

**RESOLUTION OF
DEER CREEK AT NORTHGATE HOMEOWNERS ASSOCIATION
REGARDING
CONFLICTS OF INTEREST**

SUBJECT: Adoption of policies and procedures regarding disclosure and resolution of Board member conflicts of interest.

PURPOSE: To amend and restate the Association's policies and procedures regarding conflicts of interest.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:** May 21, 2014

RESOLUTION: The Association hereby adopts the following policies and procedures, contained herein.

**PRESIDENT'S
CERTIFICATION:** The undersigned, being the President of Deer Creek at Northgate Homeowners Association, a Colorado nonprofit corporation, certifies that the following Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on May 21, 2014 and in witness thereof, the undersigned has subscribed his/her name.

DEER CREEK AT NORTHGATE HOMEOWNERS ASSOCIATION,
INC.
a Colorado nonprofit corporation

By: 
President

This document alone does not constitute Full Public Disclosure as required under Colorado Law.

Conflicts of Interest Policy

1. General Duty. The Board of Directors will 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 Association. All Directors will exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors will 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 would financially benefit: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); (iv) an entity in which a Director is a director or officer or has a financial interest.
3. Disclosure of Conflict. Directors will not enter into any contract or financial transaction with the Association. Other conflicts of interest, as defined above, will 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 Director may participate in the discussion but will not vote on the matter. The minutes of the meeting will reflect the disclosure made, the abstention from voting, and 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 will adhere to the following Code of Ethics:
 - a. No Director will use his/her position for private gain, including for the purpose of enhancement of his/her financial 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 may 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 may accept a gift or favor made with intent of influencing decision or action on any official matter.
 - e. No Director may receive any compensation from the Association for acting as a volunteer.
 - f. No Director may 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.

Adopted: _____

Effective: _____

- g. No Director will interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors will go through the Board President or be in accordance with policy.
 - h. No Director will 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 will voluntarily resign from his/her position.
 - k. No Director will knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.
 - l. 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. Effect of Disclosure Notwithstanding anything to the contrary herein, no conflicting interest transaction will be set aside solely because an interested director is present at, participates in or votes at a Board or committee meeting that authorizes, approves or ratifies the conflicting interest transaction if:
- a. the material facts as to the director's relationship or interest as to the conflicting interest transaction are disclosed or known to the Board of Directors or the committee, and the Board or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; or
 - b. the material facts as to the director's relationship or interest and as to the conflicting interest transaction are disclosed or known to the Members entitled to vote on the transaction, if any, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the Members entitled to vote; or
 - c. the conflicting interest transaction is fair to the Association.

Adopted: _____
 Effective: _____

This document alone does not constitute Full Resale Disclosure as required under Colorado Law.