



ETHICS COMMITTEE CHARTER

Purpose of Committee

The Ethics Committee shall be responsible for assisting the Board of Directors in the implementation and oversight of the Association's ethics policies and procedures not primarily related to accounting, auditing, financial reporting and internal controls.

Committee Membership

The Ethics Committee is appointed annually with Board representation. The Board Chairman, in collaboration with the Governance Committee, shall appoint Committee membership. The Committee shall be comprised of one member of the Board, one member of the management team, and one employee who is not a member of management. The Audit Committee members as well as the Board Chairman and Vice Chairman are exempt from serving on the Ethics Committee. Members of the Ethics Committee shall appoint a Committee Chairman and Vice Chairman.

A member of the Ethics Committee may resign by giving written notice to the Board of Directors and the Association's Chief Executive Officer (CEO).

Committee Duties and Responsibilities

The Committee's primary duties and responsibilities are:

1. Assist the Board in assuring the Association's compliance with its Code of Ethics and Standards of Conduct policies.
2. Set a tone of support and respect for adherence for the Code of Conduct and zero tolerance for any non-compliant, unethical, or illegal activities committed by the Association's directors, officers, employees, agents, and business associates.
3. Provide strategic oversight of the Association's ethics training program.
4. Review Hotline complaints referred to the Committee by the Audit Committee.
5. Review any complaints submitted by employees to the Committee.
6. Provide reports and recommendations for any complaints, when requested, to the Audit Committee or other appropriate Board or Association committees.
7. If presented with an issue where fraud is alleged, the Committee should refer the issue to the Audit Committee for consideration.
8. Review the Committee's charter annually and submit any recommendations for changes to the Board.
9. Review the Employee Responsibility and Conduct policy annually to assure its continued applicability to the Association's business and propose potential revisions.

In matters or allegations that are discovered during an audit or reported through any reporting system pertaining to:

- a potential criminal offense
- potential substantial risk of litigation
- potential damage to the Association's reputation
- or involve a member of management

The Committee shall fully brief the Audit Committee and the CEO upon the discovery of any matter or allegation and keep them updated until the matter is fully resolved.

Matters or allegations of wrongdoing relating to accounting and auditing issues shall be reported to the Audit Committee Chairman. An investigation shall be conducted under the direction of the CEO and the Audit Committee Chairman. If a matter or allegation involves the CEO personally, it shall be submitted, for review, to the Chairmen of the Ethics and Audit Committees. If a matter or allegation involves the Chairman of the Audit Committee personally, it shall be submitted, for review, to the Chairman of the Ethics Committee and the CEO.

Committee Meetings

The Ethics Committee shall have an annual organizational meeting. Other meetings of the Committee will be convened as needed. Minutes of each meeting shall be recorded and maintained with the books and records of the Association. Minutes of, and actions taken by the Committee during each meeting will be furnished to the Board for review and further action.

The Committee may request that any directors, officers, employees of the Association, or other persons whose advice and counsel are sought or required by the Committee, attend any meeting of the Committee for the purpose of providing the necessary advice, counsel or pertinent information.

The Chairman of the Committee shall preside at each meeting. If the Chairman is unable to attend a meeting, the Vice Chairman will preside in the Chairman's absence.

The Chairman may direct appropriate members of management and staff to prepare draft agendas and related background information for each Ethics Committee meeting. Any background materials and agenda shall be generally distributed to Committee members in advance of the scheduled meeting.

Statement of General Ethics Authorities and Responsibilities

1. Compliance matters which are primarily related to accounting, auditing, financial reporting and internal controls should be submitted to the Audit Committee. The Audit Committee shall determine the proper handling thereof (including, but not limited to, the involvement of other Board committees, outside advisers, and others) with such oversight as deemed necessary by the Board.
2. Compliance matters which are not primarily related to accounting, auditing, financial reporting and internal controls shall be submitted to the Ethics Committee. The Ethics Committee shall determine the proper handling thereof (including but not limited to,

the involvement of other Board committees, outside advisors, and others) with such oversight as deemed necessary by the Board.

3. If it is unclear whether the compliance matter is the responsibility of the Audit Committee or the Ethics Committee, then the matter shall be submitted to the chair of the Audit Committee for assignment.