

**CWA BOARD OF DIRECTORS  
CODE OF CONDUCT  
AND PROCEDURES FOR REVIEW OF BOARD MEMBER CONDUCT**

*This Board of Directors Code of Conduct and accompanying Procedures for Review of Board Member Conduct were adopted by the Climbing Wall Association Board of Directors on November 1, 2012.*

**Preamble**

The Climbing Wall Association (“CWA or “Association”) is a not-for-profit, tax-exempt trade association formed to promote, develop, educate, and otherwise further the indoor sport climbing industry. CWA’s membership consists of corporations, firms, individuals, and other entities engaged in the business of designing, manufacturing, equipping, and/or operating indoor climbing facilities or “climbing gyms,” climbing-related fitness facilities and equipment, and other equipment required in the performance of the sport.

The business and affairs of the CWA are managed under the direction of the Board of Directors (“Board”), in accordance with the provisions and procedures set forth in the Bylaws of the Climbing Wall Association (“Bylaws”). The Board of Directors Code of Conduct (“Code”) serves as a code of conduct for members of the Board in their capacity as Board members. Violations of the Code may result in sanctions imposed under the Procedures for Review of Board Member Conduct (the “Procedures”).

The principles and requirements that comprise the Code and the Procedures are based upon, and designed to ensure full compliance by CWA and its officers, directors, and employees with, the fiduciary duties imposed upon such individuals by the corporate laws of the State of Colorado, the United States tax code’s prohibition on private inurement and private benefit and other requirements of federal tax exemption, common law due process requirements, federal and state antitrust and unfair competition law, state tort law, and other applicable legal precepts and prohibitions. The Code and Procedures are not designed to supplant courts of law in the resolution of disputes within the indoor sport climbing industry. Moreover, the checks and balances built into the Code and Procedures are designed and intended to strike the proper balance between ensuring full compliance with the legal obligations described above and ensuring the integrity and efficacy of the Code on the one hand, and, on the other, protecting members of the Board, through the use of reasonable due process procedures, against patently false, malicious, or groundless accusations that could result in significant business or personal harm if not properly handled. Members of the Board affirm their endorsement of the Code and acknowledge their commitment to uphold its principles.

In the event that any provision of the Code or Procedures is in conflict with the provisions and procedures of the Bylaws, the provisions and procedures of the Bylaws control.

## **Board of Directors Code of Conduct**

Members of the Board of Directors shall at all times abide by and conform to the following code of conduct in their official capacities:

1. Each member of the Board shall abide in all respects by the provisions of the Code of Conduct and all other rules and regulations of the Association (including, but not limited to, the Association's Articles of Incorporation and Bylaws). Board members shall ensure that their membership in the Association remains in good standing at all times. Furthermore, each member of the Board shall at all times obey all applicable federal, state, and local laws and regulations, and shall provide or cause to provide the full cooperation of the Association when requested to do so by those institutions and persons set in authority as required to uphold the law.
2. Members of the Board shall conduct the business affairs of the Association in good faith and with honesty, integrity, due diligence, and reasonable competence.
3. Except as the Board may otherwise require or as otherwise required by law, no Board member shall share, copy, reproduce, transmit, divulge, or otherwise disclose any confidential information related to the affairs of the Association. Each member of the Board shall uphold the strict confidentiality of all meetings and other communications and deliberations of the Board of Directors.
4. Members of the Board shall exercise proper authority and good judgment in their dealings with Association staff, suppliers, volunteers, and the general public, and shall respond to the needs of the Association's members in a responsible, respectful, and professional manner.
5. No member of the Board shall use any information provided by the Association, or acquired as a consequence of the Board member's service to or duties for the Association, in any manner other than in furtherance of such service or duties. Further, no member of the Board shall misuse Association property or resources, and shall at all times keep the Association's property secure and not allow any person not authorized by the Association or the Board to have or use such property.
6. Each member of the Board shall use his or her best efforts to participate regularly in professional development activities, and shall perform his or her assigned duties in a professional and timely manner, pursuant to the Association's and/or the Board's oversight.
7. Upon termination of service, a retiring Board member shall promptly return to the Association, or destroy, all documents, electronic and hard files, reference materials, and other property entrusted to the Board member for the purpose of fulfilling his or her duties. Such return shall not discharge the retiring Board member from his or her continuing obligations of confidentiality with respect to information acquired as a consequence of his or her tenure on the Board of Directors or service or duties to the Board or the Association.

8. The Board of Directors dedicates itself to leading by example in serving the needs of the Association and its members, and in representing the goals, interests, and ideals of the indoor sport climbing industry at large.
9. No member of the Board shall persuade or attempt to persuade any employee of the Association to leave the employ of the Association, or to become employed by any person or entity other than the Association. Furthermore, no Board member shall persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or entity with an actual or potential relationship to or with the Association to terminate, curtail, or not enter into its relationship to or with the Association, or in any way reduce the monetary or other benefits to the Association of such relationship.
10. The Board, individually and collectively, must act at all times in the best interests of the Association and not for personal or third-party gain or financial enrichment. When encountering potential conflicts of interest, Board members shall identify the conflict, and, as required, invoke the provisions and procedures of the Bylaws, including, specifically, the CWA Conflict of Interest Policy. Each Board member shall:
  - a. Avoid placing (and avoid the appearance of placing) one's own self-interest or third-party interest above that of the Association or its members; while the receipt of personal or third-party benefit may necessarily flow from certain Association activities, such benefit must be merely incidental to the primary benefit to the Association or member(s) and its purposes;
  - b. Not engage in any outside business, professional, or other activities that would directly or indirectly materially adversely affect the Association or its members;
  - c. Not engage in or facilitate any discriminatory or harassing behavior directed toward Association staff, members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, volunteers, or others in the context of activities relating to the Association;
  - d. Not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of more than *de minimis* value from any person or entity as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the Association, without fully disclosing such items to the Board; for purposes of this provision, items with a value of \$25.00 USD or less shall be considered items of *de minimis* value; and
  - e. Provide goods and services to the Association as a paid vendor to the Association only after full disclosure to, and advance approval by, the Board, and, in the Board's discretion, pursuant to any related procedures adopted by the Board, including the CWA Bylaws and the CWA Conflict of Interest Policy.

## **Procedures for Review of Board Member Conduct**

### **I. Introduction**

A. The Code serves as a code of conduct for members of the Board in their official capacities. Members of the Board affirm their endorsement of the Code and acknowledge their commitment to uphold its principles by accepting and retaining membership on the Board. Violations of the Code may result in sanctions imposed under these Procedures.

B. The grounds for disciplinary action shall consist of one or more material, demonstrable violations of any provision of the Code. Multiple alleged violations of the Code may be consolidated, at the discretion of the Chair (as such position is defined below), into a single Complaint (as such term is defined below).

C. These Procedures shall apply to all complaints, allegations, inquiries, or submissions involving a potential violation of the Code (hereinafter referred to as “complaints”) received by the Association or any officer concerning a Board member, whether initiated by another Board member, an officer, employee, member, or agent of the Association, or other third party.

D. These Procedures are subordinate to, and incorporated by, the provisions of the CWA Articles of Incorporation and Bylaws, including, without limitation, the Conflict of Interest Policy, the Confidentiality Policy, The Anti-Discrimination and Anti-Harrasment Policy and the Whistleblower Policy. In the event of a conflict in a particular case between these Procedures and a relevant procedure set forth in the Bylaws, the procedure set forth in the Bylaws shall control.

E. Actions taken under these Procedures do not constitute law enforcement activities, although referral to appropriate federal, state, or local government agencies may be made about a Board member’s conduct in appropriate situations. Persons bringing complaints are not entitled to any legal or equitable relief by virtue of these Procedures, although they will receive notice of receipt of their complaints and any action taken thereon. Complaints that are essentially of a commercial or pecuniary nature (such as claims alleging defamation by or unfair business practices of a competitor), or primarily requesting relief available by judicial process, may not be considered under these Procedures unless they also involve potential violations of the Code.

### **II. Development and Administration of Procedures**

A. The Board has oversight for the development and administration of these Procedures. Notwithstanding, there is hereby created the Climbing Wall Association Ethics Committee (“Committee”) to administer these Procedures on behalf of the Board.

B. The Chair of the Committee (“Chair”) shall be chosen by majority vote of the Board. The Chair is specifically responsible for ensuring that these Procedures are implemented and followed consistently and impartially.

C. The Chair, all Committee members, Association employees and officers, and other individuals engaged in investigations or decisions on behalf of the Association with respect to any complaint under these Procedures shall be indemnified, held harmless, and defended by the Association against any and all liability arising from such activities to the extent permitted by law, provided such individuals act in good faith and with reasonable care, without gross negligence or willful misconduct, and do not breach any fiduciary duty owed to the Association. No individual who, directly or through his or her family or business, has any personal or private business involvement in or connection to the alleged misconduct or any other conflict of interest shall be permitted to participate in the matter to be investigated. Any such involvement or connection shall be immediately disclosed by the affected individual to the Committee and the Board.

### III. Complaints

A. Complaints may be made and transmitted by any person to the Chair, any member of the Committee, or any officer or director of the Association, including the Chief Executive Officer (collectively, "Complaint Recipients") in any manner, including U.S. mail and electronic mail. The use of text messaging or social media to transmit complaints is discouraged and may only be made by means of a private message within the particular application. While complaints generally should be in writing and the complaining individual generally should be identified, if credible evidence of a violation of the Code is presented, the Complaint Recipient who receives such evidence shall reduce the evidence to writing, including identification of the complaining individual, and promptly forward it to the Chair. Moreover, all credible evidence of Code violations received by a Complaint Recipient, or of which a Complaint Recipient becomes aware, shall be subject to mandatory written referral by the Complaint Recipient to the Chair. Such referrals shall be subject to these Procedures. In addition, any Complaint Recipient may self-initiate a written complaint if circumstances warrant. All complaints received by any person other than a Complaint Recipient should be immediately directed or forwarded to the Chair.

B. Direct or indirect retaliation of any kind by the Association or its officers, directors, employees, members, or agents against any individual who makes, initiates, or is involved in the making of a complaint shall be strictly prohibited. This prohibition on retaliation shall be strictly enforced by the Board. Similarly, complaints made with knowledge of their falsity, in whole or in part, shall be strictly prohibited. This prohibition shall be strictly enforced by the Board.

C. Upon receipt and preliminary review of each complaint, the Chair may conclude, in his or her sole discretion, that the complaint: (1) contains facially unreliable or insufficient information, or (2) is patently frivolous or trivial. In such cases, the Chair may determine that the complaint does not constitute a potentially actionable complaint that would justify bringing it before the Committee for determination of whether there has been a material violation of the Code. If so, such complaint shall be dismissed without prejudice by the Chair, and notice to its submitter of such action shall be provided by the Chair in writing. All such preliminary dispositions of complaints by the Chair shall be immediately reported in writing to all members of the Committee, with a copy to the Chief Executive Officer. A summary report of all such preliminary dispositions of complaints occurring since the last regular meeting of the Board shall be provided to the Board at its next regular meeting. Any such complaint may be re-initiated at any subsequent time pursuant to these Procedures.

D. If a complaint is deemed by the Chair upon initial review to be a potentially actionable complaint, the Chair shall provide written notice to the Board member whose conduct is the subject of the complaint, advising the Board member that an investigation will be initiated. The Chair shall also provide written notice to the complainant that the complaint will be reviewed by the Committee.

IV. Review of Complaint

A. For each complaint involving an alleged violation of the Code that the Chair determines to be potentially actionable, the Chair shall authorize an investigation into its specific facts or circumstances to the extent necessary to clarify, expand, or corroborate the information provided by the complainant, and in order to assist the Committee in making a determination as to whether charges should be brought against the Board member. The Committee may be assisted in the conduct of its investigation by Association staff, Board counsel, and/or outside experts, provided that no such person has any actual or apparent conflict of interest with respect to the matter and provided that such individuals agree to maintain the complete confidentiality of the investigation. Both the complainant and the Board member who is the subject of the investigation may be contacted by the Committee or its agents for additional information with respect to the complaint. In addition, the Committee or its agents may contact other individuals who may have knowledge of the facts and circumstances surrounding the complaint.

B. Upon conclusion of its investigation, the Committee shall determine whether there is a reasonable basis for bringing charges under these Procedures against the Board member who is the subject of the complaint. If the Committee concludes that such reasonable basis exists, it shall prepare written charges and a written report explaining the alleged violation(s) of the Code and why such conduct constitutes grounds for disciplinary action under these Procedures. If the Committee determines that there is not a reasonable basis for bringing charges, it shall dismiss the complaint without prejudice and so notify the Board member who is the subject of the complaint in writing. All such dispositions of complaints shall be immediately reported in writing to all members of the Committee, with copies to the Chief Executive Officer and the Board counsel. Any such complaint may be re-initiated at any subsequent time pursuant to these Procedures. For all complaints, whether or not charges are brought under these Procedures, the Committee should determine whether the matter should be referred to law enforcement or other entity engaged in the administration of law, and, if so, should promptly do so.

C. If the Committee determines that there is a reasonable basis for bringing charges, the Chair shall notify the Board member to be charged and provide the Board member a copy of the charges and the Committee's report. The Chair shall advise the charged Board member that further investigation may be conducted and that a hearing will be held, providing the charged Board member with the proposed date and time for such hearing. The Chair shall advise the charged Board member that he or she may request an opportunity to submit information or arguments contesting the charges in person or in writing, by submitting such request to the Committee within thirty days from the date of receipt of the notice (or such other period established by the Committee, if any). The charged Board member shall also be advised that he or she may have the right to review evidence to be presented at the hearing and that he or she may be represented by legal counsel. The charged Board member shall also be provided with a copy of these Procedures.

D. All investigations and deliberations of the Committee are to be conducted in strict confidence to the extent possible, except that the Committee shall be permitted to disclose any relevant information when compelled by law or to parties essential to the review and investigation of the alleged violation(s). All investigations and deliberations of the Committee shall be conducted objectively, without prejudice of any kind. An investigation may be directed toward any aspect of a complaint that is relevant or potentially relevant.

E. The Committee hearing may be held in person, or by telephone, electronic or video conference if the charged Board member does not request the opportunity to appear in person. The Chair shall preside and make evidentiary and other procedural rulings. If a hearing is held with the charged Board member present, the Chair shall, in his or her discretion, determine the rules of evidence and for oral presentations by the parties. If the Chair is a person other than the Board counsel, the Board counsel may advise the Chair as to procedural rulings and admissibility of evidence. Written statements may be accepted as evidence. If witnesses appear, they shall be subject to cross-examination. The Chair may also examine, but not cross-examine, witnesses. The charged Board member may be accompanied and represented by legal counsel at all times, at the charged Board members' sole discretion and expense.

V. Determination of Violation

A. Upon completion of its investigation and the hearing, the Committee shall determine by a majority vote, upon a preponderance of the evidence, whether or not a violation of the Code has occurred, and whether the Board should impose sanctions. When the Committee finds that there has been a violation, it shall also recommend imposition of an appropriate sanction. If the Committee so recommends, a written determination with a proposed sanction shall be prepared by or under the supervision of the Chair, and shall be presented by the Chair to the Board, along with the record of the Committee's investigation and deliberation. Written notice of the Committee's determination, the proposed sanction, and the fact that the matter will be reviewed by the Board shall be provided to the charged Board member. If the Committee determines that a violation of the Code has not occurred, then the complaint shall be dismissed with prejudice, with written notice thereof provided to the charged Board member and to the complainant. A summary report shall also be made in writing by the Committee to the Board.

B. If a violation of the Code is found and sanctions are recommended by the Committee, the Board shall review the recommendations of the Committee based upon the record presented. The charged Board member may submit a written statement to the Board prior to the Board's deliberations, but may not otherwise appear before or participate in the Board's deliberations. The Board may accept, reject, or modify the Committee's determination that a violation has occurred, and its recommendation as to the sanction to be imposed. If the Board agrees, by the affirmative vote of not less than a majority of a quorum, that a violation has occurred, the Board shall proceed to determine and impose a sanction. Determination and imposition of a sanction shall be based on the affirmative vote of not less than a majority of a quorum, and shall be promulgated by written notice to the charged Board member. The complainant may also receive written notice, if the complainant agrees in advance and in writing to maintain in confidence whatever portion of such information is not made public by the Board. If the Board determines that a violation has not occurred, the complaint shall be dismissed with

prejudice, with written notice thereof provided to the charged Board member and the complainant.

C. The Board may consider a recommendation from the Committee that the Board member found in violation of the Code should be offered the opportunity to submit a written assurance that the conduct in question has been terminated and will not recur. The decision of the Committee to make such a recommendation, and of the Board to accept it, are within their respective discretionary powers. If such an offer is extended, the affected Board member must promptly submit such written assurance to the Board, in terms that are acceptable to the Board, including but not limited to any probationary period, if required by the Board. If the Board accepts the assurance, then written notice thereof shall be provided to the affected Board member, as well as to the complainant, if the complainant agrees in advance and in writing to maintain in confidence whatever portion of such information is not made public by the Board. Complaints disposed of in this matter shall be deemed to have been dismissed without prejudice.

D. The review and determination of the charges by the Board, and the imposition of sanctions, shall be the final level of review under these Procedures, and nothing in these Procedures shall be read or construed to create a right of appeal of the Board's determination to any court, agency, board, or other entity, public or private.

E. All examinations of the record by, and deliberations of, the Board are to be conducted in strict confidence to the extent possible, except that the Board shall be permitted to disclose any relevant information when compelled by law. All examinations of the record and deliberations of the Board shall be conducted objectively, without prejudgment of any kind.

F. Records of proceedings shall be maintained by the CWA in accordance with the records retention policy.

## VI. Sanctions

One or more of the following sanctions may be imposed by the Board upon a Board member whom the Board has determined to have violated the Code. The sanction imposed must reasonably relate to the nature and severity of the violation, focusing on reformation of the conduct of the affected Board member and deterrence of the same or similar conduct by the affected Board member and others. Any of the sanctions listed may be combined with a period of probation, with or without conditions, in the discretion of the Board. The sanctions are:

- A. Written reprimand to, or censure of, the Board member;
- B. Suspension of the Board member from membership on the Board for a designated period of time;
- C. Permanent expulsion of the Board member from membership on the Board;
- D. Suspension of the Board member from membership on one or more CWA committees or similar bodies for a designated period of time;

- E. Permanent expulsion of the Board member from membership on one or more CWA committees or similar bodies;
- F. Suspension of the Board member from membership in the CWA; and
- G. Permanent expulsion of the Board member from membership in the CWA.

Once one or more of the above sanctions is imposed, the complaint shall be deemed to be closed with prejudice to renewal. For each sanction, a written summary of the determination and the sanction, along with the affected Board member's name, may be published, in the sole discretion of the Board, in a printed or electronic medium that is distributed to all CWA members.

VII. Resignation

If a Board member who is the subject matter of a complaint resigns, voluntarily and in writing, his or her membership on the Board at any time during the pendency of a complaint under these Procedures, the complaint shall be dismissed without prejudice and without any further action by the Committee or the Board. The Board member may not seek membership on the Board or any CWA committee or similar body for a period of five years from the effective date of his or her resignation. However, the Board may communicate the fact and date of the Board member's resignation, and the fact and general nature of the complaint that was pending at the time of resignation, to or at the request of one or more government agencies engaged in the administration of law. Similarly, in the event of such resignation, the complainant shall be notified in writing of the fact and date of the resignation and that the Board has dismissed the complaint without prejudice as a result.

## **Climbing Wall Association Board of Directors Code of Conduct Acknowledgement**

Having been selected by my peers to serve on the Board of Directors of the Climbing Wall Association (CWA), and being fully aware of the responsibilities of board membership, I pledge to do my utmost to adhere to the CWA Board of Directors Code of Conduct and Procedures for Review of Board Member Conduct.

1. I understand that membership on the Board of Directors is not a right, but a privilege bestowed on me by my colleagues to allow me to serve with them to advance the mission of the CWA. I perform this role and exercise my duties to serve association members and pledge to work to that end.
2. I understand that to fulfill my fiduciary and other responsibilities to the membership; I must be fully knowledgeable about the association. I pledge that I will read and understand the bylaws, policies, financial reports, committee reports and other documents pertaining to the operations of the Climbing Wall Association, and that I will devote the time necessary to stay current and to actively participate in Board meetings.
3. I understand that I have a fiduciary responsibility to oversee the finances of the Climbing Wall Association and to protect its non-profit status. I will make myself aware of generally accepted accounting principles, the association's finances, read and understand the association's financial reports, and obtain any information I need from the staff to fulfill this obligation.
4. I understand that funds contributed to the Climbing Wall Association through the dues of members, event registration fees and by other donors are done so to further the mission and good works of the CWA, not to personally benefit members of the Board.
5. I understand that the most important principle of leadership is to set a good example, and that the Association's staff and other volunteers will establish their own expectations based on what they see of my conduct. I pledge to set a good example for staff, members and other volunteers.
6. I understand there may be issues discussed at Board meetings that could affect an individual, member or the Association negatively if discussed outside the Boardroom, and I pledge to maintain confidentiality of such issues. But I also understand that the Board of Directors serves the members of the Association and have a right to know how their association is operating. I pledge to support operating in as open and transparent a manner as is possible, while keeping in mind that some issues must be kept confidential.
7. I understand that I have a responsibility to fully and fairly share my opinions at board meetings, but that I also have a responsibility to support Board decisions outside the Boardroom.
8. I understand that I have a responsibility to apprise the Board any conflicts of interest that I may have, perceived or actual, and to recuse myself from voting where a conflict exists.

9. I understand that it is a violation of my responsibility to the membership to appropriate to myself opportunities that rightfully belong to the association, or to usurp opportunities and appointments for myself that should be open to the membership.
10. I understand that anti-trust violations could cause great harm to the association and to individual Board members. I pledge that I will not participate in any action, discussion or meeting that I believe could, or have been advised by staff or Association counsel could give even the appearance of being a potential anti-trust violation.
11. I understand that my authority as a member of the Board is only in the Boardroom, and that I have no management authority or responsibility for the association outside of my participation in Board decisions. It is the staff's responsibility to manage the association.
12. I understand it is the Board's collective responsibility to set the strategic direction for the Climbing Wall Association, to establish policies relating to governing the organization, to approve resources and monitor financial performance, and to hire and oversee the Chief Executive Officer. I understand that no one else can fulfill these Board responsibilities and devote myself to helping the Board fulfill these strategic and policy-making responsibilities.
13. I understand that perception of my actions is critically important. I pledge to conduct myself in all things relating to the Association in such a manner that I would not be embarrassed to have my conduct fully reported in the association's publications.
14. I understand that members will look to me for information about the Climbing Wall Association. I pledge to be an enthusiastic champion and supporter of the Climbing Wall Association.
15. I understand that much of the success the Climbing Wall Association will depend on healthy Board dynamics. I pledge to welcome diverse points of view, disagree without being disagreeable, not personalize disagreements or differences of opinion, discuss issues openly, and that I will avoid *ad hominem* attacks on board members, staff or other volunteers.
16. I understand that Board service is my opportunity to make a lasting contribution to the association, the membership and to the climbing industry at large. I pledge I will work to leave the Association better, stronger and more fiscally sound than I found it at the start of my Board service.

I affirm I have read and understood this acknowledgement form, the CWA Board of Directors Code of Conduct and Procedures for Review of Board Member Conduct and that I agree to comply with principles set forth in these documents.

Print name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_