

**GUNNISON RIVER HOMEOWNERS ASSOCIATION
POLICY AND PROCEDURE
ALTERNATIVE DISPUTE RESOLUTIONS
C.R.S. §38-33.3-209.5(1)(b)(VIII)**

- SUBJECT:** Alternative Dispute Resolutions
- PURPOSE:** To adopt policies and procedures regarding alternative dispute resolutions
- AUTHORITY:** The Declaration, Articles and Bylaws of the Association and Colorado Law ("Governing Documents")
- EFFECTIVE DATE:** On the date approved by the Board of Directors
- RESOLUTION:** The Association hereby adopts the following procedures and policies regarding alternative dispute resolutions:

1. Encourage Alternative Dispute Resolutions. Encourage Alternative Dispute Resolution. Finding that the cost and delay of litigation is often an inefficient means of resolving disputes within the community, the Association wishes to encourage the resolution of disputes through alternatives to litigation. The Association hereby adopts the following alternative dispute resolution policies and procedures:

1.1 With respect to disputes between Owners, the Association encourages the parties to seek remedies through procedures other than litigation, such as negotiation, facilitation, mediation or arbitration.

1.2 Except as provided in Section 2, when the Association is involved in a dispute with one or more Owners, the Board of Directors, in its sole discretion, may elect to engage in alternative dispute resolution (including negotiation, facilitation, mediation, or arbitration), if this is agreed to by all the parties to the dispute. However, under no circumstances shall the Association be required to participate in any alternative dispute resolution proceeding.

2. Exceptions. Notwithstanding the above, the Association shall not engage in alternative dispute resolution for the following actions, conditions, or circumstances:

2.1 Any suit by the Association for recovery of one or more installments of unpaid assessments and other amounts due to the Association.

2.2 Any suit by the Association to obtain a temporary restraining order, injunction or such other ancillary relief as the court may deem necessary to preserve the Association's ability to act under and enforce the provisions of the Governing Documents.

2.3 Any suit exclusively between Owners, in which the Association is not a Party; or in any suit between Owners in which the Association has been named

as a defendant; or in any suit between Owners in which the Association has chosen to intervene.

2.4 Any suit in which the statute of limitations will expire within less than six (6) months. However, although not obligated, the Association may agree to engage in alternative dispute resolution that is conducted simultaneously to litigation.

2.5 Under the circumstance where litigation is ongoing the Association shall not be required to engage in alternative dispute resolution procedures for new claims that may arise in conjunction with the litigation.

3. Definitions. Unless otherwise defined in this Policy, initially capitalized or terms used in this Policy have the meanings set forth in the Governing Documents.

4. Deviations. The Board of Directors may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

5. Supplement to Law. The provisions of this Policy are in addition to and in supplement of the terms and provisions of the Governing Documents and the laws of the State of Colorado.

6. Inconsistencies. If and to the extent that any provision of this Policy are inconsistent with the Declaration or Bylaws, the applicable provisions of the Declaration or Bylaws prevail, unless other required by applicable law.

7. Amendment. This Policy may be amended from time to time by the Board of Directors.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of the Gunnison River Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of the Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on 9/30/2022 and in witness thereof, the undersigned has subscribed his/her name.

GUNNISON RIVER HOMEOWNERS
ASSOCIATION, a Colorado nonprofit
corporation

By: [Signature]
_____, President