

PALOMINO LAKES PROPERTY OWNERS ASSOCIATION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALOMINO LAKES PROPERTY OWNERS ASSOCIATION TO ADOPT A DISPUTE RESOLUTION PROCEDURE

WHEREAS *Civil Code* §§1363.810 through 1363.850 require a dispute resolution process that an Owner and Community Association may pursue to resolve disputes, and,

WHEREAS the Association desires to adopt a fair, reasonable, and expeditious dispute resolution process which conforms to *Civil Code* §§1363.830, and,

WHEREAS the Board of Directors desires to identify the Association representative who would participate in the a dispute resolution process,

NOW, THEREFORE, BE IT RESOLVED, that Palomino Lakes Property Owners Association adopts a dispute resolution process as follows:

DISPUTE RESOLUTION PROCESS


1. The dispute resolution process applies to the Association as well as an Owner whenever there is a dispute involving their respective rights, duties or liabilities under the governing documents, the Davis-Stirling Common Interest Development Act or the nonprofit mutual benefit corporation law.
2. Either party (Association or Owner) to a dispute may invoke the following procedure:
 - a. Either party may request the other party to meet and confer, in an effort to resolve the dispute. The request shall be in writing.
 - b. An Owner may refuse an Association request to meet and confer.
 - c. The Association shall accept a meet and confer request from an Owner unless the parties have already used this procedure to meet and discuss the same dispute within the past three (3) months and to the Association's knowledge there has been no change in any relevant circumstances since that prior meeting. In that case, the Association may accept or reject the request at its option. The Association's acceptance or rejection shall be in writing.
 - d. The Board hereby designates the President to meet and confer with the Owner. In the event of the President's absence the Vice-President will meet and confer with the Owner. If the dispute is related to a delinquent assessment, the Board designates the Treasurer as the Board Designee.
 - e. The Board Designee may request the Chairperson of any applicable committee involved in the dispute to attend the meet and confer session with the Owner.
3. The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other and confer in good faith in an effort to resolve the dispute. The Association will accept or reject a request to meet and confer within fifteen (15) days of receipt and will offer to meet within fifteen (15) days if the offer is accepted.

4. If the Owner and the Board Designee reach a proposed resolution of the dispute the agreement shall be memorialized in writing and signed by both of the parties.
5. If the Owner participates in a meet and confer session but the dispute is resolved other than by agreement of the Owner, the Owner shall have a right of appeal to the Association's board of directors. Appeals shall be in writing and must be received by the Association within thirty (30) days of the imposition of a resolution.
6. The agreement reached by the Owner and the Board Designee binds the parties and is judicially enforceable if both the following conditions are satisfied:
 - a. The agreement is not in conflict with law or the governing documents of the Association, and,
 - b. The agreement is ratified by the Board of Directors. The Board will meet within fifteen (15) days of the signing of the proposed agreement to consider and vote on the agreement.
7. An Owner participating in the dispute resolution process shall not be charged a fee to participate in the dispute resolution process.

CERTIFICATE OF SECRETARY

I certify that I am the duly qualified and acting secretary of PALOMINO LAKES PROPERTY OWNERS ASSOCIATION, a California Nonprofit Mutual Benefit Corporation. The foregoing is a true and correct copy of the Resolution duly adopted by the Board of Directors of the corporation at a meeting held on May 3, 2008, and entered in the minutes of such meeting in the records of the corporation. The Resolution is in conformity with the *Corporations Code*, the Articles of Incorporation and the Bylaws of the corporation and has never been modified or appealed and is, as of now, in full force and effect.

DATED: May 3, 2008 PALOMINO LAKES PROPERTY OWNERS ASSOCIATION

By: 
 Richard M. Corriea
 Secretary/Treasurer

Ayes..... Lamb, Corriea

Noes none

Abstain..... none

Absent Forchini