

## Summary of California Statutes Relating To Internal Dispute Resolution

Pursuant to Civil Code Section 1363.840 (Civil Code Section 1363.810, et seq.), either the Association or a Homeowner who is in a dispute regarding the Governing Documents, the non-profit mutual benefit corporation law, and/or the Davis-Stirling Common Interest Development Act may invoke the following procedure, which supplements the pre-litigation procedures described above (it does not replace such procedures):

(1) The party must request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

(2) A member of an association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.

(3) The association's board of directors shall designate a member of the board to meet and confer.

(4) 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.

(5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.

(6) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:

i. The agreement is not in conflict with California law or the governing documents of the association.

ii. The agreement is either consistent with the authority granted by the board of directors to its designee or the agreement is ratified by the board of directors.

(7) A member of the association may not be charged a fee to participate in the process.