

Alternative Dispute Resolution Policy Park Washington Condominiums Association

Per the Park Washington Condominiums Association's (the "Association") Adoption and Amendment of Policies, Procedures and Rules and Regulations Policy, the Association can adopt a new policy by a majority vote of the Managers presented at any meeting of the Managers.

The Association adopts the following Alternative Dispute Resolution Policy, pursuant to the requirement of the Colorado Common Interest Ownership Act section C.R.S. 38-33.3-209.5 (I) (b) (IV), effective 16 day of March, 2011.

Any terms not identified in this policy shall hold the meaning in the Declaration of the Association.

From time to time, disputes may arise between an owner and the Association, or others involved in the Community. This policy commits the parties in any such dispute to work together in an attempt to resolve the dispute without litigation in order to facilitate the prompt resolution of such disputes in a manner that respects and builds upon the relationships between the parties.

Any individual Member must exhaust all available internal remedies of the Association prescribed below, before that Member may resort to a court of law for relief with respect to any alleged violation by another Member of the Association, the Association or others involved in the Community.

This policy shall apply to all disputes between an owner and the Association or the Association and another involved in the Community, except as follows:

- a) Any action by the Association against a homeowner to collect Assessments or Special Assessments. Such actions shall proceed according to the Association's Collection Policy
- b) Any action by the Association to enforce rules and regulations of the Association's Declarations, the Bylaws or the Rules and Regulations. Such actions shall proceed according to the Association's Compliance Policy.

All internal remedies shall constitute the Alternative Dispute Resolution Policy as follows.

Notice. Prior to filing a lawsuit, the Claimant against the Association shall give written notice to the other party via mail or personal delivery, stating plainly and concisely:

- 1) the nature of the Claimant, including the Persons involved and the role in the Claim;
- 2) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises);

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- 3) the Claimant's proposed resolution or remedy;
- 4) the Claimant's desire to meet with the Association to discuss, in good faith, ways to resolve the Claim; and
- 5) state if there are time constraints due to health or safety reasons.

Negotiation. The Claimant and the Association shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. The Association will schedule a hearing of the Board and send written request to Claimant. Any hearing of the Board shall follow the Association's Hearing Section of the Compliance Policy. If the Claimant does not appear for the hearing, the Claimant shall be deemed to have waived the Claim.

Mediation. If the Claim has not been resolved after the hearing or some other agreed upon time frame by both parties, the Claimant shall have thirty (30) additional days to submit the Claim to mediation with an independent agency providing dispute resolution services. The Claimant and the Association shall present the mediator with a written summary of the Claim.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Association shall be relieved of any and all liability to the Claimant on account of such Claim.

If the parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated.

The Claimant and the Association shall bear its own costs of the mediation, including attorneys' fees, and each shall pay an equal share of the mediator's fees.

Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by both the Association and the Claimant. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to comply again with the procedures set forth in this policy. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

The Association or the Claimant can request mediation again in accordance with this policy after a suit is filed.

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In the event of conflict between the Alternative Dispute Policy and the provisions of the Association's Declaration or Bylaws or Articles of Incorporation, the provisions of the Declaration, Articles of Incorporation, Bylaws and Alternative Dispute Policy shall prevail in that order.

The undersigned, the PRESIDENT of the Association, hereby signs to confirm that the above policy was adopted by the Board of Directors on 16 day of March, 2011.

Brenda L Henry
Signature

BRENDA L. HENRY
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