

AMENDMENT TO BYLAWS RE: ALTERNATIVE DISPUTE RESOLUTION

WHEREAS: The membership understands and agrees that the cost, complexity and delay inherent in court proceedings make litigation a particularly inefficient means of resolving neighborhood disputes;

THEREFORE: The association bylaws are hereby amended by adoption of the following policies and procedures with regard to cases or issues which do not involve an imminent threat to the peace, health, or safety of the community:

1. Upon demand by either homeowner or board any controversy between the said homeowner and board shall be submitted to Alternative Dispute Resolution, the terms of which are set forth below.
2. Alternative Dispute Resolution shall be conducted by the Colorado Springs office of the Judicial Arbitrator Group **or another mediator/arbitrator group as agreed upon by both parties**. The mediator's/arbitrator's procedures or rules then in effect for such disputes will govern any Med/Arb between the parties and the Med/Arb will take place in Colorado Springs, Colorado.
3. The parties shall agree on a mediator. If the parties cannot agree a mediator shall be appointed by a judge of the County Court.
4. Except as set forth in paragraph 5 below, the cost of alternative dispute resolution shall be shared equally by the parties.
5. Either party may be represented by legal counsel, provided that within 14 days of a mediator being identified said party notifies the opposing party that he/she/it will be represented. Upon such notice both parties may be represented by legal counsel; otherwise neither party shall be represented. If the parties are represented by counsel the covenant entitling the prevailing party to an award of costs and legal fees shall apply.
6. If a partial or full agreement is reached in mediation, that agreement will be reduced to writing, and the written agreement will be signed by the parties. If at the conclusion of the mediation the parties have not reached a voluntary agreement resolving all issues the mediator shall issue a binding ruling with respect to unresolved issues which will be based upon the evidence and arguments presented at the mediation. If requested by the mediator/arbitrator or either party, a hearing for the presentation of evidence will be conducted. Said hearing shall take place within thirty days.
7. Except as expressly stated herein, nothing in this Agreement is meant to waive either party's rights and responsibilities under the Amended Declaration of Covenants Conditions and Restrictions of the Discovery Subdivision. IT IS

UNDERSTOOD that this policy does not affect the right of the Association to levy and collect fines or liens according to the authority granted to the Association in the Covenants and the By Laws.

ADOPTED BY MAJORITY OF A QUORUM OF THE MEMBERSHIP OF THE DISCOVERY HOMEOWNERS' ASSOCIATION THIS _____ DAY OF _____.