

Spyglass

POLICY AND PROCEDURE REGARDING CONFLICTS OF INTEREST

The Spyglass Association has adopted the following procedures as an addendum to the Bylaws at a regular meeting of the Board of Directors.

Conflict of Interest Requirements Upon All Board Members

1. All Board members shall exercise their power and duties in good faith and in the interest of, and with utmost loyalty to the The Spyglass Association.
2. All Board members shall comply with all lawful provisions of the Association's Declaration, Bylaws, Articles of Incorporation, and Rules and Regulations.
3. Any possible conflict of interest on the part of any Board member shall be disclosed to the other Board members at the first meeting of the Board at which the interested Board member is present after the conflict of interest is or has been discovered. Such disclosure shall be made a matter of record in the minutes of the Board meeting at which the disclosure of the conflict or possible conflict of interest is made.
4. The interested Board member may leave the meeting when any topic related to the conflict or possible conflict of interest is discussed.
5. Any Board member having a duality of interest or possible conflict of interest on any matter shall not vote or use his or her personal influence on the matter. The minutes of the meeting shall reflect the abstention from voting and the reason for the abstention.
6. The foregoing requirements shall not be construed as preventing the interested Board member from briefly stating his or her position in the matter nor from answering pertinent questions of the Board member since his or her knowledge may be of great assistance.
7. Any breach or suspected breach of this Policy by a Board member shall be brought to the attention of the remaining Board members for appropriate action
8. If the remaining Board members by a majority vote determine that a breach of this Policy has occurred, it may impose sanctions upon the interested Board member as appropriate and reasonable. If the breach is determined by majority vote of the remaining Board members to be knowingly and willfully committed, the Board may accept the breach as the interested Board member's resignation from the Board.

The undersigned officer of The Reserve at Frisco Association hereby certifies that the foregoing Resolution is true and correct as adopted by the Board of Directors.

The Spyglass Association
By: *Molly K. Fejn* 10-7-17