



CASTLE PINES HOMES ASSOCIATION, INC.

DISPUTE RESOLUTION POLICY

Adopted October 19, 2017

1. Purpose and Scope. The purpose of this Dispute Resolution Policy ("**Policy**") is to provide an efficient and cost-effective means of resolving Claims. This Policy applies only to Claims. This Policy does not:

- (1) Preclude, limit or delay the ability of the Association to exercise its right to enforce violations of the Governing Documents (including its right to enforce compliance with this Policy) or its right to collect monies owed to the Association, even if a Claim has been asserted that relates to the actions the Association has taken, is attempting to take, or could take to enforce violations of the Governing Documents or collect monies owed to the Association;
- (2) Preclude either party from pursuing an injunction or other emergency equitable relief necessary to prevent immediate and irreparable harm to persons, animals or property; or
- (3) Preclude either party from pursuing litigation or other adversary proceedings to enforce a settlement of a Claim.

2. Definitions and Interpretation.

2.1 "Association" means the Castle Pines Homes Association, Inc., a Colorado non-profit corporation.

2.2 "Claim" means claim for monetary or other relief asserted against one or more of (1) the Association, (2) the Association's board of directors, or (3) an individual director, officer, committee member, or employee of the Association acting in their capacity as such.

2.3 "Claimant" means the person or entity asserting a Claim against one or more Respondents.

2.4 "Governing Documents" means the Association's declaration of covenants, articles of incorporation, bylaws, rules, regulations, policies and procedures.

2.5 "Respondent" means the person or entity against whom a Claim is asserted.

2.6 The word “*including*” means “including without limitation” and the singular includes the plural and *vice versa*.

3. **Mandatory Procedures.** Except as provided in Section 7, a Claimant must first comply with this Policy before commencing litigation or other adversary proceedings against a Respondent to resolve a Claim, regardless of whether the Claim also potentially involves other parties. No Claim may be asserted after the date that litigation based on the Claim would be barred by the applicable statute of limitations or statute of repose.

4. **Notice of Claim.** The Claimant must provide to the Respondent (with a copy to the Association’s president and its general manager) a detailed written description of the Claim, including (1) the nature of the Claim, the individuals involved and the Respondent’s role, (2) the legal or contractual basis for the Claim, and (3) the specific remedy or relief sought by the Claimant. The Claimant and Respondent may each request additional information and documents from the other that are reasonably necessary to substantiate or dispute the Claim, and the party to whom the request is directed will promptly provide the information and documents so requested to the extent available and not subject to privilege.

5. **Good Faith Negotiation.** The Claimant and Respondent will cooperate in good faith negotiations to attempt to resolve the Claim, including meetings in person and site visits as appropriate. Either party may be represented by an attorney, consultant or other representative at the negotiations, but if either party wishes to be represented by an attorney, it must first so notify the other party.

6. **Mediation.**

6.1 **Request for Mediation.** If the parties are unable to resolve the Claim pursuant to Section 5 within 60 days after the Respondent’s receipt of the Claim, the Claimant will have an additional 60 days in which to submit to the Respondent (with a copy to the Association’s president and its general manager) a written request for mediation. If the Claimant does not so request mediation within the time specified or if, having requested mediation, if the Claimant fails to attend or participate in good faith in the mediation, the Claimant will be deemed to have waived the Claim with respect to the Respondent and will be barred from pursuing the Claim further pursuant to this Policy or in litigation or other adversary proceedings.

6.2 **Mediation Procedures.** If the Claimant timely requests mediation, the parties will within 15 days after the request for mediation jointly agree on a mediator and, if they fail to agree within that time, either party may apply to the District Court in Douglas County, Colorado, to appoint the mediator. Each party will attend the mediation and work in good faith to resolve the Claim as expeditiously as possible. The role of the mediator is to facilitate further negotiation between the parties. The mediator will not have power to resolve the Claim but will use recognized, accepted mediation techniques to assist the parties in making that decision. Costs of the mediator will be shared equally between the parties unless they and the mediator agree otherwise. If either party fails to attend or participate in the mediation, costs of the mediation resulting from the failure will be borne solely by the party failing to attend or participate.

7. **Litigation.** A Claimant may commence litigation or other adversary proceedings to resolve the Claim (1) at any time after the Claimant has complied with Sections 4, 5 and 6 and the Claim

has not been resolved to the Claimant's reasonable satisfaction within 60 days after the mediator has been selected pursuant to Section 6.2, or (2) not more than five business days before litigation based on the Claim would be barred by the applicable statute of limitations or statute of repose, but only if the Claimant has followed in good faith the procedures in this Policy up to that time. Any litigation or other adversary proceedings to resolve a Claim must be brought in in Douglas County, Colorado, either in a court having jurisdiction or (if the parties so agree in writing) before an arbitration panel or other tribunal. In any litigation or other adversary proceedings to pursue a Claim, the prevailing party may recover its reasonable legal fees and other reasonable costs of litigation or resolution.

8. Settlement. Settlement or other consensual resolution of a Claim must be documented in writing and signed by the parties (and by the mediator, if a mediator has been appointed). If litigation has been commenced to enforce the Claim, the settlement document will be presented to the court with a motion for judgment based on the settlement. Unless and to the extent otherwise stated in the settlement document, all issues related to the Claim will be deemed settled, waived and released by the settlement.

9. Miscellaneous. This Policy may be amended by the Association's board of directors from time to time. This Policy supersedes all prior policies and procedures of the Association related to the subject matter of this Policy.