

58-4609. Same; officers, board of directors duties; restrictions. (a) In the performance of their duties, officers and members of the board of directors appointed by the declarant shall exercise the degree of care and loyalty to the association required of a trustee. Officers and members of the board of directors not appointed by the declarant shall exercise the degree of care and loyalty to the association required of an officer or director of a corporation organized, and are subject to the conflict of interest rules governing directors and officers, under existing law. The standards of care and loyalty described in this section apply regardless of the form in which the association is organized.

(b) An association shall have a board of directors created in accordance with its declaration or bylaws. Except as otherwise provided in the declaration, the bylaws, subsection (c), or other provisions of this act, the board of directors acts on behalf of the association.

(c) The board of directors may not:

(1) Amend the declaration except as provided by law other than this act;

(2) amend the bylaws;

(3) terminate the common interest community;

(4) elect members of the board of directors, but may fill vacancies in its membership for the unexpired portion of any term or, if earlier, until the next regularly scheduled election of board of directors' members; or

(5) determine the qualifications, powers, duties, or terms of office of board of directors' members.

(d) This section shall take effect on and after January 1, 2011.

History: L. 2010, ch. 116, § 9; July 1.