



Mile High Radio Club

PO Box 1204
Idyllwild, CA 92549-1204

Resolution

2015-002

Fiduciary Responsibilities – Code of Conduct

WHEREAS the Directors, Officers and Members of the Mile High Radio Club (MHRC) are considered fiduciaries, or persons of trust, with the power and obligation to act with total trust, good faith, and honesty on behalf of the MHRC.

NOW THEREFORE BE IT RESOLVED that the Directors, Officers and Members of the Mile High Radio Club (MHRC) have three “fiduciary” duties when acting on behalf of the MHRC in addition to any others that may be imposed by law: The duty of care, the duty of loyalty, and the duty of obedience as defined in paragraphs A, B and C below.

A. Duty of Care

The duty of care includes the obligation to keep informed of matters affecting the MHRC and its members, the obligation to remain attentive to the needs and business of the MHRC, and the obligation to act in a manner that the Directors, Officers and Members reasonably believe is in the best interest of the MHRC. Typically, that means decisions must be made with “requisite care” and at all times keeping in mind the best interests of MHRC.

B. The Duty of Loyalty

Unlike the duty of care, which largely concerns a board’s deliberative process, the duty of loyalty focuses on the substance of board deliberations—including Directors, Officers and Members motives, purposes, and goals.

The duty of loyalty imposes on the Directors, Officers and Members an affirmative duty to protect the interests of the MHRC, and also an obligation to refrain from conduct which would injure the corporation. Directors, Officers and Members must avoid any conflict between duty and self-interest. Undivided allegiance of MHRC’s best interest is required. Directors, Officers and Members must also take steps to not utilize corporate property including intellectual property or seize corporate opportunities for the individual’s own personal benefit or the benefit of friends, family or business associates. As a result, in practice, the duty of loyalty’s most common target is insider self-dealing or self-interest transactions. Directors, Officers and Members of the MHRC may be personally liable if they act based on their own self-interest in a way that does not serve the interests of MHRC.

C. The Duty of Obedience.

Unlike the fiduciaries of for-profit enterprises, the Directors, Officers and Members of the MHRC also must adhere to a third fiduciary duty—the so-called “duty of obedience,” which requires the Directors, Officers and Members of the MHRC to carry out the purpose and mission of the MHRC, as expressed in the governing legal documents including the MHRC’s By-Laws, Constitution and Agreements.

This resolution supersedes and voids all previous resolutions and club minutes addressing Fiduciary Responsibilities – Code of Conduct. Violations of any of these principles can result in removal from the Board, removal as an officer of the Club, and/or removal from Club membership.

PASS AND ADOPTED during a general meeting of the Mile High Radio Club on May 14, 2015.

Bill Tell President