

Dillon Valley East Condominium Association Conflict of Interest Policy

The following procedures have been adopted by Dillon Valley East Condominium Association (DVECA) at a regular meeting of meeting of the Dillon Valley East Board of Managers (DVE BOM).

WHEREAS

1. The DVE BOM expects the undivided loyalty of its directors and any duly appointed management agent and its employees (collectively referred to herein as “Agent”) and requires every director and Agent to avoid actual or potential conflicts of interest. Be particularly sensitive to the many situations where a conflict of interest or even a perception of such conflict could originate. Even the appearance of impropriety should be avoided.
2. No policy can substitute for individual responsibility and integrity or be so precise as to cover all areas and resolve all questions.
3. Conflict of Interest is defined as: An interest that might affect, or might reasonably appear likely to affect, the judgment or conduct of an individual associated with the DVE BOM or Agent such that it may be seen as competing with the interests or concerns of the DVECA, or may impair these people's independence or loyalty to the DVECA.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following Responsible Governance Policy to govern conflicts of interest for the DVE BOM and its Agent:

1. If any contract, decision, or other action taken by or on behalf of the DVE BOM or Agent would create a conflict of interest for a member of the DVE BOM or Agent, then that interested member 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 conflicts of interest.
2. After the interested Board Member makes such a declaration, they may participate in the discussion of the matter giving rise to the conflict of interest; however, they may not vote on the issue.
3. The interested Board Member may be counted as present when determining whether quorum of the Board exists.
4. Any contract entered into in violation of this policy may be reviewed to determine if it is voidable at the option of the DVE BOM in addition to any other remedies provided by law.
5. No member of the DVE BOM or Agent shall accept gifts or entertainment from any person or firm having business dealings with DVE unless such gifts or entertainment are of nominal or token value. Gifts or entertainment are not of token value if they are of a size, frequency or nature as to influence such director's or Agent's independent business judgment.

6. Members of the DVE BOM and Agent should strictly avoid any personal loan from third parties who have business dealings with DVE. This prohibition does not apply to personal loans from a recognized lending institution made in the ordinary course of business on usual and customary terms.
7. If a member requests the remaining members to determine whether the member has a conflict of interest, the remaining members shall determine, by motion adopted by the affirmative vote of a majority of the remaining members, whether a conflict of interest exists. Such motion shall state the basis of the determination and shall be conclusive of the question of whether a conflict of interest exists. The preceding shall also apply to the Agent, with the DVE BOM determining by the affirmative vote of a majority of members representing a quorum, whether a conflict of interest exists.
8. Any breach or suspected breach of this resolution by a member of the DVE BOM or Agent shall be brought to the attention of the DVE BOM for appropriate action.
9. If the breach of this resolution is by the Agent, the DVE BOM, by an affirmative vote of a majority of the DVE BOM at a meeting at which a quorum is present, may impose sanctions upon the Agent, as the DVE BOM deems appropriate and reasonable. If the DVE BOM determines that the breach was knowingly and willfully committed, the DVE BOM may terminate the management contract in accordance with the terms of the contract.
10. Notwithstanding the above, the DVE BOM does not waive any remedy to it available by law.

Dillon Valley East Condominium Association

By: _____
Richard S. Garcia, President

Attest

Lisa Watkins, Secretary

This Director Conflict of Interest Policy was adopted by the Board of Managers on the 18th day of April 2012, effective the 1st day of May, 2012, and is attested to by the Secretary of The Dillon Valley East Condominium Association.

Lisa Watkins, Secretary