



OPEN MEETING

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL  
GOVERNING DOCUMENTS REVIEW COMMITTEE

Tuesday, May 28, 2019 – 10:00 a.m.  
Laguna Woods Village Community Center, Sycamore Room  
24351 El Toro Road, Laguna Woods, CA 92637

**NOTICE & AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of the Report from April 22, 2019
5. Chair's Remarks
6. Member Comments (Items Not on the Agenda)

Consent:

*All matters listed under the Consent Calendar are considered routine and/or informational and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

None.

Reports:

None.

Items for Discussion and Consideration:

7. Review and Discuss Committee Advisor Policies
8. Review and Discuss Possibility of a Lender Application
9. Review and Discuss Move In and Move Out Rules and Regulations

Concluding Business:

10. Committee Member Comments
11. Future Agenda Items
  - a. Guarantors
12. Date of next meeting is June 24, 2019
13. Adjournment

Maggie Blackwell, Chair  
Siobhan Foster, Staff Officer



UNITED LAGUNA WOODS  
M U T U A L

**OPEN MEETING**

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL  
GOVERNING DOCUMENTS REVIEW COMMITTEE

Monday, April 22, 2019 – 1:30 PM  
Laguna Woods Village Community Center, Sycamore Room  
24351 El Toro Road, Laguna Woods, CA 92637

- MEMBERS PRESENT:** Maggie Blackwell - Chair, Juanita Skillman, Andre Torng, Gary Morrison standing in for Anthony Liberatore, Advisor Bevan Strom
- MEMBERS ABSENT:** Anthony Liberatore, Advisor Mary Stone
- OTHERS PRESENT:** Carl Randazzo, Elsie Addington, Manny Armendariz, Dick Rader, Sherri Davis, Melanie Wood
- STAFF PRESENT:** Siobhan Foster, Blessilda Wright, Pamela Bashline, Eve Morton

**REPORT**

**1. Call to Order**

Chair Blackwell called the meeting to order at 1:30 p.m.

**2. Acknowledgement of Press**

No press was present.

**3. Approval of the Agenda**

President Skillman moved to approve the agenda. Director Torng requested that topic of guarantors be added to the agenda. The committee was in unanimous support to add this item and to approve the revised agenda.

**4. Approval of Report from the March 25, 2019 Meeting**

President Skillman made a motion to approve the Report. The Report was approved by consensus.

**5. Chair's Remarks**

Chair Blackwell stated that at the last two meetings, the guests along on the wall were speaking loudly. She asked that they please not do that and instead raise their hand to speak.

## **6. Member Comments (Items not on the agenda)**

None.

### Consent Calendar:

*All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

None.

### Items for Discussion and Consideration:

## **7. Review and Discuss the Proposed Updates to the Policy for Distribution of Material by Residents and Resident Organizations in Regards to the New Canvassing Law**

President Skillman made a motion to have Staff make the committee's proposed updates to this policy and send them on to the Board for approval. Director Morrison seconded. The committee was in unanimous support.

President Skillman stated that she will speak to Third and GRF about the possibility of incorporating a similar policy to this one.

## **8. Review and Discuss the Mutual's Current Smoking Policy**

The committee reviewed a Memo on this subject written by United Mutual attorney, Jeff Beaumont. Discussion ensued.

The committee requested that Staff replace Section 3 of the current Smoking Policy with the following wording:

*Smoking and vaping is prohibited in the entirety of United Laguna Woods Village, including Common Areas, but may be allowed in the following areas as long as a nuisance is not created:*

- *The interior of units as long as smoke is not permitted to escape the unit;*
- *The interior of enclosed balconies and enclosed patios as long as smoke is not permitted to escape the foregoing enclosures;*
- *Enclosed vehicles as long as smoke is not permitted to escape the vehicle;*
- *Any other authorized smoking areas established by the Board.*

The committee also requested to update Section 2g to read, "Smoking **or vaping** is defined as inhaling, exhaling, burning, or carrying any lighted cigar,

cigarette, e-cigarette, pipe, cannabis, or other combustible substance in any manner or in any form.”

President Skillman made a motion that Staff provide the existing version of the Smoking Policy, along with the proposed updated version, to the Corporate Secretary and to ask her to set up a Special Meeting prior to the next Board Agenda Prep meeting to discuss this issue. The committee was in unanimous support.

**9. Discuss Issue of Guarantors**

Via phone, the committee asked United Attorney, Jeff Beaumont, some questions regarding guarantors.

Concluding Business:

**10. Committee Member Comments**

None.

**11. Future Agenda Items**

- Guarantors
- Committee Advisor Requirements

**12. Date of next meeting is May 27, 2019**

**13. Adjournment at 3:55 p.m.**

  
Maggie Blackwell, Chair



**CONFIDENTIAL – ATTORNEY CLIENT PRIVILEGED**

**MEMO**

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**To:** Governing Documents Committee, United Laguna Woods Mutual  
**From:** Jeffrey A. Beaumont, Esq.  
**Date:** May 10, 2019  
**Subject:** Volunteer Advisors

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I. **INTRODUCTION**

The Governing Documents Review Committee has requested guidance concerning volunteer advisors; specifically with respect to whether the Board can and should adopt governing documents (i.e., policies) imposing qualifications for advisors, as well as requiring advisors sign a Code of Conduct and Confidentiality Form.

It is my understanding that committees, which serve at the pleasure of the Board, engage volunteer professionals and experts for the purpose of advising committees in the expert's respective field (i.e., advisors). I am informed that advisors serve at the will of the committee and can be removed or dismissed at any time without cause.

Article VIII, Section 2 of United's Restated Bylaws address committee advisors as follows: **"Non-voting advisors to the committees shall be designated by the appropriate Committee Chairperson, subject to the approval of the Board. The number of advisors per committee shall not be more than the number of Directors on the committee."** The Bylaws do not otherwise expressly address advisors.

Volunteer advisors are not afforded protection under United's governing documents nor its directors and officers ("D&O") liability insurance policy. Pursuant to

United's Bylaws, directors, officers and committee members are indemnified, but "non-voting advisors to the committee" are not protected. (Bylaws, Article XI, Section 1.)

To that end, and to minimize liability exposure, the most prudent approach is to give advisors a seat on the committee, without voting rights. Otherwise, United must engage in written agreements with professionals and experts for consideration (i.e., payment in exchange for services), and such contracts must include terms and provisions that protect United, its directors and committee members. However, for purposes of volunteer committee advisors, I strongly recommend that such advisors be clearly appointed to the committee, as reflected in the Board resolution and committee charter.

## II. DISCUSSION

Each director owes a fiduciary duty to United to act in good faith, in a manner the director believes to be in best interests of United, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. (Corporations Code § 7231(a).)

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(1) One or more officers or employees of the corporation whom the director believes to be reliable and competent in the matters presented;

(2) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or

(3) A committee upon which the director does not serve that is composed exclusively of any or any combination of directors, persons described in paragraph (1) above, or persons described in paragraph (2) above, as to matters within the committee's designated authority, which committee the director believes to merit confidence, so long as, in any case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted. (Corporations Code § 7231(b).)

Accordingly, the Board of Directors can and should rely on the advice of experts, as well as committees, in managing United's affairs. The Board may create and dissolve committees as it deems appropriate to advise or assist in its duties. (Corporations Code § 7210.) Committees may be executive (i.e., have decision making authority) or advisory in nature (i.e., make recommendations to the Board), and may be a standing committee (e.g., an architectural committee) or formed for a particular purpose ("ad hoc"), such as a litigation committee. Executive committees must consist of two or more directors and may exercise the non-delegable powers of the board. Boards may legally delegate certain functions, activities, powers and tasks to be exercised by a committee pursuant to the scope of its written authority, known as a committee charter.

The committee charter must specify the scope of each committee's duty and authority, and limitations of authority, appoint a chairperson and address the manner and frequency of meetings to be held by the committee and may specify the number and qualifications of committee members—all of which is at the discretion of the board. (Article VIII, Sections 1 and 2 of the Bylaws.) The committee charter should provide that the Committee Chair has the power and authority to appoint a committee advisor with certain qualifications, i.e., that committee advisors hold a seat on the committee and may be selected on the basis of demonstrated professional skill.

Article VIII, Section 2 of the Bylaws provides:

**"All committee chairpersons and committee members (Directors) shall be Members and members of the Board of Directors and appointed by the President subject to approval of the Board of Directors. Executive Committees have no advisors and have final authority unless appealed to the Board as a whole. Non-voting advisors to the committees shall be designated by the appropriate Committee Chairperson, subject to the approval of the Board. The number of advisors per committee shall not be more than the number of Directors on the committee."**

Accordingly, non-voting advisors who hold a seat on the committee must also be Members of United, selected by the Committee Chairperson and approved by the Board. Non-voting advisors serve at the pleasure of the committee and Board and may resign or be removed from the committee without cause at any time.

**CURRENT ADVISOR CONFIDENTIALTY AGREEMENT**

**Advisor Confidentiality Agreement**

To protect \_\_\_\_\_ Mutual (\_\_\_\_\_) and its Members, each Advisor on a committee of \_\_\_\_\_ shall sign a confidentiality agreement before attending and participating in Executive Session meetings. An Advisor who refuses to do so will not be permitted to attend Executive Session meetings and legal counsel will not copy that Advisor on confidential communications, nor participate in legal advice discussions with that Advisor present,

**Confidentiality Agreement**

I, \_\_\_\_\_ (Name), on \_\_\_\_\_ (Date) after having been duly appointed as an Advisor of (\_\_\_\_\_) \_\_\_\_\_ Committee, do hereby agree that all information which is disclosed by or to me, orally or in writing, and all discussions held at an Executive Session meeting of the Committee and all attorney advice shall be kept confidential and shall remain confidential, even after I am no longer an Advisor. I understand that this means that anything I say, hear or see at an Executive Session meeting may not be discussed with anyone outside of Executive Session.

I further understand that if I do not sign this Confidentiality Agreement or do not honor the Agreement, I will not be permitted to participate in or attend Executive Session meetings or to receive confidential attorney-client communications. I further understand that I will be held responsible for any damages which result to \_\_\_\_\_ or its individual Members if I violate this Agreement.

\_\_\_\_\_  
Print & Sign Name

\_\_\_\_\_  
Date

## GUIDELINES SUGGESTED BY PRESIDENTS/VICE PRESIDENTS

### Advisors in Laguna Woods Village

#### Requirements associated with the Advisors assigned to each of committees:

- An Advisor is assigned to a committee because his/her knowledge provides an enhancement to the working knowledge of the topics that will be discussed. This additional knowledge base provides additional information that is needed to permit the committee directors to make an informed decision.
- An Advisor shall be a member, or a co-occupant, in one of the Village Mutuals. It is not necessary that the advisor selectee be a member of the Mutual for which the committee is a part.
- An Advisor shall be in good standing with all assessments and fines that are owed to GRF and the Mutuals.
- An Advisor cannot vote and cannot chair a regular committee. However, with the approval of the members of an Ad Hoc Committee and Task Force, that he/she is assigned to, that advisor can be permitted to vote or chair that Ad Hoc Committee or Task Force.
- The number of advisors on a committee cannot exceed three (3) provided that this number does not exceed the number of voting directors that have been assigned to that committee.
- The advisor must have a working knowledge of the major topics that will be addressed in the committee meeting, e.g. the advisor on the finance committee should have been an accountant, finance professional, banker, bookkeeper or has a working knowledge based on his/her experience and not based on his/her pedigree. This same process is to be applied to each of the other committees.
- The advisor can be selected by the committee chairman, after the chairman reviews the candidate advisor's qualifying credentials. While it is not required to do so, it is desirable that the committee members review the candidate advisor's credentials and put his/her selection up for a vote. It makes for a better working relationship if the committee members are made part of the selection process.
- The term Committee Chairman as used herein, shall mean the chairman of the regular committee, ad hoc committee and/or Task Force.
- After an advisor is selected and assigned to a committee, he/she must sign and abide by the Advisor Code of Conduct and Confidentiality Agreement.
- The advisor can resign from a committee at any time by giving notice, either verbally or in writing, to the Committee Chairman.
- The advisor can be released from a committee at any time by notice provided, either verbally or in writing, by the Committee Chairman.

**GUIDELINES SUGGESTED BY PRESIDENTS/VICE PRESIDENTS**

**Advisor Confidentiality Agreement**

To protect Village Management Services (VMS) Board of Directors, United Laguna Woods Mutual, Third Laguna Hills Mutual and Golden Rain Foundation (GRF) - (herein after known as the VMS/Mutuals/GRF and its Members, each Advisor on a committee of VMS/Mutuals/GRF shall sign a confidentiality agreement before attending and not be permitted to attend Executive Session meetings and legal counsel will not copy that Advisor on confidential communications, nor participate in legal advice discussions with that Advisor present.

**Confidentiality Agreement**

I, the undersigned after having been duly appointed as an Advisor on a VMS/Mutuals/GRF Committee, do hereby agree that all information which is disclosed by or to me, orally or in writing, and all discussions held at an Executive Session meeting of the Committee and all attorney advice shall be kept confidential and shall remain confidential, even after I am no longer an Advisor. I understand that this means that anything I say, hear or see at an Executive Session meeting may not be discussed with anyone outside of Executive Session.

I further understand that if I do not sign this Confidentiality Agreement, or do not honor the Agreement, I will not be permitted to participate in or attend Executive Session meetings or to receive confidential attorney-client communications. I further understand that I will be held responsible for any damages which result to VMS/Mutuals/GRF or its individual Members if I violate this Agreement.

**Acknowledgement**

I acknowledge that I have received and read this Advisor Confidentiality Agreement and have had the opportunity to ask questions about same. I understand my obligations as an advisor to VMS/Mutuals/GRF under this Confidentiality Agreement and will act in accordance with my obligations.

Committee Assigned: \_\_\_\_\_

Identified VMS, Mutual or GRF: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print name: \_\_\_\_\_

## **ADVISORS CODE OF CONDUCT**

This Code of Conduct is implemented with the purpose of protecting and advancing the interests of Village Management Services (VMS) Board of Directors, United Laguna Woods Mutual, Third Laguna Hills Mutual and Golden Rain Foundation (GRF) - (herein after known as the VMS/Mutuals/GRF. This Code of Conduct is mandatory for and binding on all volunteer advisors.

### **MEETINGS**

During Meetings Advisors should be respectful to all persons sitting on the committee and to staff and all residents and vendors in the community, to ensure that business is carried out in an orderly and expedient fashion during and outside meetings. Advisors should respect parliamentary rules, policies, practices, and decorum. Comments and deliberations must be in clear and simple terms, and must avoid repetition, disruptive behavior, profanity, personal attacks, rhetorical concerns discussed by the same person, or harassment. Advisors are expected to act with integrity, demonstrating zero tolerance for unethical behavior, both for themselves and their colleagues. Advisors are expected to have courage and demonstrate a willingness to do the right thing and make the right decisions, even if it is difficult or unpopular. The violation of these rules may result in the Advisors dismissal from the committee.

As an individual that has an anticipated higher degree of knowledge on the topic it is expected that the Advisor will apprise the other committee members of the pros and cons of the issue, following parliamentary procedures. In order to affect the foregoing, the Advisors must:

Regularly attend all committee meetings for which he/she is assigned

Be prepared for all meetings that you are attending.

Review material provided in preparation for the meetings.

Be punctual and on time for all meetings.

Demonstrate professional etiquette and behavior.

Stay focused at meetings and do not be distracted by doing outside activities, such as pleasure reading, using electronic devices, etc.

Actively participate in committee deliberations; recognize the difference between productively participating in discussions and counter-productively dominating deliberations through the volume or length of comments. Work with other members of the committee to create workable compromises as necessary.

Stay on topic, ask questions as they are needed but be sure the questions are related to the current topic being discussed.

Make relevant, informed comments focused on the specific aspect of the issue being considered.

## GUIDELINES SUGGESTED BY PRESIDENTS/VICE PRESIDENTS

Advisors must not direct the committee to actions that will result in a personal benefit to the Advisor at the expense of the VMS/Mutuals/GRF.

Avoid situations that can be perceived as a conflict of interest.

Act with professional courtesy and respect towards fellow Advisors, members, residents, staff and vendors.

Do not respond to any mass emails within our community, with your email response, especially those that pertain to issues before the committee. Any such emails can be used in legal disputes against you and the applicable Board.

### **PROFESSIONAL CONDUCT**

In general, Advisors and committee members must conduct all dealings with Members, residents, vendors and staff with professional courtesy, honesty and fairness. This means that Advisors must not engage in any harassing, abusive, threatening, intimidating or discriminatory conduct. The Board has a "no discrimination and harassment" policy. The following will not be tolerated:

Disparaging, offensive, racist and/or bigoted remarks, including any remarks and statements made to any Member, resident and their family members or visitors, including but not limited to, any contractor, sub-contractor, plumber, landscaper, vendor, communications and service provider.

Disparaging, off color, offensive and/or bigoted remarks, including remarks and/or statements made to anyone claiming to be, or perceived to be lesbian, gay, transgender, bi-sexual, homosexual, trans-sexual, or any person that enters the community.

Disparaging, offensive, racist and/or bigoted remarks regarding the race, color, creed, culture, ethnicity, country of origin, citizenship, and/or citizenship status made to any resident, their family members, visitors, including, but not limited to, any contractor, sub-contractor, landscaper, plumber, vendor, communications and service provider.

Advisors must safeguard information that belongs to the VMS/Mutuals/GRF. Advisors and committee members are responsible for protecting the VMS/Mutuals/GRF's confidential information. As such, they may not use confidential information for the benefit of themselves, or their relatives, or for persons with whom they have a business relationship. Except when disclosure is duly authorized by the Board or committee (i.e., majority), or legally mandated, no advisor or committee member may disclose confidential information. Confidential information includes, without limitation:

Private personal information of fellow Advisors, committee members or staff.

Private personal information of the VMS/Mutuals/GRF's members/Residents.

Disciplinary actions against or concerning members of United.

Assessment collection information against or concerning members of the VMS/Mutuals/GRF.

Legally privileged communications (including disputes or otherwise), and communications deemed

## **GUIDELINES SUGGESTED BY PRESIDENTS/VICE PRESIDENTS**

confidential by the board, in which the board is or may be involved--Advisors may not discuss such matters with persons not on the board without the prior approval of the board of Directors, which may also require the approval of the VMS/Mutuals/GRF's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and result in the loss of confidential information.

### **INTERACTING WITH STAFF**

Advisors shall not direct staff unless with the Committee Chair's authority in order to carry out decisions of the committee made within the scope and authority of the committee; and to gather information in preparation of an upcoming action of the committee as proposed in a pending agenda. Notwithstanding, Advisors shall not interact with staff in a manner that prevents them from fulfilling their primary job responsibilities. In all instances the Committee Chairman shall be involved.

### **DISCLOSURE & RECUSAL**

Advisors must immediately disclose the existence of any actual and potential conflict of interest relating to him- or herself or his or her membership or manor. Advisors must withdraw from participation in decisions in which they have an actual, material interest; however, it is strongly recommended that Advisors withdraw from participation in decisions in which they also have a potential material interest.

### **VIOLATIONS OF POLICY**

Advisors and committee members who violate this policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate removal from a committee.

### **ACKNOWLEDGMENT**

I acknowledge that I have received and read this Advisors Code of Conduct and have had the opportunity to ask questions about same. I understand my obligations as an Advisor under this Code of Conduct and will act in accordance with my obligations.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print name: \_\_\_\_\_

## UNITED LAGUNA WOODS MUTUAL

### DIRECTORS CODE OF CONDUCT

*This Code of Conduct is implemented with the purpose of protecting and advancing the interests of United Laguna Woods Mutual (“United”). This Code of Conduct is mandatory for and binding on all Directors, officers, committee members or other volunteers of United.*

#### **BOARD & MEMBERSHIP MEETINGS**

Directors should be respectful to one another and to Members, staff and all residents and vendors in the community, to ensure that business is carried out in an orderly and expedient fashion during and outside meetings. Directors should respect United’s parliamentary rules, policies, practices, and decorum. Director comments and deliberations must be in clear and simple terms, and must avoid repetition, disruptive behavior, profanity, personal attacks, rhetorical concerns discussed by the same person, or harassment. Directors are expected to act with integrity, demonstrating zero tolerance for unethical behavior, both for themselves and their colleagues. Directors are expected to have courage and demonstrate a willingness to do the right thing and make the right decisions, even if it is difficult or unpopular (i.e., no fence sitting). The violation of these rules may result in a Director’s or officer’s involuntary recusal pursuant to United’s Governing Documents and applicable law, and may result in discipline pursuant to the Governing Documents and applicable law.

#### **BOARD RESPONSIBILITIES**

The general duties for Directors are to enforce United’s governing documents, collect and preserve United’s financial resources, insure United’s assets against loss as required by the governing documents or applicable law, and keep the common areas in a state of good repair. To fulfill that responsibility, Directors must:

- Regularly attend all Board meetings and committee meetings for assigned committees. If you miss three (3) consecutive committee meetings you are subject to being removed from the committee.
- Be prepared for all meetings that you are attending.
- Review material provided in preparation for board meetings.
- Be punctual and on time for all meetings.
- Demonstrate professional etiquette and behavior.

- Stay focused at meetings and do not be distracted by doing outside activities, such as pleasure reading, using electronic devices, etc.
- Actively participate in board and committee deliberations; recognize the difference between productively participating in discussions and counter-productively dominating deliberations through the volume or length of comments. Work with other members of the Board/committee to create workable compromises as necessary.
- Stay on topic, ask questions as they are needed but be sure the questions are related to the current topic being discussed.
- Make relevant, informed comments focused on the specific aspect of the issue being considered.
- Review the Association's financial reports.
- Make reasonable inquiry before making decisions.
- Make all decisions and actions in good faith, and in consideration of the best interests of United, and not in the best interests of the individual Director or faction of the community.
- Board members must not take actions or make decisions that result in a personal benefit to the Director at the expense of United.
- Avoid relationships, such as unique business, financial or personal relationships (or hoped-for-relationships) that create an actual or the perception of a conflict of interest.
- Act with professional courtesy and respect towards fellow Directors, members, residents, staff and vendors.
- All Board members must present themselves to our Members with high level of professionalism during our meetings, as well as when meetings are not held.
- Do not respond to the mass emails within our community, with your email response, especially those that pertain to issues before the Board. Any such emails can be used in legal disputes against you and our Board.
- Legal issues must be advised from United Board Members to the President who will advise United's legal counsel, and as direction is provided from legal counsel the President will so advise the Board. Any two Directors may contact United's legal counsel if they believe, based on good cause and support, that the President is breaching his/her obligations as President and/or Director.

## **PROFESSIONAL CONDUCT**

In general, Directors and committee members must conduct all dealings with Members, residents, vendors and staff with professional courtesy, honesty and fairness. This means that Directors must not engage in any harassing, abusive, threatening, intimidating or discriminatory conduct. The Board has a "no discrimination and harassment" policy. The following will not be tolerated:

- Disparaging, offensive, racist and/or bigoted remarks, including any remarks and statements made to any Member, resident and their family members or visitors, including but not limited to, any contractor, sub-contractor, plumber, landscaper, vendor, communications and service provider.
- Disparaging, off color, offensive and/or bigoted remarks, including remarks and/or statements made to anyone claiming to be, or perceived to be lesbian, gay, transgender, bi-sexual, homosexual, trans-sexual, or any person that enters the community.
- Disparaging, offensive, racist and/or bigoted remarks regarding the race, color, creed, culture, ethnicity, country of origin, citizenship, and/or citizenship status made to any resident, their family members, visitors, including, but not limited to, any contractor, sub-contractor, landscaper, plumber, vendor, communications and service provider.

Directors must safeguard information that belongs to United. Directors and committee members are responsible for protecting United's confidential information. As such, they may not use confidential information for the benefit of themselves, or their relatives, or for persons with whom they have a business relationship. Except when disclosure is duly authorized by the Board or committee (i.e., majority), or legally mandated, no Director or committee member may disclose confidential information. Confidential information includes, without limitation:

- Private personal information of fellow Directors, committee members or staff.
- Private personal information of United's members/Residents.
- Disciplinary actions against or concerning members of United.
- Assessment collection information against or concerning members of United.
- Legally privileged communications (including disputes or otherwise), and communications deemed confidential by the board, in which the board is or may be involved--Directors may not discuss such matters with persons not on the board without the prior approval of the board of Directors, which may also require the approval of United's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and result in the loss of confidential information.

### **INTERACTING WITH STAFF**

Directors shall not direct staff unless with Board authority (i.e., majority). However, Directors may work with staff when necessary in the following situations: to carry out decisions of the Board; to carry out decisions of a committee, made within the scope and authority of the committee; and to gather information in preparation of an upcoming action of the Board as proposed in a pending agenda. Notwithstanding, Directors shall not interact with staff in a manner that prevents them from fulfilling their primary job responsibilities.

### **DISCLOSURE & RECUSAL**

Directors and committee members must immediately disclose the existence of any actual and potential conflict of interest relating to him- or herself or his or her membership or manor. Directors and committee members must withdraw from participation in decisions in which they have an actual, material interest; however, it is strongly recommended that Directors withdraw from participation in decisions in which they also have a potential material interest.

A Director or member of a committee shall not vote on any of the following matters:

- Discipline of the Director or committee member.
- An assessment or fee against the Director or committee member for damage to the common area or facilities.
- A request, by the Director or committee member, for a payment plan for overdue assessments.
- A decision whether to foreclose on a lien on the separate interest of the Director or committee member.
- Review of a proposed physical change to the separate interest of the Director or committee member.
- A grant of exclusive use common area to the Director or committee member.

### **VIOLATIONS OF POLICY**

Directors and committee members who violate this policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- Censure.
- Removal from committees.
- Removal as an officer of the board.
- Request for resignation from the board.
- Recall by the membership.
- Legal proceedings.

Prior to taking any of the actions described above, the Board (or an executive committee appointed for this purpose) shall investigate the potential violation. The Board or committee shall review the evidence of violation, endeavor to meet with the Director/committee member believed to be in violation, confer with United's legal counsel, and (if a committee) present its findings and recommendations to the Board for appropriate action. The Board shall endeavor to meet with the Director/committee member in executive session prior to imposing disciplinary action against that person.

### **ACKNOWLEDGMENT**

I acknowledge that I have received and read the United's Directors Code of Conduct and have had the opportunity to ask questions about same. I understand my obligations as a Director/committee member under this Code of Conduct and will act in accordance with my obligations.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print name: \_\_\_\_\_

# UNITED LAGUNA WOODS MUTUAL

## RESOLUTION X-XX-XX

### **Objective Standards for Approval to Loan within United Laguna Woods Mutual**

**WHEREAS**, United Laguna Woods Mutual (hereinafter “United” or “Corporation”), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the “Governing Documents”);

**WHEREAS**, the Corporation’s Amended and Restated Bylaws (“Bylaws”) provide that the purpose of the Corporation is to “manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative” (Bylaws Article II, Section 1);

**WHEREAS**, the Board of Directors of the Corporation is authorized to establish policy and perform various administrative activities (Bylaws Article II, Section 3);

**WHEREAS**, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

**WHEREAS**, Pursuant to the above authority or otherwise contained in the Governing Documents, included among the Board of Directors’ management responsibilities is the vetting of lenders seeking to loan money on manors within United, in order to ensure the continued solvency of the Corporation;

**WHEREAS**, through counsel, the Board of Directors has enumerated objective criteria lenders must satisfy in order to loan within United, including that the perspective lender:

1. Is either a state or federally chartered bank or credit union;
2. Insures each deposit account through by FDIC, the National Credit Union Administration or otherwise, up to \$250,000.00 per account and backed by the full faith and credit of the United States government; and
3. Meets or exceeds the Capital Requirement pursuant to 12 C.F.R. § 3.10.

**NOW, THEREFORE**, be it resolved that the following resolution is adopted by the Board of Directors:

1. **Acknowledging and Approving Qualified Lenders.** The Corporation, by and through its Board of Directors, is authorized to approve lenders based on confirmation of satisfaction of the three objective criteria set forth above, as follows:

**Step 1:**

Confirm the institution is Insured. If the institution is a state or federal bank or savings association, start by going to the FDIC home page at [www.fdic.gov/](http://www.fdic.gov/) and clicking on the “Deposit Insurance” tab and selecting “Bankfind” and entering the bank information. Credit unions are supervised and insured by the National Credit Union Administration (“NCUA”) and confirmation of insurance may be obtained at <https://www.ncua.gov/> by clicking on the “Locate a Credit Union” link and then clicking the “Research a Credit Union” link and entering the institution’s name. As long as the institution’s name is returned by either the FDIC or NCUA, the institution has satisfied criteria 1 & 2.

**Step 2:**

Confirm the institution meets or exceeds the Capital Requirement pursuant to 12 C.F.R. § 3.10. All national banks and federal savings associations are subject to the Capital Requirement pursuant to 12 C.F.R. § 3.10. Therefore, if the institution is a national bank or federal savings association, and it is insured by either FDIC or NCUA, it satisfies all three objective criteria. If the institution is not a national bank or federal savings association, an officer or director of the institution must sign an affidavit under penalty of perjury under the laws of the State of California attesting to the fact that the institution meets or exceeds the Capital Requirement pursuant to 12 C.F.R. § 3.10.

If both the above steps are satisfied, the institution may be deemed an approved lender and upon execution of a recognition agreement, allowed to loan on property within United. Otherwise the institution should be advised that it fails to meet the objective criteria established to ensure the continued viability of the Corporation, that they are not approved to loan money on United property.

2. **Further Acts.** The Board of Director may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution.

**BE IT FURTHER RESOLVED**, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

///

**UNITED LAGUNA WOODS MUTUAL**

By: \_\_\_\_\_

Print Name  
Its: President

Dated: \_\_\_\_\_

**UNITED LAGUNA WOODS MUTUAL**

By: \_\_\_\_\_

Print Name  
Its: Secretary

DRAFT

**CERTIFICATE OF SECRETARY**

I, the undersigned, being the duly elected and acting Secretary of **UNITED LAGUNA WOODS MUTUAL, a California Non-Profit Mutual Benefit Corporation**, do hereby certify that the foregoing Resolution was adopted on \_\_\_\_\_, 2019.

This Certificate is executed under penalty of perjury on \_\_\_\_\_, 2019, in \_\_\_\_\_, California.

**UNITED LAGUNA WOODS MUTUAL**

\_\_\_\_\_

By: \_\_\_\_\_,  
Secretary

DRAFT

## So you're **moving into** Laguna Woods Village.

Welcome to Laguna Woods Village. To help make your move easier, we've prepared this simple checklist. If you have any questions, please call Resident Services at 949-597-4600. Have a great moving day.



Laguna Woods Village®

### Before Moving Day

- 30 days before, if you plan on having anyone doing work on your new place before you move in (painting, carpets, plumbing, that kind of thing), be sure to call and get Day Passes for them.
- 30 days before, bring your Move-In Hold Harmless document to Resident Services.
- At least two weeks in advance, call Resident Services to get Day Passes for movers, tradespeople and anyone helping with your move.
- Two weeks before, arrange for **elevator pads** through Resident Services, for no charge, to avoid damage to the elevators. Please remember, you are responsible for any damage done by your movers or workers. Things to be careful of include elevators, landscape, sprinklers and lobby furniture.
- At least one week before, call Village Security at 949.580.1400 to alert them of your move and reserve a space for your moving van.

### Moving Day

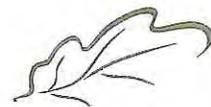
- Third and United moving hours are from 7 a.m. to 10 p.m. (*but you can't get started after 6 p.m.*), seven days a week.
- The Towers moving hours are from 8 a.m. to 4 p.m., Monday through Saturday. No moving on Sundays or holidays.
- Please remind your movers that the speed limit is 25 MPH, and 10 or 15 MPH in cul-de-sacs, as posted.
- Also remind your movers to use the provided elevator pads to avoid damage.
- Sorry, no music playing in public areas while you're moving.
- Please break down your empty boxes and stack them flat **NEXT TO**, not **IN** the trash bins.
- Please do not store anything on patios or balconies. Use your carport storage cabinets or your enclosed garage.
- Finally: remember to lift with your legs, not with your back.

Community Services 949.597.4600  
Village Security at 949.580.1400



## So you're **moving out of Laguna Woods Village.**

Please use this checklist to help everything go smoothly, and good luck!



Laguna Woods Village®

### Before Moving Day

- When the property is listed, arrange for a resale inspection by calling Resident Services.
- 30 days before, if you plan on having anyone do work ahead of your move out (like uninstalling kitchen appliances or electrical fixtures), be sure to call and get Day Passes for them.
- Two weeks before your move, call Resident Services to get Day Passes for movers, tradespeople and any friends who will be helping out on moving day.
- Two weeks before, arrange for **elevator pads** through Resident Services, for no charge, to avoid damage to the elevators. Please remember, you are responsible for any damage done by your movers or workers. Things to be careful of include elevators, landscape, sprinklers and lobby furniture.
- Two weeks before, call Resident Services to schedule a pick-up for bulky trash items or hazardous waste.
- One week before your move, call Village Security reserve a space for your moving van.
- One week before, take medicines to Laguna Woods City Hall, and they'll dispose of them properly.

### Moving Day

- United and Third moving hours are from 7 a.m. to 10 p.m. (*but you can't get started after 6 p.m.*), seven days a week.
- The Towers moving hours are from 8 a.m. to 4 p.m., Monday through Saturday. No moving on Sundays or holidays.
- Please remind your movers that the speed limit is 25 MPH, and 10 or 15 MPH in cul-de-sacs, whichever is posted.
- Also remind your movers to use the provided elevator pads to avoid damage.
- Sorry, no music playing in public areas while you're moving.
- Remember to turn in your Community ID Cards, RFID tags and community decals from the window of your vehicle(s) to Village Security in order to avoid a fine.

Resident Services 949.597.4600  
Village Security at 949.580.1400

Bye! We will miss you!



**SELLER(S) / BUYER(S) AGREEMENT  
FOR BUYER(S) TO ACCESS MANOR PRIOR TO CLOSE OF ESCROW**

**Manor Number:** \_\_\_\_\_

**Date:** \_\_\_\_/\_\_\_\_/\_\_\_\_

We (Seller(s) and Buyer(s) have agreed to the sale and purchase of the above designated Manor in Laguna Woods, California. The \_\_\_\_\_ Mutual Board of Directors has approved Buyer(s) for membership, and it is expected that escrow will close on or about \_\_\_\_/\_\_\_\_/\_\_\_\_.

**Prior to close of escrow, Seller(s) hereby agree(s) to allow buyer(s) to have unaccompanied access to the Manor for the following purposes and to obtain the appropriate passes to do so.**

Check one or more of the following:

- to store certain items of tangible personal property at said Manor
- to redecorate and/or make authorized improvements to said Manor
- to take possession and begin residing in said Manor effective \_\_\_\_\_.
- \_\_\_\_\_ is/are hereby authorized to obtain passes for the Buyer(s) in his/her/their absence

SELLER(S) MAY NOT CONTINUE OCCUPANCY OF THE MANOR FOR MORE THAN 15 DAYS AFTER THE CLOSE OF ESCROW. BUYER(S) MAY NOT OCCUPY THE MANOR ANY EARLIER THAN 15 DAYS PRIOR TO THE ANTICIPATED CLOSE OF ESCROW. IF EITHER EVENT OCCURS, BOTH PARTIES MUST EXECUTE A LEASE THROUGH THE LEASING DEPARTMENT FOR APPROVAL BY THE MUTUAL BOARD OF DIRECTORS. SPECIAL PASSES WILL BE ISSUED BY COMMUNITY ACCESS PENDING CLOSE OF ESCROW.

Buyer(s) hereby agree(s) to be subject to the same rules, regulations, restrictions and provisions of the applicable Third Mutual CC&Rs or United Mutual Occupancy Agreement upon execution of this agreement and for the term of Membership. **Buyer(s) understands that it is United Mutual policy to perform Final Inspections while the dwelling unit is unoccupied. Any Corrections not noted in the Final Inspection shall be the responsibility of the Buyer(s), if the buyer occupies the dwelling unit prior to the completion of the Final Inspection.** Buyer is responsible for any charges incurred by Buyer(s) while occupying the home before close of escrow.

Buyer(s) agree(s) to promptly vacate the Manor and the community if the escrow agreement is terminated or does not close within a reasonable time after the anticipated closing date identified above.

The undersigned agree to execute the attached Release, Waiver of Liability and Indemnity Agreement.

SELLER(S) SIGNATURE(S):

BUYER(S) SIGNATURE(S):

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**RELEASE, WAIVER OF LIABILITY AND INDEMNITY AGREEMENT**

**This Agreement limits the liability of and waives any claim the Seller(s) and/or Buyer(s) may have against the Golden Rain Foundation of Laguna Woods, United Laguna Woods Mutual, Third Laguna Hills Mutual and Laguna Woods Mutual No. Fifty, Village Management Services, Inc., and each of their respective Directors, Officers, Employees, Agents, Successors and assigns (hereinafter referred to as the "Indemnified Parties") for injury or damage, even if the injury or damage is caused by the negligence of the indemnified parties. Seller(s) and Buyer(s) should read this Agreement carefully before deciding that Seller(s) shall permit Buyer(s), or that Buyer(s) desire(s) to be permitted, to enter the property owned or managed by indemnified parties and the Seller(s) to use the Manor and Equipment therein on the terms and conditions contained in this Agreement.**

Prior to close of escrow of Manor No. \_\_\_\_\_ located in \_\_\_\_\_ ("Mutual"),

SELLER(S): \_\_\_\_\_, has (have) agreed to permit

BUYER(S): \_\_\_\_\_, to have unaccompanied access and entry to said Manor through, over, and upon the property of the Indemnified Parties to use said Manor for the following purpose(s) and to obtain the appropriate passes to do so.

Check one or more of the following:

- to store certain items of tangible personal property at said Manor
- to redecorate said Manor
- to take possession and begin residing in said Manor

**THE UNDERSIGNED** is/are aware that said access, entry and use by Buyer(s) may present a risk of loss or damage to Seller(s), Buyer(s) and Indemnified Parties' property and injury to Buyer(s).

**IN CONSIDERATION** of permitting, or being permitted, entry to the property of the Indemnified Parties and entry and use of the Manor and equipment for any purpose, including but not limited to the above, the undersigned for himself/herself/themselves and his/her/their personal representative(s), assign(s) heir(s) and next of kin, hereby acknowledge(s), agree(s) and represent(s) that I/we have or immediately upon entering, will inspect the property of the Indemnified Parties, the Manor and equipment therein. It is further warranted that said entry of the property and use of the Manor and equipment therein constitutes an acknowledgment that said property, Manor and equipment have been inspected and that the undersigned find(s) and accept(s) same as being safe and reasonably suited for his/her/their intended purposes.

**IN FURTHER CONSIDERATION OF PERMITTING OR BEING PERMITTED TO ENTER THE PROPERTY OF THE INDEMNIFIED PARTIES AND THE MANOR AND TO USE SAID MANOR AND EQUIPMENT IN ANY WAY FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO THE ABOVE, THE UNDERSIGNED HEREBY AGREE(S) TO THE FOLLOWING:**

- 1. THE UNDERSIGNED BUYER(S) AND SELLER(S) HEREBY COVENANT NOT TO SUE, WAIVE(S), DISCHARGE(S) AND RELEASE(S) THE INDEMNIFIED PARTIES** from all liability to the undersigned, his/her/their personal representative(s), assign(s), heir(s), and next of kin for any loss or damage, and any claim or demands therefore on account of injury to the person or property or resulting in death of the undersigned, whether or not caused by the negligence of the Indemnified Parties or otherwise, while the undersigned Buyer(s) is/are in, upon or about the property of the Indemnified Parties or the Manor or using the Manor or any equipment therein.
- 2. THE UNDERSIGNED HEREBY AGREE(S) TO INDEMNIFY AND SAVE AND HOLD HARMLESS THE INDEMNIFIED PARTIES** and each of them from any loss, liability, damage or cost he/she/they and/or any third party may incur due to the presence of the undersigned in, upon or about the property of the Indemnified Parties, the Manor or in any way observing or using the Manor or any of the equipment therein, whether or not caused by the negligence of the Indemnified Parties or otherwise.
- 3. THE UNDERSIGNED HEREBY ASSUMES FULL RESPONSIBILITY FOR AND RISK OF BODILY INJURY, DEATH AND PROPERTY DAMAGE,** whether or not due to the negligence of the Indemnified Parties or otherwise, while in, about or upon the property of the Indemnified Parties or the Manor or while using the Manor or any of the equipment therein.
- 4. THE UNDERSIGNED further understands and agree(s) that it is his/her/their sole responsibility to maintain** (1) health insurance and/or medical insurance or other financial resources to pay for any injury to himself/herself/themselves and (2) liability or other financial resources to pay for any injury to others or their property caused by him/her/them.

**THE UNDERSIGNED further expressly agree(s) that the foregoing RELEASE, WAIVER OF LIABILITY AND INDEMNITY AGREEMENT** is intended to be as broad and inclusive as is permitted by the law of the State of California and that if any portion hereof is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect.

**THE UNDERSIGNED HAS/HAVE READ AND VOLUNTARILY SIGN(S) THIS RELEASE, WAIVER OF LIABILITY AND INDEMNITY AGREEMENT, WHICH SHALL REMAIN IN EFFECT FROM THE DATE OF THIS AGREEMENT UNTIL THE CLOSE OF ESCROW FOR SAID MANOR OR UNTIL SAID ESCROW IS TERMINATED AND BUYER(S) VACATE(S) THE MANOR,** and further agree(s) that no oral representations, statements or inducements apart from the foregoing written agreement have been made.

I/WE HAVE READ THIS AGREEMENT AND UNDERSTAND THAT IT LIMITS THE LIABILITY OF THE INDEMNIFIED PARTIES AND WAIVES ANY CLAIM FOR ANY INJURY I/WE MAY SUSTAIN, OR LOSS OF, OR DAMAGE TO MY/OUR PROPERTY IN CONNECTION WITH MY/OUR PRESENCE IN, ABOUT OR UPON THE PROPERTY OF THE INDEMNIFIED PARTIES OR THE MANOR OR WHILE USING THE MANOR OR ANY EQUIPMENT THEREIN UNTIL THE CLOSE OF ESCROW FOR SAID MANOR OR UNTIL SAID ESCROW IS TERMINATED AND BUYER(S) VACATE(S) THE MANOR.

SELLER(S) SIGNATURE(S)

BUYER(S) SIGNATURES

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SELLER'S ADDRESS (Forwarding):

BUYER'S ADDRESS (If not this Manor)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

WITNESS SIGNATURE:

WITNESS SIGNATURE:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

WITNESS ADDRESS:

WITNESS ADDRESS:

\_\_\_\_\_  
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\_\_\_\_\_

DATE: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

DATE: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**NOTE: THIS RELEASE MUST BE EXECUTED IN CONJUNCTION WITH THE SELLER/BUYER AGREEMENT FOR BUYER TO USE MANOR PRIOR TO CLOSE OF ESCROW.**