to that action.
  - b. Non-business and administrative emails are permitted: setting dates for meetings, requesting agenda items, etc.
  - c. Boards should be mindful that their email communication may be discoverable in litigation.

**C. Notice Requirements**

1. Regular Board meeting: At least four (4) days before the meeting. (Civ. Code §4920(a).) The governing documents may require a longer notice period. If so, the longer notice period must be complied with. (Civ. Code §4920(b)(3).)
2. Executive Session meeting: At least two (2) days before the meeting. (Civ. Code §4920(b)(2).)
  - a. Notice must contain an agenda, which should be general in nature (due to the confidential nature of executive session meetings)
3. Emergency Board meeting: No notice required. (Civ. Code §4920(b)(1).)
4. Whenever notice of a Board meeting is required, the notice shall contain the date, time and place of the meeting, be given by general delivery, and contain an agenda for the meeting. (Civ. Code §4920(c)-(d).)

**D. Member Attendance**

1. Members are entitled to attend all Board meeting except Executive Session.
2. Members must be permitted time to speak, but the Board may impose a reasonable time limit (see Section VIII). (Civ. Code §4925(b).)

**V. RUNNING EFFICIENT BOARD MEETINGS**

1. A Board meeting is a corporate business meeting. HOA Board meetings are not much different than those of large profit-making companies.
2. The agenda must be provided to the members no later than four (4) days prior to the meeting, by either posting on-site or mailing to each member. Boards are required to adhere to the prepared agenda items at the meeting. New items that arise must be placed on the agenda for the next meeting, as the Board may not discuss or make decisions on items that are not on the noticed agenda, unless it is an emergency matter that was not reasonably foreseen, requires immediate action, and two-thirds of the directors' vote that there is a need to take immediate action. (Civ. Code §4930(a), (d).)
3. Many homeowners believe the Board meets solely to hear and address their concerns. Board meetings should be held to conducting HOA business. The business issues are generally presented to the Board before the meeting so the Board may be prepared to make the right decisions.
4. Allow time for homeowner forum prior to or after, not during, the business portion of the meeting. While this is one of the toughest manage, it is most necessary. Communicating this to homeowners in advance, or as a statement on the agenda provided to them, often helps control homeowner interruptions at Board meetings.
5. To make the meeting run more smoothly, each Board member should review the Board packet and make notes of thoughts and questions before to the meeting. Prior to the

meeting, obtain answers to your questions by contacting the Board President or Community Manager.

6. The President of the Board should begin each meeting on time and end at a reasonable hour. Two hours should be sufficient to conduct most business meetings.
7. Get into good business meeting habits. Avoid sidetracking, stay on the issue through the resolution or tabling of motions. Make notes of side issues as the discussion unfolds, while staying focused on the issue at hand. The President has the difficult task of keeping the Board on the issue. The other members of the Board get to keep the President on point.
8. Disagreements are healthy at times; arguing is not. Keep the tone of the meeting professional, businesslike and friendly. Use the Meeting Conduct Rules to avoid these uncomfortable situations.

## **VI. HOMEOWNER FORUM**

Although the members may not participate in the business portion of the meeting, the members must be given an opportunity to speak at the meeting (Civ. Code §4925). This “Homeowner Forum” is typically conducted at the start or end of the meeting. The Board may establish a policy for conducting the “Homeowner Forum” portion of the meeting. There are many possible variations, and these are just some suggested considerations. This should be discussed and voted on as any other policy of the Board. Once adopted, this policy should be handed to homeowners when they arrive at the meeting.

1. Homeowner Forum will be conducted for 15 minutes beginning at xx:xx AM/PM. Homeowners will not be permitted to address the Board during the Business portion of the meeting.
2. Homeowners are requested to sign a register or complete a “Request to Address the Board” form and present it prior to the Homeowner Forum, or Homeowners may raise their hand to be called on by the Chair to speak to the Board during Homeowner Forum.
3. Every homeowner will be allotted xx minutes to speak.
4. The Board may take all matters under submission and need not respond to the request or answer the questions at the meeting, or the Board responds to all issues in writing through management after sufficient research and decision.
5. In the interest of time, any issue presented to the Board which requires no action of the Board and would best be responded to by the managing agent, the homeowner will receive a written response within xx days of this meeting.
6. The Board will not tolerate abusive language or conduct disruptive to the proceedings. All homeowners will respect the time allotted to other attendees. The President may close the Homeowner Forum or take a recess, if order is not maintained.
7. It is not necessary to document all homeowner comments in the Minutes; however, the Minutes should reflect that a Homeowner Forum was conducted.

**VII. COMMITTEES**

**A. Overview**

1. Formation

- a. Generally, an HOA's CC&Rs will authorize the Board to form committees. Committees are appointed by, and serve at the direction of, the Board.
- b. However, even if not provided for in the CC&Rs, the Board has the inherent authority to form committees pursuant to its power to delegate duties. (*Finley v. Superior Court* (2000) 80 Cal.App.4th 1152, 1161.)
  - i. There are some duties that are “nondelegable.” In other words, Boards cannot delegate or assign the following duties to a committee: approving settlement agreements, voting on motions, electing officers, filling Board vacancies, and deciding whether to record a lien for delinquent assessments foreclose on a lien or file a lawsuit. Some CC&RS may contain other nondelegable duties.
- c. While directors may delegate duties to committees, directors cannot delegate their ultimately responsibilities. Therefore, directors are ultimately responsible for the actions of the HOA's committees and may be held liable for the same. Accordingly, Boards must ensure that they have systems in place to oversee committees.

2. Advisory Nature

- a. Committees—unless comprised of only directors—may only be advisory. Committees do not have the right to make decisions, they can only make recommendations to the Board.

**B. Who Can Serve on a Committee?**

1. There are no statutory restrictions on who may serve on committees. The governing documents may contain restrictions, such as, without limitation, a residency requirement, or a requirement that the member be in good standing (i.e., not delinquent in the payment of assessments) in order to serve on a committee.

**C. Types of Committees**

1. Ad Hoc Committee.

- a. A temporary committee to address a specific issue, such as the HOA's Rules and Regulations (to review and recommend changes for the Board's approval) or an Election/Voting Committee (to solicit

membership participation and voting in an HOA election), among others.

2. Mandatory Committee.

- a. Established by the HOA's governing documents. The most common type of mandatory committee is the architectural review committee, which some CC&Rs require. The Board generally has the power to serve on and/or replace the members of mandatory committees.

3. Executive Committee.

- a. Discussed in Article III, Section (C)(4), above.

**D. Committee Meetings & Minutes**

1. Unlike Boards, committees are not required to hold open meetings or post agendas. Even architectural committees may meet informally. This enables the architectural committee to pragmatically review applications and make prompt decisions, as many CC&Rs provide that applications are automatically approved if the committee does not reject the application within thirty (30) or sixty (60) days of receipt.
2. However, if a majority of directors serve on a committee, the committee meeting would constitute a Board meeting, such that posting notice and an agenda would be required.
3. For committees with decision making power—i.e., the committee is not strictly advisory—or committees comprised of all Board members, the committee must keep minutes of its meetings. (Civ. Code §5210(a)(2).)
4. Architectural committees are not necessarily required to keep minutes (if comprised of all Board members, minutes must be kept), but must provide a “written decision” of its ruling on a proposed architectural application. (Civ. Code §4765(a)(4).) It is a prudent practice to keep record of an architectural committee's decisions, which could provide useful evidence if the decision is challenged by the homeowner. In fact, courts have held that it is “incumbent” upon the HOA to show that it followed its own “standards and procedures.” (*Ironwood Owners Assn's v. Solomon* (1986) 178 Cal.App.3d 766, 772.)

**E. Removal of Committee Members**

1. As explained above, committees serve at the pleasure of the Board. Accordingly, and unless the governing documents state otherwise, committee members may be removed at any time by the Board, with or without cause.

# SAMPLE DOCUMENTS

## BOARD MEMBER CODE OF CONDUCT

The Board Member Code of Conduct has been adopted to guide individual board members in a direction that is best for the organization. Accordingly, individual board members should:

- Understand, power resides with the “Board” not individual board members
- Maintain the confidentiality of executive session information
- Put personal interests aside and advance the best interests of the association
- Respect, abide by, and carry out the decisions of the majority of the board
  - The expertise of individual board members will be used to enhance the board’s understanding of issues but will not be substituted for the judgment of the board
- Treat fellow directors, homeowners, management and vendors with respect
- Become familiar with the governing documents
- Be fully prepared for board meetings
  - Engage in board discussions prepared and with an objective, open mind
  - Allow actions that are required by the governing documents or law
- Monitor appropriately by internal and external reports as well as observation to ensure policies are being met
- Subscribe to the Business Judgment Rule
  - Duties are performed in good faith
  - Duties are performed in a manner believed to be in the best interests of the association
  - Duties are performed with such care, including reasonable inquiry as an ordinary prudent person in a like position would use under similar circumstances
- Maintain current assessment payments and comply with the rules and regulations so as to remain in good standing
- Avoid any conflict of interest
  - If licensed and bidding on a job said board member shall recuse him or herself from discussions and decision

Additionally, the Board as an entity shall:

- Be as open as possible in the process of conducting its business
- Not allow any individual member, managing agent or vendor to be harassed by any individual member of the board or membership
- Allow no officer, individual or board committee to prevent the board from fulfilling its commitments
- Not allow any provision of law or the governing documents to be unfulfilled

### **BOARD MEMBER CODE OF ETHICS**

As a member of the Board of Directors for The Terrace at Canyon Hills Homeowners Association, I will:

- Be committed to fulfilling the mission and vision of the Association.
- Keep all confidential Board information confidential.
- Focus my efforts on the goals of the Association and not my personal goals.
- Serve on a committee and/or task force in a leadership capacity.
- Refrain from using my service on this Board for my own personal advantage or for the advantage of my friends or associates.
- Respect and support the majority decisions of the Board.
- Immediately disclose to the Board any perceived or real conflict of interest as soon as I have knowledge of the potential conflict.
- Approach all Board issues with an open mind, prepared to make the best decisions for everyone involved.
- Do nothing to violate the trust of those who elected or appointed me to the Board or of those we serve.
- Never exercise authority as a Board member except when acting in a board meeting or as I am delegated by the board or its President.
- Continue to maintain the Board member qualifications for the Association.
- Consider myself a trustee of this organization and do my best to ensure that it is well maintained, financially secure; growing and always operating within the best interest of those we serve.

**BOARD MEMBER COMMITMENT PLEDGE**

I, \_\_\_\_\_, recognizing the vital responsibility I am undertaking in serving as a member of the Board of Directors of The Terrace at Canyon Hills Homeowners Association, hereby pledge to carry out in a trustworthy and diligent manner the duties and obligations of my role as a Board member.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name