DALLAS MEADOWS COMMUNITY ASSOCIATION
Post Office Box 853
Ridgway Co 81432

RESOLUTION: The Dallas Meadows Community Association (DMCA) hereby adopts the following policy and procedure regarding DMCA Board of Director conflicts of interest in accordance with Colorado Revised Statutes ("C.R.S.") 38-33.3-209.5 and 38-33.3-310.5.

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 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/Officers, as defined in C.R.S. 38-33.3-310.5 shall comply with all lawful provisions of the DMCA Declaration of the Conditions, Reservations and Restrictions, DMCA Bylaws, DMCA Articles of Incorporation and applicable laws.

2. DEFINITION

A conflict of interest may exists when (2) apparent, grandparent, spouse, child or sibling of the Director/Officer: (3) a parent or spouse of any of the persons listed in subsection (2) herein (4) an entity in which a Director/Officer is a director or officer or has a financial interest: or (5) between the Association and a party, group or organization in which a Director/Officer of the HOA has an allegiance that is determined to be in competition with the interests of the HOA. For example, a conflict of interest exists whenever any decision, contract, or other action taken by or on behalf of the HOA would provide benefit, either financially or intrinsically to said board member of the HOA, a family member, neighbor, friend or an entity in which a board member has a financial or personal interest.

3. DISCLOSURE OF THE CONFLICT

Any conflict of interest on the part of any Director/Officer shall be verbally disclosed, either verbally or in written form, upon discovery of the potential conflict of interest, to the other board members in open session, no later than at the first open meeting of the Board of Directors at which the interested board member is present prior to any discussion or vote on the matter. After disclosure, the Director/Officer shall not participate in the discussion and shall not vote on the matter. The minutes of the meeting shall reflect the disclosure made and the Director/Officer's abstention from voting. It is also the obligation for all Board members to bring to the attention of their fellow members any perceived conflict of interests and to resolve the potential conflicts prior to voting, discussing and or taking any action on the matters before the Board.

5. FAILURE TO DISCLOSE CONFLICT.

Any decision, contract or action entered into in violation of this policy shall be void and unenforceable. In such event, the Board, at the next meeting of the Board of Directors, shall vote again on the contract, decision or other action taken in violation of this Policy.

6. AMMENDMENT

This policy shall be reviewed periodically and may be amended from time to time by the majority vote of the Board of Directors.

IN WITNESS WHEREOF, the undersigned certify that the Board of Directors of the Dallas Meadows Community Association adopted this Resolution on February 11, 2013

Signed President DMCA GORDON MULL