

**DISPUTE RESOLUTION PROCEDURE
OF
SUGARLOAF OWNERS ASSOCIATION**

1. WHO MAY START:

This procedure may be invoked by the Association or an owner. Either may make a written request to meet and confer to resolve a dispute. The Board shall designate a member of the Board to meet and confer.

2. WHO PARTICIPATES:

- A. When a written request for Dispute Resolution is received from an owner, the Association shall participate.
- B. If the Association makes a written request for an owner to participate, the owner may elect not to participate.

3. NON-PARTICIPATION BY THE OWNER:

If the owner declines to participate, the Association shall begin Alternative Dispute Resolution, pursuant to Civil Code §1369.520.

4. IF THE OWNER PARTICIPATES, THEN THE MEET AND CONFER TAKES PLACE:

- A. Both parties shall meet and confer to resolve the dispute within forty-five (45) days of receipt of the written request by the other party.
- B. The meeting shall take place promptly at a mutually convenient time and place. Each party shall explain their position and shall confer in good faith to resolve the dispute.
- C. A written decision shall be made by the designated Board Member and delivered or received by the owner within ten (10) days after the meet and confer.
- D. A resolution of the dispute agreed to by the parties shall be made in writing and dated and signed by the parties, including the Board designee on behalf of the Association.
- E. If the owner participates, but the dispute is resolved other than by agreement of the owner, the owner shall have the right to appeal to the Association's Board of Directors.

5. IF BOTH PARTIES DO NOT AGREE:

- A. If after the meet and confer, the parties do not mutually agree, then a neutral third party shall resolve the dispute within forty-five (45) days. A written decision shall be made by the neutral third party within ten (10) days after their meeting.

6. APPEAL:

- A. If the owner disputes the resolution, an appeal must be taken to the Board of Directors within thirty (30) days of the date of the decision by the designated Board member.
- B. If there is an appeal, the Board must hear the Appeal at its next regularly scheduled meeting in executive session, then issue a written decision within ten (10) days.

7. NO CONFLICT:

- A. The resolution must not be in conflict with the law or the governing documents.
- B. The agreement must be consistent with the authority granted to the Board of Directors or the agreement must be ratified by the Board.
- C. The written agreement, which is dated and signed by the parties, will bind both parties and be judicially enforceable.

8. NO FEE:

No fee will be charged to the owner during this process.

9. EXCEPTIONS:

- A. Reasonable exceptions may be made to the time deadlines, in the discretion of the Board.
- B. Any exceptions will be made on a case-by-case basis.

10. TIME:

- A. The maximum time to act on a request by the owner is forty-five (45) days.
- B. Initiation to termination of the dispute will take no more than one-hundred eighty (180) days.