HIGHLANDS AT VALLEJO HOMEOWNER'S ASSOCIATION, INC.

ALTERNATIVE DISPUTE RESOLUTION POLICY

The Highlands at Vallejo Homeowner's Association, Inc. ("Association") encourages the use of alternative methods for settling disputes in situations that do not involve an imminent threat of harm or irreparable injury, loss or damage (any condition(s) where a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated). Alternative methods adopted by the Association and Owners include, but are not limited to, the following:

Negotiation.

A request for dispute resolution may be initiated by either the Association or Owner, must be in writing, and must provide the nature and details of the dispute. Within fifteen (15) days of the other party's receipt of the request for alternative dispute resolution, a meeting will be scheduled to 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.

Other Alternatives.

If the negotiation process does not resolve the dispute, the parties may refer the matter to other Alternative Dispute Resolution options as they may mutually agree upon or may escalate the matter to more formal proceedings, including but not limited to a lawsuit. However, following the steps herein is not a precondition to the filing of a lawsuit or the taking of any other action.

RESOLUTION OF THE BOARD OF DIRECTORS OF HIGHLANDS AT VALLEJO HOMEOWNER'S ASSOCIATION, INC.

Pursuant to the requirements of C.R.S. 38-33.3-124, the Alternative Dispute Resolution, which outlines procedures that may be used for addressing disputes arising between the Association and Owners, has been adopted by the Board for Highlands at Vallejo Homeowner's Association, Inc. This policy is subject to change after Board approval.

The provisions of this resolution shall be in addition to and in supplement of the terms and provisions of the Association's governing documents and the laws of the State of Colorado governing the Association.

BE IT RESOLVED, that the Association approves the "Alternative Dispute Resolution Policy", effective <u>Quality</u>, 20_16_.

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President

HIGHLANDS AT VALLEJO HOMEOWNER'S ASSOCIATION, INC.