

**BUCKHORN RANCH ASSOCIATION INC.**

**POLICY FOR PROCEDURES FOR ADDRESSING DISPUTES BETWEEN THE  
ASSOCIATION AND OWNERS  
AND ALTERNATIVE DISPUTE RESOLUTION**

The Board of Directors (Board) of Buckhorn Ranch Association, Inc. (Association) hereby adopts the following Policy for Procedures for Addressing Disputes Between the Association and Owners, effective as of 3/19, 2015. Any previous policy on Procedures for Addressing Disputes between the Association and Owners is hereby superseded and replaced in entirety with the following policy.

The procedure governing disputes between Owners and the Association shall apply to the following, but not limited to, disputes:

1. Disputes regarding noncompliance with various governing documents
2. Disputes regarding common areas and open space
3. Disputes regarding negligent acts or omissions

An Owner with an issue enumerated above and involving the Association may first attempt to resolve such issue with the Association, acting through its Board of Directors. An Owner or the Association, acting through its Board of Directors, at the request of the Association or the subject Owner may request in writing (either through electronic mail or another method of delivery) a meeting with the other party (that being the Association acting through the Board or the Owner) in an attempt to settle the subject dispute. The Board shall be responsible for scheduling such a meeting, and shall use its best efforts to schedule such a meeting within two weeks of receiving notice. At such a meeting, both parties are permitted to have counsel present. The intent of the meeting is to resolve such dispute.

Any settlement discussions and negotiations shall be subject to C.R.E. 408 and each party to the dispute shall be required to acknowledge such in writing prior to the commencement of negotiation. Any agreement reached during a meeting between the Association, acting through its Board, and an Owner, individually or acting through such Owner's duly authorized representative, if applicable, shall be reduced to writing within ten (10) days of the meeting, or as soon as practicable thereafter, and executed by the parties thereto.

Disputes involving certain violations of the governing documents, as set forth below or in the case of emergency, including violations of the Declaration, Bylaws, Rules and Regulations, and policies, shall not be subject to this policy and procedure in the sole discretion of the Association, acting through its Board.

For the purpose of this policy, if the Board determines that such violation warrants immediate relief, injunctive or otherwise, it may take legal action as soon as practicable. Violations resulting in the imposition of fines shall be subject to a more formalized process with respect thereto.

Disputes arising from the failure to pay dues shall first be governed by the Policy for Collection of Unpaid Dues and Assessments and the Imposition of Liens as required thereunder and pursuant to law. If an Owner has failed to meet his or her requirements

as dictated by an agreed-upon payment plan, if applicable, the Association acting through its Board is under no obligation to then apply the procedures set forth herein, including alternative dispute resolution, and may instead may proceed to legal action.

#### ALTERNATIVE DISPUTE RESOLUTION

An Owner and the Association, acting through its Board, shall first be required to meet as set forth above prior to seeking alternative dispute resolution (ADR). Unless otherwise set forth herein, parties shall be required to participate in ADR prior to the commencement of any legal action. If initial meetings with the Board, on behalf of the Association, the Owner or the Association as appropriate shall be required to attend in person or by other means mediation with a qualified mediator, such as Judicial Arbitrator Group (JAG). The parties shall split the cost of the mediation, including any time spent by the individual conducting the mediation in preparation thereof. Any agreement reached by the parties shall be reduced to writing and executed by the parties within ten (10) days after the mediation, or the agreement is reached. In the event ADR is unsuccessful, a party may take legal action.

The Board may deviate from this policy, or the procedures herein, when it finds that such deviation is in the best interests of the Association. In the event the Board determines that such deviation is warranted, it shall set forth specific findings in the resolution memorializing such decision.

Any amendments to this policy shall be set forth in writing, and adopted by the Board of Directors.

APPROVED AND ADOPTED THIS 19 DAY OF March, 2015

BUCKHORN RANCH ASSOCIATION, INC., a Colorado nonprofit corporation

By:   
Morgan Weinberg, President