

1 MEETING OF THE EXECUTIVE BOARD OR OF THE COMMITTEE OF THE BOARD  
2 THAT AUTHORIZES, APPROVES, OR RATIFIES THE CONFLICTING INTEREST  
3 TRANSACTION; OR SOLELY BECAUSE THE DIRECTOR'S VOTE IS COUNTED  
4 FOR SUCH PURPOSE, IF:

5 (a) THE MATERIAL FACTS AS TO THE DIRECTOR'S RELATIONSHIP OR  
6 INTEREST AND AS TO THE CONFLICTING INTEREST TRANSACTION ARE  
7 DISCLOSED OR ARE KNOWN TO THE EXECUTIVE BOARD OR THE COMMITTEE,  
8 AND THE EXECUTIVE BOARD OR COMMITTEE IN GOOD FAITH AUTHORIZES,  
9 APPROVES, OR RATIFIES THE CONFLICTING INTEREST TRANSACTION BY THE  
10 AFFIRMATIVE VOTE OF A MAJORITY OF THE DISINTERESTED DIRECTORS,  
11 EVEN THOUGH THE DISINTERESTED DIRECTORS ARE LESS THAN A QUORUM;

12 (b) THE MATERIAL FACTS AS TO THE DIRECTOR'S RELATIONSHIP OR  
13 INTEREST AND AS TO THE CONFLICTING INTEREST TRANSACTION ARE  
14 DISCLOSED OR ARE KNOWN TO THE UNIT OWNERS ENTITLED TO VOTE ON  
15 THE ISSUE, AND THE CONFLICTING INTEREST TRANSACTION IS  
16 SPECIFICALLY AUTHORIZED, APPROVED, OR RATIFIED IN GOOD FAITH BY A  
17 VOTE OF THE UNIT OWNERS ENTITLED TO VOTE ON THE ISSUE; OR

18 (c) THE CONFLICTING INTEREST TRANSACTION IS FAIR AS TO THE  
19 ASSOCIATION.

20 (4) COMMON OR INTERESTED DIRECTORS MAY BE COUNTED IN  
21 DETERMINING THE PRESENCE OF A QUORUM AT A MEETING OF THE  
22 EXECUTIVE BOARD OR OF A COMMITTEE THAT AUTHORIZES, APPROVES, OR  
23 RATIFIES THE CONFLICTING INTEREST TRANSACTION.

24 **SECTION 12. 10-4-110.8 (5), Colorado Revised Statutes, is**  
25 **amended to read:**

26 **10-4-110.8. Homeowner's insurance - prohibited practices -**  
27 **definitions. (5) (a) In a common interest community, as defined in**

1 section 38-33.3-103 (8), C.R.S., a unit owner may file a claim against the  
2 policy of the unit owner's association to the same extent, and with the  
3 same effect, as if the unit owner were ~~an additional~~ A named insured IF  
4 THE FOLLOWING CONDITIONS ARE MET:

5 (I) THE UNIT OWNER HAS CONTACTED THE EXECUTIVE BOARD OR  
6 THE ASSOCIATION'S MANAGING AGENT IN WRITING, AND IN ACCORDANCE  
7 WITH ANY APPLICABLE ASSOCIATION POLICIES OR PROCEDURES FOR  
8 OWNER-INITIATED INSURANCE CLAIMS, REGARDING THE SUBJECT MATTER  
9 OF THE CLAIM;

10 (II) THE UNIT OWNER HAS GIVEN THE ASSOCIATION AT LEAST  
11 FIFTEEN DAYS TO RESPOND IN WRITING, AND, IF SO REQUESTED, HAS GIVEN  
12 THE ASSOCIATION'S AGENT A REASONABLE OPPORTUNITY TO INSPECT THE  
13 DAMAGE; AND

14 (III) THE SUBJECT MATTER OF THE CLAIM FALLS WITHIN THE  
15 ASSOCIATION'S INSURANCE RESPONSIBILITIES AS DEFINED BY THE  
16 DECLARATION OR LISTED PURSUANT TO SECTION 38-33.3-209.4 (2) (j),  
17 C.R.S.

18 (b) THE ASSOCIATION'S INSURER, WHEN DETERMINING PREMIUMS  
19 TO BE CHARGED TO THE ASSOCIATION, SHALL NOT TAKE INTO ACCOUNT  
20 ANY REQUEST BY A UNIT OWNER FOR A CLARIFICATION OF COVERAGE.

21 **SECTION 13. Safety clause.** The general assembly hereby finds,  
22 determines, and declares that this act is necessary for the immediate  
23 preservation of the public peace, health, and safety.