

FRENCH CREEK TOWNHOME ASSOCIATION, INC.
RESOLUTION REGARDING DISPUTE RESOLUTION POLICY AND
PROCEDURES

WHEREAS, The Board of Directors of French Creek Townhome Association, Inc. is empowered to govern the affairs of the Association pursuant to Article II of the Bylaws;

WHEREAS, There is a need to adopt a specific guideline regarding dispute resolution;

WHEREAS, It is the intent that this rule shall be applicable to all members of the Association and this resolution shall remain in effect until otherwise rescinded, modified, or amended by a majority of the Board of Directors;

NOW, THEREFORE, Be it resolved that the following responsible governance policy on dispute resolution is hereby adopted by the Board of Directors:

The Board of Directors believes that the cost, complexity, and delay inherent in court proceedings make litigation an inefficient means of resolving neighbor to neighbor disputes. Therefore, the Association, through its Board of Directors and Managing Agent, encourages the use of alternative methods to the filing of a complaint in the judicial system between unit owners and the Association in situations that do not involve an imminent threat to the peace, health, or safety of the community. Alternative methods adopted by the Board of Directors include negotiation and mediation. **Throughout the dispute resolution process, the parties are not waiving their right to employ legal counsel at their own expense to assist them.**

Negotiation: Either a unit owner or the Association, through its Board of Directors, may initiate a request for dispute resolution, stating in writing the nature and details of the dispute. Within fifteen (15) days of receipt of such request, unless otherwise extended by written agreement, a meeting shall be held between the parties to begin a good faith attempt to negotiate a resolution. Through negotiation, the parties will communicate directly with each other in an effort to reach an agreement that serves the interests of both parties. Should the dispute pertain to property issues, each party will be granted the right to inspect the alleged defects or problems at a time convenient to everyone involved.

Mediation: If the dispute is not resolved by negotiation, any party may request in writing that the issue be submitted to mediation. The parties will then agree to mediate the dispute prior to seeking other remedies. The parties agree to participate in good faith in the mediation. The role of the mediator is to facilitate further negotiation between the parties. **The mediator will not have power to decide how to resolve the dispute, but will use recognized, accepted mediation techniques to assist the parties in making that decision. The mediator shall be selected by a consensus of the parties involved. Any cost of mediation will be shared equally among the parties unless they and the mediator agree otherwise.**

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the French Creek Townhome Association Inc., a Colorado non-profit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and conducted meeting of the Board of Directors on, Sept. 11, 2006 and in witness thereof, the undersigned has subscribed his/her name.

FRENCH CREEK TOWNHOME ASSOCIATION, INC.

a Colorado non-profit corporation

By:



President