

**CONSENT OF DIRECTORS
OF THE
WOLF RANCH OWNERS ASSOCIATION, INC.**

The undersigned, being all of the Directors of the Wolf Ranch Owners Association, Inc., a Colorado non-profit corporation (the "Association"), hereby consent to vote in favor of, and adopt the following resolution:

WHEREAS, the Board of Directors of the Wolf Ranch Owners Association, Inc. is empowered to govern the affairs of the Association pursuant to Chapter 2, Section 2.2 of the Community Charter for Wolf Ranch Residential Property (hereafter referred to as "Charter") and Article 3, Section 3.1 of the Bylaws and Article 5 of the Articles of Incorporation; and,

WHEREAS, Senate Bill 05-100, approved June 6, 2005, amending the Colorado Common Interest Ownership Act §§38-33.3, requires the Association to establish a policy handling board member conflict of interest; and

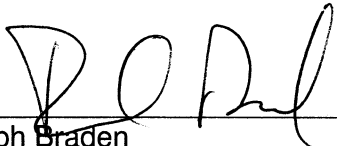
WHEREAS, the Board of Directors, in an effort to comply with this statute, desires to establish a policy that shall establish a Code of Conduct for all individuals serving as a director on the Board;

IT IS THEREFORE RESOLVED that the policy attached hereto as Exhibit A (hereafter referred to as "The Board Member Conduct Policy") shall be adopted and hereby established as the policy of this Association;

IT IS FURTHER RESOLVED that this policy shall remain in effect until amended or hereby terminated by a majority vote of the Board of Directors, and

IT IS FURTHER RESOLVED that this policy shall take effect on December 31, 2005.

EXECUTED this 31st day of Dec., 2005.



Ralph Braden



Kent Petre



David Jenkins

EXHIBIT A
The Board Member Conduct Policy

I. GENERAL STANDARDS

Representation

Directors shall represent the interests of the entire community in exercising his/her duties. All decisions made on behalf of the Association must be made with the best interests of the Association in mind.

Directors may not misrepresent facts in order to achieve any measure of personal gain or gain for any other person or special interest group.

Directors may not represent the Board in written or verbal communications with members or other persons or entities, including contractors, subcontractors, or suppliers, unless authorized by an affirmative vote of the majority of the Board.

Due Professional Care

Directors must exercise due professional care in the performance of duties to include:

- Acting in good faith
- Exercising the same degree of care and skill as an ordinarily prudent person would in a similar position and business.
- Undertake only those responsibilities and assignments that they can reasonably expect to perform with competence.
- Familiarize themselves with Association business, have a working knowledge of the governing documents and **Community Standards**, and regularly attend scheduled meetings. Members shall participate by voting on issues before the board, **abstaining only when a declared conflict of interest exists.**
- Abide by all published standards of the Association and are responsible for setting a standard and a tone for behavior that is in the best interest of the Association.

A director, except for those appointed by the Founder, shall not accept the office of president unless he/she has served on the board for at least one year, thereby being appropriately familiar with the history of the association and the policies and procedures of the board.

Directors not appointed by the Founder shall attend at least half (5 of 10) board member training classes offered by the management company to expand their understanding of their role and responsibilities.

Professional Courtesy

Directors will exhibit professional courtesy to all Association members and community association management professionals.

Directors shall not interfere or supervise association or management company employees, unless a contract exists with a management company that authorizes such actions.

Directors may not interfere with contractual relationships between community management professionals and contractors.

Directors will protect the confidentiality of the personal information of other **directors**, committee members, residents, employees and management professionals **at all times, including times subsequent to the board member's term, regarding knowledge learned during their term of office.**

Use of Association Funds

No director may use or encumber Association funds or property for their personal use or benefit.

Directors may be reimbursed for expenses incurred on behalf of the Association provided, the Board of Directors approves the expenses in advance, and the party seeking reimbursement submits receipts.

Community Fiduciaries

Directors shall promote involvement and input from association members and residents, including having those persons serve on committees. Committees shall be defined by a Committee Charter, which is approved by the Board and supported by all Directors and Committee members.

Directors acknowledge their responsibility to welcome and educate new residents of the community – member and non-member alike – and support activities that engage residents in the clarification of expectations between the Association and the residents.

Directors shall support the importance of building a sense of community and commit to promoting the association's hosting of periodic activities that enhance the development and sustaining atmosphere of neighborliness.

Directors shall develop processes that provide members with the opportunity for access to community records, input into community decisions, and a reasonable appeal process for decisions.

Directors shall endeavor to make the community's standards as understandable as possible, adding clarifying "lay" language or supplementary materials when drafting or revising documents, as needed to provide clear communication.

II. CONDUCT AT MEETINGS

A. Communication

The language used at Association meetings will be considerate and professional at all times. Personal attacks or use of profanity is prohibited.

B. Rules of Order

Board members will follow **the agreed-upon manner** of basic parliamentary procedure as appropriate for a small body or organization.

C. Attendance

Any Owner Director, as defined in the bylaws, who has three (3) consecutive meeting unexcused absences, or who is more than 30 days delinquent (or resides in a Unit owned by an Owner who is so delinquent) in the payment of any assessment or other charge due the Association may be removed from the Board by the majority of Directors at a meeting at which a quorum is present.

III. CONFLICTS OF INTEREST

A conflict of interest is defined as a secondary interest in any action or contract that would financially benefit that person or the parent, grandparent, spouse, child, or sibling of that person or an entity in which that person has a financial interest or other interest.

A. General

1. Directors must not allow any outside influence to interfere with exercising their duties in the best interest of the Association.
2. Any director, during his term or two years after expiration of his term, that may have a potential or actual conflict of interest must disclose in writing to the board of directors, or to the association members if on a matter subject to membership vote, the material facts regarding the conflict **and abstain from voting on that action or exerting any influence on the other members.** A director's failure to make such disclosure shall be grounds for removal by a majority vote of the other Board members.
3. *No loans may be made by the Association to its directors or officers.*

IV. GIFTS AND CONTRIBUTIONS

A. Gifts

1. It shall be the policy of the Association to discourage the acceptance by directors of gifts, entertainment, or other favors from existing or prospective clients, vendors, or suppliers.
2. Gifts of nominal value (worth less than \$150.00) given as a token of friendship or upon special occasions such as a Holiday are acceptable.

3. Cash gifts of any amount are not acceptable.
4. Any gift intended to influence a decision by a board, officer, or committee member, or to create an atmosphere of indebtedness toward the bearer is not acceptable and is deemed to create a conflict of interest.

B. Contributions

1. The Association will not make any contributions to any political parties or political candidates.

V. UNLAWFUL ACTIVITY

- A. Any board member under investigation for a felony offense shall request a leave of absence from their association duties during the investigation or trial period.
- B. Any board member convicted of a felony offense will voluntarily resign from his or her position.
- C. Drug, alcohol, or substance use or abuse will not be tolerated prior to, or during meetings or anytime on the common areas of the Association.

VI. ENFORCEMENT

A. Complaints

1. Complaints against any board member which allege conduct inconsistent with this policy must be made in writing to the President of the Board of Directors. If the complaint is against the President, complaints will be submitted to the Vice President.

B. Review Period

1. The Board President, or Vice President, shall convene an executive meeting within thirty (30) days of receipt of a complaint to discuss the alleged activity with the complainant and the accused member.
2. The Board shall attempt to gather all facts relevant to the alleged misconduct. Once satisfied that the information presented is sufficient to make a determination in the matter, the Board will excuse the complainant and the accused member and decide what action, if any, may be appropriate to resolve the matter.

C. Findings

1. The Board shall issue its written finding with respect to the alleged misconduct within seven (7) days after the executive session held pursuant to Section B, Number 2, above.

D. Sanctions

1. Should the Board find that a breach of the Association's Board Member Conduct Policy was committed by a board member; the Board may impose appropriate sanctions, consistent with the Bylaws of the Association. Such sanctions could include censure or removal of the member from the board.

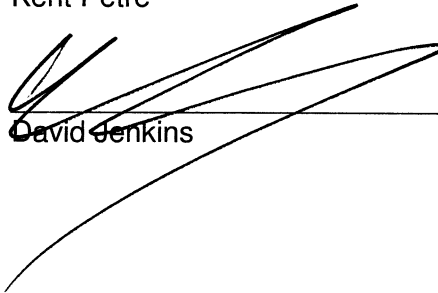
This policy is adopted this 31st day of December, 2005, at an open Board meeting where a quorum of the Board was present and is effective immediately.



Ralph Braden



Kent Petre



David Jenkins