

THE VILLAGE AT COPPER ASSOCIATION, INC.  
DIRECTOR CONFLICT OF INTEREST POLICY

Adopted April 28, 2006

The following procedures have been adopted by The Village at Copper Association, Inc. ("VAC") pursuant to C.R.S. 38-33.3-209.5, at a regular meeting of the Board of Directors.

Purpose: To adopt a policy governing the handling of conflicts of interest among Board members;

NOW, THEREFORE, IT IS RESOLVED that the VAC does hereby adopt the following policy to govern the handling of conflicts of interest among Board members:

1. A conflict of interest is defined as any financial or other interest which conflicts with the service of a Board member because it could (1) impair the Board member's objectivity, or (2) create an unfair competitive advantage for any person or organization. A person has a financial interest if the person has, directly or indirectly, through business, investment or family: (a) an existing or potential ownership or investment interest in any entity with which the VAC has a transaction, contract, or other arrangement, or (b) a compensation arrangement with any entity or individual with which the VAC has a transaction, contract, or other arrangement, or (c) an existing or potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the VAC is negotiating a transaction, contract, or other arrangement, or (d) an existing or potential ownership or investment interest in, or compensation arrangement with, any entity whose business or operation has been or will be directly affected by a decision or action of the VAC. Financial benefit does not include, and is not referring to, an improvement in property values to properties generally as a consequence of Board action, nor is it intended to include or refer to indirect financial benefits whereby one party does not derive any specific benefit to any greater degree than any other party.

2. If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any member of the Board or any person who is a parent, grandparent, spouse, child, or sibling of a Board member, or a parent or spouse of any of those persons, or otherwise constitutes a conflict of interest, then, in advance of entering into that contract, making the decision or taking the action, that interested Board member shall declare at an open meeting of the Board, that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict of interest.

3. The interested Board member may deliver to the Board a written statement setting forth a detailed summary of the conflict of interest, which letter shall be read out loud by a non-interested Board member at an open meeting of the Board.


4. After the interested Board member makes such a declaration, the interested Board member may participate in a discussion of the matter giving rise to the conflict of interest.

However, the interested Board member may not vote on the issue giving rise to the conflict of interest. If there is compliance with the terms of this policy, a majority of the disinterested Board members may in good faith authorize, approve, or ratify the conflicting interest transaction.

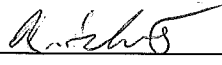
5. The interested Board member may be counted as present when determining whether a quorum of the Board exists.

6. Any contract entered into in violation of this policy is void and unenforceable.


The Village at Copper Association, Inc.

By:   
Vice President Title

Attest

  
Secretary

This Director Conflict of Interest Policy was adopted by the Board of Directors on the 28 day of April, 2006, effective the 28 day of April, 2006, and is attested to by the Secretary of The Village at Copper Association, Inc.

  
Secretary