

Resolution of Forest Park Homeowner's Association Regarding Policies/Procedures

Subject: Conflict of Interest Policy

Purpose: To adopt a procedure and policy to be followed for conflicts of interest within the Board of Directors

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

Effective Date: January 1, 2006

Resolution: The Association hereby adopts the following procedures to be followed for conflict of interest by a Director.

1. Scope: To define procedures to be followed if a conflict of interest of the Board of Directors.

2. Specifics:

The Board of Directors at all times has the fiduciary duty to make decisions in good faith in a prudent manner and in the best interests of the Association.

A conflict of interest for the Board of Directors would include any contract, decision or other action taken by or on behalf of the Board which would financially benefit a director; any relative of a director or their family members; or any business entity where a director is a director, an officer, or has a financial interest.

Financial interest would include where the director or any person / entity listed above would receive a bonus or additional compensation for the contract, decision, or other action. Employees for a company could also fall under this if they would receive a bonus or additional compensation.

A director that falls under the category of a potential conflict of interest must disclose such conflict if possible prior to any discussion is begun on the subject which a potential conflict does or may exist. The director must reclude themselves from the discussion in its entirety as a director and may not vote on the subject.

A director that has recluded themselves, may participate as a member of the meeting (not as a director) if they have moved away from the directors and are providing additional information as other members of the meeting have the right to provide.

Whenever possible, conflicts of interest should be avoided. This will allow the directors to provide fiduciary duty without the semblance of impropriety.

At times, directors may receive gifts from contractors or vendors. Whenever possible, these gifts should be refused or shared with the community to remove any semblance of impropriety.

At all times, directors should treat all contractors and vendors with full professional courtesy.

3. Definitions: Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

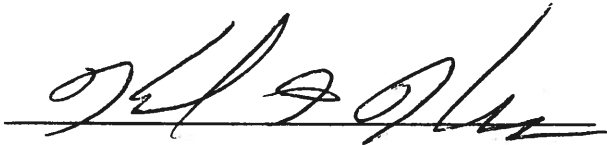
4. Supplement to Law: The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

5. 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.

6. Amendment: This procedure may be amended from time to time by the Board of Directors.

President's Certification: The undersigned, being the President of the Association certifies that the foregoing resolution was adopted by the Board of Directors of the Association and in witness thereof, the undersigned has subscribed his/her name.

Homeowners Association

A handwritten signature in black ink, appearing to be 'J. S. [unclear]', written over a horizontal line.

Forest Park

By: -

Its: President