



Timber Cove Homes Association

22098 Lyons Court

Jenner, CA 95450

www.timbercovehomes.org

707.847.3062

INTERNAL DISPUTE RESOLUTION POLICY & PROCEDURE

The Timber Cove Homes Association (TCHA) seeks to maintain a quality community for all members, to preserve the property value of homes within the development, and to treat all Owners fairly, reasonably and with respect. In an effort to resolve any possible disputes between the Owners and the Association quickly, fairly, and at minimal cost, the Association has the following internal dispute resolution policy and procedures:

In the event of a dispute between an Owner and the Association over rights, duties or liabilities associated with TCHA governing documents, the Davis-Stirling Common Interest Development Act, or the California Nonprofit Mutual Benefit Corporation Act, either the owner or the Association may invoke the following procedure:

1. Upon written request by either the Owner or the TCHA, the Owner and a committee of two board members shall meet privately to discuss the disputed issues and mutually acceptable resolutions. The written Notice may be delivered personally, by First-Class mail, facsimile or common carrier (Federal Express, UPS or similar).

If the Owner requests a meeting, the Association shall participate. If the Association requests a meeting, the Owner may refuse to participate at which time the Owner and Association may proceed with any other right or remedy provided by law or the governing documents.

2. Both the Association and Owner shall cease all disputed activity, and shall maintain the status quo through the meeting, and if an agreement is reached, through Board ratification or approval, unless action is necessary to prevent damages, injuries or illnesses.

3. The parties shall meet within 15 days of delivery of the written request at a mutually agreeable place and time.

4. If a mutually agreeable resolution is reached at the meeting, such agreement shall be put in writing and signed by all present at the meeting. The agreement shall be subject to approval by the Board, unless the Board, by written resolution prior to the meeting, granted sufficient authority to a committee to settle the matter as agreed.

5. If an agreement is reached at the meeting, the Board shall review, discuss and act on the written resolution at the next open Board Meeting. The Owner may request that the

matter be raised in Executive session. The Board shall ratify and approve the written resolution if it is fair and reasonable to the Association as a whole and to other affected members, and if it does not contradict the governing documents or any state, federal or local laws, and if the resolution is within the authority of the Board and does not require approval of the members. If no regular Board meeting is to be held within 30 days of the date of the meeting, the Board shall call a special meeting to review, approve and ratify the agreement.

6. Upon ratification and approval of the Board, the agreement shall become binding on all parties.

7. Owner shall not be charged a fee for requesting or participating in this process.

8. If no agreement is reached for resolution of the dispute, each party is free to proceed with any remedies it has a right to pursue under the governing documents or law.

Certification

This rule has been duly adopted in accordance with California Civil Code §1357.130 by a majority vote of the Board of Directors at its duly called and held open meeting May 21, 2005, after notice to the members of no less than 30 days and acceptance of comments from the members at or before the Board meeting of May 21, 2005.

Signature on File
Secretary