

EDI Code of Ethics

All EDI Certified Members have signed that they will comply with the following EDI Code of Ethics.

SECTION A

The Members of the Exterior Design Institute (EDI) are committed to providing quality and professional service to the public. This Code of Ethics sets forth principles and rules of conduct enforced by EDI through specific procedures contained in Section B, Judicial Procedures. This Code of Ethics is applicable to all EDI Members and EDI affiliates as defined in the EDI bylaws.

PRINCIPLE 1: QUALITY OF CARE

Members shall commit to ongoing professional development and education as established by the EDI Board of Directors and the EDI bylaws.

PRINCIPLE 2: INDIVIDUAL RIGHTS

Members shall strive to recognize and respect the rights, dignity and individuality of all persons. A Member shall not unlawfully discriminate or knowingly permit unlawful discrimination on the basis of race, national origin, sex, sexual orientation, religion, age or disability.

PRINCIPLE 3: REPRESENTATION OF CARE AND FEES

- A. Members shall make no representations regarding their services or qualifications that are false or misleading in any material respect.
- B. Members shall fully disclose all applicable charges for services, as well as the general scope of the services prior to conducting an inspection or providing

other services. Members shall not inspect for a fee any property in which the EDI Inspector, or the EDI Inspector's Company, has any financial interest or any interest in the transfer of the property.

- C. Members shall not offer or deliver any compensation, inducement, or reward to the owner of the inspected property, the broker, agent, or home inspector for the referral of any business to the EDI Inspector, the EDI Affiliate Inspection Company or EDI Affiliate Remediation Contractor.

PRINCIPLE 4: CONFLICTS OF INTEREST

- A. General Conflicts of Interest: Members shall avoid conflicts of interest with regard to their professional activities, financial considerations or other interests. At such time as a Member becomes reasonably aware that an actual, apparent or potential conflict of interest exists, the Member shall refrain from providing services or opinions until full disclosure has been made, and the conflict waived in writing by the appropriate parties.
- B. Suggested Guidelines for EDI Members that provide both inspection and stucco remediation contractor services. The Member's legal counsel should verify these guidelines comply with their local laws and they should review specific procedures and documents.

1. To avoid conflict of interest complications, an EDI Member can adopt the policy of not repairing projects they inspected for twelve (12) months and having Independent Third Party Inspectors inspect the projects that they have remediated.
2. On small projects (generally less than \$1000 of repairs), the EDI Members or their companies shall provide full disclosure of potential conflicts of interest if the owner wants them to perform the repairs; including appropriate disclosure and waiver forms. All repairs should be properly inspected by an Independent EDI Certified Third Party Inspector or equal.
3. On all other projects where EDI Certified Third Party Inspectors or their companies are performing both inspections and repairs, the EDI Certified Inspector should establish a procedure with the help of their legal counsel to avoid conflict of interest concerns. The procedure may involve the following steps:

- a. Perform the stucco inspection and write the report identifying the problem areas. If qualified to do so, develop the specification for repairs to correct the problem areas identified. Provide this information to the owner so they can solicit bids for the repairs. If the EDI Certified Inspector or their company is not asked to provide a bid to perform the repairs, then the EDI Certified Inspector can remain available as a consult and independent Third Party Inspector to monitor the remediation.
- b. If the owner desires that the EDI Inspector or their company provide a bid for the repairs, then the EDI Certified Inspector shall document the change in the relationship with the owner and obtain appropriate waivers to establish consent from the owner prior to bidding the project.
- c. If the original EDI Inspector's company wins the bid, they shall require that the owner hire an Independent EDI Certified Third Party Inspector or equal to monitor the remediation.
- d. If the original EDI Inspector's company does not win the bid, then they can be retained as the Independent EDI Certified Third Party Inspector to monitor the remediation by the successful bidder.

PRINCIPLE 5: CONDUCT OF MEMBERS

- A. Members shall not engage in unethical conduct.
- B. Members shall not slander, malign or make false statements regarding the EIFS and/or stucco industry including other EDI Members or other persons involved in manufacture, application or inspection of EIFS or stucco products, including the EDI staff.
- C. Members shall pledge themselves to the continued pursuit of increasing their knowledge, education, training and experience so that consumers of stucco inspection and repair services can rely upon the competence of EDI certified inspectors and applicators.
- D. Members shall not engage in any conduct that is detrimental to the reputation or the best interest of EDI or the stucco inspection and repair industry.

SECTION B

PREAMBLE

The Ethics Committee is comprised of the Ethics Chairperson and Members of EDI appointed to the Ethics Committee. It is the duty of each EDI Member to promptly and confidentially report, in writing, any evidence of another Member engaging in unethical practices or other violations of this Code of Ethics. The report shall cite the specific applicable principle of the Code of Ethics that has allegedly been violated. Members shall submit in writing all questions and disputes regarding interpretation of the Code of Ethics for investigation and resolution. This submittal shall cite specific principles of the Code of Ethics that are in question or dispute.

1. PROFESSIONAL CONDUCT: The professional conduct of the Members shall be governed by the EDI Code of Ethics.
2. PLEDGE: Every Member by joining or renewing Membership in EDI pledges to adhere to this Code of Ethics.
3. CONDUCT SUBJECT TO DISCIPLINE: A Member may be subject to disciplinary sanctions or expulsion, if the Member has:
 - a. Been convicted by a court of competent jurisdiction of committing a felony while holding Membership in EDI.
 - b. Violated EDI's Code of Ethics, policies, rules, regulations or bylaws as determined by the Ethics Committee
 - c. Had a civil judgment entered against them for negligence arising out of their performing a stucco inspection, stucco repair or related services.
 - d. Failed to maintain EDI Membership dues and/or recertification testing.

In the event of (a) or (c) above, the Member shall have an affirmative obligation to notify the Ethics Committee in writing in an expeditious manner about said occurrence.

COMPLAINTS PROCESS

1. INITIATION OF COMPLAINTS

Complaints raising disciplinary considerations against a Member may be made by any interested party. All complaints must be submitted to the Ethics Committee through EDI Headquarters in writing and supported by credible and relevant

evidence. Complaints/claims shall be tendered to EDI Administrative Headquarters via the current complaint form. EDI shall track and monitor the status of all complaints.

As a matter of policy, once a complaint has been filed against a Member, the investigation will be completed even if that Member voluntarily withdraws Membership from EDI. If in the opinion of the Ethics Committee a complaint impacts the reputation of EDI, the complaint will be investigated.

2. INVESTIGATION OF COMPLAINTS

- a. The Ethics Committee shall make an initial investigation into all written complaints. It shall collect credible and relevant evidence related to the complaints. It shall determine the precise nature of the conduct that is the subject of the complaint, whether there is any factual basis to support the alleged misconduct, and whether such conduct, if proven by a preponderance of the evidence, would constitute a violation of the Code of Ethics.
- b. The Member against whom a written complaint has been made shall be notified in writing that a preliminary investigation is being conducted and that he/she will be informed of its results. The complained against Member may shall be asked to comment orally or in writing to the Committee.
- c. After the completion of the preliminary investigation, the Committee will determine whether the information obtained can reasonably be interpreted to constitute a violation of the Code of Ethics. The decision to or not to commence any disciplinary proceedings against a Member shall be made known to the Member in question and the complaining party in writing.
- d. During the investigation the Ethics Committee may:
 - i. Determine that an Ethics violation has not been committed.
 - ii. Close the complaint without rendering a decision if the party registering the complaint fails to cooperate or does not provide requested information during the investigation.
 - iii. Encourage the parties to negotiate or litigate between themselves without rendering a final decision.
 - iv. Place the EDI complaint on hold pending the outcome of a civil claim filed in court or arbitration.
 - v. The EDI complaint may also be placed on hold pending the outcome of a complaint filed with a governmental

- regulatory agency having jurisdiction.vi. Find the Member in violation of the EDI Code of Ethics and recommend disciplinary proceedings.
- e. The Ethics Committee shall review all complaints and render a decision within ninety (90) days of the date the complaint is received by EDI Headquarters or notify the respective parties of delays as may be appropriate.
 - f. After considering the evidence, the Committee will make a decision by majority rule on whether the charges against the Member were proved by a preponderance of the evidence.
 - g. The Ethics Committee's decision shall be subject to the ratification of the EDI Board of Directors.
 - h. In the event that either the EDI Member or the person who initiated the complaint disagrees with results of the EDI Ethics Committee, then an appeal may be made to the President of EDI as outlined in Section 6.

3. CONFIDENTIALITY

Confidentiality by the Members of the Ethics Committee is to be strictly maintained during the judicial proceedings and continue except to the extent reasonably necessary for a full review of the facts.

4. DISCIPLINE

The Ethics Committee may impose any of the following sanctions in the event the Committee finds that a Member violated the Code of Ethics after conducting a due process hearing:

- a. Censure: A written record of censure shall be placed in the permanent record of the Member and a copy shall be sent by first class mail, return receipt requested. The returned receipt shall be placed in the Member's permanent record.
- b. Suspension: Means that all Membership rights and privileges are forfeited during the suspension period. Suspension shall be unconditional and for a specified period at the termination of which full Membership rights and privileges will be reinstated. A written record of suspension shall be placed in

the permanent record of the Member and a copy shall be sent by first class mail, return receipt requested. The returned receipt shall be placed in the Member's permanent record.

- c. Expulsion: Means that all Membership rights and privileges are revoked unconditionally. A written record of expulsion shall be placed in the permanent record of the Member and a copy shall be sent first class mail, return receipt requested. The returned receipt shall be placed in the Member's permanent record.

Reinstatement: Upon written application, for good cause shown, and in the sole discretion of the Ethics Committee, an expelled individual may be reinstated to all rights and privileges as a Member in good standing.

5. DECISION

- a. Every decision, whether for acquittal, censure, suspension, or expulsion, shall be presented in writing and shall specify the charges made against the Member, the facts presented in substantiation and/or refutation of the charges, the verdict rendered, and the penalty, if any, imposed.
- b. Following the review of the Board of Directors, notice of the decision shall be sent by return receipt requested mail to the Member. Such notice shall also inform the Member of the right of appeal. The findings of the Ethics Committee, as ratified by the Board of Directors, shall be final and binding on the affected parties. The decision, as ratified by the Board of Directors, may be made public in the sole discretion of the Ethics Committee.

6. APPEAL

The Member may appeal the decision of the Ethics Committee and the Board of Directors by filing a statement of particulars with the President of EDI, no later than sixty (60) days after the mailing decision accompanied by a request for a hearing before the Appeals Board

7. APPEALS BOARD

The Appeals Board shall be composed of three (3) Members to be selected by the current President of EDI. The Appeals Board may be comprised of Past-President,

current or past-Board of Directors Members, past Appeals Board Members, not more than one Member of the current Ethics Committee, past-Ethics Committee Members, and/or other individuals the EDI President may select. All decisions shall be stayed pending appeal. All notice and hearing requirements shall be applicable to appeals to the Appeals Board. When feasible, the Appeals Board shall hold its hearing at the next Board of Directors meeting following the receipt of notice to appeal. The decision of the Appeals Board following the appeal shall be final.

8. HOLD HARMLESS

Every Member of EDI does waive the right to hold EDI, its directors, officers, Members and/or employees responsible for any damage, pecuniary or otherwise, which may result from discipline associated with disciplinary proceedings against said Member.

INTERPRETATION AND APPLICATION OF CODE OF ETHICS

The preceding statements constitute the Code of Ethics of the Exterior Design Institute (EDI). Problems involving questions of ethics will be solved within the broad boundaries as established in this Code of Ethics. Members found guilty of unethical conduct as described in the EDI Code of Ethics are subject to penalties.