

**RESOLUTION
OF
THE HOMEOWNERS ASSOCIATION OF DOUBLE TREE IN HEATHERRIDGE
REGARDING BOARD MEMBER CONFLICTS OF INTEREST POLICY**

Adopted 04/10/19

The following resolution has been adopted by **THE HOMEOWNERS ASSOCIATION OF DOUBLE TREE IN HEATHERRIDGE** (the "Association") pursuant to Colorado law, at a regular meeting of the Board of Directors.

RECITALS

- A.** Each member of the Board of Directors owes a fiduciary duty to the Association, including a duty to act in good faith, in the interest of, in an informed manner, and with utmost loyalty to, the Association.
- B.** The Board of Directors is charged with entering into contracts and taking other action necessary for the operation and governance of the community and the Association, and each member of the Board shall adhere to their fiduciary duty of loyalty when entering into such contracts or taking other action.
- C.** Colorado law requires that the Association establish a policy regarding Board member conflicts of interest.
- D.** The Board of Directors of the Association desires to adopt a policy to be followed when entering into any contract or taking other action in which a Board member has a conflict of interest, in order to ensure proper disclosure of the conflict, and to establish consequence for failure to disclose.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policy regarding Board member conflict of interests:

- 1. Definition.** A conflict of interest is present whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Board member, (ii) a parent, grandparent, spouse, child, or sibling of the Board member, or (iii) a parent or spouse of any of the persons in subsection (ii).
- 2. Disclosure of Conflict.** Any possible conflict of interest on the part of any Director shall be verbally disclosed to the other Directors at the first open meeting of the Board of Directors at which the interested Director is present after the conflict of interest is or should be discovered. After disclosure the Board member may participate in the discussion but shall not vote on the matter. Any Director having a conflict of interest on any matter shall not use his or her personal influence on the matter, and he/she shall not be counted in determining

the quorum for the vote. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting and the composition of the quorum.

3. **Failure to Disclose Conflict.** Any contract entered into in violation of this policy shall be void and unenforceable.

4. **Amendment.** This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 04/10/19, 20__ and in witness thereof, the undersigned has subscribed his/her name.

THE HOMEOWNERS ASSOCIATION OF DOUBLE TREE IN HEATHERRIDGE

By: 
Its: President