

**THE PRESIDIO TRUST
BOARD OF DIRECTORS**

**RESOLUTION 06-17
WAIVER OF POTENTIAL CONFLICT OF INTEREST**

WHEREAS, the Supplemental Standards of Conduct for Directors of the Presidio Trust (“Standards”) provide that, absent a waiver, the Presidio Trust shall not be a party to any substantial business transaction (including a lease or license of real property for more than seven days) with a Director of the Presidio Trust; and

WHEREAS, the Standards provide that a waiver of this prohibition may be approved, following specified findings, by an affirmative, majority vote of the Directors who are not parties to the transaction, with the Director(s) who are a party to the transaction recused from participating in, voting on or being present for the discussion of the issue; and

WHEREAS, the Presidio Trust and Director T. Robert Burke and his wife, Katherine Burke, entered into a lease of residential property located at the Presidio for a term beginning on June 13, 2002 for a term of five years; and

WHEREAS, a new lease of residential property located at the Presidio has been proposed between the Presidio Trust and Mr. and Mrs. Burke for a new five-year term with a renewal option for up to an additional five years; and

WHEREAS, Mr. Burke has agreed that, during the term of his lease with the Presidio Trust (including any subsequent leases, extensions or hold-over periods), he shall not participate in discussions of or vote on matters that may come before the Board of Directors or its committees related to policies for residential tenants at the Presidio; and

WHEREAS, the Board of Directors has determined that the terms and conditions of the proposed lease (including any subsequent leases, extensions or hold-over periods) between the Presidio Trust and Mr. and Mrs. Burke are as the same as would be afforded to other similarly situated existing or prospective tenants residents of the Presidio;

NOW, THEREFORE, BE IT RESOLVED, that the Presidio Trust Board of Directors hereby finds that:

- (1) the above-described transaction is in the Presidio Trust’s best interests and for the Presidio Trust’s benefit;
- (2) the above-described transaction is fair and reasonable to the Presidio Trust;
- (3) the Presidio Trust cannot obtain a substantially more advantageous transaction with reasonable effort under the circumstances; and

- (4) the above-described transaction is not the result of Mr. Burke's status as a Director of the Presidio Trust; and

BE IT FURTHER RESOLVED, that Mr. Burke, during the period of his residency at the Presidio, shall not participate in discussions of or vote on matters that may come before the Board of Directors or its committees related to issues regarding residential tenants at the Presidio; and

BE IT FURTHER RESOLVED, that upon the findings and subject to the conditions set forth above, the Board of Directors waives the prohibition contained in Section III(A) of the Standards with respect to the above-described transaction.

Adopted: August 3, 2006