

**POLICY
OF
THE POINTE AT CASTLE PINES HOMEOWNERS' ASSOCIATION, INC.
POLICY REGARDING BOARD OF DIRECTOR CONFLICTS OF INTEREST**

This Policy Regarding Board of Director Conflicts of Interest supersedes and replaces all prior conflict of interest policies.

PURPOSE: Adoption of a Policy regarding Board of Director conflicts of interest for The Pointe Homeowners' Association, Inc. ("Association").

AUTHORITY: The Supplemental Declaration of Covenants, Conditions, Restrictions and Agreements which was recorded in the records of the Douglas County Clerk and Recorder's office on January 22, 2001 at Reception number 01004885 ("Declaration"), Articles of Incorporation, Bylaws of the Association, and Colorado law including §38-33-101 *et. seq.*, §38-33.3-209.5, C.R.S., and §38-33.3-310.5, C.R.S.

**EFFECTIVE
DATE:**

1/12/26

RESOLUTION: The Association hereby adopts the following policy and procedure regarding Director conflicts of interest and code of ethics.

1. General Duty. The Board of Directors shall use its best efforts at all times to make decisions that are consistent with high principles, and to protect and enhance the value of properties of the members and the Association. All Directors shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to the Association. All Directors shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations.

2. Definition. A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board is anticipated to or would likely result in a financial, personal or other identifiable benefit (including gifts, favors, and enhancement of position or reputation) to: (i) a Director; (ii) a parent, grandparent, spouse, child, or sibling of the Director; (iii) a parent or spouse of any of the persons in subsection (ii); or (iv) any form of entity in which a Director is a director or officer or in which the Director holds a financial interest.

3. Loans. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

4. Disclosure of Conflict. Any conflict of interest on the part of any Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the interested Director may participate in the discussion but shall not vote on the matter. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

5. Enforceability of Conflicting Interest Transaction. No conflicting interest transaction shall be voidable by an Owner or on behalf of the Association if:

(a) The facts about the conflicting interest transaction are disclosed to the Board, and a majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction;

(b) The facts about the conflicting interest transaction are disclosed to the Owners entitled to vote on the matter, and the conflicting interest transaction is authorized in good faith by a vote of the Owners entitled to vote on the matter; or

(c) The conflicting interest transaction is fair to the Association.

6. Code of Ethics. In addition to the above, each Director and the Board as a whole shall adhere to the following Code of Ethics:

(a) No Director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial or other status through the use of certain contractors or suppliers.

(b) No contributions will be made to any political parties or political candidates by the Association.

(c) No director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association.

(d) No director shall accept a gift or favor made with intent of influencing decision or action on any official.

(e) No Director shall receive any compensation from the Association for acting as a volunteer.

(f) No Director shall willingly misrepresent facts to the members of the community for the sole purpose of advancing a personal cause or influencing the community to place pressure on the Board to advance a personal cause.

(g) No Director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall be conducted by the Board President, the management company, or by a representative or subcommittee member authorized by the Board as disclosed in the minutes of the Association.

(h) No Director shall harass, threaten, or attempt through any means to control or instill fear in any member, Director or agent of the Association.

(i) No promise of anything not approved by the Board as a whole can be made by any director to any subcontractor, supplier, or contractor during negotiations.

(j) No Director shall knowingly misrepresent any facts to anyone involved in anything with the community which would benefit himself/herself in any way.

(k) Language and decorum at Board meetings will be kept professional. Personal attacks against owners, residents, managers, service providers and Directors are prohibited and are not consistent with the best interest of the community.

7. Failure to Disclose Conflict. Any contract, decision or action taken or entered into in violation of this policy shall be void and unenforceable. In such event, following discovery of the conflict, the Board, at the next meeting of the Board, shall vote again on the contract, decision or other action taken in violation of this policy without counting any vote by the Director with the conflict.

8. Definitions. Unless otherwise defined in this policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

9. Supplement to Law. The provisions of this policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
10. Deviations. The Board may deviate from the procedures set forth in this policy if its sole discretion such deviation is reasonable under the circumstances.
11. Amendment. This policy will be reviewed annually and may be amended from time to time by the Board of Directors.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of The Pointe at Castle Pines Homeowners' Association, Inc., certifies that the foregoing Policy was adopted by the Board of Directors of the Association on 1/12/26 and in witness thereof, the undersigned has subscribed their name.

**The Pointe at Castle Pines Homeowners'
Association, Inc., a Colorado nonprofit corporation**

By: Michael G. Seay
Its: President

MICHAEL G. SEAY