

**RESOLUTION
OF THE
THE TENDERFOOT ASSOCIATION, INC.
ADOPTING POLICIES AND PROCEDURES REGARDING BOARD MEMBER
CONFLICTS OF INTEREST**

SUBJECT: Adoption of a policy and procedure regarding Board member conflicts of interest and a code of ethics.

PURPOSES: To adopt a policy and procedure to be followed when a Board member has a conflict of interest to ensure proper disclosure of the conflict and voting procedures and to adopt a code of ethics for members of the Executive Director.

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

EFFECTIVE DATE: September 1, 2011

RESOLUTION: The Association hereby adopts the following policy and procedure regarding Board member conflicts of interest and code of ethics:

1. General Duty. The Executive Board 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 Association. All Board members shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Board members shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations. As of the date of adoption of this Policy, conflicting interest transactions of directors and officers of the Association are governed by C.R.D. 7-128-501, pursuant to C.R.S. 38-33.3-310.5, and the provisions of this Policy are intended to comply with such statutes.
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 Board member is a director or officer or has a financial interest.
3. Disclosure of Conflict. Any conflict of interest on the part of any Board member shall be verbally disclosed to the other members in open session at the first open meeting of the Executive Board. The interested Board member may not be present during or participate in the discussion and vote on the matter. The minutes of the meeting shall reflect the disclosure made the

abstention from voting of the interested Board member, the composition of the quorum, and a record of who voted for and against.

4. Failure to Disclose Conflict. Any contract entered into in violation of this policy shall be suspended and unenforceable. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision or other action taken in violation of the Policy.
5. Code of Ethics. In addition to the above, each Board member and the Board as a whole shall adhere to the following Code of Ethics:
 - (a) No Board member shall 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 Board member 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 Board member shall accept a gift or favor made with intent of influencing decision or action on any official matter.
 - (e) No Board member shall receive any compensation from the Association for acting as a volunteer.
 - (f) No Board member 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 Board member shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall go through the Board President or be in accordance with policy.
 - (h) No Board member shall harass, threaten, or attempt through any means to control or instill fear in any member, Board member or agent of the Association.
 - (i) No promise of anything not approved by the Board as a whole can be made by any Board member to any subcontractor, supplier, or contractor during negotiations.

- (j) Any Board member convicted of a felony while holding office, shall voluntarily resign from his/her position.
 - (k) No Board member shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.
 - (l) Any Board member whose homeowner account shall become more than 90 days past due, shall voluntarily resign from his/her position.
 - (m) Any Board member in violation of the Association's rules and regulations or other stated policies as determined by the Enforcement policy, shall, after hearing has validated the violation, voluntarily resign.
 - (n) Any Owner whose account is not current, whether outstanding amounts are assessments, late fees, fines, legal fees, etc., shall not stand for election to the Board until such time as the account is brought current.
 - (o) Any Owner who has an uncorrected violation after Notice and and Hearing if requested, shall not stand for election to the Board.
 - (p) 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.
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 Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
8. Deviations. The Board may deviate from the procedures set forth in this Resolution 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.

IN WITNESS WHEREOF, the undersigned certifies that this Resolution was adopted by the Executive Board of the Association on _____.

THE TENDERFOOT ASSOCIATION, INC.,
A Colorado nonprofit corporation

By: Kathy M. Browne
President