

BOARD OF DIRECTORS CONFLICT OF INTEREST
POLICY #2

Pursuant to C.R.S. 38-33.3-209.5 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Columbine East Subdivision, the following resolution and procedures have been adopted by the Columbine East Homeowners Association, Inc. ("Association").

SCOPE: Directors, Officers and Committee Members who serve the Association, have a fiduciary responsibility to the Association and its members, which carries with it a broad and unbending duty of loyalty and fidelity. The Board has the power and the responsibility to make decisions for the Association. Coupled with this power and responsibility is the duty to administer the affairs of the Association honestly and prudently, and to exercise proper business judgment for the sole benefit of the Association. The purpose of this policy and code is to ensure that all Directors, Officers and all individuals appointed by the Board maintain a high standard of ethical conduct in the performance of the Association's business, and to ensure that the property owners maintain confidence in and respect for the entire Board.

NOW THEREFORE, LET IT BE RESOLVED that the following procedures and practices are established for the handling of conflicts of interest among Board Members, Officers and all individuals appointed to committees (hereinafter called Interested Party):

1. If any contract, transaction, decision, or other action taken by or on behalf of the Board would financially benefit any Interested Party or any person who is a parent, grandparent, spouse, child, sibling, relative, estate or trust of the Interested Party, or a parent or spouse of any of those persons, then that Interested Party shall declare at an open meeting of the Board that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict of interest.
2. The Interested Party may deliver to the Board a letter setting forth a detailed summary of the conflict of interest, which letter shall be read out loud by a non-interested Board Member at an open meeting of the Board.
3. After the Interested Party makes such a declaration, the Interested Party may participate in a discussion of the matter giving rise to the conflict of interest. However, an interested Board member may not vote on the issue giving rise to the conflict of interest. If there is compliance with the terms of this policy, a majority of the disinterested Board Members, or any higher number required by the Association's governing documents, may in good faith authorize, approve, or ratify the conflicting interest transaction.
4. The interested Board Member may be counted as present when determining whether a quorum of the Board exists.
5. Any contract entered into in violation of this policy is void and unenforceable.
6. A Director, Officer or committee member should not, in the regular course of business, speak on behalf of the Association, or disclose information about the Association's legitimate activities unless they are already known by the members or are part of the Association's records, or unless he/she has been authorized to make such disclosures by the Board. In the normal course of business, these parties should treat as confidential all matters involving the Association until there has been general public disclosure or unless the information is a matter of public record, according to Colorado statutes, or common knowledge. All information learned or discussed at an Executive Session of the Board, is privileged and confidential and is not to be publicly discussed until such information becomes part of the Association's public records.

The undersigned hereby certifies that the foregoing resolution (Policy #2) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 10th day of December, 2015.

Columbine East Homeowners Association, Inc.

By: Bill Maddox
President

Attest: Leanna Juarez
Secretary