

**Poncha Meadows Filing No. 1, Block 6 Association, Inc.**  
**Conflicts of Interest Policy**

Effective February 6, 2024

The following Policy has been adopted by the Poncha Meadows Filing No. 1, Block 6 Association, Inc. (the "Association") pursuant to C.R.S. 38-33.3-209.5, at a regular meeting of the Board of Directors (the "Board") for the benefit of the Association and its owners and members (the "Member(s)").

Purpose: To adopt a policy governing the handling of conflicts of interest among Board members.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following Policy to govern the handling of conflicts of interest among Board members:

1. If any contract, decision, or other action taken by or on behalf of the Board would (1) financially benefit any member of the Board, (2) benefit any non-profit or for-profit entity with which any member of the Board has a significant relationship, or (3) disproportionately benefit a Board member's property such that the Board member will benefit in a manner that is inconsistent relative to other members of and owners in the Association, then, in advance of entering into that contract, making the decision, or taking the action, that interested Board member shall declare to the Board in writing or at an open meeting of the Board, that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict of interest. "Significant relationship" as used above shall include, but not be limited to, sitting on the board of, having a leadership role in or having a significant ownership interest in (*i.e.*, 25% or more) or significant role in the operations of a for-profit or non-profit, even if there is no compensation.

2. A conflict of interest shall also exist if the contract, decision, or action will benefit any person who is a parent, grandparent, spouse, child, or sibling of a Board member, or a parent or spouse of any of those persons.

3. The interested Board member may deliver to the Board a letter setting forth a detailed summary of the conflict of interest, which letter shall be read out loud by a non-interested Board member at an open meeting of the Board.

4. After the interested Board member makes such a declaration, the interested Board member may participate in a discussion of the matter giving rise to the conflict of interest. However, the interested Board member may not vote on the issue giving rise to the conflict of interest. If there is compliance with the terms of this policy, a majority of the disinterested Board members, or any higher number required by the Association's governing documents, may in good faith authorize, approve, or ratify the conflicting interest transaction.

5. The interested Board member may be counted as present when determining whether a quorum of the Board exists.


6. Any contract entered into, decision made or action taken in violation of this Policy is void and unenforceable.

7. If the Board, any member of the Board or Member of the Association has reasonable cause to believe that a Board member has failed to disclose a conflict of interest, that individual shall notify the Board either verbally at a meeting of the Board or in writing, outlining the basis for such belief. Thereafter, the Board shall give the Board member in question an opportunity to explain the alleged failure to disclose. If the Board subsequently determines that the interested Board member failed to disclose a conflict of interest in violation of the Conflicts of Interest Policy, the Board may then take any of the following actions to correct the violation: (1) suspend the Board member's voting privileges for specific, related matters, (2) require the Board member to leave the room for the duration of consideration of and action on related matters, and/or (3) formally reprimand the Board member and, in egregious cases, remove the Board member from the Board upon a majority vote of all other Board members in support of removal.

8. This Conflicts of Interest Policy shall be reviewed annually by the Board at a duly noticed Board meeting.

9. This Conflicts of Interest Policy supplements C.R.S. 7-128-501 which law is incorporated by reference as if fully set forth herein.

**Poncha Meadows Filing No. 1, Block 6 Association, Inc.**

By:   
Name: DAVID ROOVER  
Its: Secretary

This Conflicts of Interest Policy was adopted by the Board of Directors on February 6, 2024, and it is attested to by the Secretary of the Poncha Meadows Filing No. 1, Block 6 Association, Inc.

  
Secretary