
RESOLUTION OF THE BOARD OF DIRECTORS
OF LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

The undersigned, being all of the directors of Laguna Woods Mutual No. Fifty, a California nonprofit mutual benefit corporation, hereby exercise the powers residing by law in the directors of said corporation as follows:

1. All action taken herein is taken by written consent of the board of directors of the corporation without a meeting as authorized by the provisions of:

Section 13 of Article VII of the duly adopted bylaws of the corporation, which states:

Any action required or permitted to be taken by the Board may be taken without any meeting if all Members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consensus shall be filed with the minutes of the proceedings of the Board.

And pursuant to Section 7211 (b) of the California Corporation Code, which states:

Any action required or permitted to be taken by the board may be taken without a meeting, if all members of the board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the board. Such action by written consent shall have the same force and effect as a unanimous vote of such directors. For the purposes of this section only, "all members of the board" shall not include any "interested director" as defined in Section 5233, insofar as it is made applicable pursuant to Section 7238.

RESOLUTION M50-08-75

WHEREAS, Departing Representative is neither able to sell the Unit, nor able to or desirous of applying for membership at Mutual Fifty, nor does the estate have the financial wherewithal to pay the monthly assessments;

WHEREAS, rather than default in payment of the monthly assessments, the Departing Representative has proposed to Mutual Fifty that he or she would deed the Unit back to Mutual Fifty, and Mutual Fifty has agreed to accept this Deed (pending confirmation from a reputable title company that there are no encumbrances recorded against the Unit); and

WHEREAS, Mutual Fifty and Departing Representative have agreed to enter into this Agreement, including a mutual release of the parties, subject to all terms and

conditions herein, and the Departing Representative will execute a Deed conveying title to the Unit in favor of Mutual Fifty; and

WHEREAS, the parties wish to memorialize the terms of this reconveyance of the Unit to Mutual Fifty and to provide for the parties' mutual release of each other, in accordance with all terms and conditions contained herein.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of this Corporation on behalf of the Corporation hereby approves the form Agreement substantially in the form attached hereto as drafted by Counsel for those instances where a transfer of ownership is requested;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

2. The Secretary of this Corporation is hereby directed to accept this writing signed by all the directors of this Corporation and to place same in the Book of Minutes of the meetings of the Board of Directors of this Corporation as evidence of the action taken herein by the unanimous written consent of the Board of Directors of the Corporation.

Dick Gray, President

Keith Wallace, Treasurer

Richard Wurzel, Vice President

Ruth Mervis, Secretary

Herb Harris, Assistant Secretary/Assistant Treasurer

Dated: _____

Certified by:

Ruth Mervis, Secretary

AGREEMENT REGARDING RECONVEYANCE OF UNIT

AND

MUTUAL RELEASE

This Agreement Regarding Reconveyance of Unit and Mutual Release (the "Agreement") is made and effective as of this ____ day of _____, 200_, by and between Laguna Woods Mutual No. Fifty, a California nonprofit mutual benefit corporation ("Mutual Fifty"), on the one hand, and _____ ("Departing Representative") (as defined below), on the other hand, with respect to the following facts and circumstances.

RECITALS

WHEREAS, [Mr. or Mrs. X] resided at the Unit prior to their death, and his or her successors in interest and/or legal representative or representatives ("Departing Representative") now hold(s) title and/or is legally authorized to dispose of that certain real property commonly known as _____, Laguna Woods, California _____, Unit No. ____ in Tower No. __ (the "Unit"), which Unit is part of Mutual Fifty;

WHEREAS, Departing Representative is neither able to sell the Unit, nor able to or desirous of applying for membership at Mutual Fifty, nor does the estate have the financial wherewithal to pay the monthly assessments;

WHEREAS, rather than default in payment of the monthly assessments, the Departing Representative has proposed to Mutual Fifty that he or she would deed the Unit back to Mutual Fifty, and Mutual Fifty has agreed to accept this Deed (pending confirmation from a reputable title company that there are no encumbrances recorded against the Unit); and

WHEREAS, Mutual Fifty and Departing Representative have agreed to enter into this Agreement, including a mutual release of the parties, subject to all terms and conditions herein, and the Departing Representative will execute a Deed conveying title to the Unit in favor of Mutual Fifty; and

WHEREAS, the parties wish to memorialize the terms of this reconveyance of the Unit to Mutual Fifty and to provide for the parties' mutual release of each other, in accordance with all terms and conditions contained herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration as set forth below, the parties hereby agree as follows:

2. Consideration.

3. Execution of Deed in favor of Mutual. Concurrently with the execution of this Agreement, the Departing Representative who now holds title to, and/or has the legal right to dispose of, the Unit, agrees to execute that certain Deed substantially in the form of Exhibit "A" attached hereto and incorporated herein by this reference ("Deed"), pursuant to which the Unit is reconveyed in its entirety, such that Mutual Fifty shall own the Unit free and clear.

4. Forgiveness of Indebtedness for Monthly Assessment. In exchange for execution and delivery of the Deed, which Mutual Fifty or its agent shall record, the parties agree that effective upon recordation of such executed and notarized Deed (unless an earlier date is agreed to by Mutual Fifty in a writing with the Departing Representative), Mutual Fifty shall forgive any and all indebtedness of the Departing Representative with respect to the monthly assessments due to Mutual Fifty for the Unit.

5. Mutual Release. Mutual Fifty and Departing Representative irrevocably and unconditionally release and forever discharge one another and each of their respective predecessors, successors, assigns, executors and administrators, agents, employees, representatives, attorneys, affiliates and all persons acting by, through, under or in concert with any of them (collectively "Releasees") or any of them, from all actions, causes of action, suits, debts, liens, contracts, agreements, obligations, promises, liabilities, claims, rights, demands, damages, judgments, losses, costs, and expenses, including, without limitation, attorneys' fees, of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent (hereinafter "Claim" or "Claims") which they now have, own, hold or claim to have, own or hold, or at any time heretofore had, owned, held or claimed to have, own or hold, against one another or any of the other's Releasees, which arise from, are based upon, or are related to the Unit, the Departing Representative's (or their predecessor's or other individual who owned the Unit) ownership of the Unit, payment of the monthly assessments, or anything associated therewith. Notwithstanding the foregoing, this mutual release does not apply unless and until the Departing Representative has delivered to Mutual Fifty the executed and notarized Deed, and Mutual Fifty has confirmed that there are no encumbrances or liens against the Unit.

6. Unknown Claims. Each party acknowledges that there is a risk that subsequent to the execution of this Agreement he or she may discover, incur or suffer from Claims which were unknown or

unanticipated at the time this Agreement is executed, including, without limitation, unknown or unanticipated Claims which arise from, are based upon or related to the Unit, the Departing Representative's (or their predecessor's or other individual who owned the Unit) ownership of the Unit or anything associated therewith and which, if known by him or her on the date this Agreement is being executed, may have materially affected his or her decision to execute this Agreement. Each party acknowledges that he or she is assuming the risk of such unknown and unanticipated Claims and agrees that this release of the other parties hereto and such other parties' Releasees applies thereto. Each party expressly waives the benefits of Section 1542 of the California Civil Code, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

7. Condition Precedent to Mutual's Release of Departing Representative. Notwithstanding anything else to the contrary contained in this Agreement, the Departing Representative expressly acknowledges and agrees with and for the benefit of Mutual Fifty that Mutual Fifty's release of the Departing Representative as set forth in Section 2 above is subject to and conditioned upon Mutual Fifty taking possession of the Unit, and confirming that the Unit is in good condition and repair, normal wear or tear excepted. In the event that upon taking possession of the Unit, Mutual Fifty discovers that there is any property damage at the Unit beyond what would reasonably be anticipated as normal wear or tear, then the above release by Mutual Fifty of the Departing Representative shall not be applicable, and the Departing Representative agrees to pay to Mutual Fifty within thirty (30) days of receipt of an invoice, any costs or expenses associated with putting the Unit in good condition and repair

8. Not For the Benefit of Creditors or Third Parties. The provisions of this Agreement are intended only for the regulation of relations among the parties and are not intended for the benefit of creditors of the parties or other third parties and no rights are granted to creditors, or other third parties under this Agreement.

9. Full and Independent Knowledge. Each party represents that he or she has been or had an opportunity to be represented by independent counsel of his or her own choosing in connection with the preparation and review of this Agreement and that he or she has carefully read and understands the scope and effect of each provision contained herein.

10. Ownership of Claims. Each party represents and warrants to the other party and such other party's Releasees that he or she has not assigned or transferred or purported to assign or transfer any Claim or any portion thereof or any interest therein, and agrees to indemnify, defend, and hold the other party and such other party's Releasees harmless from and against any Claim based on or arising out of any such assignment or transfer, or purported assignment or transfer.

11. Authority to Execute. Each party represents and warrants to the other that he or she is duly authorized to execute and bind that party to the terms and provisions of this Agreement. Without limiting the generality of the foregoing, the Departing Representative further represents and warrants that he or she is duly authorized to transfer the Unit to Mutual Fifty in accordance with all terms and conditions contained herein, and the Departing Representative agrees to deliver to Mutual Fifty any documentation that is reasonably requested by Mutual Fifty to evidence such Departing Representative's authority to act with respect to the Unit.

12. Compromise. Each party agrees that this Agreement is the result of a compromise and shall never at any time or for any purpose be considered as an admission of liability or responsibility on the part of any party.

13. Successors. This Agreement shall be binding upon the heirs, administrators, executors, successors and assigns of each of the parties hereto.

14. Further Assurances. Each of the parties hereto, without further consideration, agrees to execute and deliver such other documents and take such other action as may be necessary or appropriate to consummate more effectively the subject matter hereof.

15. Miscellaneous.

3. This Agreement shall be construed in accordance with, and all disputes hereunder, shall be governed by the internal laws of the State of California.

4. In the event of any controversy or dispute arising out of this Agreement, the prevailing party or parties shall be entitled to recover from the non-prevailing party or parties, reasonable expenses, including, without limitation, attorneys' fees and costs actually incurred.

5. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement.

6. This Agreement (along with the Deed conveying the Unit back to Mutual Fifty to be executed pursuant to the terms hereof) sets forth the entire Agreement between the parties hereto, and fully supersedes any and all prior agreements or understandings between the parties hereto pertaining to the subject matter hereof.

7. This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same Agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

LAGUNA WOODS MUTUAL NO. FIFTY,
a California nonprofit mutual benefit
corporation

DEPARTING REPRESENTATIVE:

By: _____

Signature

Its: _____

Typed Name