

MISSION VIEJO ENVIRONMENTAL ASSOCIATION

Internal Dispute Resolution Procedures Adopted November 19, 2015

Mission Viejo Environmental Association (the “Association”) and its members are subject to the provisions of the Davis-Stirling Common Interest Development Act (the “*Davis-Stirling Act*”). The Davis-Stirling Act (at *Civil Code §5900 et seq.*), provides for Internal Dispute Resolution (“IDR”) which is a process intended to encourage the informal, non-judicial resolution of disputes between the Association and its members regarding their respective rights, duties and/or liabilities related to Association’s governing documents and/or certain applicable laws. The following is the IDR procedure that has been adopted for this Association.

Internal Dispute Resolution

The following procedure is intended to provide a fair, reasonable and expeditious process for seeking an informal and non-judicial resolution of disputes between the Association and an Association member concerning their respective rights, duties or liabilities under the Davis-Stirling Act, the California Nonprofit Mutual Benefit Corporation Law or the governing documents of the Association.

1. The Association or an Association Member may request IDR, which is a process by which the Association and the Association member will meet and confer in an effort to resolve the dispute between them (hereinafter the “IDR Meeting”).
2. A request for IDR must be in writing and contain a brief description of the dispute between the parties. If made by the Association to a member of the Association, the request shall be sent by individual delivery pursuant to *Civil Code §4040*. If made to the Association, the request shall be sent to the person designated in the Association’s Annual Policy Statement to receive documents on behalf of the Association, pursuant to *Civil Code §§ 4035 and 5310*.
3. A member of the Association may refuse an Association IDR request. A member that does not respond to an Association IDR request, in writing, within thirty (30) days will be deemed to have refused the Association’s request.
4. The Association may not refuse a member’s proper IDR request. The Association will respond to a proper IDR request, in writing, within thirty (30) days. Also, the Association will propose at least two dates/times for an IDR Meeting that are within forty-five (45) days of a member’s IDR request and otherwise endeavor to conduct the IDR Meeting within that time period (unless the parties agree to extend that time period or the parties are prevented from participating in an IDR Meeting within that time frame due to notice requirements or scheduling conflicts beyond the reasonable control of either party). If a member who has requested IDR does not respond to an Association communication regarding the setting/scheduling of the date/time for the IDR Meeting

within fourteen (14) days of that communication, the member's request for IDR will be deemed withdrawn.

5. The Association's Board of Directors shall designate one (1) or more directors to participate in the IDR Meeting. Both the member and Association may, at their own cost, be assisted by an attorney or another person in explaining their positions. A member bringing an attorney to an IDR Meeting must notify the Association, in writing, of that fact at least ten (10) days prior to the meeting. The Association reserves the right to postpone/reschedule any IDR Meeting if such notice is not timely provided or if the Association is unable to arrange to have its own attorney at the same meeting.

6. At the IDR Meeting, the Association representative and the member shall explain their positions and confer in good faith in an effort to resolve the dispute.

7. If an agreement is reached to resolve the dispute it will be binding and judicially enforceable if (1) it is in writing and signed by both parties; and (2) its terms are not in conflict with law or the governing documents of the Association. If the IDR procedure is invoked by the Association, the member participates, but the dispute is resolved other than by agreement of the member, the member shall have the right of appeal to the Association's Board of Directors. Any such appeal must be requested, in writing, within twenty (20) days of the completion of the IDR Meeting.

8. A member of the Association shall not be charged a fee to participate in the IDR process.

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