

POLICY REGARDING BOARD OF DIRECTOR CONFLICTS OF INTEREST

This Policy supersedes and replaces all prior conflict of interest policies.

Purpose: The following policy was adopted by the Board of Directors of The Enclave at Meadow Hills Homeowners Association, Inc. ("the Association") pursuant to Colorado law at a regular meeting of the Board.

Authority: The Declaration of Covenants, Conditions and Restrictions of The Enclave at Meadow Hills recorded on June 15, 1993 at Reception #9300074460 ("Declaration"), the Bylaws of the Association, applicable provisions of the Colorado Common Interest Ownership Act ("CCIOA"), §38-33-101 *et. seq.*, C.R.S., §38-33.3-209.5, C.R.S., and §38-33.3-310.5, C.R.S.

Effective Date: November 4, 2020

Resolution: The Association hereby adopts the following policy:

1. **General Duty.** The Board of Directors shall use its best efforts, at all times, to make decisions that are consistent with high principles, and to protect and enhance the value of properties of the members and the Association. All Directors shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations.
2. **Definition.** A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board is anticipated to or would likely result in a financial, personal or other identifiable benefit (including gifts, favors, and enhancement of position or reputation) to: (a) a Director; (b) a parent, grandparent, spouse, child, or sibling of the Director; (c) a parent or spouse of any of the persons in this subsection; (d) any form of entity in which a Director is a director or officer or in which the Director holds a financial interest; or (e) to a Director's tenant or employee.
3. **Disclosure of Conflict.** Any conflict of interest on the part of any Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the interested Director may participate in the discussion but shall not vote on the matter. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.
4. **Code of Ethics.** In addition to the above, each Director and the Board as a whole shall adhere to the following Code of Ethics:

- a. No Director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial or other status through the use of certain contractors or suppliers.
- b. No contributions will be made to any political parties or political candidates by the Association.
- c. No director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.
- d. No director shall accept a gift or favor made with intent of influencing decision or action on any official.
- e. No Director shall receive any compensation from the Association for acting as a volunteer.
- f. No Director shall willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.
- g. No Director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall be conducted by the Board President, the management company, or by a representative or subcommittee member authorized by the Board as disclosed in the minutes of the Association.
- h. No Director shall harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.
- i. No promise of anything not approved by the Board as a whole can be made by any director to any subcontractor, supplier, or contractor during negotiations.
- j. Any Director convicted of a felony shall voluntarily resign from his/her position.
- k. No Director shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.

1. Language and decorum at Board meetings will be kept professional. Personal attacks against owners, residents, managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.

5. **Review of Policy**

This Policy will be reviewed every two years to determine if it should be amended.

6. **Definitions**

Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

7. **Supplement to Law**

The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado.

8. **Deviations**

The Board may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

9. **Amendment**

This Policy may be amended from time to time by the Board of Directors.

10. **Severability**


Invalidation of one of the foregoing provisions by court order or judgment shall have no effect on the remaining provisions which shall remain in full force and effect.

CERTIFICATION:

The undersigned, being the President of the Board of Directors of The Enclave at Meadow Hills Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that this Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on November 4, 2020 and in witness thereof, the undersigned has subscribed his/her name.

**THE ENCLAVE AT MEADOW HILLS
HOMEOWNERS ASSOCIATION, INC.,**
a Colorado non-profit corporation

By



A handwritten signature in black ink, appearing to read "Jerry Mayer", is written over a horizontal line. The signature is cursive and extends above and below the line.