

	Policy Title		
	CONFLICTS AND ETHICAL CONDUCT		
	Adopted/Amended Date	Effective Date	Policy No.
	Jan 2019	1 Feb 2019	001
Administered By			
Board of Directors			

1. **Purpose and Application.** The purpose of this Policy is to assure that decisions made, and actions taken, on behalf of the Association are free from Conflicts and in accordance with the highest ethical standards. This Policy applies to all Representatives and will be administered by the Board.

2. **Definitions.**
 - 2.1 **“Association”** means Castle Pines Homes Association, Inc., a Colorado non-profit corporation.
 - 2.2 **“Board”** means the Board of Directors of the Association.
 - 2.3 **“Conflict”** means a conflict of interest that occurs when a contract, decision or other action taken or proposed to be taken by or on behalf of the Association would financially benefit (a) a Representative, (b) a parent, grandparent, spouse, child, or sibling of that Representative, (c) a parent, child or spouse of any of the persons in subsection (b), or (d) an entity in which that Representative is a director or officer or has more than an immaterial financial interest.
 - 2.4 **“Gift”** means a gift, gratuity, favor, entertainment, loan, or other benefit with a monetary value of more than \$[50.00], but does not include money received from the Holiday Gift Program administered by the Association and funded by Village residents.
 - 2.4 **“Representative”** means a director, officer, or employee of the Association or a person representing or acting on behalf of the Association.

3. **General Duty.** Each Representative and the Board must use its and their best efforts to make decisions that are consistent with high ethical principles, and to protect and enhance the value of properties of the Association and Village owners and residents. Representatives must exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to, the Association. Representatives must comply with all lawful provisions of the Association’s governing documents and applicable laws.

4. **Conflicts.** As soon as a Representative learns that he or she has an actual or potential Conflict in connection with a contractual or other business or financial relationship with the Association, the Representative must disclose the Conflict to the Board in writing or verbally at an open meeting of the Board prior to further participation in the relationship. After disclosure, the Representative may participate in discussions concerning the proposed action subject to the Conflict but may not participate further in that action unless and to the extent (1) further participation by the Representative is approved by the Board by a majority vote of the directors present at a meeting at which a quorum is present (if applicable, excluding the vote of the director subject to the Conflict),

and (2) the proposed action is fair to the Association, as allowed by Colorado law. The minutes of the Board meeting will reflect the disclosure made and if a vote is taken on further participation, any abstention from voting, the composition of the quorum, and the directors voting for and against further participation.

5. **Gifts.** A Representative may not solicit or accept, directly or indirectly, a Gift from a person or entity seeking to obtain or maintain a contractual or other business or financial relationship with the Association, if the Representative is involved or will be involved in the negotiation, approval, or management of the relationship, unless: (1) the Representative discloses the nature and amount of the Gift to the Board in writing or verbally at an open meeting of the Board, and (2) the Board approves the Gift by a majority vote of the directors present at a meeting at which a quorum is present (if applicable, excluding the vote of the director wishing to receive the Gift). The minutes of the Board meeting will reflect the disclosure made, any abstention from voting, the composition of the quorum and the directors voting for and against acceptance of the Gift. If the Board approves acceptance of a Gift, it may condition its approval on limiting the Representative's further participation in relationships between the Association and the person or entity making the Gift. No Representative may offer a Gift with intent of influencing the decision or action on any Association matter.

6. **Code of Ethics.** Each Representative and the Board must adhere to the following code of ethics:
 - (1) No Representative may use his or her position for private gain, including for enhancement of his or her financial status by using certain contractors or suppliers.
 - (2) No Representative may knowingly misrepresent facts to anyone involved with the Association that would financially benefit the Representative.
 - (3) No Representative may knowingly misrepresent facts to Village owners or residents for the purpose of advancing a personal cause or influencing Village owners or residents to place pressure on the Board to advance a personal cause.
 - (4) No Representative may harass, threaten, or attempt through any means to control or instill fear in any other Representative or any Village owner or resident.
 - (5) No promise or commitment by a Representative may be made on behalf of the Association to any contractor or supplier during negotiations unless in accordance with Association policies or as otherwise approved by the Board.
 - (6) An Association director convicted of, or who pleads guilty or no contest to, a felony after being elected or appointed as a director must voluntarily resign from his or her position on the Board, and in the absence of a voluntary resignation the remaining members of the Board may remove that director.