**OCTOBER 2016 ADDENDUM TO**

**GREENS OF SCHERWOOD TOWNOME OWNERS ASSOCIATION, INC.**

**RULES AND REGULATIONS**

Pursuant to **Indiana Code 32-25.5-5-1**, et seq., and any amendments thereto, the **GREENS OF SCHERWOOD TOWNHOME OWNERS ASSOCIATION, INC**. Board of Directors, pursuant to its powers and duties outlined in the By-Laws of said Corporation, hereby make the following Addendum to its presently existing Rules and Regulations to provide for a mandatory **GRIEVANCE RESOLUTION PROCESS**.

1. **In this Addendum, “claim” refers to any of the following**:
2. A claim arising out of or relating to the interpretation, application, or enforcement of the governing documents and Rules and Regulations.
3. A claim relating to the rights or duties of the homeowners association or the board under the governing documents and Rules and Regulations.
4. A claim relating to the maintenance of the subdivision.
5. Any other claim, grievance, or dispute among the parties involving the subdivision or the homeowners association.

However, the term *does not include an* ***exempt claim***. Exempt claims include, but are not limited to claims for unpaid assessments or emergency equitable relief that jeopardizes the health or safety of any residents within the Greens community.

1. **Requirements for claimant to begin legal proceedings**

A claimant may not initiate a legal proceeding seeking redress or resolution of a claim until the claimant has complied with the procedures described in this Addendum.

1. **Notice of claim; required information**

A claimant must provide notice of the claim to the respondent, stating plainly and concisely the following information:

1. The nature of the claim, including the date, time, location, persons involved, and the respondent’s role in the claim.
2. The basis of the claim, including the provision of the governing documents or other authority out of which the claim arises.
3. What the claimant wants the respondent to do or not to do to resolve the claim.
4. That the respondent has a right to meet with the claimant, if the respondent makes a written request for a meeting.
5. The name and address of the person from whom the respondent must request a meeting.
6. **Negotiation meeting; access to subject property**
7. This section applies if a respondent has requested a meeting under section C (4) above not later than **ten (10) business days** after the date of the notice of the claim given under Section C above.
8. The claimant and the respondent shall meet in person to resolve the claim by good faith negotiation, at the time and place agreed to by the claimant and the respondent.
9. During the meeting, the parties must have full access to the property that is the subject of the claim to inspect the property, if appropriate or necessary. If the respondent agrees to take corrective action, the claimant must provide the respondent and the respondent’s agents with full access to the property to take and complete corrective action.
10. **Impasse; submission of claim to mediation or binding arbitration; costs of mediator or arbitrator**
11. The parties are considered to be at an impasse if:
12. The respondent does not request a negotiation meeting under this Addendum;
13. Either party fails to attend a negotiation meeting agreed upon under Section D of this Addendum; or
14. The parties are unable to settle the claim at a negotiation meeting held as provided in this Addendum.
15. Either party may, not later than **ten (10) days** after an impasse is reached, request in writing to the other party that the other party submit the claim to mediation or binding arbitration.
16. The party making the request under subsection (b) *SHALL BE responsible for the costs of the mediator or arbitrator.*
17. **Impasse; beginning legal proceedings**

If an impasse is reached and:

1. Neither party requests mediation or arbitration; or
2. Mediation or arbitration does not result in a settlement of the claim; the claimant may begin legal proceedings.
3. **Settlement of claim through negotiation, mediation, or arbitration; legal proceedings; recovery of costs**
4. This section applies if a claim is settled through negotiation, mediation, or arbitration.
5. The settlement of the claim must be documented in a written agreement signed by each of the parties.
6. If a party fails to abide by the settlement agreement signed under subsection (b), the other party may begin legal proceedings without again complying with the terms of this Addendum.
7. If a party who begins legal proceedings under subsection G (c) prevails in those legal proceedings, the party is entitled to recover from the other party:
8. Court costs;
9. Attorney’s fees; and
10. All other reasonable costs and litigation expenses incurred in enforcing the settlement agreement.
11. **Effect of release or discharge**

A release or discharge of a respondent from liability to the claimant with respect to the claim does not release or discharge the respondent with respect to any other person who is not a party to the claim.

1. **Powers of Board of Directors**

The board, on behalf of the townhome owners association, and without the consent of the members of the townhome owners association, may do any of the following:

1. Negotiate settlements of claims or legal proceedings under this Addendum.
2. Execute settlement agreements, waivers, release of claims, or any other documents resulting from application of this Addendum.
3. **Costs of each party**

Except as otherwise provided in this Addendum, each party (both claimant and respondent) shall bear its own costs for application of this Addendum, including attorney’s fees, court costs and litigation expenses.

**HEREBY APPROVED BY A VOTE OF \_\_\_\_\_\_ IN FAVOR \_\_\_\_\_\_ AGAINST THIS \_\_\_\_\_ DAY OF OCTOBER, 2016.**

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 Phil MULLANEY, President

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 RANDY H. WYLLIE

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 ROBERT SCOTT

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 TOM SMITH

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 PEGGY HINCKLEY