

STEDWICK HOMES CORPORATION

PROCEDURES FOR DISPUTE RESOLUTION

Chapter 10B, Common Ownership Communities, of the Montgomery County Code establishes a process including mediation and binding administrative hearings to resolve certain disputes involving common ownership communities. (See Montgomery County Code, Sections 10B-8 through 10B-15). Section 10B-9(b) of the law states:

"A party must not file a dispute with the Commission (Commission on Common Ownership Communities) until the party makes a good faith attempt to exhaust all procedures or remedies provided in the association documents."

In accordance with the provision, the procedures and remedies for disputes arising between the Stedwick Homes Corporation (SHC) and other parties are established as follows:

1. Any party who has a dispute with the Stedwick Homes Corporation, which is within the jurisdiction of Chapter 10B, shall file a written description or notice of the dispute, including the relief requested, with the Office of Managing Agent, Montgomery Village Foundation, 10120 Apple Ridge Road, Montgomery Village, Maryland 20886. If appropriate, SHC may provide forms for filing notices of disputes.
2. Notice of a dispute should be filed with SHC within thirty (30) days from the date the dispute arose.
3. The SHC Board of Directors or a committee appointed by the Board specifically for this purpose, will hear all disputes. The party filing the dispute will be given at least ten (10) days written notice of the date, time and place of the hearing. The hearing will be held, if possible, within thirty (30) days of filing of the notice of a dispute, at a mutually convenient date, time and place.
4. At the hearing, SHC and the party filing the dispute may present evidence and testimony and question opposing witnesses. Reasonable time limits may be imposed by SHC. The party filing the dispute may be required to file a pre-hearing statement indicating the number of witnesses and the estimated amount of time he or she will require to present the dispute.
5. The Board of Directors, or committee which hears the dispute, will issue a written decision within fifteen (15) days of the hearing, granting or denying the relief requested.
6. SHC and the party filing the notice of a dispute may agree to a settlement or compromise of the dispute at any time during the process.
7. If a party who has a dispute with SHC fails to file a written notice of dispute and to request a hearing, then no hearing need be held before SHC takes whatever action may be appropriate under the circumstances to enforce its covenants, rules and regulations. The filing or pending state of filing a dispute does not automatically stay action by SHC.
8. The SHC Board of Directors may develop and adopt additional rules of procedure for the fair conduct of hearings.

Approved: 3/20/91

Reaffirmed: 4/21/99, 4/19/00, 4/18/01, 5/15/02, 4/16/03, 5/19/04, 5/18/05, 4/19/06, 5/16/07, 4/16/08, 4/15/09, 4/21/10, 6/15/11, 5/16/12, 4/16/14