



## **King's Deer Homeowners Association Inc. Board Director, Officer & Committee Member Code of Conduct**

The Board of Directors of King's Deer Homeowners Association has adopted the following Code of Conduct and Communications Policy for the Association's directors, officers, and committee members.

This Policy is intended to establish certain protocols and expectations relating to Board members' fiduciary duties to the Association and is intended to help ensure that each Board member will act in a trustworthy, diligent, honest, and ethical manner while serving on the Board or as a committee member. Upon becoming elected or appointed to the Board, or appointed to a committee, each Board or committee member shall be subject to this Policy. Each current member of the Association will be provided access to a copy of this Policy.

### **A. Duties and Standards of Care**

The general fiduciary duties of the Association's Board of Directors include, but are not limited to the following:

- Operate within the scope of their authority as determined by the law and the Association's governing documents
- Adopt, publish, and enforce the Association's governing documents, including but not limited to the Association's covenants, Articles of Incorporation, bylaws, rules and regulations, and internal policies
- Collect and preserve the Association's financial assets, in a manner consistent with the Association's budgetary constraints, as well as the community's reserve study (if any), the Association's investment of reserve policies, and the advice and recommendations of the Association's financial advisors and/or consultants
- Exercise reasonable business judgment in making informed decisions and follow established management and Board practices, including any communication paths established by the Board
- Carry out responsibilities with impartiality
- Maintaining the Association's common areas and facilities in a state of good repair

To fulfill their responsibilities, each Board member, officer, and/or committee member will endeavor to comply with the following:

1. Regularly attend Board or committee meetings, as applicable.
2. Review, in advance, materials provided in preparation for Board or committee meetings, as applicable.
3. Review the Association's financial reports. Make reasonable inquiries on agenda items and other items of business before making decisions and casting their vote.

Board members must perform their duties as a director and/or officer in good faith, in a manner such director believes to be in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

### **B. Professional Conduct**

In general, directors, officers and committee members must conduct all dealings with third parties in good faith, in the best interests of the Association, and in a manner that reasonably safeguards confidential or proprietary information that belongs to the Association.

### **1. No Private Gains or Self-Dealing**

Directors and officers shall not make any decisions that materially benefit themselves or their relatives at the expense of the Association. Relatives include any persons related by blood, marriage, domestic partnership, or adoption, such as, for example only, a director's spouse, domestic partner, parents, siblings, children, grandchildren, mothers and fathers-in-law, brothers and sisters-in-law and sons and daughters-in-law, as well as anyone who co-owns or resides in a director's or committee member's separate interest at the Association's development. A "benefit" includes, without limitation, money, rent proceeds, privileges, special benefits, gifts, and other items of material value.

Based on the foregoing, no director, officer or committee member shall:

- Solicit or receive any compensation, financial or otherwise, from the Association, or any third party, for serving on the Board or any committee
- Negotiate, provide instructions to, or contract with any vendors, contractors, or service providers on behalf of or for the Association without prior Board approval or otherwise established by written policy
- Solicit or receive any material gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the Association
- Seek or obtain preferential treatment for themselves or their relatives through or as a result of such person's membership on the Board or committee or as an official representative of the Association
- Use Association property, services, equipment, or business for the gain or benefit of themselves or their relatives, in any material respect, except as is provided for all members of the Association

### **2. Conflicts of Interest**

A board or committee member who has a conflict or potential conflict of interest in any business or matters before the board or committee shall be required to disclose and recuse themselves from all board discussions, deliberations, and decisions involving such business. Any such disclosures will be reflected in the meeting minutes or other written form.

Contractors, Board decisions, or other Board actions must be approved by a majority of the disinterested directors who are voting.

Notwithstanding the above, no conflicting interest transaction will be set aside solely because an interested director is present at, participates in, or votes at a Board meeting that authorizes, approves, or ratifies the conflicting interest transaction if: (a) the material facts as to the director's relationship or interest as to the conflicting interest transaction are disclosed or known to the Board, and the Board, in good faith, authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; or (b) the material facts as to the director's relationship or interest as to the conflicting interest transaction are disclosed or known to the Members entitled to vote on the transaction, if any, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the Members entitled to vote; or (c) the conflicting interest transaction is fair to the Association. Further details for Board members are contained in the Conflict of Interest Policy, including criteria for allowing conflicts of interest.

### **3. No Release of Confidential Information**

Directors and officers are responsible for implementing reasonable measures to protect the

Association's confidential information, including both attorney-client privileged information and documents and executive session Board meeting information and documents. As such, a director or officer may not use the Association's confidential information for the benefit of themselves, their relatives, or any member of their household.

Directors and officers may not share any confidential or privileged information obtained as a Board, with any non-Board members or third parties (other than agents, representatives, employees, or attorneys of the Association who also are bound to maintain the confidentiality of the information received) or generally disseminate any confidential information obtained as a Board to any non-Board members or third parties without the express written consent of the Board.

"Confidential information" includes, without limitation:

- Private or personal information about any Association member or any resident of the Association
- Private or personal information about any Association employees and personnel
- Personal identifying information of Association members
- Disciplinary actions against Association members
- Information about any Association member's delinquent assessment account
- The negotiation and formation of contracts with vendors, contractors, or service providers
- Privileged legal matters in which the Association is or may be involved

Directors and officers may not discuss the merits of pending legal matters in which the Association is involved with persons not on the Board, other than with management and Association legal counsel. Any unauthorized disclosure of such information may constitute a waiver of the attorney-client privilege and result in the loss of legal protections for which the Association and the Board would otherwise be entitled. No director or officer may waive the Association's attorney-client privilege, except with the advance written approval of the Board.

#### **4. Accuracy of Information.**

Directors, officers, and committee members may not knowingly misrepresent facts and should refrain from disclosing information when not fully informed regarding any matter. All Association data, records, and reports must be accurate and truthful in all material respects and be prepared properly.

#### **5. Interaction with Management and Other Parties**

To ensure efficient management operations, avoid conflicting instructions from the Board to management, and avoid the potential liability of the Association, directors, officers, and committee members shall observe the following guidelines:

- Directors, officers, and committee members may not give direction to management, employees, vendors, contractors, or service providers unless expressly authorized by the Board or by established written policy to do so;
- No director, officer, or committee member may interfere with the conduct of the Board, as applicable, during meetings or at any time management or a designated Board member is carrying out the decisions of the Board. Each director and officer must comply with the decision of a majority of a quorum of the Board even if they voted against the decision;
- Directors, officers, and committee members are prohibited from harassing, threatening, or intimidating other directors, officers, management, employees, committee members, vendors,

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contractors, service providers, Association members, or residents of the Association’s development, whether orally, in writing, physically, or otherwise; directors, officers, and committee members shall also take reasonable efforts to prevent their family members, guests, tenants, and invitees from engaging in such conduct;

- Directors, officers, and committee members shall not support or promote any activity, action, or behavior that breaches the law or other regulatory requirements;
- Directors, officers, and committee members shall not knowingly misrepresent or conceal material facts or information concerning the Association or the community; and
- Directors, officers, and committee members shall not act independently in matters related to the Association, its members, or interactions with vendors. Board members must always represent themselves as Board members when acting on behalf of the Board or the Association.

**6. Professional Behavior**

Directors, officers, and committee members are obligated to act with proper decorum during Board/committee meetings and at any time they are carrying out the business or functions of the Association. Although directors, officers, and committee members may disagree with the opinions of others, each director, officer, and committee member must treat others with respect. Accordingly, directors must endeavor to conduct themselves with courtesy toward each other, management, employees, vendors, contractors, service providers, Association members, and residents of the Association. Each director and officer shall support and carry out the decisions of the Board, shall act per Board decisions, and shall not act unilaterally or contrary to the Board’s decision(s).

**C. VIOLATIONS OF POLICY**

Directors, officers or committee members who violate any of the provisions of this Policy shall be deemed to be acting outside the course and scope of their authority, and may be subject to discipline in accordance with the Association’s governing documents including without limitation:

- Censure
- Removal as an officer of the Board or removal as a committee member
- Recall by the membership (for Board members)
- Legal action

\_\_\_\_\_ This policy was originally adopted by the Board of Directors the 22nd day of October 2024.

**KING’S DEER HOMEOWNERS ASSOCIATION, INC.**

a Colorado nonprofit corporation,

By: /signed/ Its: President



I have read and agree to abide by the terms of this Code of Conduct Policy.

Print name: \_\_\_\_\_

- Board Director
- Committee Member
- Officer

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*This Code of Conduct is to be reviewed and signed by each Board Director, Officer, or Committee Member upon their appointment and annually following the Annual Meeting. Copies shall be maintained in the HOA office.*