

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THIRD LAGUNA HILLS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

March 29, 2013

A Special Meeting of the Third Laguna Hills Mutual, a California non-profit mutual benefit corporation, was held on Friday, March 29, 2013, immediately following the KPMG Presentation of Audited Financial Statements held at 10:00 A.M, at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Mike Straziuso, Won Chang, Isabel Muennichow, Rae Tso, Kathryn Freshley, Denny Welch, Hank Gioia, Sy Wellikson

Directors Absent: Jim Juhan, Judith Troutman, Beth Perak

Staff Present: Betty Parker, Jerry Storage, Kim Taylor

Others Present: Tracy Hensley, Spencer Endicott, and Keith Pew of KPMG

CALL TO ORDER

Mike Straziuso, President of the Corporation, called the meeting to order at 10:35 A.M. and established a quorum, and entertained a motion to approve the 2012 audited financial report for Third Laguna Hills Mutual.

Director Tso made a motion, seconded by Director Wellikson, that the Board of Directors of this Corporation has reviewed the financial statements for Third Laguna Hills Mutual for the year ending December 31, 2012, as audited by KPMG, and accepts a final audit report for publication.

By a vote of 7-0-0, the motion carried unanimously.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its March 19, 2013 Regular Executive Session Board Meeting, the Board reviewed and approved the minutes of the Regular Executive Session of February 19, 2013 and reviewed and approved the minutes of the Special Executive Session of February 5, 2013 and the minutes of the Special Executive Session of February 19, 2013 . The Board approved recording Notice of Default for Member ID 931-360-22; approved five write-offs; heard two disciplinary hearings and imposed fines totaling \$200 for violations of the Mutual's rules and regulations; and discussed other member disciplinary, contractual and legal matters.

With no further business before the Board of Directors, the special meeting was adjourned at 10:45 A.M.

Isabel Muennichow, Secretary