

**RESOLUTION  
OF THE  
UNIVERSITY COURTS CONDOMINIUM ASSOCIATION, INC.  
REGARDING PROCEDURES FOR ADOPTION OF POLICIES, PROCEDURES,  
RULES, REGULATIONS, OR GUIDELINES**

- SUBJECT:** Adoption of a procedure to be followed when adopting policies, procedures, rules, regulations or guidelines (hereinafter "Policy" or "Policies") regarding the operation of the Association.
- PURPOSE:** To adopt a standard procedure to be used in developing Policies in order to facilitate the efficient operation of the Association and to afford Owners an opportunity to provide input and comments on such Policies prior to adoption.
- AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.
- EFFECTIVE DATE:** January 1, 2006
- RESOLUTION:** The Association hereby adopts the following procedures to be followed in adopting Policies of the Association:
1. Scope. The Board of Directors of the Association may, from time to time, adopt certain Policies as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law. In order to encourage Owner participation in the development of such Policies and to insure that such Policies are necessary and properly organized, the Board shall follow the following procedures when adopting any Policy.
  2. Drafting Procedure. The Board shall consider the following in drafting the Policy:
    - (a) Whether the governing documents or Colorado law grants the Board the authority to adopt such a Policy;
    - (b) The need for such Policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and

(c) The immediate and long-term impact and implications of the Policy.

3. Notice and Comment. A copy of the proposed Policy shall be mailed, or otherwise delivered, to all Owners or posted on the Association's website prior to adoption by the Board. In addition, the adoption of every Policy shall be listed on the agenda for the Board meeting prior to adoption by the Board and any Owner who wishes to comment on the proposed Policy shall be afforded such opportunity in compliance with Colorado law.

4. Emergency. The Board may forego the notice and opportunity to comment in the event the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such Policy.

5. Adoption Procedure. After the period for Owner comment expires, the Board may adopt any Policy. Upon adoption of a Policy, the Policy or notice of such Policy (including the effective date) shall be provided to all Owners by any reasonable method as determined by the sole discretion of the Board, including but not limited to posting on the Association's website.

6. Policy Book. The Board of Directors shall keep copies of any and all adopted Policies in a book designated as a Policy Book. The Board of Directors may further categorize Policies, Procedures, Rules and Regulations, Resolutions and Guidelines but shall not be required to do so.

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

8. 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.

9. 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.

**RESOLUTION  
OF THE  
UNIVERSITY COURTS CONDOMINIUM ASSOCIATION, INC.  
ADOPTING POLICIES AND PROCEDURES  
REGARDING BOARD MEMBER CONFLICTS OF INTEREST**

- SUBJECT:** Adoption of a policy and procedure regarding Director conflicts of interest and a code of ethics.
- PURPOSE:** To adopt a policy and procedure to be followed when a Director has a conflict of interest to ensure proper disclosure of the conflict and voting procedures and to adopt a code of ethics for Directors.
- AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.
- EFFECTIVE DATE:** January 1, 2006
- RESOLUTION:** The Association hereby adopts the following policy and procedure regarding Director conflicts of interest and code of ethics:
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 shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations.
  2. Definition. A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); (iv) an entity in which a Director is a director or officer or has a financial interest.
  3. Disclosure of Conflict. Any conflict of interest on the part of any Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the interested Director may participate in the discussion but shall not vote on the matter. The minutes of the meeting shall reflect the disclosure made, the

abstention from voting, the composition of the quorum and record who voted for and against.

4. Code of Ethics. In addition to the above, each Director and the Board as a whole shall adhere to the following Code of Ethics:

(a) No Director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial status through the use of certain contractors or suppliers.

(b) No contributions will be made to any political parties or political candidates by the Association.

(c) No Director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.

(d) No Director shall accept a gift or favor made with the intent of influencing a decision or action on any official matter.

(e) No Director shall receive any compensation from the Association for acting as a volunteer.

(f) No Director shall willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.

(g) No Director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall go through the Board President or be in accordance with policy.

(h) No Director shall harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.

(i) No promise of anything not approved by the Board as a whole can be made by any Director to any subcontractor, supplier, or contractor during negotiations.

(j) Any Director convicted of a felony shall voluntarily resign from his/her position.

(k) No Director shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.

(l) Language and decorum at Board meetings will be kept professional. Personal attacks against owners, residents, managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.

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

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

7. 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 community.

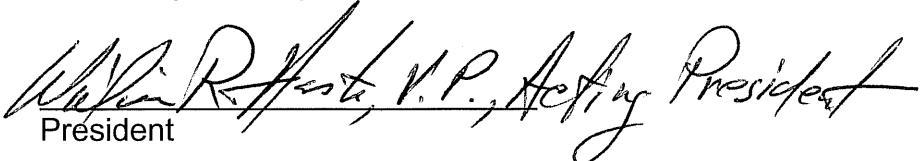
8. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

9. Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S  
CERTIFICATION:**

The undersigned, being the President of the University Courts Condominium Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on Feb. 25, 2006 and in witness thereof, the undersigned has subscribed his/her name.

**UNIVERSITY COURTS CONDOMINIUM ASSOCIATION, INC.**  
a Colorado non-profit corporation,

By:   
President