

**MINUTES OF THE REGULAR MONTHLY MEETING VIA ZOOM
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
May 25, 2023**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President Collazo at 9:00 a.m. on Thursday, May 25, 2023, via Zoom Video and Conference Call and Conference Rm A.

ROLL CALL

Present: President Collazo, Secretary St. Aubin, Director Rockwood, Markovich, Weber, and Perrotti.

Absent: Vice President Luther-Stark, Chief Financial Officer Frank

GRF Representative: Ms. Gambol and Ms. Perrotti

Guests: Four Mutual One Shareholders (via zoom)
One Mutual One Shareholders (in-person)

Staff: Ms. Hall, Sr. Director of Member Services (via zoom)
Mr. Stolarz, Building Inspector
Ms. Barua, Sr. Portfolio Specialist
Mr. Jackson, Portfolio Specialist

SHAREHOLDER COMMENTS

One shareholder made a comment.

MINUTES

The Regular Meeting Minutes of April 27, 2023 were approved by general consensus of the board, as printed.

The Special Meeting Minutes of May 10, 2023 were approved by general consensus of the board, as corrected.

GUEST SPEAKER

Sr. Director of Member Services, Ms. Hall discussed the 2022 Financial Audited Statements.

Following a discussion and upon a MOTION duly made by Director Perrotti and seconded by Secretary St. Aubin, it was

RESOLVED to accept that the Board of Directors of Seal Beach Mutual One, upon a presentation of the Financial Statements as of December 31, 2022, for the year then ended, and the proposed Accountant's Report as submitted by CliftonLarsonAllen (CLA), hereby accepts the abovementioned Financial Statements and reports therein, and authorize the President to sign the Management Representation Letter.

The MOTION passed unanimously.

Following questions, Ms. Hall left the meeting at 9:20 a.m.

BUILDING INSPECTOR'S REPORT

Building Inspector Stolarz presented his report (attached).

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to approve to add pergola and patio for Unit 01-005F. Work to be done at the shareholder's expense.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by _____, it was

MOTION FAILED to approve cart pad proposal for Unit 01-025L. Work to be done at the shareholder's expense.

The **MOTION FAILED** due to a lack of a second.

Following a discussion and upon a MOTION duly made by President Collazo seconded by Director Rockwood, it was

RESOLVED to approve the patio proposal for an extended patio and planter for Unit 01-048F. Work to be done at the shareholder's expense.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Secretary St. Aubin, it was

RESOLVED to approve the J&J Landscaping proposal for planters to be added along Welcome Signs, at a cost not to exceed \$1,195.00 per sign. Funds to come from Infrastructure and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Perrotti, it was

RESOLVED to approve the Fenn Termite and Pest Control, proposal for inspection and maintenance of 200 bait stations from 2023-2025 at a cost not to exceed \$2,300.00. Funds to come from Operating and authorize the President to sign any necessary documentation.

The MOTION passed within two "no" votes (St. Aubin and Markovich) and four "yes" votes (Collazo, Weber, Rockwood, and Perrotti.)

Following questions, Mr. Stolarz left the meeting at 9:47 a.m.

GRF REPRESENTATIVES' REPORTS

GRF Representative Gambol and Perrotti provided GRF updates on upcoming projects.

Following questions, Ms. Gambol left the meeting at 10:14 a.m.

UNFINISHED BUSINESS

No unfinished business.

NEW BUSINESS

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to respectfully accept the resignation of Daniel Frank as Chief Financial Officer and Director from the Mutual One Board of Directors.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to appoint John Markovich as Chief Financial Officer to the Mutual One Board of Directors, effective immediately, for the remaining 2022-2023 term in office.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to approve the Wash Laundry Room contract for 60 months, at a cost not to exceed \$3,570.00 per month. Funds to come from Operating and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Chief Financial Officer Markovich, it was

RESOLVED to approve the transfer of funds of \$500,000 from US Bank to Ameritrade for investment.

The MOTION passed unanimously.

**BOARD OF DIRECTORS
MUTUAL ONE**

May 25, 2023

Following a discussion and upon a MOTION duly made by Director Weber seconded by Secretary St, Aubin, it was

RESOLVED to propose a rule change by amending the Fine Schedule of the Rules and Regulations and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Perrotti, it was

RESOLVED to approve funds for the Annual Meeting Luncheon, gathering caterers and printing of flyers for approximately 125-150 shareholders, at a cost not to exceed \$2,500.00. Funds to come from Operating and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to propose a rule change amending Article II, Section 4.3 Caregiver Parking of the Rules and Regulations and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Secretary St. Aubin, it was

RESOLVED to propose a rule change amending Section 6. – Pets of the Rules and Regulations and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Director Rockwood, it was

RESOLVED to propose a rule change by amending Section 9.3 – Fine Schedule/ Carports and Section 10.2 – Enforcement of Community Traffic Regulations of the Rules and Regulations and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be

considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Secretary St. Aubin, it was

RESOLVED to propose a rule change by amending Article V. Landscape/Garden Rules and Regulations of the Rules and Regulations and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

SECRETARY / CORRESPONDENCE

No correspondence received.

CHIEF FINANCIAL OFFICER'S REPORT

No report.

PORTFOLIO SPECIALIST'S REPORT

No report.

ANNOUNCEMENTS

ANNUAL MEETING: Monday, June 12, 2023 at 10 a.m. in CH-4/Zoom

NEXT BOARD MEETING: Thursday, July 27, 2023, at 9:00 a.m. via Zoom Video/Conference Call and Conference Rm B.

COMMITTEE REPORTS

Landscape Committee

Secretary St. Aubin provided an update.

Physical Properties

Director Rockwood provided an update.

New Buyer Orientation

Director Weber provided an update.

Painting Committee

No update.

DIRECTORS' COMMENTS

Several Directors made comments.

SHAREHOLDERS' COMMENTS

Several shareholders made a comment.

ADJOURNMENT

President Collazo adjourned the meeting at 11:01 a.m. and announced there will be an Executive Session following the meeting to discuss member issues.


EXECUTIVE SESSION SUMMARY

The Board met in Executive Session on Thursday, May 25, 2023, at 11:21 a.m., and took the following actions:

The Mutual One Board approved the executive session minutes of April 17, 2023 and IDR minutes of May 17, 2023.

1. Legal Matters
 - a. Several legal matters were discussed.
2. Contracts
 - a. No contracts were discussed.
3. Assessments / Delinquencies
 - a. No files were closed.
 - b. No letters were drafted.
 - c. Several files to monitor.
4. Disciplinary Hearings
 - a. No Disciplinary hearings occurred.

President Collazo adjourned the meeting at 12:21 p.m.


Attest, JoAnn St. Aubin, Secretary
SEAL BEACH MUTUAL ONE
RB 05/25/23

**MINUTES OF THE SPECIAL BOARD MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
May 10, 2023**

A Special Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President Collazo at 1:00 p.m. on Wednesday, May 10, 2023, in Conference Room C.

Those members present were President Collazo, Vice President Luther-Stark, Chief Financial Officer Frank, Secretary St. Aubin, Director Perrotti, Director Weber, Markovich, and Rockwood.

One shareholder was present.

The purpose of the meeting was to prepare Agenda items for the Board Meeting.

President Collazo adjourned the meeting at 3:00 p.m.



Attest, JoAnn St. Aubin, Secretary
SEAL BEACH MUTUAL ONE
RB 05/19/23

Mutual Corporation No. One

SIGN IN SHEET *5/25/2023*

	GUEST NAME & UNIT NUMBER
1.	Kathy Larkin– 012D (zoom)
2.	Mark Scott – 013K (zoom)
3.	Mike Stabile – 030D (zoom)
4.	Jill Brennan – 029E (zoom)
5.	Robert Dufney – 070E (In-person)

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **May 25, 2023**

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
2-D	HEAT PUMP	BOTH	05/22/23	08/22/23	NO	NONE	GREENWOOD
2-L	WINDOWS	BOTH	03/14/23	06/30/23	NO	05/12/23 FRAMING	MP CONSTRUCTION
5-D	SHOWER CUT DOWN	BOTH	05/10/23	06/10/23	NO	NONE	NUKOTE
5-E	FLOORING	BOTH	04/10/23	04/30/23	NO	NONE	BIXBY PLAZA CARPETS
5-I	LIGHT & OUTLETS	BOTH	02/01/23	05/15/23	NO	04/28/23 FINAL	JULIAN ELECTRICAL
5-I	BATHROOM LIGHT FIXTURE	GRF	04/17/23	06/26/23	NO	4/28/23 FINAL	JULIAN ELECTRICAL
5-I	WINDOWS & SCREEN	BOTH	12/10/22	04/30/23	NO	4/28/23 FINAL	LW DÉCOR, INC.
7-J	SHOWER CUT DOWN	BOTH	04/27/23	05/27/23	NO	NONE	NUKOTE
8-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
8-E	FLOORING	GRF	05/15/23	06/30/23	NO	NONE	KARY'S CARPETS
8-G	KITCHEN REMODEL	BOTH	03/30/20	05/30/23	NO	NONE	J.C. KRESS
9-F	F.A.U	BOTH	02/13/23	05/13/23	NO	FINAL 5/5/23	GREENWOOD
9-I	PATIO FLOORING	GRF	03/06/23	05/30/23	NO	05/12/23 FINAL	LW DÉCOR, INC.
10-E	COUNTER TOPS / FLOORING	BOTH	02/20/23	07/31/23	NO	NONE	ACE MAINTENANCE
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 FRAMING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 WIRING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 GROUND	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 PLUMBING	J.C. KRESS
15-G	HEAT PUMP	BOTH	04/03/23	07/13/23	NO	NONE	GREENWOOD
15-I	TILE/ CONCRETE	BOTH	03/25/23	06/30/23	NO	05/12/23 FINAL	LW DÉCOR, INC.
18-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
18-G	WINDOWS	BOTH	03/20/23	06/28/23	NO	04/20/23 FINAL	LOS AL BUILDERS
20-I	FLOORING/ TILE	GRF	04/27/23	05/30/23	NO	05/08/23 FINAL	KARY'S CARPETS
22-H	MISC. REMODEL	BOTH	10/30/22	02/28/23	NO	NONE	BRUNO H. ALVAREZ

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **May 25, 2023**

25-H	FLOORING	GRF	03/25/23	06/30/23	NO	04/28/23 FINAL	LW DÉCOR
25-H	NUKOTE	BOTH	04/21/23	05/21/23	NO	NONE	NUKOTE
27-B	SHOWER CUT DOWN	BOTH	04/07/23	05/07/23	NO	NONE	NUKOTE
27-D	KITCHEN REMODEL	BOTH	04/26/23	07/30/23	NO	NONE	MP CONSTRUCTION
28-H	HEAT PUMP	BOTH	05/22/23	08/22/23	NO	NONE	GREENWOOD
33-B	SATELLITE	GRF	05/11/23	05/11/23	NO	05/12/23 FINAL	DISH NETWORK
33-H	SHOWER CUT DOWN	BOTH	04/10/23	05/10/23	NO	NONE	NUKOTE
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	01/23/23 FOOTING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 ROUGH WIRING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 FRAMING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 SHEAR PANEL	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 INSULATION	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/28/23 SCRATCH COAT	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/03/23 BROWN	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/27/23 DRYWALL	MAMUSCIA CONSTRUCTION
38-E	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
38-H	HEAT PUMP	BOTH	05/18/23	08/18/23	NO	NONE	GREENWOOD
39-G	WASHER / DRYER	BOTH	04/26/23	07/30/23	NO	NONE	MP CONSTRUCTION
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/26/23 FINAL	MARCO CONSTRUCTION
46-H	SHOWER	BOTH	05/22/23	07/22/23	NO	NONE	REBORN CABINETS
52-D	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	03/09/23 GROUND	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	03/14/23 FOOTING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	04/10/23 FRAMING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	04/14/23 ROUGH PLUMBING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	04/10/23 ROUGH WIRING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	04/11/23 INSULATION	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	YES	04/18/23 DRYWALL	JOHN M. BERGKVIST

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **May 25, 2023**

54-B	BLOCKWALL	GRF	04/17/23	06/19/23	NO	05/10/23 FINAL	JOHN M. BERGKVIST
56-E	KITCHEN REMODEL	BOTH	04/01/23	06/01/23	NO	NONE	OGAN CONSTRUCTION
56-E	REMODEL	BOTH	04/03/23	06/15/23	NO	05/09/23 FOOTING	OGAN CONSTRUCTION
56-E	REMODEL	BOTH	04/03/23	06/15/23	NO	05/15/23 FRAMING	OGAN CONSTRUCTION
56-E	REMODEL	BOTH	04/03/23	06/15/23	NO	05/15/23 INSULATION	OGAN CONSTRUCTION
56-E	REMODEL	BOTH	04/03/23	06/15/23	NO	05/15/23 ROUGH WIRING	OGAN CONSTRUCTION
60-F	SKYLIGHT DOMES	GRF	01/20/23	03/06/23	NO	NONE	M&M SKYLIGHTS
60-K	HEAT PUMP	BOTH	03/20/23	06/20/23	NO	04/21/23 FINAL	GREENWOOD HEATING & AIR
64-K	CART PAD	GRF	05/12/23	06/20/23	NO	NONE	J&J LANDSCAPE
66-K	SKYLITES	BOTH	05/12/23	06/30/23	NO	NONE	M&M SKYLIGHTS
69-K	FLOORING	GRF	04/01/23	06/01/23	NO	NONE	MICHAEL'S CARPET
70-D	SHOWER CUT DOWN	BOTH	05/15/23	06/15/23	NO	NONE	NUKOTE

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
1-D		03/20/23					
2-D		01/18/23	04/13/23	04/24/23	05/08/23		
10-G		04/10/23					
12-C		03/10/23	05/11/23	05/11/23	05/25/23		
14-L		10/10/22					
20-A		04/10/23					
21-F		08/30/22					
26-L		03/22/23					
28-A		04/20/23					
30-K		05/17/23					

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : (01) ONE

INSPECTOR : RICH STOLARZ

MUTUAL BOARD MEETING DATE: May 25, 2023

32-E		04/10/23					
39-E		05/17/23					
40-D		08/18/22					
44-D		03/10/23					
45-B		09/14/22					
49-B		02/10/23					
50-I		03/20/23	04/13/23	04/17/23	05/01/23		
56-B		03/02/23					
64-K		03/02/23	03/05/23	04/20/23	05/04/23		

NMI = New Member Inspection **PLI** = Pre-Listing Inspection **NBO** = New Buyer Orientation
FI = Final Inspection **FCOEI** = Final COE Inspection **ROF** = Release of Funds

CONTRACTS AND PROJECTS

CONTRACTOR	PROJECTS
FENN GOOD THROUGH 5/01/2026	TERMITES & PEST SERVICE
FENN GOOD THROUGH 6/30/2023	BAIT STATIONS
WASH GOOD THROUGH 06/30/23	WASHERS & DRYERS
J&J LANDSCAPING GOOD THROUGH 12/01/2024	LANDSCAPING
A-1 TOTAL SERVICE PLUMBING 12/31/23	SEWER PIPE RELINING
SOUTHERN PROPERTY FIRE PROTECTION - FIRE EXTINGUISHER CERTIFICATION GOOD THROUGH 12/2023	
A1 TOTAL PLUMBING - WORKING ON BLDG. 57, 58, 59	
PROPOSAL TO RENEW FENN BAIT STATION 3 YEAR CONTRACT - 2023 - 2026	
PROPOSAL TO RENEW WASH LAUNDRY CONTRACT FOR 60 MONTHS - \$3,570 MONTH	
PROPOSAL FROM J&J LANDSCAPE TO INSTALL PLANTER AROUND 7 WELCOME SIGNS - \$1,195 EA.	
REQUEST FOR PATIO EXTENSION AND PERGOLA AT UNIT - 5-F	
REQUEST FOR PATIO EXTENSION AND PLANTER AT UNIT - 48-F	

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **May 25, 2023**

REQUEST FOR CART PAD IN FRONT OF UNIT 25-L

MUTUAL & SHAREHOLDER REQUEST

79

SITE VISITS

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

The Mutual will advise shareholders of violations of these Rules and Regulations, in writing. If the violating shareholder does not correct the violation within 30 business days, the Mutual will make the correction(s) at the expense of the shareholder. (Refer to Appendix A – **Fine Schedule Shareholder Garden—Notice to Comply Letter.**)

Currently, Seal Beach (including Leisure World) dictates watering of the grass area and of the garden area in front of your residence is restricted to Tuesday, Thursday, and Saturday between 6PM and 6AM, for no longer than 15 minutes. This may change with little advance warning (more or less restrictive). Changes will be posted on the Mutual 1 WEB page, or contact your Mutual 1 Director for most current status.

The Mutual's landscape contract includes routine trimming of shrubbery and cultivating and weeding. Rose bushes are pruned annually, usually in January.

1. LANDSCAPE REQUESTS

- Shareholders must contact the HELPLINE for any gardening requests or sprinkler service. Shareholders are prohibited from requesting such work directly from the gardeners.
- Shareholder's "set limits" for shareholder garden areas are set by the existing garden border. (Refer to Patio Rules and Regulations)
- The Mutual reserves the right to determine if a shareholder garden area has become cluttered or unsightly. If so determined, the Mutual will send a 30-day written notice to the violating shareholder. If further action is needed, the Mutual will take steps to bring the shareholder garden area into compliance at the expense of the shareholder and the shareholder will not be reimbursed for any discarded items. (Refer to Appendix A – **Fine Schedule Shareholder Garden—Notice to Comply Letter.**)
- Containers on the ground in the standard shareholder garden area must be decorative.
- Nursery containers are not permitted.
- No more than 15 containers will be allowed per side of personal garden area of common areas of an individual unit (end units 15 in front and 15 on side). Under no circumstances should potted plants prohibit unit ingress or egress.
- Containers that have no drainage holes and standing water are not permitted; they are breeding grounds for mosquitoes.
- Freestanding inanimate objects are permitted in shareholder garden area but shall be limited to six (6) objects.
- Hanging objects on porches are limited to six (6).
- Shareholders are prohibited from leaving unused gardening material/equipment, empty pots, fertilizer, pavers, trash, garbage, newspapers, household items, water dishes or food of any kind in their gardens and common areas. Units with outside storage cabinets cannot store fertilizers in the storage units or carport storage units (fire hazard). If not removed within 30 days a 30-day written notice to correct will be issued

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- Caregivers who serve as 24-hour caregivers, and live within the Shareholder's Unit, may use washers and dryers for their personal use, but may not use the washers and dryers for other family members or friends.

4.2 Caregiver Actions

Caregivers, as an invitee of the Shareholder, must act in compliance with the Rules and Regulations of the Mutual at all times. Specifically:

- Caregiver must cease any noise that could be considered disruptive (i.e., no loud televisions, radios, or talking, so as not to disturb the quiet enjoyment of other Qualifying Residents and Shareholders), after 10:00 p.m.
- Caregivers are not allowed to have guests or invitees, including without limitation, family members or friends, to the Unit or anywhere within the Mutual
- Caregivers shall not bring any pets into the Mutual and/or Leisure World.
- Caregivers shall not utilize any Mutual and/or GRF community facilities.

4.3 Caregiver Parking

If a Shareholder does **NOT** own a vehicle, the Shareholder's caregiver may use the carport space associated with the Shareholder's Unit, for purposes of parking their own vehicle, as follows:

- Obtaining a temporary parking permit through the GRF Stock Transfer Office. Such temporary parking permit must always be clearly displayed on dashboard of the caregiver's vehicle.
- ~~Any vehicle without a Mutual One LW sticker on the windshield or caregiver parking pass on vehicle's dashboard will be towed if parked on Trust Streets from 11:00 p.m. to 6:00a.m.~~

Mutual One will allow the Stock Transfer Office to issue Caregiver Parking Passes. All Caregiver Parking Passes will expire on the same date as the Caregiver Pass, Caregiver ID, or Caregiver Badge that was expired.

5. PORCHES, PATIOS, GARDEN EXPANSIONS, PERGOLAS, RETRACTABLE AWNINGS AND GOLF CART PADS

Porch: A porch is the space under the roof of the structure open to the outside or enclosed from the weather.

Patio: A patio is any surface other than garden material that is attached to, or adjacent to the outside wall structure of a unit.

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

Proxies. The Association's Bylaws permit an owner to give a proxy to another person to vote a secret ballot on the owner's behalf. However, proxies shall not be construed or used in lieu of a secret ballot. In such a situation, the proxyholder will fill out the ballot and enclose it in the "secret ballot" envelope.

This envelope will then be enclosed in the second envelope, as discussed above. In the upper left-hand corner of the second envelope, the proxyholder will sign his or her name, indicate his or her name and indicate the address or separate interest identifier that entitles the owner to vote; however, as the "voter", the proxyholder will sign and print his/her name underneath the name and address of the owner. The proxy must be returned with the ballot, but NOT placed inside the "secret ballot" envelope. If any instruction is given in a proxy issued for an election (or other vote) that directs the manner in which the proxyholder is to cast the vote, such instruction shall be set forth on a separate page of the proxy that can be detached and given to the proxyholder to retain. A proxy may be revoked by the owner prior to the receipt of the secret ballot by the inspector(s) of election. If a proxy and a secret ballot are received for the same separate interest, the proxy shall be deemed to have been revoked and the secret ballot shall be counted (if verified by the inspector(s) of election pursuant to these rules). If more than one proxy is received on behalf of a separate interest, the most currently dated proxy shall be counted.

16. Voting on Other Matters

The Association may, but is not obligated to, vote by secret ballot on any other topic which requires the vote of the Owners.

ARTICLE VII. CORRECTIVE MEASURES AND FINES**1. Basic Compliance Policy**

The objective of this Compliance Policy shall be to promote and seek voluntary compliance of shareholders for themselves, those qualified to reside with them and the shareholders' visitors including, but not limited to guests, employees and delivery personnel with the Seal Beach Mutual No. One Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented (collectively, "Governing Documents").

2. Reporting Violations

Any resident shareholder, including any shareholder serving on the Board, may report violations. Contact Security, Community Administration, or the Board of Directors.

Such reports shall constitute a complaint and will be documented in writing to include the time, date, nature of violation, circumstances, and location and address of person or persons

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

responsible. The complaint will be provided to the Mutual for review and, if necessary, enforcement action.

3. Enforcement Procedures

The Mutual may, in the Board's discretion, enforce any violation of the "Governing Documents" by pursuing, without limitation anyone, or combination of, the remedies described below in paragraphs, One, Two, or Three (1, 2, or 3). Notices described in One and Two below shall include a statement inviting the shareholder to a hearing or their right to request a hearing.

1. Send an initial notice of violation letter to the resident shareholder stating the nature of the alleged violation. In the event that the shareholder does not take corrective action and continues to be non-compliant, the notice will include a reasonable date within which to voluntarily comply.
2. **At the request of the Shareholder Resident or of the Mutual 1 Board of Directors, an internal Dispute Resolution (IDR) hearing* will be scheduled. Hearings can be in person, or on-line (using ZOOM application) the shareholders request. If the resident has a scheduling conflict, the resident can request one deferent to no later than 2 weeks after the scheduled hearing. Requests can be via email or in writing. Failure to attend a scheduled or deferred hearing results in waiver of resident's right to a hearing. The result of the hearing will be provided by Mutual 1 in writing to the Resident Shareholder. Either with potential imposed fines, or closing of the hearing with the understanding the violation will be remedied.**
3. **In the event the violation is not remedied, send a 2nd** notice of violation and ~~intent~~ to impose a fine. Fines will be imposed in accordance with the Mutual's Violation Fine Schedule. An action in law or in equity to recover the sums due for damages injunctive relief or any other appropriate legal or equitable relief that may be available to the Mutual.

The following procedure will apply to all violations and infractions of the Governing Documents. At the time a violation is noted or reported, action will be taken as follows:

1. Warning: First Violation – The Board shall give written notice to the shareholder. The notice will identify the violation, and, if appropriate, a time frame for correcting the violation. Notwithstanding the foregoing, under circumstances involving conduct that constitutes (a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring shareholders; (b) a traffic or fire hazard, or (c) a threat of material damage to, or destruction of, the Common Area (collectively, a "Safety Violation"), the Board may forego a warning letter, and proceed immediately with corrective or enforcement action
2. Repeat Violation – If the same violation is repeated (as such term is defined below) within a twelve-month period or in the event of a Safety Violation, the Board shall give the shareholder a written notice of the violation personally or by mail sent by first class or

(March 2023)

SEAL BEACH MUTUAL NO. ONE

AMEND

Rules and Regulations

(30) days or take any other disciplinary action permitted by the Governing Documents. However, no such penalty imposed by the Board shall take effect sooner than five days after the date of the hearing. The Board will provide the shareholder notice of the disciplinary action taken against him within 15 days after the Board’s decision. The Board’s notice of decision shall provide a written explanation of the suspension, fine or conditions, if any, imposed by the Board.

If the violation continues past the hearing and first fine stage, additional fines may be assessed on a daily, weekly or monthly basis as provided for, and at the rates set forth, below in the Fine Schedule without further hearing until the violation is abated by the shareholder. For the purposes of this Fine Schedule, “continuing violations” shall refer to violations that remain unchanged and ongoing until abated by the shareholder.

4. Legal Counsel: Alternative Dispute Resolution – At any time, the Board may refer a matter to the Mutual's legal counsel for enforcement or pursue any other remedy provided by the Mutual’s Governing Documents or law. Additionally, if required by Civil Code Section 5925 et seq., mediation or arbitration will be offered. If a lawsuit is filed, the shareholder may be liable for Mutual’s legal costs and fees

FINE SCHEDULE

The Fine Schedule may be imposed after or concurrent with notice and opportunity for hearing, and the Board of Directors, or committee appointed by the Board, in its discretion, has determined that a resident shareholder is non-compliant with or has violated the “Governing Documents”.

FINE SCHEDULE Notice of Violation: Warning or Fine of \$25.00

Continuing non-compliance will result in further fines of \$25.00 for each day the violation continues.

Fines for violations may be levied in accordance with the following schedule:

Invoices for fines are due and payable immediately.

APPENDIX A

FINE SCHEDULE

	1st Offense	2nd / Repeated Violation	On-Going Violation (if the violation continues past the hearing and first fine stage)
Residency/Occupancy Violations (e.g., unauthorized occupants, guests)	Notice to Comply in 48 hours	\$25.00 \$500.00	\$25.00 \$500.00 May be imposed on as frequently as a daily basis

(March 2023)

SEAL BEACH MUTUAL NO. ONE

AMEND

Rules and Regulations

residing longer than permitted)			until corrected, cumulative; 1st month \$500, 2nd month an additional \$500 for a total of \$1,000, etc., with no limit on total fine amount; or \$100, 2nd month additional \$100 for a total of \$200. With no limit on total amount.
Violation of Mutual Occupancy Agreement & all other Policies	Written Warning	\$25.00 \$100.00	\$25.00 \$500.00 May be imposed on as frequently as a daily basis until corrected, cumulative; 1st month \$500, 2nd month an additional \$500 for a total of \$1,000, etc., with no limit on total fine amount; or \$100, 2nd month additional \$100 for a total of \$200. With no limit on total amount.
Carport Driveway	\$50.00	\$50.00	\$75 for the first 30 days past the hearing and first fine stage \$100 each month thereafter until corrected
Walls by Trash Area	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected.
Laundry Room Areas	\$25.00	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected.
Garden Violations	Written Warning	\$25.00	\$25.00

(March 2023)

SEAL BEACH MUTUAL NO. ONE

AMEND

Rules and Regulations

			May be imposed on as frequently as a daily basis until corrected.
All other Violations of Rules	Written warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected.

ARTICLE VIII. COLLECTION RULE

SEAL BEACH MUTUAL NO. ONE
COLLECTION POLICY

The effective and prompt collection of assessments (sometimes referred to as carrying charges) is critical to the running of our Cooperative. Only through the collection of these assessments can we maintain and, hopefully, increase the value of our property. The policies and practices of Seal Beach Mutual No. One (the “Cooperative”) with regard to the collection of delinquent assessments are as follows:

1. Assessments are due on the first day of each month and are delinquent if not received by the 15th day of each month. If a special assessment is necessary, you will be notified of the due date therefor.
2. In the event an assessment is not received within fifteen (15) days after it is due, the owner will be required to pay to the Cooperative a late charge in the amount of ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater. Also, if an assessment is not paid within thirty (30) days from the day that it was originally due, interest at the rate of twelve percent (12%) per annum will be added to the owner’s account each month.
3. If payment is not received within forty-five (45) days after the original due date of the assessment, the matter will be turned over to the Cooperative’s attorneys for further handling. Upon receipt from the Cooperative of such a matter, the Cooperative’s attorneys will send a letter notice by certified mail demanding payment for the outstanding assessments and related charges within ten (10) days of the date of the letter (the “10-Day Letter”). Alternatively, the Cooperative or Cooperative’s management company may send the 10-Day Letter in lieu of the Cooperative’s attorneys.
4. If the payment is not received as set forth in the above-described letter, the Cooperative may serve on the Member a thirty-day notice to pay or quit (the “Notice”), informing the Member that the Member’s right to occupy the premises subject to the Occupancy Agreement may terminate at the expiration of the time stated in the Notice, unless the delinquent assessments have been paid.
5. In the event the payment is not received within time frame stated in the Notice, Member’s Occupancy Agreement shall terminate and the Cooperative shall have the right to

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- Electric carts cannot be parked on a walkway or grass while being charged.
- Electric cords for charging cannot be placed across any walkway.
- Electric carts should not be parked in such a way as to interfere with the entry into or the exit from an apartment.
- Electric carts MUST have a current SBLW decal issued by the Security Department affixed to the lower left windshield or the front of the electric cart.
- Any electric cart being used in Mutual One must have sufficient liability and property damage insurance in case of accident.
- The owner is personally responsible for any property damage or personal injury to another resident or person or pet.
- Plans for the construction of a charging pad must be approved by the Golden Rain Foundation Physical Property Department.
- An electrical outlet may be installed, by permit, in the carport for the purpose of charging.
- an electric cart. The approved contractor will tap into the existing lighting circuit and install a box and a switch in the locker and an approved outlet box outside the locker. All materials will be painted to match the garage space.
- A flat, monthly charge of \$_____ (determined on a case-by-case basis) will be paid by the resident to Golden Rain Foundation and Mutual One accounts. Periodically, the Mutual will monitor the outlet use for any changes in the flat-rate estimate.
- Maintenance of the electrical circuit is the resident's responsibility. Failure to comply with timely payments will result in the circuit being disconnected at the resident's expense.
- Upon resale or transfer of the share of stock, it is the responsibility of the resident, at his or her expense, to remove the electrical circuit and return the carport to its original condition, if the new buyer does not want the circuit.
- The Mutual encourages all residents to park any and all vehicles in carports as much as possible and obtain carport space and use for each vehicle they operate.

Any resident that fails to comply with the Electric Carts policy shall receive written notice of the violation and shall have ten (10) days to cure the violation (the "Cure Period"). If the resident fails to cure the violation within the Cure Period, the Mutual Board may fine the resident pursuant to the Fine Schedule.

9.3 Fine Schedule/Carports

A resident who fails to comply with the Carport Regulations may be fined by the Mutual Board pursuant to the **cumulative fine schedule outlined in Appendix A. Fine Schedule following progressive fine schedule:**

- ~~• Upon the first offense by the resident, the Mutual Board may issue an initial fine of \$50.~~
- ~~• Should the resident fail to cure the Carport Regulation violation within thirty (30) days after the issuance of the first offense fine, the Mutual board may issue a second offense fine against the resident in the amount of \$75.~~

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- ~~• Provided the resident fails to cure the Carport Regulation violation within thirty (30) days after the issuance of the second offense fine, the Mutual Board may issue a third offense fine against the resident in the amount of \$100.~~
- ~~• If the Resident fails to comply with the Carport Regulations after the Mutual Board has issued a third offense fine, for each thirty-day (30-day) period thereafter, the Mutual Board may issue a thirty-day reoccurring fine against the resident in the amount of \$100 until such time as the resident is in compliance with these carport rules and regulations.~~

10. TRAFFIC**10.1 Limitation of Vehicles Per Unit**

Mutual One will only approve one car per person per unit. At the time of Escrow closing, the shareholder will sign a document acknowledging this agreement. Security will only issue decals for the number of members per unit. In the event of any errors on the part of GRF security, the Mutual One rules and regulations regarding one car per person per unit will prevail.

10.2 Enforcement of Community Traffic Regulations

~~The Golden Rain Foundation has adopted a series of regulations for the control of traffic within the confines of Seal Beach Leisure World and it is the desire of this Mutual Board, in the interest of safety, that these regulations be observed and enforced.~~

~~The Mutual 1 Board will review the case of any Mutual resident whose record of violation is referred to the Board, and take one or more of the following actions:~~

- ~~• Direct a letter of warning to the offender.~~
- ~~• Appoint a Director or a Committee to confer with and warn the offender.~~
- ~~• Summon the offender to a regular or special Board meeting for a conference/ warning.~~
- ~~• Take Board action to find the offender in violation of the Occupancy Agreement and order eviction.~~

~~While it is customary for three violations to be accumulated in the file before a resident's record is referred to the Mutual Board by the Security Department, it is understood that a single violation may be of sufficient importance to be immediately referred to the Board for action.~~

~~In the interest of obtaining uniform application within the community, the Security, Bus and Traffic Committee of Golden Rain Foundation will be informed of action taken and its apparent results in each instance cited above.~~

10.3 Towing Vehicles

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- The parking or charging pad shall be removed upon the sale or transfer of the shareholder's rights to the unit, at the seller's expense, unless the buyer wants the parking or charging pad to remain and agrees to such in writing.
- Upon a sale of a unit, any concrete parking or charging pads that installed prior to the latest approval date of this policy may be required to be removed and the turf or grass area must be returned to the existing garden line at the selling shareholder's expense.
- The shareholder must agree and sign the Licensing and Indemnity Agreement provided by the Mutual.

6. PETS

California State Law: The State of California has enacted a Section of the law which amends the common-interest law pertaining to the Mutual Corporation designated Section §1360.5 of the Civil Code. It is provided that in a common-interest development where there is an owner of a separate interest as defined therein, the owner is entitled to have at least one pet within the confines of the separate interest, subject to reasonable rules and regulations of the association.

Definition of Pet: The law defines a "pet" as "any domesticated bird, cat, dog, aquatic animal kept within an aquarium, or other animal as agreed to between the Association and the homeowner.

- All members of the reptile and monkey families, as well as any raucous-voiced birds, are prohibited.
- At no time shall it be appropriate for resident owners to house or maintain within the confines of the Mutual any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts, or for human consumption, or as may be found in specialty meat markets; farm animals may consist of, but not be limited to: duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.

Definition of Rules for Pet Ownership

Similar rules have been enacted pursuant to law by the Federal Government substantially to the same effect as the California law, and under the federal rules there have been developed criteria as to what are reasonable rules and regulations of the Mutual related to the keeping of pets. Those rules are adopted by the Mutual Corporation as being reasonable rules and regulations for the keeping of a pet and are set forth in this policy adopted by the Mutual Corporation as Rules and Regulations as pertaining to occupancy of a separate interest within the Mutual Corporation. Those rules are as follows:

The **number** of quadruped pets per apartment shall be restricted to one. The number of birds per apartment shall be restricted to two.

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- The breed of the pet shall be of such nature that its weight is not expected to exceed twenty-five (25) pounds at time of full maturity.
- Pets are prohibited from common area facilities, such as clubhouse facilities, library, Golf course, health care center, Amphitheater, swimming pool area, Administration.
- Building, lobbies, and laundry rooms. In all other permitted areas, the pet must be on a leash not longer than six feet and under the control of, and accompanied by, a resident and/or adult agent of the resident pet owner and/or responsible adult.
- While traversing the streets or sidewalks of the Mutual Corporation while making ingress and egress to or from the resident's apartment, at all times, the resident pet owner and/or responsible adult must have in evidence and in plain view a plastic bag and/or a poop scoop device for the purpose of immediately removing any pet waste deposited on any lawn or ground area.
- In accordance with Seal Beach City Code, Section 3-10.26 - Maintaining Sanitary Conditions, persons allowing their dog or cat to defecate on property other than their own property, shall remove such feces immediately or be subject to a city fine of \$25.
- The resident pet owner shall immediately, and forthwith, remove any pet waste deposited by the pet in all common areas where said pet is permitted.
- The Mutual Corporation will impose a fine, per occurrence, on any resident pet owner who fails to immediately remove any such pet waste deposited by their pet.
- **The Mutual Corporation may impose a fine pursuant to the Fine Schedule per Occurrence on any resident pet owner who violates any of the pet rules and regulations.**
- ~~The Mutual Corporation may impose a fine pursuant to the Fine Schedule, per occurrence, on any resident pet owner who fails to immediately remove any such pet waste deposited by their pet. The imposed fine shall be \$25, per occurrence or the actual amount charged by the janitorial services company to have one of its employees remove the pet waste, if greater than \$25.~~
- The imposed fine shall be paid by the resident pet owner to the Mutual Corporation.
- Resident pet owners are required to control noise and odor caused by a pet. Any noise or odor which adversely affects any other resident is not permitted.
- All quadruped pets brought into the Mutual by a resident pet owner shall have been spayed or neutered.
- No quadruped pet may be left unattended in any dwelling area for more than four (4) hours. All pets must be under the resident pet owner's control in an apartment, so as not to be a hazard to security officers, maintenance staff, fire inspectors, paramedics, mail carriers or service providers or other employees requiring access to an apartment where there are pets.
- Resident pet owners who, on a temporary basis, allow a neighbor to assume responsibility for their pet for a period longer than four (4) consecutive hours must notify the Security Department of the temporary arrangement and provide a sign for the neighbor to post on the exterior of the neighbor's residence, near the front door, notifying service providers and employees who require access to the apartment in an emergency that a pet is

(March 2023)