

A G E N D A
REGULAR MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL EIGHT
April 24, 2017 1:30 p.m.
Administration Building, Conference Room A

CALL TO ORDER

SHAREHOLDER COMMENTS – (2-minute limit per shareholder)

ROLL CALL

INTRODUCTION OF GUESTS AND STAFF:

Mr. McGuigan, GRF Representative
Ms. Hopkins, Mutual Administration Director
Mr. Hurtado, Building Inspector
Mrs. Aquino, Recording Secretary

APPROVAL OF MINUTES: **Regular Meeting of March 27, 2017**

BUILDING INSPECTOR'S REPORT (pages 3-4)

Mr. Hurtado

UNFINISHED BUSINESS

- a. Adopt Policy 7110.08 – Code of Conduct (pages 5-9)
- b. Adopt Policy 7581.08 – Enforcement of Community Traffic Regulations (pages 10-11)
- b. Ratify Policy 7502.08.1 – Vehicle Parking Rules For Mutual Eight Property – Postpone (pages 12-26)
- d. Ratify Policy 7531.08 – Inspection of Vacant, Unoccupied or Seasonal – Use Units – Postpone (page 27)
- e. Ratify Rescinded Policy 7512 – Guarantor Agreement – Postpone (pages 28-29)
- f. Rescind/Amend Policy 7406.08 – Encroachment onto Common Property by Shareholders (pages 30-32)
- g. Amend Occupancy Agreement, Section 23

NEW BUSINESS

- a. Adopt Policy 7585.08 – Governing Document Compliance Corrective Measures and Fines (pages 33-34)
- b. Approve Purchase and Installation of SCE enclosures at following locations: 183A 179E
199L and 195LR – Cost \$3,600.00
- c. Fenn Contract for Termite and Pest Control – approve sole source – Contract Pending
- d. Cancel May 22, 2017, Regular Board Meeting due to Annual Meeting on same day
- e. Annual Meeting Report: May 22, 2017, at 10:00 a.m., Clubhouse 4 – Lunch served after elections
- f. Special Meeting Monday May 8, 2017, Conference Room C at 10:00 a.m.

STAFF SECRETARY BREAK (TIME TO BE DETERMINED BY PRESIDENT)

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins

GRF REPRESENTATIVE

Mr. McGuigan

CHIEF FINANCIAL OFFICER'S REPORT

Mrs. Berg

DIRECTOR(S)' COMMENTS

ANNOUNCEMENTS:

SHAREHOLDER COMMENTS – (2 minute limit per shareholder)

ADJOURNMENT

EXECUTIVE SESSION (member issues, legal)

STAFF SECRETARY WILL LEAVE THE MEETING BY 4:10 p.m.

**NEXT MEETING:
Annual Shareholder's Meeting
May 22, 2017 at 10:00 a.m.
Clubhouse 4**

****Special Meeting May 8, 2017 at 10:00 a.m.
Conference Room C****

To have the Mutual Eight Board of Directors
minutes e-mailed to you monthly,
please send your request to:
mutual8webmaster@gmail.com

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (08) EIGHT

INSPECTOR: George Hurtado

MUTUAL BOARD MEETING DATE: April 24, 2017

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
200E	flush beam, bath kit remodel	yes	10/17/17	01/15/17	yes		Greco
187B	ADA shower	yes	02/08/17	03/21/17	no		Nu Kote
186A	bath tub	yes	02/08/17	03/15/17	no		IMS
181B	laminat floor	yes	03/06/17	04/15/17	no		LW Décor
194L	washer dryer	yes	03/09/17	05/01/17	no		Ogan
195H	heatpump	yes	03/10/17	04/16/17	no		Alpine
197G	heatpump	yes	03/16/17	05/25/17	no		Shik Builders
179B	bath counter ,backsplash	yes	3/2*/17	05/31/17	no		Konrad
186F	walkin closet, flooring	yes	03/29/17	11/15/17	no		LW Décor
182D	heatpump	yes	04/03/17	07/15/17	no		Greenwood
192B	ADA shower	yes	03/30/17	05/06/17	no		Nu Kote
184K	400sq.ft. remodel,bath,kitchen	yes	03/30/17	09/25/17	no		Kang
198G	drop beam, bedroom remodel	yes	03/27/17	08/31/17	no		Los Al Builders
185K	kitchen skylight	yes	02/14/17	07/20/17	no		Mamuscia

OW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
184L			04/11/17	04/17/17			
195I			03/31/17	04/04/17	04/14/17		
194D		01/10/17	03/13/17	03/24/17	04/05/17		
202J		03/29/17	04/13/17	04/17/17			

Pre-Listing Inspection NBO = New Buyer Orientation

Final COE Inspection ROF = Release of Funds

ONTRACTS

CONTRACTOR	PROJECT
John's Landscape	Mutual gardening
So Cal Fire Protection	laundry room fire extinguishers
Empire Pipe and Supply	Mutual sewer cleaning
Fenn	termites and pests

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (08) EIGHT

INSPECTOR: George Hurtado

MUTUAL BOARD MEETING DATE: **April 24, 2017**

AL PROJECTS									
CONTRACTOR				PROJECT					
Ameco				solar panel repairs					

MENT VISITS									
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VARIOUS

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****Organization of Board****Board of Directors Code of Ethics and Conduct**

As members of the **Mutual Eight** Board of Directors (BOD), we recognize the importance of ethical principles that guide our actions. This Code is expressed in broad statements to guide ethical decision making. These statements provide a framework; they cannot and do not dictate conduct to cover particular situations.

1. We provide the highest level of service through accurate, unbiased, and courteous actions.
2. We acknowledge our duty of loyalty to the **Mutual Eight Board of Directors (BOD)** by adhering to the rules of confidentiality relating to director, staff or shareholder/member discipline or any litigation. **This duty survives a Director's term in office.**
3. We treat co-workers and other colleagues with respect, fairness, and good faith, and advocate conditions of employment that safeguard the rights and welfare of all employees.
4. We shall disclose to the **Mutual Eight** BOD, financial or personal conflicts of interest relating to the business of the Mutual and the BOD. They will recuse themselves and abstain from voting on any issue where there may be a reasonable expectation of a conflict of interest. (Civil Code 5350)
5. We distinguish between our personal convictions and professional duties and do not allow our personal beliefs to interfere with fair representation of our shareholder/members.
6. We shall perform our fiduciary duties by acting in good faith to promote the best interests of **Mutual Eight** through reasonable inquiry and investigation. (Civil Code 7231-Business Judgment Rule).
7. All Directors acknowledge their obligation to support decisions made by a majority of the BOD. (Davis-Stirling 7231.A)

DIRECTOR(S) CENSURE

When the actions of one or more **Mutual Eight** Board of Directors (BOD) fail to follow the precepts of the Code of Ethics and Conduct (Policy 7110.08) other members of the BOD may act to censure that person or persons.

1. DIRECTOR CENSURE

- 1.1. A censure is the process by which the **Mutual Eight** BOD, acting by a two-thirds majority vote, can reprimand or condemn the actions of a fellow member in the event that the member:

- 1.1.1. Acts unilaterally;

(draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****Organization of Board****Board of Directors Code of Ethics and Conduct**

- 1.1.2. Discloses confidential information;
- 1.1.3. Fails to attend three consecutive months of regularly scheduled BOD meetings without prior notice, and based on a reasonably unavoidable situation, as determined in the Board's sole discretion, such as a medical condition, personal emergency, etc.;
- 1.1.4. Fails to act in a way that respects others;
- 1.1.5. Creates a hostile environment including acting disruptively;
- 1.1.6. Fails to support decisions made by a majority of the BOD;
- 1.1.7. Fails to comply with the law, governing documents, policies or procedures of the **Mutual Eight**; or
- 1.1.8. In the event of an act or omission that creates a threat to any individual, the **Mutual Eight** or the community.
- 1.2. The following steps will be used to censure a director. All proceedings related to a censure shall be conducted in a closed, executive session meeting.
- 1.3. The Director(s) subject to the censure may not elect to have the proceedings conducted in an open, public session.

2. MOTION TO CENSURE

- 2.1 A "Motion to Censure" form must be filed using the form in Policy 7110.08. It must include a second signature from a director clearly in agreement and be turned in to the President for presentation at a special executive session, closed meeting of the full BOD. If the censure involves the President, it will be turned in to the Vice President for presentation at a special executive session, closed meeting of the full BOD.
- 2.2 If the Presiding Officer elects not to place the motion on the agenda of a special executive session meeting of the BOD, two members may request a special executive session meeting of the BOD.
- 2.3 A director subject to censure shall be provided with at least ten (10) business days prior notice of the censure including the reason for the censure and the date, time and location of the meeting where censure will be considered. A copy of the "Motion to Censure" form will also be included. Notification shall be sent by Certified U.S. Mail through the Executive Director's office. The President or Presiding Officer will also contact the Director directly.

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****Organization of Board****Board of Directors Code of Ethics and Conduct**

- 2.4 The BOD shall be provided at least five (5) days advance written notice of the special executive session of the full BOD regarding the “Motion to Censure”, which shall include a copy of the submitted form. Notification shall be sent by the U.S. Mail through the Executive Director's office to all BOD members with the addition of an email notification containing the date, time and location of the meeting.
- 2.5 A director subject to censure may provide a written response to all BOD members no later than two (2) business days prior to the meeting. The director shall also be provided an opportunity to respond to the reason for censure at the meeting.
- 2.6 The censure motion may be debated and following the debate the BOD may take one of the following actions:
 - 2.1.1. Postpone the motion by a simple majority for any reason, including, but not limited to, the desire of the majority to gather additional information and/or permit the director to respond further. (Policy 5601.1)
 - 2.1.2. Approve the motion by a two-thirds (2/3) majority of a quorum of the non-offending directors; or
 - 2.1.3. Defeat the motion
- 2.7 Written notice of the BOD's decision shall be sent by Certified U.S. Mail to the named member(s) no more than 15 business days following the meeting.

3. ENFORCEMENT PROCEDURES

- 3.1. If the “Motion to Censure” is passed, the non-offending BOD members may choose one or more of the following actions:
 - 3.1.1 WARNING/EDUCATION
 - 3.1.2 REMOVAL FROM OFFICE OR CHAIR
 - 3.1.3 REMOVAL FROM COMMITTEE
 - 3.1.4 REQUEST FOR RESIGNATION
- 3.2. For offenses relating to the disclosure of confidential or sensitive information, upon a vote of two-thirds (2/3) of the majority of the quorum of the non-offending BOD members, the offender may be prevented access to confidential information.

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****Organization of Board****Board of Directors Code of Ethics and Conduct**

- 3.3. If at any time a Director commits a crime or subjects **Mutual Eight** to financial risk, that Director shall be subjected to legal action by **Mutual Eight**. This may include removal from the **Mutual Eight** Liability coverage.
- 3.4. Censure remains in effect until the next Annual Shareholders' Meeting.

MUTUAL ADOPTION

EIGHT:

(draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****Organization of Board****Board of Directors Code of Ethics and Conduct****MOTION TO CENSURE**

Date of request _____

I, _____ wish to file
Print Name Director Signature Mutuala formal motion Censure of _____
Director nameFor the following reason(s):

_____**THE MOTION IS SECONDED BY:**_____
Print Name Mutual Signature**DATE OF SUBMISSION TO:**_____
Officer Name and Title SignatureNext Special Executive Session of full BOD: _____
Date, Time and Location

This form will be given to the Director subject to possible censure. Directors requesting censure receives copies of this form.

Date Certified Mail Sent _____ By _____ Date Given _____ By _____

(draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS****Enforcement of Community Traffic Regulations****1 ENFORCEMENT ON TRUST AND GRF PROPERTY**

- 1.1 The Mutual Board respects the right and responsibility of the Golden Rain Foundation (GRF) to adopt and reasonably and equitably enforce all aspects of COMMUNITY OPERATIONS Policy 1920 – Traffic Rules and Regulations and Policy 1927 for all “Residents” and “Visitors” on any Trust property or property owned by the Golden Rain Foundation in its own name. Further, the Mutual welcomes GRF to follow individuals onto Mutual property to cite them for infractions that occur on GRF property as described above.
- 1.2 The Mutual Board would appreciate notification of but does not accept responsibility for infractions committed by Mutual Eight shareholders and/or their “Visitors” that occur on GRF property.

2 ENFORCEMENT ON MUTUAL PROPERTY

- 2.1 The Mutual Board concurs with the Traffic Rules and Regulations as stated in GRF Policy 1920 adopted by the GRF April 15, 2008, with the following exceptions and amendments when vehicles are on property owned by the Mutual Corporation.
 - 2.1.1 The Mutual appreciates notification of citations for infractions that occur within the Mutual. ~~However~~ Enforcement measures will be determined and carried out by the Mutual Board **on infractions not covered by Policy 7502.08.1 Adoption of GRF Policy 1927-37 Fines for Parked Vehicles – Mutual 8.**
 - 2.1.2 Section 7.3.1 – This Trust street parking with the flow of traffic requirement applies to Mutual Eight parking around carport driveways.
 - ~~2.1.1.1 Section 7.8 – In addition to monitoring and citing violations of Mutual Policy 7502.08, the Mutual requests citations for infractions described in Mutual Policies 7506 and 7506.1.~~
 - ~~2.1.2 GRF permitted RV parking described in Sections 7.12.1 and 7.12.2 is not permitted in the Mutual.~~

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS****Enforcement of Community Traffic Regulations**

2.1.3 Section 8.4.1 – Sidewalk and walkway use of gasoline-powered vehicles is not permitted in the Mutual with the same exceptions as Policy 1920, Section 8.4.1

~~**2.1.4** The Mutual does not concur with GRF Policy 1920, Section 12.0 Towing Policy (see Policy 7582 – Towing Vehicles).~~

2.2 The Mutual adopts Policy 1927-37 PARKING RULES FOR TRUST POLICY as they apply to Mutual 8 property. (See Policy 7502.08.1 Adoption of GRF Policy 1927-37 Fines for Parked Vehicles – Mutual 8.)

MUTUAL**ADOPTION****AMENDMENTS**

EIGHT:

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked VehiclesVEHICLE PARKING POLICY PARKING RULES FOR MUTUAL EIGHT PROPERTY

The following Parking Rules are applicable to all persons controlling or operating vehicles on any MUTUAL EIGHT PROPERTY.

Shareholder/Members are solely responsible for the actions of their guests and employees, therefore they are solely responsible for the fines and penalties incurred by their guests or employees.

GRF vehicles are exempted from these rules when appropriate, such as maintenance or security vehicles assisting first responders or providing services to a shareholder/member unit.

1 PREFACE

- 1.1** In order to promote safety, all drivers and pedestrians shall follow the same parking rules as are required on public streets, unless otherwise specified herein.

2 DEFINITIONS . Words appearing in ALL CAPITAL LETTERS are defined in this section.**2.1 ALTERNATIVE DISPUTE RESOLUTIONS (ADR)**

- 2.1.1** A method of resolving disputes other than by litigation involving a neutral third party pursuant to Civil Code Sections 5925-5965.

2.2 ASSIGNED PARKING

- 2.2.1** A defined parking location that has been designated for the use of a specific individual.

2.3 BICYCLE/TRICYCLE

- 2.3.1** A device with 2 or 3 wheels, respectively, upon which any person can ride propelled exclusively by human power through a belt, chain or gears.

(Draft created on 2/22/17 ka)

DRAFT – MUTUAL EIGHT

RESIDENT REGULATIONS

Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

2.4 CAREGIVER

- 2.4.1 A non-shareholder/member hired or identified by a Shareholder/Member as providing part-time or full-time care. This person must be registered with Stock Transfer.

- 2.5 COMMERCIAL VEHICLES. A motor vehicle of a type required to be registered and used or maintained for the transportation of persons for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property. A COMMERCIAL VEHICLE shall also mean any type of vehicle, which includes without limitation, a truck, van or trailer that has one or more of the following traits:

- 2.5.1 Larger than one (1) ton carry weight;
- 2.5.2 Bares a prominent business name or advertisement. If the graphic medium is removable, such as a magnetically attached sign, this element does not apply when all such signage is removed and stored out of view;
- 2.5.3 Normally employed or designed for commercial business use, whether or not a business name or advertisement is displayed.
- 2.5.4 Racks, materials, ladders, tool boxes and/or tools are visible on the exterior of the vehicle;
- 2.5.5 Used to haul any hazardous materials;
- 2.5.6 Designed to carry more than 15 passengers.

2.6 DUE PROCESS

- 2.6.1 An established course for judicial proceedings or other governmental activities designed to safeguard the legal rights of the individual.

2.7 ELECTRIC BICYCLE

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

- 2.7.1 Two-wheeled vehicle supplemented with an electric motor may not be driven on sidewalks.

2.8 GOLF CART

- 2.8.1 A motor vehicle having not less than three wheels in contact with the ground, having an unladed weight of less than 1,300 pounds, which is designated to be and is operated at no more than 20 mph, and has a maximum width of 48".

2.9 INTERNAL DISPUTE RESOLUTION (IDR)

- 2.9.1 An internal due process procedure offering an opportunity for both sides to meet and confer in good faith in an effort to resolve a dispute and reach a resolution of alleged violations of community rules.

2.10 LOW SPEED VEHICLE

- 2.10.1 A motor vehicle which is designed to travel in excess of 20 MPH with a maximum speed of 25 MPH. LSV's less than 48" in width shall be driven in accordance with the rules and regulations established for Golf Carts. LSV's that are more than 48" in width are prohibited from all walkways and sidewalks.

2.11 MOBILITY SCOOTER

- 2.11.1 A vehicle that is propelled by an electric motor with a battery pack on the vehicle. This vehicle is self-propelled.

2.12 MOTORCYCLE

- 2.12.1 A motorcycle has more than a 150cc engine size, and no more than three wheels and has to be registered with the Department of Motor Vehicles (DMV).

2.13 MOTOR-DRIVEN CYCLE

(Draft created on 2/22/17 ka)

DRAFT – MUTUAL EIGHT

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Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

- 2.13.1 A motor-driven cycle has 149cc or less engine size (CVC §405) and has to be registered with the Department of Motor Vehicles (DMV).

2.14 NON-RESIDENT

- 2.14.1 A person without the right under the governing documents and applicable law to occupy a dwelling within a Mutual.

2.15 PARKING PERMIT BINDER

- 2.15.1 A register maintained by the Security Department to document vehicles granted a limited exception to certain parking rules. Examples: Extended RESIDENT'S absence, overnight RV parking, late night calls for overnight guests without a parking permit.

2.16 PARKING RULES VIOLATION PANEL (PRV) (Not applicable to MUTUAL EIGHT)

2.17 PEDESTRIAN

- 2.17.1 Any person who is afoot or who is using a means of conveyance propelled by human power other than a bicycle. This also includes any person operating a self-propelled wheelchair, motorized scooter, tricycle or quadricycle.

2.18 PROHIBITED VEHICLES

- 2.18.1 Aircraft;
- 2.18.2 Boats, personal watercraft, and their trailers except as allowed in Section 3.10 – Recreational Vehicles Restricted;
- 2.18.3 INOPERABLE VEHICLE: a vehicle that lacks a functioning engine or transmission, or non-functioning wheels, tires, doors, windshield, or any other major part or equipment necessary to operate safely on the highways;

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

- 2.18.4 Off-road vehicle (not street licensed) other than GOLF CART or GOLF CAR;
- 2.18.5 UNAUTHORIZED VEHICLE: Use or parking of a motor vehicle without consent of MUTUAL EIGHT or GRF;
- 2.18.6 UNREGISTERED VEHICLE: no current valid State registration; or
- 2.18.7 Vehicle designed to carry 12 or more passengers. EXCEPTION: Buses or limousines to load or offload passengers with approval from the Security Department or Recreation Departments.

2.19 RECREATIONAL VEHICLE (RV)

- 2.19.1 A motor vehicle or trailer for recreational dwelling purposes; a motor home or other vehicle with a motor home body style which has its own motor power or is towed by another vehicle. EXCEPTION: Van camper conversions.

2.20 RESERVED PARKING

- 2.20.1 A parking location that is marked as such by a sign, or curb or pavement marking is set-aside for use only by the designated user(s).

2.21 RULES VIOLATION NOTICE (CITATION)

- 2.21.1 A written notification of a violation of MUTUAL EIGHT parking policies placed on the violating vehicle. This information is forwarded to the mutual president.

2.22 TRUST PROPERTY

- 2.22.1 All land operated by the GRF on behalf of the Mutuals

2.23 TRUST STREETS

- 2.23.1 Streets with names.

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked Vehicles**2.24 UNASSIGNED PARKING**

2.24.1 Not an ASSIGNED PARKING space.

2.25 UNAUTHORIZED VEHICLE.

2.25.1 A vehicle not permitted to be on MUTUAL EIGHT PROPERTY.

2.26 VEHICLE USED FOR RECREATION (VUFR)

2.26.1 Boats, boat trailers, all-terrain vehicles (ATVs), trailers used to transport ATVs.

3 RULES FOR PARKING**3.1 PROHIBITED VEHICLES**

3.1.1 No PROHIBITED VEHICLE shall be parked on MUTUAL EIGHT PROPERTY.

3.1.2 At no time, shall any vehicle be parked on MUTUAL EIGHT PROPERTY if it is leaking any fluids. EXCEPTION: Clear Water

3.1.3 Any of these types of vehicles are subject to immediate towing at the owner's expense. See MUTUAL EIGHT – 7582 Towing Policy .

3.2 TEMPORARY PARKING PERMITS

3.2.1 The following Parking Permits are issued by Security Department

3.2.2 All Parking Permits must be displayed on the dashboard of the vehicle or on the king pin of a fifth wheel or the tongue of a trailer:

3.2.2.1 Shareholder/member for use on rental or new vehicle;

DRAFT – MUTUAL EIGHT

RESIDENT REGULATIONS

Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

3.2.2.2 Guest or employee of Shareholder/Member;

3.2.2.3 Overnight Parking Permit at request of Shareholder/Member for Guest.

3.3 GENERAL PARKING RULES

3.3.1 Park safely – At no time may a vehicle be parked in a manner creating a traffic hazard.

3.3.2 No animal or child is allowed to be left alone in any parked vehicle on MUTUAL EIGHT PROPERTY. Animal Control or Seal Beach Police will be called immediately in either circumstance.

3.3.3 Fire Hydrant – At no time may a vehicle be parked within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See MUTUAL EIGHT – 7582 Towing Policy.

3.3.4 Sidewalk – No vehicle may be parked with any portion of it on a sidewalk.

3.3.5 Off Pavement – At no time may a vehicle be parked with any portion of it off pavement.

3.3.6 Curb or Parking Stall – Vehicles may park in a designated parking stall or along a curb or sidewalk, unless otherwise provided herein. Vehicles on a two-way travel roadway must be parked with the passenger side wheels within 18 inches of the curb or sidewalk.

3.3.6.1 Vehicle must be parked completely within the marked boundaries of a parking space

3.3.6.2 A vehicle may be parked in a location that is not a marked stall; however, at no time may it be parked in a manner that creates a traffic hazard, interferes with other vehicle access, PEDESTRIAN traffic, or access to

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS****Adoption of GRF Policy 1927-37 Fines for Parked Vehicles**

facilities or equipment.

- 3.3.6.3 Any vehicle without proof of current valid State registration may not be parked on MUTUAL EIGHT PROPERTY at any time.
- 3.3.6.4 Any vehicles without a Seal Beach Leisure World decal on windshield or a pass may not be parked on MUTUAL EIGHT PROPERTY.
- 3.3.6.5 Trailers not connected to a vehicle are not permitted to be parked on MUTUAL EIGHT PROPERTY. Such trailers may be parked in the Permit section at Clubhouse 4 only with a permit issued by the Security Department.
- 3.3.6.6 Pods, moving trailers or similar portable storage units are not permitted on MUTUAL EIGHT PROPERTY without Security Department authorization.
- 3.3.6.7 Vehicles in violation are subject to immediate tow away at owner's expense. See MUTUAL EIGHT – 7582 Towing Policy.

3.4 PARKING ZONES

- 3.4.1 Red Zones – Vehicles in violation are subject to immediate tow away at owner's expense. See MUTUAL EIGHT – 7582 Towing Policy.
 - 3.4.1.1 Fire Hydrant or Fire Lane: No person shall park or leave standing any vehicle within 15 feet of a fire hydrant even if the curb is unpainted.
 - 3.4.1.2 Non-Fire Lanes: A vehicle may not be left unattended.
 - 3.4.1.3 Bus Stops: No person shall park or leave standing any vehicle within the red zone marked to provide for

(Draft created on 2/22/17 ka)

DRAFT – MUTUAL EIGHT

RESIDENT REGULATIONS

Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

loading and unloading of buses.

3.4.1.4 Drive-up Mail Boxes: No person shall park or leave unattended any vehicle within 15 feet of the mail box. (not applicable to MUTUAL EIGHT)

3.4.2 Blue Zone (Handicapped): Vehicles must display a valid, government-issued disabled (handicapped) license plate or placard.

3.4.3 Green Zone: Parking may not exceed time limit posted by sign or curb marking. EXCEPTION: Unlimited time parking in a Green Zone is permitted only when the vehicle is displaying a valid government-issued disabled (handicapped) license or placard.

3.4.4 White Zone: Passenger loading and unloading only. Time limit: 30 minutes.

3.4.5 Yellow Zone: Commercial vehicle loading and unloading only: 30 minutes. (not applicable to MUTUAL EIGHT)

3.4.6 Unpainted: Parking is permitted up to 96 hours, unless otherwise restricted.

3.5 RESIDENT'S PARKING

3.5.1 A RESIDENT'S vehicle (not RV or VUFR) may be parked for no more than 96 hours in one location without first notifying the Security Department.

3.6 NON-RESIDENT PARKING. NON-RESIDENT vehicles are not eligible for extended parking privileges without permit issued by the Security Department.

3.6.1 Any violation of this section may result in vehicle being towed at the owner's expense. (See MUTUAL EIGHT – 7582 Towing Policy)

DRAFT – MUTUAL EIGHT

RESIDENT REGULATIONS

Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

3.7 CAREGIVER PARKING

3.7.1 A CAREGIVER may park on MUTUAL EIGHT PROPERTY only when a copy of the CAREGIVER parking pass is displayed on the dashboard of the vehicle.

3.7.2 For Caregiver parking rights, the person must be registered with the GRF Stock Transfer office.

3.8 CONTRACTOR AND SERVICE VEHICLE PARKING

3.8.1 Contractors' vehicles must comply with all rules set forth herein and must not obstruct or park on the sidewalk or grass.

3.8.2 Contractor and service vehicles, shall not be parked on MUTUAL EIGHT PROPERTY overnight without a permit. Personal vehicles driven by workers are not eligible for overnight passes.

3.9 OVERNIGHT PARKING PERMITS

3.9.1 RESIDENT overnight parking is prohibited without a Security Department issued vehicle decal. An Overnight Parking Permit for a resident may be issued only when decal issue is pending.

3.9.2 Overnight parking of COMMERCIAL VEHICLES, equipment, and materials utilized in authorized activities conducted for the Mutual, or its residents, are not permitted without an Overnight Parking Permit issued by the Security Department.

3.9.3 The Overnight Parking Permit must be displayed face-up on the driver side dashboard of the MOTOR VEHICLE, or prominently affixed to the front of trailers or equipment.

3.9.4 The following vehicles and equipment are prohibited from parking on MUTUAL EIGHT PROPERTY at any time between the hours of 11:00 p.m. and 6:00 a.m. unless otherwise addressed in this policy:

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

- 3.9.4.1 Vehicle not displaying a valid GRF decal or Overnight Parking Permit.
- 3.9.4.2 Recreational Vehicle – except as provided below in Section 3.10 – “Recreational Vehicles Restrictions.”
- 3.9.4.3 COMMERCIAL VEHICLE, construction/ maintenance equipment, storage and disposal units, building materials.
- 3.10 RECREATIONAL VEHICLES (RV) or VEHICLE USED FOR RECREATION (VUFR) RESTRICTIONS. An RV or VUFR may be parked on MUTUAL EIGHT PROPERTY only when meeting all of the following conditions:
 - 3.10.1 RV parked on MUTUAL EIGHT PROPERTY MUST have Security Department issued decal or a Parking Permit.
 - 3.10.2 RV or VUFR is parked up to 48 hours for the purpose of loading or unloading.
 - 3.10.3 Other activities, such as sleeping or resting in the RV or VUFR, and vehicle maintenance are not allowed.
 - 3.10.4 RV or VUFR must be parked with engine and accessory equipment (e.g. exterior lights, air conditioner, audio and video equipment) shut off. The generator may ONLY be used between the hours of 8:00 a.m. and 8:00 p.m. while loading or unloading the vehicle.
 - 3.10.5 Extensions such as slide-outs, tilt-outs, and awnings must be closed. Steps must not block the sidewalk.
 - 3.10.6 RV or VUFR may not be attached to any external power supply.
 - 3.10.7 Leveling jacks, if used, must include a base plate sufficient to prevent damage to pavement.
 - 3.10.8 No animals or children are to be left unattended on or within any

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS**Adoption of GRF Policy 1927-37 Fines for Parked VehiclesRV or VUFR at any time.**3.11 “FOR SALE” SIGNS****3.11.1 "For Sale" signage shall not be displayed on any vehicle on MUTUAL EIGHT PROPERTY.****3.12 REPAIRS****3.12.1 Vehicles may not be rebuilt or rehabilitated, major service may not be performed, and fluids may not be changed on any MUTUAL EIGHT PROPERTY.****3.13 WASHING****3.13.1 All washing of vehicles must be done at the car and RV washing areas behind Clubhouse 2. Vehicles must have a GRF decal.****3.13.2 EXCEPTION. NON-RESIDENTS shall not be permitted to wash their vehicle anywhere on MUTUAL EIGHT or TRUST PROPERTY.****4 TRUST PROPERTY PARKING AREAS (not applicable to MUTUAL EIGHT)****5 BICYCLES/TRICYCLES****5.1 BICYCLES or TRICYCLES may not be parked in any manner interfering with foot or vehicle traffic. MUTUAL EIGHT is not liable for damaged, lost or stolen property.****5.2 Attended BICYCLES or TRICYCLES may be parked off pavement, but only in such a manner as not to damage landscaping.****5.3 Parking on a sidewalk is prohibited.****6 TOWING. See MUTUAL EIGHT policy 7582 TOWING VEHICLES.**

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS

DRAFT – MUTUAL EIGHT

RESIDENT REGULATIONS

Adoption of GRF Policy 1927-37 Fines for Parked Vehicles

- 7 DUE PROCESS. See MUTUAL EIGHT policy 7585 GOVERNING DOCUMENT COMPLIANCE CORRECTIVE MEASURES AND FINES.

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS****Adoption of GRF Policy 1927-37 Fines for Parked Vehicles****FINES FOR GRF PARKING RULES VIOLATIONS ON MUTUAL PROPERTY**

Violation	1st	2nd and Subsequent
1. Assigned Parking Space	Warning	20.00
2. Blocking Crosswalk (not applicable to MUTUAL EIGHT)	20.00	25.00
3. Expired or Invalid State Vehicle Registration	Fix-It	50.00
4. Flat Tires	Fix-It	25.00
5. "For Sale" sign on Vehicle	Warning	20.00
6. Handicapped Parking without Placard or Handicap I.D. Displayed	100.00*	200.00
7. Hazardous Materials Leaking	50.00	50.00
8. Limited Time Parking	Warning	20.00
9. Maintenance or Repair	Warning	25.00
10. No Valid GRF Vehicle Decal or Parking Permit Displayed	Warning	20.00
11. Parked on Sidewalk or Grass (EXCEPTION: Day guests' bikes, trikes, golf carts and scooters may park on the grass during the day except on mow day or when other turf maintenance is performed.)	20.00	25.00
12. RED ZONE: Bus Stop	20.00	25.00
13. RED ZONE: Fire Hydrant	Towed	Towed
14. RED ZONE: Mail Box (not applicable to MUTUAL EIGHT)	20.00	25.00
15. RV or VUFR - Generator Running 8pm – 8am	Warning	50.00
16. RV or VUFR - Jack Support: None or Inadequate	50.00	50.00

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**DRAFT – MUTUAL EIGHT****RESIDENT REGULATIONS****Adoption of GRF Policy 1927-37 Fines for Parked Vehicles**

17. RV or VUFR Parked Over 48 Hours in Mutual	Warning	40.00
18. Washing any vehicle on Mutual Property (use GRF Car Wash areas)	Warning	20.00
19. Washing a Non-resident Vehicle at Car Wash (not applicable to MUTUAL EIGHT)	Warning	20.00

*** Fine will be waived on first offense if placard and paperwork is presented that was current at time of Citation.**

Fines will be imposed by the Golden Rain Foundation with proceeds going to MUTUAL EIGHT.

To request a hearing for GRF NOTICE OF PARKING VIOLATION on MUTUAL EIGHT property that includes a fine, contact Mutual Administration (562) 431-6586 Ext. 374. Hearings will be scheduled and conducted per MUTUAL EIGHT Policy 7585 Governing Documents Compliance, Corrective Measures and Fines.

Should a shareholder fined per Policy 7585.08 have a GRF fine citation placed on that vehicle for the same offense on the same day, the Mutual fine will be waived for that day only.

Any violation of MUTUAL EIGHT Policy 7502.08 Carport Regulations and Common Area Traffic Policy-MUTUAL EIGHT not covered by this policy will be handled by MUTUAL EIGHT according to Policy 7585.08 with notification assistance from Mutual Administration. Resident shareholders, including Directors may report violations to Security, Mutual Administration or the Board.

MUTUAL ADOPTION

EIGHT

(Draft created on 2/22/17 ka)

MUTUAL OPERATIONS**AMEND MUTUAL EIGHT****RESIDENT REGULATIONS****Inspection of Vacant, Unoccupied or Occasional-Use Units**

Any vacant, unoccupied or occasionally used unit in Mutual Eight shall be inspected every 90 days by a Physical Property Inspector **or his/her designate** and the Mutual director assigned to the respective building. Inspections shall be conducted during the months of January, April, July and October. The inspection in October may be waived during the years that the Fire/Safety Inspection is conducted. **There will be a maintenance/inspection charge for Vacant, Unoccupied or Occasional use Units. The billing will be at a Service Request Order (SRO) rate starting with a 30 minute minimum and billed in fifteen (15) minute increments thereafter.**

The Mutual director shall provide a list of vacant, unoccupied or occasional-use units to the Physical Property Inspector **or his/her designate** and set an appointment with the inspector for the inspection. Mutual Directors are encouraged to talk to Building Captains to update the list of units to be inspected. **If shareholders elect to conduct their own inspection, a Mutual Director must still be present to insure completion of the requirements.**

The inspection of vacant units for sale will not be posted. The inspection for unoccupied and occasional-use units will be posted at least 24 hours prior to the inspection. Letters for posting are available through the Physical Property Office.

During the inspection, if any violations are found that are the responsibility of the shareholder, the shareholder must affect the repairs, maintenance or replacements as needed within the time frame specified. In accordance with the Occupancy Agreement, Section 11(c), Repairs, if the shareholder fails to effect the repairs, maintenance or replacements in a manner satisfactory to the Mutual, the Mutual may do so and add the cost **per Service Order Request.**

MUTUAL **ADOPTION**

EIGHT

(Draft created on 3/20/17 ka)
Draft created on 3/31/17 cd)

RESIDENT REGULATIONS

Guarantor Agreement Form

I, _____, the undersigned, hereinafter called "Guarantor," in order to induce you to enter into and permit the issuance by the Golden Rain Foundation of a membership certificate in the Golden Rain Foundation and the transfer and issuance of a share of stock in Seal Beach Mutual No. _____, hereinafter called "Mutual," to _____, hereinafter called "Stockholder," do hereby individually, jointly and severally, as the case may be, guarantee the performance by said "Stockholder" of all the terms and conditions of said Occupancy Agreement and the payment of all payments and monthly carrying charges under the terms and conditions recited in said Occupancy Agreement, or any renewals thereof, and the Guarantor further hereby individually, jointly and severally, as the case may be, undertakes to and does agree to indemnify and hold you and your successors and assigns harmless from and against any and all liability, loss, damage or expense including counsel fees which you may incur or sustain by reason of the failure of said "Stockholder" to fully perform and comply with the terms and obligations of membership in the Golden Rain Foundation, the Occupancy Agreement, and the purchase of share of stock in Seal Beach Mutual No. _____.

This guarantee is absolute and complete and shall extend to and cover any and all forms of indebtedness and liability on the part of the said "Stockholder" to the Golden Rain Foundation and/or "Mutual" heretofore accrued or hereafter accruing or arising from the issuance of said membership in the Golden Rain Foundation, said share of stock in "Mutual" and said Occupancy Agreement, and shall extend to any indebtedness of said "Stockholder" to such corporations, and said guarantee shall be a continuing guarantee and no notice of any indebtedness already or hereafter contracted or renewed need be given to the Guarantor or any of them. The Guarantors hereby expressly waive presentment, demand, protest, and notice of protest on any and all forms of indebtedness and also waive notice of the acceptance of this guarantee. Acceptance on the part of the said corporations being conclusively presumed by its request for this guarantee and delivery of the same to it.

Each of the undersigned acknowledges that this guarantee is operative and binding without reference to whether it is signed by any other person or persons. The undersigned all acknowledged that this guarantee is not subject to revocation by the undersigned and pertains to and applies to all monthly carrying charges and payments under the said Occupancy Agreement and said certificates as hereinabove referred to for so long as the said (Mar 17)

MUTUAL OPERATIONS**RESCIND ALL MUTUALS****RESIDENT REGULATIONS****Guarantor Agreement Form**

"Stockholder" and/or his or her estate shall hold stock in said corporation.

GOLDEN RAIN FOUNDATION
a corporation

By _____

GUARANTOR

SEAL BEACH MUTUAL NO. _____
a corporation

GUARANTOR

By _____

Dated _____

GRB

Approved: 18 Dec 73

(Mar 17)

Page 2 of 2

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Encroachment onto Common Areas for Exclusive Private Use of Shareholder – Mutual Eight

Mutual Eight limits Exclusive Private Use of Common Area to the following terms and conditions:

1.Exemptions:

- A. One entry walkway not to exceed 48 inches in width (6-inch decorative ribbon allowed on each side for maximum width of 60 inches) from a public sidewalk, or as required by the Uniform Building Code.
- B. A garden area of up to 36 inches from the original apartment wall in front of and at the end of the apartment. Where a sidewalk or retaining wall is 72 inches or less from the original apartment wall, the shareholder may have all garden area or all grass.
- C. One pad for an air conditioner/heat pump installed within 36 inches of the original apartment wall, or as required by Uniform Building Code. See Policy 7402.2.8.
- D. One additional single door stoop up to 36 inches deep from original apartment wall, or as required by Uniform Building Code.
- E. Up to four bay windows with the outside wall no more than 20 inches deep from original apartment wall.

2.Approvals:

- A. Any proposed exclusive private use of common area must be approved by the Mutual Eight Board and permitted by GRF under the following conditions:
 - i. A request describing the proposed exclusive use area must be made in writing to the Board via the GRF Physical Property Department supported by acceptable drawings, photos, and specifications meeting all Mutual, GRF, and city of Seal Beach requirements, setting out all specifics of the request, dimensions and the square footage needed in order for the Board to consider the request.
 - ii. Request must set out all legal information identifying the shareholder, the location of the apartment, the specific location of the encroachment, and specific use/reason for the encroachment.
 - iii. As condition of approval, the shareholder must agree to Terms and Conditions of the Addendum to the Occupancy Agreement as set out in paragraph 3 below.

3.The Addendum to the Occupancy Agreement:

(Oct 14)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****Encroachment onto Common Areas for Exclusive Private Use of Shareholder – Mutual Eight**

- A. The shareholder must complete and have an approved and signed Addendum (signed by both the shareholder and Board) and which has been delivered to the Stock Transfer Department before any construction or removal begins.
- B. The Addendum shall provide the following information and/or agreements:
 - i. Terms and conditions of use;
 - ii. Amount of square footage;
 - iii. Agreement to provide liability insurance;
 - iv. The amount of the original assessment for Exclusive Private Use and the start date of such exclusive use;
 - a. Calculation of Assessment: the original monthly assessment will be the square footage requested times the square foot value assigned by the latest Orange County Tax Assessor valuation times 10 percent (10%) ROI divided by 12 months. All assessments for Exclusive Private Use may be recalculated starting on the first day of each new decade by the GRF Finance Department.
 - b. Start Date: The start date is conditioned on an understanding that it may be delayed. Any changes or alterations will require Mutual Eight Board approval;
 - a. An agreement to maintain the Exclusive Private Use area: If the Exclusive Private Use area is not maintained to exceed or match surrounding area, the Board may cancel the Exclusive Private Use approval and terminate the Addendum to the Occupancy Agreement and restore the area to match similar common area at the shareholder's expense.
 - v. Agreement that the encroachment must be removed at selling; shareholder's expense unless buying shareholder agrees to execute a new Addendum to the Occupancy Agreement assuming all liability.

4.Existing Encroachments:

- A. Pre-January 22, 2007, Encroachments: Any encroachment added before January 22, 2007, (the original date of this policy) or previously permitted by GRF will be allowed to remain until there is a sale, request for alteration, or transfer of stock. On resale, a request for alteration, or transfer, the shareholder must remove the encroachment, restoring the common area to a condition as good as similar common area as determined by the Mutual Eight Board, or the shareholder or new shareholder must enter into a Board-approved Addendum to the Occupancy

(Oct 14)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****Encroachment onto Common Areas for Exclusive Private Use of Shareholder – Mutual Eight**

Agreement for Exclusive Private Use of the common area at issue under the terms and conditions set out in paragraph 3 above.

- B. Post-January 22, 2007, Encroachments: The shareholder must remove any encroachment added without a permit from GRF or approval of the Mutual Eight Board after January 22, 2007 (original date of this policy), within 90 days of notification of the violation by the Mutual Eight Board of Directors or GRF (the management company). In the event the encroachment was not approved by the Mutual Eight Board or permitted by GRF, the shareholder may agree to execute, with Mutual Eight Board approval, an Addendum to the Occupancy Agreement under the terms and conditions set out in paragraph 3 above. In all cases, on resale, a request for alteration, or transfer, the shareholder must remove the encroachment, restoring the common area to a condition as good as similar common area as determined by the Mutual Eight Board, or the shareholder or new shareholder must enter into a Board-approved Addendum to the Occupancy Agreement for Exclusive Private Use of the common area at issue.

5. Encroachments:

The following is a non-exclusive list of common area encroachments: expanded garden areas, extra doorway stoops, extra walkways, patios or patio-like areas, golf cart parking pads, extra wide entry walkways, and any other unapproved use of common area.

Shareholder Signature: _____ Date: _____

Shareholder Signature: _____ Date: _____

Original to Stock Transfer Corporate File

MUTUAL ADOPTION

EIGHT: 01-22-07

AMENDMENTS

10-27-14

(Oct 14)

MUTUAL OPERATIONS**RESIDENT REGULATIONS****GOVERNING DOCUMENT COMPLIANCE**
CORRECTIVE MEASURES AND FINES – MUTUAL EIGHT ONLY**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. Eight Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented (collectively, "Governing Documents").

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

Enforcement Procedures:

The Mutual may, in the Board's discretion, enforce any violation of the "Governing Documents" by pursuing, without limitation any one, 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. Send a notice of violation and intent to impose a fine. Fines will be imposed in accordance with the Mutual's Violation Fine Schedule.
3. 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.

MUTUAL OPERATIONS

RESIDENT REGULATIONS

GOVERNING DOCUMENT COMPLIANCE
CORRECTIVE MEASURES AND FINES – MUTUAL EIGHT ONLY

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.

Invoices for fines are due and payable immediately.

MUTUAL ADOPTION

AMENDMENT(S)

EIGHT:

(April 2017)