



## HORIZON TOWERS CONDOMINIUM ASSOCIATION

### AMENDED AND RESTATED POLICY #003: CONFLICT OF INTEREST

The following procedures adopted by Horizon Towers Condominium Association (“Association” or “HTCA”) pursuant to the provisions of the Association Documents, C.R.S. §38-33.3-209.5, C.R.S. §38-33.3-310.5, 7-128-501, and The Act (as defined in CC&R’s Sec. 1.42), at a regular meeting of the Board of Directors.

**Purpose:** The Association desires to ensure that the Board and all individuals appointed to committees of the Board maintain a high standard of ethical conduct in the performance of the Association’s operations and adhere to the standards and requirements of The Act. By adopting a Policy governing the handling of conflicts of interest of Board members, the Board hopes that the members will be able to have confidence in and respect for the Association’s leadership.

**NOW, THEREFORE, IT IS RESOLVED** that the Association does hereby adopt the following Policy governing the handling of conflicts of interest of Board members and committees of the Board:

- 1. Conflicting Interest Transaction.** A “conflicting interest transaction” is a contract, transaction, or other financial relationship between the Association and a director of the Association, or between the Association and a party related to a director, or between the Association and an entity in which a director of the Association is a director or officer or has a sibling, the spouse, or descendent of a sibling, an estate or trust in which the director or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has a financial interest.
- 2. Loans Not Allowed.** 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 such loan until repayment thereof.
- 3. Determination of Quorum.** Directors with a potential conflict of interest may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.
- 4. Conduct Regarding Conflicting Interest Transactions.** No conflicting interest transaction shall be void or cause to be voided or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a member or by or in the right of the Association, solely because the conflicting interest transaction involves: 1) a director of the Association, 2) a party related to a director, or 3) an entity in which a director of the Association is a director or officer or has a financial interest. The director with conflicting interest may be present at and participate in the meeting of the Association’s Board or of a committee of the Board addressing the conflicting interest transaction.



- 5. Actions of the Association.** The Association may authorize, approve, or ratify the conflicting interest transaction if:
- a. Board Approval.** The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum;
  - b. Member Approval.** The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon;
  - c. Fair to Association.** The conflicting interest transaction is fair as to the Association.
- 6. Records of Proceedings.** The minutes of meeting of the Board and all committees with the Board delegated powers shall contain the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflicting interest transaction, the nature of the conflicting interest, any action taken as a result, and the Board's or committee's decision.

**Automatic Revision:** This Policy shall be revised automatically to include any revisions to the applicable statute referenced above.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of the HTCA, a Colorado nonprofit corporation, certifies that the foregoing Amended and Restated Policy #003 was introduced for the first reading at a fully called and held meeting of the Board on September 8, 2025, and approved and adopted by the Board at the Board meeting on November 3, 2025.

Signature on File	11/03/2025
President	Date

Signature on File	11/03/2025
Vice President	Date