

**RESOLUTION OF THE BOARD OF DIRECTORS OF
HARBOUR VISTA HOMEOWNERS ASSOCIATION (hereinafter "Association")
A California Nonprofit Mutual Benefit Corporation**

Re: Internal Dispute Resolution Process

WHEREAS, *Civil Code* §5905 provides that a Community Association must provide an internal dispute resolution process ("IDR Process") that an Owner and Community Association may pursue as a fair, reasonable, and expeditious procedure for resolving a dispute;

WHEREAS, *Civil Code* §5910 sets forth the requirements for an IDR Process;

WHEREAS, the Board desires to adopt the IDR Process set forth below.

NOW, THEREFORE, BE IT RESOLVED that Harbour Vista Association adopts the following IDR Process that is in compliance with *Civil Code* §5910:

1. Either party (Association or Owner) to a dispute involving their respective rights, duties or liabilities under the governing documents, the *Davis-Stirling Common Interest Development Act* and/or the nonprofit mutual benefit corporation law (collectively "Dispute") may request the following procedure:

A. The 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. The Association may not refuse an Owner's request to meet and confer.

C. Upon an Owner's request that the Association participate in an IDR Process, the Association has thirty (30) days to respond and must make a good faith attempt to hold the IDR Process within sixty (60) days of receipt of the written request.

D. The Board shall designate two or more Board members to meet and confer with the Owner. The community manager will also attend the meeting. Either party, at its own cost, may ask other persons to attend, if doing so is reasonably likely to aid in explaining and resolving the dispute. For example, if the dispute involves architectural issues, the Board may ask a member of the Architectural Committee to join the meeting.

2. Although not precluded, attorney participation in the IDR Process is discouraged in order to maintain direct discussions between the parties of the Dispute and to maintain the goal of resolution through an expeditious process. To the extent Owner requires that his/her/its attorney attend the IDR Process, the Owner shall be required to give five (5) business days' notice to the Association so that the Association can ascertain if it desires its corporate counsel to also attend.

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.

4. A resolution of the Dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board Designees on behalf of the Association.

5. The Agreement reached by the Owner and the Board Designees 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 within thirty (30) days of the date that the Agreement is executed by the Owner and the Board Designees.

6. If the Association initiates the "meet and confer" program and its dispute with the Owner, if left unresolved, is such that the Board could consider discipline against the Owner, the request to the Owner shall additionally indicate whether the Board intends to consider such discipline following the conclusion of the meeting and, if so, what discipline might be considered. Only meetings attended by at least a majority of the Board may result in disciplinary action.

7. The Owner participating in the IDR Process shall not be charged a fee to participate in the IDR Process.

CERTIFICATE OF SECRETARY

I certify that I am the duly qualified and acting secretary of HARBOUR VISTA HOMEOWNERS 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 _____, 2015, and entered in the minutes of such meeting in the Minute Book 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: _____ HARBOUR VISTA HOMEOWNERS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

By: _____