

# **BIRCH CREEK FOREST PROPERTIES, INC.**

## **ALTERNATIVE DISPUTE RESOLUTION POLICY**

In accordance with **Texas Property Code Chapter 209.007(e)** and the governing documents of Birch Creek Forest Properties, Inc., if a dispute between a Member and the Association remains unresolved following all required notices or a hearing before the Board, and the Board determines that further resolution is warranted, the matter shall proceed to mandatory mediation as outlined in this policy. If mediation does not result in a mutually acceptable resolution, the dispute shall then advance to binding arbitration, which shall serve as the final method of resolution. The following steps outline the process:

### **Step 1: Formal Notice to the Property Owner**

- The Association will provide the required written notices informing the property owner of the violation or non-compliance.
- The property owner will have **30 days** to respond, either to correct the violation or dispute the issue or to request a hearing before the Board.
- If the matter is still unresolved after the hearing with the Board, the matter will proceed to Mediation.

### **Step 2: Selection of a Mediator**

- The Association and the property owner will agree on a neutral mediator, from the **American Arbitration Association (AAA)** or a local mediation service.

### **Step 3: Scheduling the Mediation Session**

- The mediator will set a date, time, and location for the mediation session.
- Both parties must prepare by gathering relevant documents and outlining their positions.

### **Step 4: Mediation Session**

- The mediator will facilitate discussions, helping both parties explore solutions and negotiate a resolution.
- If an agreement is reached, it will be documented and signed by both parties.

### **Step 5: Outcome & Next Steps**

- If mediation succeeds, the agreement will be binding and enforceable under the governing documents.
- If mediation fails, the dispute shall proceed to binding arbitration, as outlined in the governing documents.

### **Step 6: Binding Arbitration**

- Arbitration will be conducted under the rules of the **American Arbitration Association (AAA)** or another mutually agreed arbitration body.

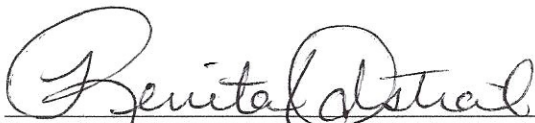
- Arbitration shall apply to all disputes arising between a Member and the Association, including but not limited to matters involving policies, enforcement, assessments, fines, governance, compliance, or any other issue related to the rights and responsibilities established under the governing documents or applicable law.
- The arbitration decision shall be final and legally enforceable, subject only to limited judicial review under the *Texas Civil Practice and Remedies Code, Chapter 171* for fraud, misconduct, or procedural errors.

**Step 7: Cost Allocation**

- Mediation costs shall be shared equally between the Association and the property owner.
- In arbitration, the arbitrator shall determine the allocation of arbitration expenses, including fees, administrative costs, and legal expenses.

**CERTIFICATION**

We, the undersigned officers of Birch Creek Forest Properties, Inc., hereby certify that this Alternative Dispute Resolution Policy was approved and adopted by the Board of Directors on June 06, 2026. It has been entered into the official books and records of the Association and shall be recorded in the Official Public Records of Real Property in Burleson County, Texas.



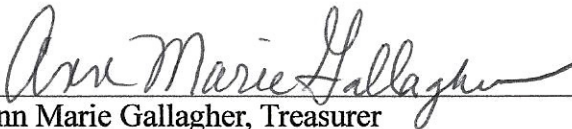
Renita Odstrcil, President



Thomas Scott Howard, Vice-President



John Dunkleman, Secretary



Ann Marie Gallagher, Treasurer



Dennis Shook, Assistant Secretary/Treasurer