

WOODS MANOR CONDOMINIUM ASSOCIATION, INC.

DIRECTOR AND OFFICER CONFLICT OF INTEREST POLICY

Adopted 28, 2012

The following policy and procedures have been adopted by the Woods Manor Condominium Association, Inc. (the Association) pursuant to C.R.S. 38-33.3-209.5 and 310.5 and C.R.S. 7-128-501 at a special meeting of the Board of Directors.

Introduction

The basis of this Conflict of Interest Policy is to protect the interests of Woods Manor homeowners when the Board of Directors is contemplating entering into any action, transaction or arrangement that may benefit the private interest(s) of a Board member or officer, including indirect benefits to family members (spouse, brothers and sisters, adopted or natural children, grandchildren, great – grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren), or a business and/or entity in which the Board member or officer is a director or officer or has a financial interest. This policy is intended to supplement but not replace any applicable state and/or federal laws governing conflict of interest applicable to homeowner associations, including by not limited to C.R.S. 7-128-501.

Duty to Disclose

In the event of any actual or possible conflict of interest, a Board member or officer shall disclose the existence of the actual or possible conflict of interest to the rest of the Board members and be given the opportunity to disclose all pertinent information to the Board members at the beginning of deliberations on the matter before the Board.

Voting Rights

The Board member that discloses his/her conflict of interest may voluntarily recuse himself/herself or abstain from voting on the matter before the Board. The Board minutes shall reflect this Board member's decision.

If a Board member states that a possible conflict of interest(s) exists and does not voluntarily recuse himself/herself or abstain from voting, another Board member may object by making a motion to exclude that Board member's vote(s) on the matter before the Board. If no such motion is made and if the Board member does not recuse himself/herself, then the rules in C.R.S. 7-128-501 shall apply.

Any Board member may allege that another Board member has a conflict of interest on any matter before the Board at any regular or special meeting of the Board of

Directors. The alleging Board member must fully share information and reasons for believing that a conflict of interest exists. After deliberations, the Board may choose to vote to exclude that Board member from voting on the matter before the Board.

Once a determination is made that a conflict of interest exists, the Board member that has the conflict of interest shall not influence, in any way, the deliberations or vote of other Board members on the matter for resolution.

Failure to Comply

Any Board member who does not reveal his/her known conflict of interest on a matter for deliberation of the Board may be subject to Board action, including but not limited to, removal from the Board in accordance with Section 5.3 of the Woods Manor Declaration. This decision may be appealed for further Board review. The Board has the sole discretion to accept the appeal, and if accepted, its decision shall be final and binding.

Conflicts between Policy and Statutes

This policy shall be in addition to the provisions of C.R.S. 7-128-501. In the event of a conflict between this policy and the statute, the provision that is more restrictive shall prevail.

Woods Manor Condominium Association, Inc.

By: Jay Rust, President

Attest: Karen Schilling, Secretary

This Director and Officer Conflict of Interest Policy was adopted by the Board of Directors on the 28day of April, 2012, for that purpose; and is effective the 28 day of April, 2012, and is attested to by the Secretary of the Woods Manor Condominium Association, Inc.