

PILGRIM DOWNS HOMEOWNERS ASSOCIATION  
BOARD OF MANAGERS  
RESOLUTION  
**AMENDED AND RESTATED POLICY CONCERNING  
CONFLICTS OF INTEREST**

The Board of Managers (also known as the Board of Directors) of Pilgrim Downs Homeowners Association, Inc., a Colorado nonprofit corporation (the "Association"), hereby approves and adopts the following Resolution:

**RESOLVED**, that the following Amended and Restated Policy of the Association related to Manager Conflicts of Interest is hereby adopted and ratified:

1. **General Duty.** The Board of Managers 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 Association. All Managers shall exercise their power and duties in good faith and in the best interest of the Association. All Managers shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, and Rules and Regulations. As of the date of adoption of this Policy, conflicting interest transactions of Managers and officers of the Association are governed by C.R.S. §7-128-501, pursuant to C.R.S. §38-33.3-310.5, and the provisions of this Policy are intended to comply with such statutes.

2. **Definition.** A "conflicting interest transaction" is defined as a contract, transaction or other financial relationship between (i) the Association and a Manager of the Association; (ii) the Association and a party related to a Manager; or (iii) the Association and an entity in which a Manager of the Association is either a director or officer, or has a financial interest.

3. **Disclosure of Conflicting Interest Transaction.** Any conflicting interest transaction on the part of any Manager shall be verbally disclosed to the other Managers in open session at the first open meeting of the Board of Managers at which the interested Manager is present prior to any discussion or vote on the matter. After disclosure, the interested Manager may participate in the discussion of the matter, and may vote on the matter, in compliance with the Manager's duties to the Association. The minutes of the meeting shall reflect the disclosure made, the composition of the quorum and record who voted for and against.

4. **Failure to Disclose Conflicting Interest Transaction.** No conflicting interest transaction entered into in violation of this policy shall be void or voidable 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 a Manager or a party related to a Manager or an entity in which a Manager is a director or officer or has a financial interest or solely because the Manager is present at or participates in the meeting of the Association's Board of Managers that authorizes, approves or ratifies the conflicting interest transaction or solely because the Manager's vote is counted for such purpose if:

a. The material facts as to the Manager's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board of Managers and the Board of Managers in good faith authorized, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Managers, even though the disinterested Managers are less than a quorum; or

b. The material facts as to the Manager's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members of the Association 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; or

c. The conflicting interest transaction is fair as to the Association.

5. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration and Bylaws shall have the same meaning herein.

6. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration, Bylaws, and the law of the State of Colorado governing Pilgrim Downs.

7. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

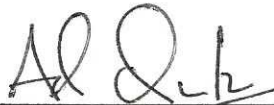
8. Periodic Review. The Board shall periodically, as determined in the sole discretion of the Board, review and update if necessary, the Association's conflict of interest policies, procedures, and rules and regulations.

**CERTIFICATION OF ADOPTION**

I, the undersigned, do hereby certify:

That I am a duly elected and acting President of the Pilgrim Downs Homeowners Association, Inc., a Colorado nonprofit corporation; and

That the foregoing Resolution, which constitutes a portion of the Responsible Governance Policies of the Association, was duly ratified, approved and adopted by action of the Board of Managers of the Association to be effective as of August 9, 2022.



ADAM QUINTON, President

Date: 8/20/23