

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

January 21, 2014

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, January 21, 2014 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Mike Straziuso, Kathryn Freshley, Beth Perak, Judith Troutman, Jim Juhan, Rosemarie di Lorenzo Dickins, Ray Gros, Bert Moldow, Hank Gioia, Wei-Ming Tao, Won Chang

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet
Executive Session: Jerry Storage, Patty Kurzet, Cris Robinson, Luis Rosas, Matt Ober, Esq.

Others Present: Kelly Richardson, Esq. (via telephone in open session 9:30 A.M. – 12:38 P.M.)

CALL TO ORDER

Director Mike Straziuso, President of the Corporation, called the meeting to order at 9:30 A.M.

PLEDGE OF ALLEGIANCE

Director Gioia led the Membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF MEDIA

A representative of the Globe and the Channel 6 Camera Crew, by way of remote cameras, were acknowledged as present.

APPROVAL OF AGENDA

Without objection, the Board approved the agenda as submitted.

CHAIR'S REMARKS—Mike Straziuso

President Straziuso announced the departure of Patty Kurzet as the Mutual's Corporate Secretary and wished her luck in her new position; and made a few comments on maintaining peace.

APPROVAL OF THE MINUTES

Without objection the Board approved the December 17, 2013 Regular Meeting minutes as written.

CONSENT CALENDAR

Without objection, the Board approved the Consent Calendar as written and took the following actions:

Maintenance & Construction Committee Recommendations:

- | | |
|--------|--|
| 3011-Q | Approve request for doorstep trash and recycling collection by OC Rubbish and Recycling Removal, with conditions |
| 3152-C | Deny request for patio extension, enclosure and sliding glass door in Bedroom Two |
| 3529-B | Deny request for additional lighting on common area lawn |
| 5139 | Approve request for Master Bedroom extension, with contingencies |
| 5551-A | Approve request to paint entry doors black, with contingencies |

Landscape Committee Recommendations:

- | | |
|------|------------------------------------|
| 5267 | Denial of request for tree removal |
|------|------------------------------------|

Finance Committee Recommendations:

RESOLUTION 03-14-01

WHEREAS, Member ID 933-630-60 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 933-630-60; and

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.

RESOLUTION 03-14-02

WHEREAS, the Finance Committee recommends filing separate Small Claims Court cases of \$2,500 (or less) in an attempt to collect delinquent assessments by way of a judgment or stipulation against members/owners in Third Laguna Hills Mutual; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for Member ID 931-900-31, Member ID 932-720-82, Member ID 932-810-47, and Member ID 933-630-60; and

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.

GENERAL MANAGER'S REPORT

Mr. Storage updated the membership on the ongoing GRF projects within the Community and on Third Mutual projects.

MEMBER COMMENTS

Third Mutual Members were given the opportunity to speak and the Directors briefly responded.

UNFINISHED BUSINESS

The Secretary of the Corporation, Director Judith Troutman, read the following proposed resolution adopting a policy for Plants and Limited Common Area Walls within the Mutual that was postponed to conform to the 30-day notification requirement:

Director Chang left meeting at 10:20 P.M.

RESOLUTION 03-14-XX

WHEREAS, Mutual members have installed vines and plants that impede maintenance access to walls surrounding exclusive use patio areas; and

WHEREAS, the Mutual members at 3073-C and 3165-A have requested that the Mutual allow retention of their personal plantings surrounding exclusive use patio wall areas; and

WHEREAS, the Mutual desires to prohibit vines and plants from being attached to block walls, buildings, and other limited common area walls that are within 12 inches from the walls; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors of this Corporation hereby adopts the following policy for Plants and Limited Common Area Walls within the Mutual:

1. Members are prohibited from attaching personal plants to block walls, buildings, and other limited common area walls.
2. Any personal plants found to be attached to the exterior stucco, wood surfaces, masonry and concrete walls of residential buildings must be removed at the request of the Mutual.
3. Failure to manipulate and/or remove personal plants as requested by the Mutual will result in manipulation and/or removal of the plants by the Mutual at the expense of the Member.

4. Members may install personal plants, at their expense, at a minimum of 12" distance from limited common area walls.
5. Members may install vines, at their expense, on a free-standing trellis located at a minimum of 12" distance from the limited common area wall.

RESOLVED FURTHER, that the requests from Mutual members at 3073-C and 3165-A that the Mutual allow retention of their personal plantings surrounding exclusive use patio wall areas are hereby denied; and

RESOLVED FURTHER, failure to manipulate and/or remove personal plants as requested by the Mutual will result in manipulation and/or removal of the plants by the Mutual at the expense of the Mutual member; and

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.

Director Troutman moved to approve the resolution. Director Juhan seconded the motion and discussion ensued.

Director Moldow moved to refer the proposed policy back to the Maintenance and Construction Committee. Director Freshley seconded the motion and discussion ensued.

Members Barbara Marsh (3433-B) and Denny Welch (5517-1C) commented on the policy.

The motion to refer carried by a vote of 8-1-0 (Director Gros opposed and Director Chang was absent from the meeting).

Director Troutman read a proposed resolution adopting revised Election Rules that were postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Moldow seconded the motion and discussion ensued.

Mr. Richardson explained the need for the Candidates Pledge.

Director Freshley moved to remove the Candidates Pledge from the Policy. Director Tao seconded the motion.

Director Gros called the question which carried by a 2/3rds vote.

By a vote of 3-6-0 (Directors di Lorenzo Dickins, Freshley and Tao voted in favor, and Director Chang was absent from the meeting), the motion failed.

Director Chang returned to the meeting at 10:44 A.M.

Member Shari Horne (2354-3C) commented on the original motion.

By the following roll call vote of 8-3-0:

AYES: Straziuso, Perak, Troutman, Juhan, Gros, Moldow, Gioia, Chang

NAYES: di Lorenzo Dickins, Freshley, Tao

The motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-03

WHEREAS, California Civil Code §5105 (formally §1363.03 adopted in 2006) requires the adoption of rules regarding election procedures, appointment of inspectors of election, voting by secret ballot, proxy and ballot instructions, publication of election results, and retention of ballots; and

WHEREAS, the Civil Code has had several revisions since 2006 and the Board desires to update its election procedures;

NOW, THEREFORE, BE IT RESOLVED, January 21, 2014, that the Board of Directors of this Corporation hereby adopts the revised Election Rules of Third Laguna Hills Mutual as attached to the official minutes of the meeting; and

RESOLVED FURTHER, that Resolution 03-06-25 adopted May 16, 2006 is hereby superseded and cancelled; and

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

Director Troutman read a proposed resolution adopting revised Rules for Board Meetings that were postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Director Freshley moved to refer the proposed rules to the Board Operating Rules Committee. Director Tao seconded the motion and discussion ensued.

By the following roll call vote of 4-7-0, the motion failed:

AYES: di Lorenzo Dickins, Freshley, Tao, Moldow

NAYES: Straziuso, Perak, Troutman, Juhan, Gros, Gioia, Chang

Director Freshley moved to amend the policy by adding the following sentence at the end of III (D): "except for the minutes of previous session packets, if the Director desires". Director Tao seconded the motion and discussion ensued.

By the following roll call vote of 5-5-1, the motion failed:

AYES: di Lorenzo Dickins, Freshley, Tao, Moldow, Troutman

NAYES: Straziuso, Perak, Gros, Gioia, Chang

ABSTAINED: Juhan

Without objection, debate ended.

By a vote of 6-3-1 (Directors di Lorenzo Dickins, Freshley, Tao opposed and Director Moldow abstained, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-04

WHEREAS, each Owner Member of Laguna Woods Village has an ongoing interest and right under California law to participate in the governance of their community; and

WHEREAS, the Board of Directors of the Third Laguna Hills Mutual has an equal interest and duty under law to ensure that the management of the community's affairs is carried out professionally and in adherence with the provisions of the Davis-Stirling Act; and

WHEREAS, the Board of Directors wishes to promote order and regulate meeting time in an even and consistent fashion; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors of this Corporation hereby approves the attached revised Rules for Board Meetings; and

RESOLVED FURTHER, that Resolution 03-13-04 adopted January 15, 2013 is hereby superseded and cancelled; and

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.

Director Troutman read a proposed resolution approving revised Rules regarding Chargeable Services that were postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion.

Director Perak left the meeting at 11:18 A.M.

By a vote of 9-0-0 (Director Perak was absent from the meeting), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-05

WHEREAS, the New Civil Code Section 5855 starting January 1, 2014 requires hearings on any financial claims the Mutual wishes to impose upon members who have damaged (or allowed damage to) common area; and

WHEREAS, the Mutual's legal counsel recommended changes to the Mutual's current chargeable services rules; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014 that the Board of Directors of this Corporation hereby adopts the revised Rules Regarding Chargeable Services, as attached to the minutes of this meeting, effective January 2, 2014; and

RESOLVED FURTHER, that Resolution 03-12-131 adopted October 16, 2012, is hereby superseded and cancelled; and

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.

Director Troutman read a proposed resolution approving revised Third Laguna Hills Mutual Vehicle, Traffic, and Parking Rules that were postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Director di Lorenzo Dickins moved to refer the proposed policy back to the Committee. Director Tao seconded the motion and discussion ensued.

Director Perak returned to the meeting at 11:25 A.M.

Member Denny Welch (5517-1C) commented on the motion.

The motion to refer was withdrawn by a 2/3rds vote.

By a vote of 8-2-0 (Directors di Lorenzo Dickins and Freshley opposed), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-06

WHEREAS, by way of Resolution 03-13-106 the Board of Directors of this Corporation has adopted standards for traffic enforcement and parking enforcement, and in an effort to provide comprehensive traffic rules and regulations enforceable to the residents of Third Mutual, both standards have been consolidated to improve consistency within the community; and

WHEREAS, the Traffic Rules and Regulations are intended to adhere to and not contradict the California Vehicle Code and/or Davis-Stirling Act;

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors of this Corporation hereby adopts the revised Third Laguna Hills Mutual Vehicle, Traffic, and Parking Rules, as attached to the minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-13-106 adopted October 15, 2013 is hereby superseded and cancelled; and

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.

NEW BUSINESS

Director Troutman read the following proposed resolution amending the Mutual's Interior Inspection of Vacant Manors Policy:

RESOLUTION 03-14-XX

INTERIOR INSPECTION OF VACANT MANORS

WHEREAS, vacant manors present a number of concerns to Third Mutual and its residents, and those concerns increase the longer the manor is vacant; and it is to the benefit of Third and its residents to inspect the condition of manors which have been vacant for one or more years; and

WHEREAS, based on corporate counsel's opinion, and the Mutual's governing documents, the Mutual has the right to inspect manors at any time in the event of an emergency; and the right to enter manors at a reasonable hour in non-emergency situations for the purpose of performing maintenance and/or making repairs;

NOW THEREFORE BE IT RESOLVED, March 18, 2014, that the Board of Directors hereby amends its Interior Inspection of Vacant Manors Policy to include the requirement the owner of record expressly authorizes a non-emergency inspection; and

RESOLVED FURTHER, that except in case of an emergency inspection, the Mutual will provide a minimum of 15 days' notice of inspection to the owner of record of each vacant manor; and

RESOLVED FURTHER, the Mutual will conduct non-emergency inspections only upon receipt of written permission from the owner of record; and

RESOLVED FURTHER, if the owner of record does not respond after two contact attempts by the Mutual or specifically denies entry, the matter may be referred to the Board for member disciplinary action; and

RESOLVED FURTHER, non-emergency inspections will be conducted with Security personnel in attendance to document and ensure there is no adverse impact upon the manor interior by the Mutual's inspection; and

RESOLVED FURTHER, the inspector will identify and note conditions within the manors and facilitate remediation of adverse functional conditions identified if necessary to protect against damage to Mutual property, common area damage or nuisance to neighboring residents; and

RESOLVED FURTHER, the Mutual will charge an inspection and administration fee of \$100 to the owner of the inspected manor; and

RESOLVED FURTHER, that necessary emergency repairs, those that are required to prevent damage to Mutual property, that are the responsibility of the member will be carried out and charged to the owner of record; and

RESOLVED FURTHER, that necessary emergency repairs that are the responsibility of the Mutual will be carried out at Mutual cost; and

RESOLVED FURTHER, that Resolution 03-08-107 adopted October 21, 2008 is hereby superseded and cancelled; and

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.

Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Mr. Richardson provided a brief summary of the proposed policy.

Member Denny Welch (5517-1C) commented on the motion.

Without objection, the Board postponed the resolution to the March meeting to satisfy the 30-day notification requirement.

Director Troutman read the following proposed resolution amending the Mutual's Common Area Use Policy:

RESOLUTION 03-14-XX

WHEREAS, Resolution 03-06-05 adopted on January 26, 2006 was developed in response to the then new California Civil Code Section 1363.07 (now Section

4600) which permits the Mutual to transfer portions of the Common Area to Members as Exclusive Use Common Area without the requirement of two thirds (2/3) of the owners approval under certain limited circumstances; and

WHEREAS, the Mutual seeks to clarify the circumstances under which expansion of a Manor might be considered within the limits of Section 4600;

NOW THEREFORE BE IT RESOLVED, March 18, 2014, that the Board has received input from legal counsel, has reviewed the proposed revisions to the "Decision Tree," and hereby adopts the policy outlined in this Resolution (and the attachments hereto, discussed below), to govern the Board's decision-making when owners apply to the Mutual for authorization of an improvement encroaching into Common Area or Exclusive Use Common Area. Specifically, the Mutual, in determining whether the improvement is to be approved, shall use the analysis in the Decision Tree, attached hereto to and incorporated into these Minutes; and

RESOLVED FURTHER, that consistent with the Decision Tree, the Mutual shall consider the following when evaluating whether to approve a Member application for the construction of an Improvement:

- (1) The Improvement must be consistent with:
 - (a) Third Mutual's architectural and building guidelines;
 - (b) Provisions of California Civil Code Section 4600; and
 - (c) Third Mutual's CC&Rs, Resolutions and other Mutual Rules.
- (2) Civil Code Section 4600 permits the Mutual Board to approve an Improvement that transfers the burden of management and maintenance of any common area which is generally inaccessible and not of general use to the Mutual Membership at large.
- (3) If the proposed Improvement affects a neighboring Manor, the Member shall submit a Neighbor Awareness Form for each affected neighbor.
- (4) If the proposed Improvement will be located partially or wholly upon Common Area, and is generally accessible to Members or could reasonably be used by or for the benefit of Members other than the applying Member, then the Board will reject a given application, unless any other exception in Section 4600 applies.
- (5) The Board may also approve an Improvement which is located partially or wholly upon Common Area in order to eliminate or correct an encroachment due to errors in the original construction; or would accommodate a disability; or would permit the installation of an electric vehicle charging station.
- (6) The Board's decisions on this matter are in its sole and absolute discretion.

RESOLVED FURTHER, if the proposed Improvement is to be located entirely within an Exclusive Use Common Area already associated with the applicant's Manor, the application may be approved provided the Improvement is otherwise in compliance with Third Mutual's architectural and building guidelines, and

otherwise permissible under Third Mutual's CC&Rs, and other applicable Rules and Resolutions. Compliance with Third Mutual's architectural and building guidelines shall be a threshold required for any proposed Improvement, whether located on a Member's separate interest, Exclusive Use Common Area or the Common Area; and

RESOLVED FURTHER, that if the Mutual grants a Member the exclusive use of a portion of the Common Area or Exclusive Use Common Area for the purpose of an Improvement located (partially or entirely) on that Common Area or Exclusive Use Common Area, that Member must, as a condition to receiving final approval for the Improvement, execute a recordable Common Area Agreement (substantially in the form of the "Agreement Confirming Continuing Tenant In Common Ownership of Common Area", attached to and incorporated by reference into this Resolution). Such Common Area Agreement provides, among other things, the Member agrees that the area in question shall become an exclusive use Common Area, and not the applying Member's separate interest. The Common Area Agreement also requires the Member shall assume the responsibility for insuring and maintaining the area containing the Improvement, and agrees to indemnify Third Mutual for any and all claims pertaining to the Improvement; and

RESOLVED FURTHER, that Resolution 03-06-05 dated January 26, 2006 is hereby superseded and cancelled; and

RESOLVED FURTHER, that PCM officers and employees charged with the responsibility of overseeing construction of additions, modification and Improvements within Third Mutual are hereby authorized to take all appropriate actions consistently with these minutes and to carry out the purpose and intent of this resolution.

Director Chang left the meeting at 11:45 A.M.

Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Without objection, the Board postponed the resolution to the March meeting to satisfy the 30-day notification requirement.

Director Troutman read a proposed resolution approving the Inspectors of Election for the 2014 Election of Directors. Director Troutman moved to approve the resolution. Director di Lorenzo Dickins seconded the motion.

By a unanimous vote the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-07

RESOLVED, January 21, 2014, that the Board of Directors of this Corporation

hereby appoints the following persons as Inspectors of Election:

Hillel Pitlik
Charline Brant
Gene Brant

RESOLVED FURTHER, that such appointees shall serve for the counting of the ballots for the 2014 Election of Directors of this Corporation and any other elections that may arise; and

RESOLVED FURTHER, that such appointments shall remain in effect until successors are appointed by the Board; and

RESOLVED FURTHER, that Resolution 03-13-15 adopted February 19, 2013 is hereby superseded and cancelled.

Director Chang returned to the meeting at 11:55 A.M.

Director Troutman commented on the GRF Bylaw amendment that was passed at the January 9, 2014 Corporate Members Meeting.

Director Troutman moved that the Third Laguna Hills Mutual Board of Directors endorse, in concept, the GRF Bylaw change to §2.16 that "GRF shall obtain a majority vote from the Corporate Members (as defined in Paragraph 2.1.10) prior to engaging in any business or activity specified in Paragraph 2.1.4. The vote shall be by ballot pursuant to Paragraph 5.8.2."

Mr. Richardson commented on the motion.

Members Isabel Muennichow (5285) and Shari Horne (2354-3C) commented on the motion.

By a vote of 8-0-2 (Directors Chang and Juhan abstained) the motion carried.

Director Perak moved that the Third Mutual Board invite the officers of each corporation to meet with the Third Mutual officers to discuss the topic of the GRF Bylaw amendment. The motion was seconded and discussion ensued.

Director Gros left meeting at 12:26 P.M.

By a vote of 5-4-0 (Directors Chang, Gioia, Perak, Juhan and Troutman voted in favor; and Directors di Lorenzo Dickins, Freshley, Tao and Moldow opposed; Director Gros was absent from the meeting).

Director Freshley moved to hold a Corporate Members meeting each month to discuss community-wide issues. Director Tao seconded the motion and discussion ensued.

Director Gros returned to the meeting at 12:30 P.M.

By the following roll call vote of 4-7-0, the motion failed:

AYES: di Lorenzo Dickins, Freshley, Tao, Moldow

NAYES: Straziuso, Chang, Gioia, Perak, Juhan, Troutman, Gros

Mr. Richardson left the meeting at 12:38 P.M. and did not return.

COMMITTEE REPORTS

Director Gioia gave the Treasurer's and the Finance Committee Reports, and commented on the Resale & Lease Activities.

Director Troutman reported from the Landscape Committee.

Director Juhan reported from the Maintenance and Construction Committee.

Director Troutman read a proposed resolution approving a request from 3060-A for the installation of a curb cut at cul-de-sac 305 and authorizing a supplemental appropriation. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

By a vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-14-08

WHEREAS, Ms. Nancy O'Neill of 3060-A Via Serena requested two curb cuts at Cul-de-sac 305; and

WHEREAS, Resolution 03-07-117 states that the sidewalk is the responsibility of the Mutual and the curb is the responsibility of GRF and each curb cut will be shared between GRF and the Mutual with each corporation to pay 50 percent of total cost;

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board hereby approves the request of 3060-A Via Serena for the installation of a curb cut at cul-de-sac 305 and authorizes a supplemental appropriation of \$10,000 to be funded from the Unappropriated Expenditures Fund; and

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.

Director Moldow announced the first meeting of the Energy Sub-Committee.

Director Juhan reported from Resident Problem Resolution Services.

Director Gros reported from the Traffic Rules and Regulations Ad Hoc Committee.

Director Perak reported from the Communications Committee.

Director Juhan reported from the Joint Task Force to Analyze the GRF Trust and Bylaws.

Director Gros reported on the Laguna Canyon Foundation.

GRF Committee Reports Highlights

- No highlights were given.

DIRECTORS' COMMENTS

Directors made their final comments.

ADDITIONAL MEMBER COMMENTS

No additional member comments were made.

The Board recessed at 1:01 P.M. and reconvened into Executive Session at 1:49 P.M.

Summary of Previous Closed Session Meetings per Civil Code Section §4935

During its December 17, 2013 Regular Executive Session Board Meeting, the Board approved the November 19, 2013 Regular Executive Session minutes and the December 6, 2013 Special Executive Session minutes as written. The Board approved the recording of a Notice of Default for Member ID 931-470-87; approved two assessment debt write-offs; heard two disciplinary hearings and imposed fines totaling \$200 for violations of the Mutual's rules and regulations; considered two Delinquent Assessment Payment Plan Agreements; discussed contractual issues regarding ETWD and the storm drain expansion, parking; and discussed other member disciplinary matters.

During its December 23, 2013 Special Executive Session Board Meeting, the Board established an Executive Litigation Committee.

During its January 9, 2014 Special Executive Session Board Meeting, the Board discussed potential litigation issues.

With no further business before the Board of Directors, the meeting was adjourned at 2:45 PM.

Judith Troutman, Secretary

ELECTION RULES OF THIRD LAGUNA HILLS MUTUAL

The following Third Laguna Hills Mutual Election Rules are adopted by the Board of Directors.

These Rules are intended to comply with California statutes as well as the Mutual Bylaws. In addition, these rules are intended to enhance the fairness and professionalism of Mutual membership voting. Where applicable, Bylaw authority is shown in (parentheses).

1. Definitions

- A. **Ballot Materials** - Ballot, Secret Ballot Envelopes, Pre-addressed Return Envelopes, and any other material sent to all Members with the Ballots.
- B. **Election Records** - tabulated ballots, voided ballots, voided Pre-addressed Return Envelopes, Eligible Voter List(s), tally sheets, ballot packages returned from post office as undelivered, ballots received after the election deadline, and any other used ballots.
- C. **Inspector** - the one or three persons or entity appointed by the Board of Directors to serve as Inspector(s) of Election.
- D. **Inspection Firm** - business hired by Mutual to conduct the election and assist the Inspector. If there is no Inspection Firm hired by the Mutual, those duties will be fulfilled by the Inspector. The Inspection Firm may also act as the Inspector, if so approved by the Board.
- E. **Member** - Member of Third Laguna Hills Mutual
- F. **Record Date** - The date for determining Member voting eligibility
- G. **Rules** - These Elections Rules of Third Laguna Hills Mutual.
- H. **Secretary** - an elected member of the Board of Directors who has been appointed as Secretary by the Board.
- I. **Assistant Secretary** -- Staff member of the Managing Agent who has been appointed by the Board of Directors.

2. Nomination Process

- A. A candidate seeking to run in any election of Directors shall:
 - i. Be a Member of record as defined by the Corporation's governing documents (6.2)
 - ii. Be a resident Member of the community (6.2)
 - iii. Not serve concurrently as a GRF Director (6.2.1)
 - iv. Not be a director, stockholder, officer, employee, or partner of any other organization whether private, public, or governmental, where such dual status would create a material and adverse conflict of interest and adversely impact said Member's ability to serve on Third's Board of Directors (6.2.2)
 - v. Not concurrently serve on the Laguna Woods City Council (6.2.3)
 - vi. Not be, as shown on the books of account of this Corporation as of the Record Date, to be more than thirty (30) days delinquent in payment of any sums due to this Corporation (6.2.4)
 - vii. Neither the Member, nor the Member's spouse, co-owner, or co-resident may be an employee of the Corporation's managing agent (6.2.5) or the Mutual.

- viii. Not have been convicted of a felony.
- ix. Not have an unresolved disciplinary or architectural violation which remained unresolved for more than 60 days at any time within a period of 150 days prior to the election.

B. Any Member is eligible as a candidate under these Rules and who also satisfies the qualifications of Directors under the Mutual's Bylaws (6.2) may apply or self-nominate at least fifty (50) days before each annual meeting of the Members by signing an application and submitting it to the Secretary or Assistant Secretary of the Corporation stating an intention to run for the Board of Directors. (8.3.5). Incomplete applications will not be accepted. The application shall include the signed Candidate's Pledge as attached to these Rules.

C. Every candidate shall submit a statement of background and qualifications, not to exceed 300 words, to the Inspection Firm, not later than the time of close of nominations. It is specifically understood by each candidate that the statement will be published. The Mutual shall not edit or redact any content from the candidate's statement. Any candidate statement published shall be accompanied by the following statement:

"These statements are from the candidates and not the Mutual. Neither the Mutual nor the Board of Directors is responsible for or necessarily endorses any of the views expressed in these statements."

A candidate statement exceeding 300 words in length will be cut off at the 300th word before publishing the statement.

D. The Secretary or Assistant Secretary shall ninety (90) days before the date of the election send notice to all Members of the election date and the last date to submit candidate applications.

E. The Inspection Firm shall send to each Member entitled to vote a ballot package, including candidate statements, no later than 30 days prior to the date of election. (8.3.6)

3. Eligibility to Vote

A. No Member shall be eligible to vote who is shown on the books of account of the Mutual, on the Record Date for voting, to be more than thirty (30) days delinquent in payment of any sums due to this Corporation in excess of \$100. (5.8.1.1).

B. Only the Member of Record of the Manor on the Record Date may cast a vote in the election. An owner which acquires a Membership after the Record Date but before the election may not vote.

C. Memberships in which two or more Mutual Members have joint or undivided interest shall have only one (1) vote. (5.8.1.2)

4. Candidate Equal Access to Media

A. All candidates will be afforded the same opportunity as any other candidate to Laguna Woods Village and/or any Third media.

B. Prior to each election for the Board of Directors, the Mutual shall hold a forum (“Meet the Candidates”) for the nominees within a Golden Rain Foundation (GRF) facility prior to the date that the ballot materials are sent to the Membership. The forum will be administered by the Candidates Information Committee. If no Candidates Information Committee is formed, the Board may designate a chairperson to preside over the forum. In the absence of Board action to designate a chairperson, the President may designate a chairperson. The forum is intended to allow the Membership to meet and ask questions of nominees. All nominees standing for election shall be invited to attend the forum and should appear in person so that all candidates participating in “Meet the Candidates” are on an equal footing. However, a candidate shall not be disqualified if they fail to attend the “Meet the Candidates” event.

5. Appointment of Inspector

A. At an open meeting, as soon as possible after the annual meeting of the Mutual, the Board of Directors shall appoint one (1) or three (3) Inspector(s) of Election. The Board may appoint individuals to serve as Inspector(s), or it may hire an independent third party which specializes in the administration of elections (hereafter, “Inspection Firm”). The Board may also hire an Inspection Firm to assist the individual(s) serving as Inspectors. An individual Inspector must be a member of the Mutual in good standing as defined in the Bylaws.

B. An Inspector shall not be a Director on either the Third or GRF Board of Directors, a candidate for either Board of Directors, or related by blood or marriage to a candidate for either Board of Directors.

C. An Inspector shall not be an employee of the managing agent; however, employees of the managing agent may assist the Inspector(s) with their duties except for the counting and tabulation of the votes.

D. An Inspector shall be impartial and shall not advocate, recommend or even disclose any personal voting preference.

E. The Inspection Firm shall be instructed to communicate only with the Inspector(s), with management staff, or as otherwise directed by majority vote of the Board.

6. Duties of Inspector

A. If three individuals are the Inspector they shall act by majority vote, and the decision or act of a majority shall be effective in all respects as the decision or act of all. The Inspector may rely upon information and assistance from management staff as well as legal counsel.

B. Determine the number of memberships entitled to vote. The Inspector may rely upon management staff for this information.

(a). Ballots returned by hand shall be deposited by the Member into a locked and secure ballot box located in the lobby of the Community Center, 24351 El Toro Road, Laguna Woods.

(b). At the request of the voting Member, management staff shall provide a receipt for the hand delivered ballot.

(c). The Inspector(s) or Inspection Firm shall retrieve Pre-addressed Envelopes from the locked ballot box and record their receipt, at periodic intervals of their selection, until the close of balloting.

c. All Pre-addressed Return Envelopes received shall remain sealed and in the possession of the Inspection Firm until they are opened and the ballots tabulated in public.

F. Verify voter eligibility.

i. Validate and record the number of Pre-addressed Return Envelopes received from the post office and by hand delivery.

ii. Void any Secret Ballot which is not sealed inside a Secret Ballot Envelope.

iii. Void (but do not open) any Secret Ballot envelope which is not enclosed in a Pre-addressed Return Envelope.

iv. Void (but do not open) any Pre-addressed Return Envelope, which does not contain information that identifies the member as an eligible voter.

v. Void (but do not open) any Pre-addressed Return Envelope that is a duplicate vote.

a. Revocation. No written ballot may be revoked after delivery to this Corporation or deposit in the mails, whichever first occurs. (5.9.5)

b. If a voter returns two Pre-addressed Return Envelopes, the ballot received in the first Pre-addressed Return Envelope received will be counted (assuming there is no other defect in that ballot). If two ballots are received simultaneously on behalf of the same member, or if it is otherwise not possible to ascertain which ballot was cast first, then both ballots will be void and not counted.

vi. Resolve any challenged ballots. If possible, this should be done before any ballot envelopes are opened and counting begins.

vii. Record and explain the reason for each voter eligibility decision made.

viii. The sealed ballot packages at all times shall be in the custody of the Inspector at a location designated by the Inspector until the tabulation of the votes.

G. Count and tabulate the votes.

i. All votes shall be counted and tabulated by the Inspector in public at a properly noticed open meeting of the Board of Directors ("Counting Meeting").

ii. At the Counting Meeting, the seals of the Secret Ballot Envelopes shall be broken, and the Inspector or Inspection Firm shall prepare the ballots for electronic tabulation scanning.

- iii. A ballot shall be voided if it contains information identifying the voter.
 - iv. The counting and tabulation of the ballots may be observed by Members, who may not interrogate, talk to, or otherwise interfere with the Inspector or Inspection Firm during the performance of the Inspector's and/or Inspection Firm's duties.
 - v. Any ballot not counted shall be kept separately from counted ballots, and the reason for not counting the ballot will be noted on the ballot or its envelope.
 - vi. Envelopes and/or ballots which have been determined by the Inspection Firm to be invalid shall not be mixed with the ballots to be counted, but shall be segregated by the Inspection Firm and presented separately to the Inspector, with explanation of the reasons for rejecting the ballots in the Inspection Firm's final report to the Inspector.
 - vii. Ballots which are determined by the Inspector during the counting process to be invalid shall not be counted but shall be segregated from the counted ballots.
- H. Determine the result of the election
- i. Once the ballots are tabulated, the Inspector shall certify the election in writing.
 - ii. Within fifteen days of the election, the Board of Directors shall publicize the results of the election.
 - iii. After the tabulation of ballots, the Inspection Firm shall return to the post office to pick up any ballots received after the deadline. These ballots shall not be opened and shall be marked "Void - received after deadline".
 - iv. Upon written request, the Inspector must make ballot materials available to a Member or Member's representative for inspection and review.
 - v. Election Records shall be packed and sealed, and stored by the Inspection Firm for one year. If there is no Inspection Firm, the Inspector shall store the counted and voided ballots and the roster of members participating in a secure location supervised by Management staff.
 - vi. Custody of the Election Records shall be transferred by the Inspector or the Inspection Firm to the Mutual or its management agent twelve (12) months after the ballots are tabulated. After that time, the ballot materials will be destroyed and discarded.

CANDIDATES PLEDGE

Candidates for the Third Laguna Hills Mutual Board of Directors shall confirm their commitment to the following:

I promise that:

1. I will review the CC&Rs, Bylaws, and meeting rules of Third Laguna Hills Mutual before beginning service as a Director, if I am elected.
2. I will attend Board and Committee meetings except when illness or travel prevents it, and will review Board or Committee packets before the meeting. I will come prepared.
3. I will familiarize myself with the basics of Roberts Rules of Order.

4. I will, during the first year of my term, undertake a minimum of three hours of homeowner association education from a qualified HOA education provider.
5. I have reviewed the Board's Conduct Policy, and agree to follow it.
6. If elected, I will honor the confidentiality of information I receive regarding closed sessions of the board, or during closed sessions, as well as information I receive from Mutual legal counsel.
7. I will attend the Directors' Institute if I am elected; and
8. I will disclose any conflict of interest which arises during my term on the Board, and will recuse myself from voting on matters in which I have a personal interest.

THIRD LAGUNA HILLS MUTUAL RULES FOR BOARD MEETINGS

I. INTRODUCTION

Successful, efficient and orderly Board meetings benefit everyone in the community. Manor owners ("Members") have the right to observe the open board meetings and are encouraged to attend, but meetings which are disorderly or too long can be discouraging.

These Rules inform both Director and non-Director as to what is expected of all attending Board meetings, and how meetings are conducted. The goal is orderly and efficient meetings, protection of Owners' right to observe productive deliberations, and enhancement of the governance and the membership experience in Third Laguna Hills Mutual ("Third").

II. BOARD MEETINGS

A. Regular Board Meetings

Notice of the date, time and location of regular Board meetings will be provided by posting in the Clubhouse kiosks and the community center bulletin board and on the web site a minimum of four days before the meeting is to take place. Board meetings are open to all Association Members to attend and observe. Non-Members may attend only at the discretion of the Board of Directors.

Normally, regular Board meetings are held in the morning on the third Tuesday of each month. However, four days posted advance notice is always given of all open Board meetings except in case of emergency. Regular Board meetings are normally held in the Board Room on the ground floor of the Community Center at 9:30 a.m..

B. Special Meeting or Altering Location, Date or Time

If a special Board meeting is called or if the location, date or time of a Board meeting is to be changed, all Members will be notified at least four days prior to the meeting by posting in the Clubhouse kiosks and on the web site. In an emergency, the President or any two Directors may call for a Board meeting on shorter notice.

C. Attendance

Members may attend Board meetings, but Executive Session meetings are closed. **A “Member” is not a tenant, guest, family, or legal counsel of the Member.**

D. Agendas

1. Preparation. Agendas are prepared by the President **1**, in cooperation with management staff. At least one week prior to a Board meeting, the President will inquire if any Director requests inclusion of an agenda item. The Chair may also call a Board meeting for the purpose of setting the regular Board meeting agenda.

2. Request for inclusion. A Director may request an item be included in an agenda, by submitting the action requested and an explanation of the reason for the request. A Director requesting an agenda item is responsible to present that item to the Board with supporting information if the item is included in the agenda.

3. Rejected agenda items. The Chair with the assistance of Management Staff shall include a requested item in the agenda unless the item:

- Has no suggested action ;
- Is redundant with an item already on the agenda or was addressed in a Board meeting in the previous three months;
- Must be discussed in Executive Session;
- Would make the agenda unduly lengthy (and so will be on the next agenda);
- Is sent first to a committee for recommendation; or
- Is, based on the advice of legal counsel, proposing action barred by law.

4. Board request for agenda item. Notwithstanding the foregoing, if an agenda item is requested in writing or by electronic mail by at least six Directors, the Chair shall include it in the Agenda for the open meeting or the Executive Session meeting, depending upon the item.

5. Member Request for Agenda Item.

- a) A Member may request the President in advance that a topic be added to the agenda, but the President with the assistance of Staff will determine whether a requested topic will be included in the agenda.
- b) A topic will also be added to the agenda if at least one week prior to the scheduled Board meeting, the General Manager or Staff receives a petition signed by at least twenty five different Members entitled to vote.
- c) The requested agenda topic must still meet the standards of Rule II(D)(3) above.
- d) A Member who has requested an agenda item which is placed on the agenda (“Requesting Member”), may speak to the item during Open Forum, or at the election of the Chair, may present the topic to the Board immediately before the Board begins its deliberation of the item (assuming there is a Motion from the Board after the Requesting Member speaks). The Requesting Member may speak on the matter for up to five minutes. Only one person may be considered

1 Any action to be taken by the President may be taken by the First Vice President or the next officer in order as stated in the By-laws if the President is unable to attend or participate.

the "Requesting Member" for the purpose of addressing the Board. The Board may by motion give the Requesting Member more time to speak.

6. Publication, agenda packets. Agendas will be published at least four days prior to any non-emergency Board meeting. The Board will receive a board packet (also referred to as "agenda package"), prepared by management staff, at least four days prior to the meeting, and may be transmitted electronically upon request. To make the meeting more efficient, Directors should read the board packet prior to arriving at the meeting.

7. No discussion of matters not disclosed on agenda. The Board may not discuss subjects which are not on the agenda unless the matter is determined by a majority of the Board to involve an emergency, or unless the matter arose prior to the meeting but after the agenda was published and at least eight Directors concur that the matter requires immediate action.

Sample agenda. The following is a typical Agenda:

- Call to Order, Roll Call & Confirmation of Quorum.
- Pledge of Allegiance
- Welcome
- Announcements (including announcements required by these Rules)
- Open Forum (see Rule "F" below)
- Reading and Approval of Minutes From Previous Meeting
- Consent calendar
- General Manager Report
- Reports (if applicable)
 1. President
 2. Secretary/Correspondence
 3. Treasurer/Financial
 4. Special/Committee Reports (further discussion below)
- Unfinished business
- New Business
- Second Open Forum (if any)
- Adjournment

E. Committees: Reports, Meetings

1. If the Bylaws provide for standing committees or if the Board from time to time establishes committees, committee reports may be submitted to the Board prior to the meeting for review. If the committee recommends any Board action, the report should also indicate the reasons it is recommended. If possible, the committee Chair or a member of the committee should present the report.

2. A committee consisting solely of six or more Directors, or including at least six Directors in its roster, shall conduct its meetings in the same manner as a Board meeting, with agendas, minutes, Open Forum, and in compliance with all other requirements applicable to Board meetings.

3. A committee consisting of both Directors and non-Directors but which has less than six Directors may, but is not required to, conduct its meetings in the same manner as a Board meeting, but shall prepare and submit a report to the Board prior to the agenda publication, including any recommended action.
4. Any committee reports will be included in the board packets if they are timely submitted. Committee reports which do not contain a request for action will be noted in the minutes as "received."
5. A committee request for action shall be placed by the Chair or staff on the agenda, so long as it complies with Rule D(3).
6. Directors, upon presentation of a committee report, may ask questions about the report, but may not deliberate about the report unless that subject was timely placed on the agenda for deliberation and possible action in that meeting.

F. Open Forum

The Open Meeting Act, Civil Code §§4900-4950, provides that Board meetings are open to Members. A "meeting" under the law is "a congregation of a majority of the members of the board at the same time and place to hear, discuss, or deliberate upon any item of business that is within the authority of the board." The Board thus may not exclude Members from attending, absent discipline imposed as provided herein. The only exception is for Executive Session as discussed further below.

1. **Time for Open Forum.** Open Forum will normally occur at the beginning of the Board meeting. The agenda may also provide for a second Open Forum time at the end of the agenda. The Board may by motion re-open Open Forum on a specific agenda item, or reschedule Open Forum within the agenda.
2. **Member's Right to Speak.** Open Forum is a valuable and legally required portion of every open Board meeting. Open Forum is the opportunity for the Member to inform the Board of matters which may not be known.
 - a) During Open Forum, a Member may speak to the Board on any topic not on the agenda. The purpose of Open Forum is to inform the Board of viewpoints or information of which the Board may not be aware regarding Third. Therefore, although a Member may use their time to speak upon any topic of interest to the Member, Members are advised that the Board may not be as attentive to comments on matters outside the Board's jurisdiction.
 - b) At the time designated on the agenda for Open Forum, the Chair shall ask the Members present to raise their hand if they wish to speak in Open Forum. In order to give all Members an opportunity to speak at meetings, and to control meeting length, each member may speak for a maximum of three minutes. In the event more than ten Members indicate a desire to speak, the time limit per speaker shall be shortened to two minutes per speaker.
 - c) Open Forum is the time for Members to speak and provide additional opinions and viewpoints to the Board, and is not a time for the Board to

speak. Directors will listen and not respond or otherwise interrupt a speaker at Open Forum, so long as the speaker is within these Rules and time limits. A response, if any, by a Director or staff to an Open Forum remark or question shall be after the close of Open Forum. The Chair may appoint a Director or Staff-person as timekeeper.

- d) So long as the Open Forum comments comply with these Rules, neither staff, the Chair, nor other Director shall interrupt the speaker.
- e) The statements made by Members in Open Forum are not the position of the Association, and Third takes no responsibility as to the content of Open Forum comments. At the beginning of Open Forum, the Chair shall remind all attending as to these Rules regarding Open Forum.

3. Open Forum During Agenda Item Discussions.

- a) During the Board deliberations of a matter, and when the Chair at the Chair's sole discretion determines there has been sufficient discussion to inform the attendees in the audience of the issue, the Chair will inquire if any Members in the audience wish to speak to the motion at hand.
- b) If the Chair sees any hands raised indicating a desire to speak, Open Forum will be reopened on the issue, and the Members indicating a desire to speak to the topic may speak for up to three (3) minutes on the specific agenda item.
- c) Off-topic commentary will not be permitted, but so long as the speaker complies with the Rules, neither the Chair nor any Director will interject or otherwise interrupt during the speaker's remarks.
- d) The Chair in its sole discretion may reduce the time per speaker to two (2) minutes on an issue, if the Chair deems it necessary to insure that all who wish to speak have the opportunity to do so.
- e) A member (or co-Owner of a Member) shall only speak once on a given agenda item.
- f) Once the Chair determines that all have spoken who wished to speak, or that no one has indicated a desire to speak, the Chair shall announce Open Forum is again closed, and the Board shall resume and conclude its deliberations on the item.

4. Re-opening of Open Forum. If an issue on the Agenda is deemed by the Board to require further Membership input, the Board may by majority vote re-open Open Forum, to allow Members to speak to the pending subject. If Open Forum is reopened, Members may speak for up to two minutes each. Upon completion of such Membership input, in compliance with Open Forum Rules, the Board will then close Open Forum and resume deliberating the subject.

5. Member Observation of Deliberations. Except for Open Forum, Members may not speak to the Board, and shall quietly observe Board deliberations except for those in Executive Session. Members do not vote or make motions at Board meetings, as only Directors vote at Board meetings. Applause, boos, or other audible response to Board deliberations or decisions is out of order.

6. **Addressing the Board During Open Forum.** When speaking, the Member will identify Member's name and Manor, and will stand at the speaker's podium if physically able to stand, and will address the Board, not the audience.

G. Meeting Conduct

Directors, Members and anyone else permitted to attend the meeting will conduct themselves in a reasonable manner. The following conduct is strictly prohibited:

- Profane or obscene language;
- Slurs involving race, religion, ethnicity, gender, sexual orientation, gender identity, or age;
- Shouting or yelling;
- Physical threats, including non-verbal communications such as gestures or using body language in such a way as to intimidate;
- Pounding on table or throwing items; and
- All other unreasonable and disruptive behavior which does not allow Members to peacefully observe the proceedings, or which otherwise impedes the ability of the Board to peacefully conduct its deliberations and the Members to peacefully observe those deliberations.

Directors will also refrain from making comments which:

- Divulge information from closed sessions;
- Divulge attorney client privileged confidential advice; or
- Maliciously malign any person, business or entity.

To create a positive atmosphere, all persons present will be seated (unless some handicap exists by which they cannot be seated) and will remain seated at all times when others are speaking, except when standing in line to speak for their turn in Open Forum. Neither Directors nor anyone addressing the Board will be allowed to speak while standing or hovering over someone else. All in attendance must behave in a professional and orderly manner. Directors shall refrain from interrupting each other or from making audible "sidebar" remarks while a fellow Director is speaking. Directors shall keep their microphones off except when they are addressing the Board.

H. Violation of Rules

Anyone (Member or Director) violating these Rules during a meeting may be:

- 1) First warned by the Chair,
- 2) Then warned by majority vote of the Board, and
- 3) Then by majority vote of the Board asked to leave the meeting.
- 4) In the event a person refuses to leave after the Board votes to eject the individual, the meeting shall be recessed until such time as security and/or law enforcement can be summoned to assist or until the person voluntarily leaves.

The Board may schedule a disciplinary hearing to determine whether a Member will as a result of violation of these Rules be suspended from attending one or more future Board meetings as well as any other appropriate disciplinary measures.

A non-Member who is permitted to attend but disrupts a Board meeting may be ejected upon majority Board vote without warning.

I. Parliamentary Procedure

Meetings will generally follow “Robert’s Rules of Order.” In brief, there should be no discussion on an item unless and until motion is made and there is a second to the motion. A motion is a proposal that the Board takes a stand or takes action on some issue. Only Directors can make motions.

The Resolution or motion recommended by a Committee report shall be considered as a motion and need not have a second for discussion to commence, so long as the recommendation has been stated on the agenda at least four days in advance of the meeting, absent emergency.

The Chair, normally the President, may call for a motion or, if temporarily passing the gavel, may make a motion. If there is no second to a motion, the issue is dropped. If a motion receives a second, then the Chair will ask for debate and discussion. Fair play, courtesy and cooperative behavior is preferred over strict compliance with Robert’s Rules.

J. Recording of meetings; Minutes

The proceedings of Board meetings shall not be electronically recorded, except by “Channel 6”. Any other recording devices (audio, video or photographic) at Board or committee meetings are forbidden. The proceedings of such meetings shall be recorded in the minutes of the meeting. Minutes of Board meetings are prepared by the Secretary or, if the Board directs, by a Recording Secretary who need not be a Director. Minutes shall record actions taken, but shall not record commentary or statements by Directors, or comments during Open Forum.

K. Board Deliberations

1. Directors will deliberate topics only when on an agenda, except for emergency matters, and when a motion has been made and seconded by a Director, except for Committee recommendations, which do not require a motion or second. Unless a Director is only asking a question, Directors will indicate at the beginning of their remarks if they speak for or against the pending motion.

2. Generally, the motion initiating discussion should be made by the Director requesting the item to be placed on the agenda.

3. Directors shall:

- Cooperate to keep their remarks on the topic of a motion,
- Speak to each other,
- Not address the live audience or the television audience, and
- Avoid repetition of points already made, or repeating their own previous remarks on a motion.

4. If a Director violates the standards set forth in these Rules, the Chair may remind the Director of the standard being violated, and will then request the Director to bring their comments into compliance. In the event a Director continues to violate these Rules, the Board may proceed pursuant to subpart II(H) herein.

5. Motions may be amended in at least two ways:

- A motion, after receiving a second, may be amended by a motion, which motion must also receive a second and a majority vote.

- A motion may also be amended by a “friendly amendment” in which the author of the original motion consents to a proposed amendment to the motion. If the second also consents, the motion is amended and deliberations continue on the motion as amended.

L. Board Comments During Meetings

- The comments of Directors, staff, or Mutual consultants during Board or Committee Meetings are not comments of the Mutual, and only the speaker’s opinions.
- The position of the Mutual is only that expressed in Motions or Resolutions which are adopted by the Board of Directors.
- The Chair of any Board or Committee Open Meeting shall make an announcement at the beginning of the Board or Committee meeting which recites the first two sentences of this section verbatim.

M. Chair

1. The Chair shall be the President of Third, if present at the meeting, unless the Chair passes the gavel temporarily to the First Vice President. If the First Vice President is unavailable, then the Second Vice President may serve as Chair. If neither the President, First or Second Vice President are in attendance, a majority of the Board may elect a temporary Chair.
2. The Chair may discuss and vote on any motion, unless the Chair recuses itself.
3. If the Chair wishes to make a motion, the Chair shall pass the gavel to the First Vice President or next Officer in succession until deliberation of the motion is concluded by a vote on the motion.
4. The Chair shall be entrusted with the orderly progress of the Board’s deliberations. In the event the Chair perceives that deliberations have ceased to move the discussion forward (either because unanimity already exists; debate has become repetitive or otherwise unduly lengthy; positions on a motion have become clear; or because the Board is not ready to decide on the matter), the Chair shall call for a motion to close debate, or a motion to table the matter.
5. The relationship between the Board and Chair should be one of mutual respect. The Board should give respect and deference to the Chair’s leadership in moving deliberations forward, while the Chair should give respect and not request a conclusion to deliberations of a matter if the Board majority wishes to continue deliberation of a topic.
6. Any Director also may move the previous question, which is not debatable, and requires a two thirds vote to conclude deliberations so that the matter being deliberated may be voted upon.

III. EXECUTIVE SESSION

A. Purpose of Executive Session

Executive Session meetings allow the Board of Directors to address issues of sensitive nature, which may involve attorney client privilege or other privacy rights. It is important that all information discussed and disclosed at these sessions remain private.

The Board may meet in Executive Session only on the following subjects:

1. Litigation or threatened litigation.
2. Contract negotiations.
3. Member disciplinary hearings (i.e.: imposing fines or other penalties).
4. **Hearings on Mutual reimbursement claims against a Member**
5. Member's proposal of a payment plan for delinquent assessments.
6. Voting on the decision to foreclose upon an assessment lien.
7. Personnel issues.

Subsequent Board minutes will contain a general note of the actions taken.

B. Confidentiality Agreement

To protect Third and its Members, each Director shall annually sign a confidentiality agreement before attending and participating in Executive Session meetings. A Director who refuses to do so will not be permitted to attend Executive Session meetings, and legal counsel will not copy that Director on confidential communications, nor participate in legal advice discussions with that Director present.

The Confidentiality Agreement shall state substantially as follows:

"I, _____ (Name), after having been duly elected or appointed as a Director of Third Laguna Hills Mutual, 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 Board and all attorney advice shall be kept confidential and shall remain confidential, even after I am no longer a Director. 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 this 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 the Mutual or its individual Members if I violate this agreement."

C. Procedure for Setting

The notice for a meeting which is solely an Executive Session meeting must be posted two days in advance, unless it is an emergency Executive Session meeting. The notice should state that the only item of business to come before the Board will be held in Executive Session and that no issues will be discussed in open session.

D. Agenda Packets

Because of the sensitive nature of the subjects discussed in closed session, Directors will return their Executive Session agenda packets to management staff immediately upon adjournment of the meeting, or when they depart from the meeting, whichever occurs first. Executive session agenda packets will not be distributed to Directors in electronic form.

IV. CLOSED SESSION HEARINGS

The Mutual conducts its disciplinary hearings and reimbursement claim hearings in closed session. The following rules are to inform both members and Directors regarding how these hearings are conducted.

A. Notification

If the Mutual is considering discipline or pursuing a reimbursement claim against a Member, it will first provide written notification to the Member, of a hearing to be held by the Board to consider the matter, at least ten days after the date the notification is sent to the Member. The notification will inform the Member the nature of the alleged violation or reimbursement claim.

B. Attendance

A member being considered for discipline or a reimbursement claim may attend the hearing to address the Board regarding whether the Board should impose discipline or pursue reimbursement. The member may bring witnesses. The member may not bring legal counsel. The member being considered for discipline or reimbursement claim may not observe any complaining witnesses or the Board's deliberation of the matter. A member may provide a written statement as a substitute for personally appearing at the hearing.

A complaining member may provide a written statement or appear at the hearing to present their complaint to the Board. The complaining member will not be permitted to hear the Board's deliberation or the presentation by the Member being considered for discipline.

C. Addressing the Board

A member being considered for discipline or reimbursement claim may speak to the Board for a maximum of ten minutes. If a member brings supporting documentation, it is suggested the member bring one copy for staff, one copy for Mutual legal counsel, and 11 copies for the Board. If a member brings supporting witnesses, an additional five minutes can be added to the member's time.

A member complaining to the Board may address the Board for a maximum of five minutes.

Members addressing the Board should be prepared and organized for the hearing, to maximize their allotted time.

D. The Board's Decision

The Board will notify the Member being considered for discipline or reimbursement claim within fifteen (15) days of the hearing. The Board will not notify other Members of the Board's decision, which shall remain confidential.

Rules adopted originally on January 15, 2013 and amended on January 21, 2014 by the Board of Directors.

**THIRD LAGUNA HILLS MUTUAL
RULES REGARDING CHARGEABLE SERVICES**

Third Laguna Hills Mutual ("Third") provides Manor Owners certain repair services on request or on emergency. Requested repair services are offered as a convenience, and no Manor Owner ("Owner") is obligated to obtain repair services from Third. Emergency repairs will be

provided only in emergency situations, as defined herein. Repair or replacement services (including service call charge, labor, material and equipment) requested by an Owner to be provided to interior or exterior portions of a Manor which are not the responsibility of Third, along with Emergency repairs, are "Chargeable Services".

Third is able to provide Chargeable Services at a cost which is normally significantly lower than the cost of hiring a handyman or contractor. Owners are not obligated to use Chargeable Services and are free to hire the resource of their choice. Chargeable services are available as a courtesy and convenience to Owners. Payment for Chargeable Services is the responsibility of the Owner.

The following additional Rules apply to Chargeable Services.

1. CHARGEABLE SERVICES - TWO TYPES

A. "Chargeable Services" include labor, material, equipment and other charges in relation to repair or replacement work provided by Third to a Manor when such work is not the responsibility of Third. Chargeable Services may be:

- i. Requested by the Owner or
- ii. May be provided in a situation in which work is necessary to prevent or stop an imminent hazard in or around a Manor; to protect the Owner and adjacent Owners from incurring additional property damage; or to prevent injury to persons ("Emergency"). Chargeable Services for Emergency work may include the cost of gaining entry to the Manor.

2. Responsibility:

a. It is the responsibility of the Owner to pay for Chargeable Services requested by the Owner, the Owner's guests, tenants or co-residents, or rendered in an Emergency.

B. Neither Third nor management staff is required to check the authority of the person requesting Chargeable Services. If the occupant of a Manor requests Chargeable Services and is not in fact authorized by the Owner, the Owner is responsible to pay for the Chargeable Services. Chargeable Services rendered regarding an Emergency do not require specific request, as authorization is deemed granted by virtue of the exigency of the Emergency.

C. Staff will not commence provision of Chargeable Services in non-Emergency situations unless the Owner or a resident of the Manor is present and signs a Service Order confirming the work requested and the acknowledgement of payment responsibility.

D. If during the course of providing non-Emergency Chargeable Services additional work is authorized by the Owner, and staff scheduling allows, the Owner or Owner's representative shall sign a Field Work Order confirming authorization to proceed.

3. AMOUNTS CHARGED:

A. Staff will provide the hourly rate for services, which will be billed for actual time incurred, plus materials used, plus the service call fee of \$25. Hourly labor rates are charged to the nearest next tenth of an hour. The precise cost for Chargeable Services may vary based upon the circumstances of a given location, and the Owner is responsible for the cost actually charged.

B. If staff arrives at a Manor to provide Chargeable Services, there shall be a minimum appearance charge of \$25, if no Chargeable Services are actually provided due to circumstances beyond the control of staff.

4. LATE PAYMENT:

A. Payment for Chargeable Services must be made within twenty five (25) days of the invoice date.

B. Payments which are not received by management on or before the twenty-fifth day from the invoice date will be considered delinquent, and a Chargeable Services Administrative Fee of \$20 or fifteen per cent (15%), whichever is greater, will be assessed the Owner's account, in addition to a monthly Late Fee of \$10.

C. If payment is sixty (60) or more days delinquent, the delinquency may, at Third's option, be referred to collection. Such collection efforts may include any remedy authorized at law, including but not limited to placing a lien on the Manor and/or pursuing the debt in court. In the event Third incurs cost in attempting to collect the debt, all costs of collection shall be added to the debt, including any attorney fees, filing fees or fees of a non-attorney debt collection company.

5. DISPUTING INVOICES:

If an Owner disputes an invoice for Chargeable Services, the Owner must present the dispute as follows. The difference between the charge invoiced and the amount the Owner claims should be owed is referred to in this section as the "Disputed Amount.

A. Staff-level review

A dispute regarding a Chargeable Services invoice must be presented to and received by the Property Services Department prior to the invoice becoming delinquent. If the dispute is received by Property Services Department more than twenty five (25) days after the invoice date (i.e., the invoice becomes delinquent), the dispute shall be deemed waived.

The dispute must be presented in writing to the Property Services Department, with the stated reasons for the Owner's disagreement with the invoice amount. Management staff will within thirty (30) days of receipt review the invoice in consideration of the dispute. Staff shall provide a written response as to whether the charge is reversed. If the Disputed Amount is less than \$50, staff's decision shall be final.

If staff does not issue a response within thirty (30) days of receipt, the Disputed Amount will be deemed withdrawn and will be reversed, along with any Late Fees or Chargeable Services Administrative Fee.

B. Appeal of staff-level review

If the Disputed Amount is more than \$50, and the Owner disputes the outcome of staff's review of the disputed invoice, the Owner may within thirty (30) days of the date of staff's written response appeal the response to the dispute by presenting the dispute in writing to the Maintenance and Construction Committee ("M&C"), in care of the Property Services Department. If the appeal of staff's response is not received by Property Services Department within thirty (30) days of the date of staff's written response, the dispute shall be deemed abandoned.

M&C will handle appeals of disputed invoices as follows: M&C will appoint a panel of three Committee members ("Dispute Panel") to conduct a review of the dispute,

including a review of the invoice, staff's response, and the Owner's appeal of that response. The Dispute Panel need not meet in person, but may instead deliberate the matter by electronic mail or telephone, and will decide whether to uphold, overturn or reduce the invoice. The decision of the Dispute Panel shall be by majority vote, and shall be communicated by staff to the Owner in writing within thirty (30) days of the Dispute Panel's receipt of the Chargeable Services invoice appeal. If the Dispute Panel does not decide the matter within thirty (30) days, the Disputed Amount will be deemed withdrawn and will be reversed, along with any Late Fees and Chargeable Services Administrative Fee.

C. Chargeable Services Administrative Fee after dispute

If either staff or the Dispute Panel reverses a charge for Chargeable Services, the Chargeable Services Administrative Fee will be reversed.

So long as a charge for Chargeable Services is in the dispute and appeal process, no Late Fee shall be imposed. If after the dispute is concluded (by staff review, and if applicable, M&C Committee review) the charge is determined to be valid, Late Fees will be added.

An Owner may elect to pay a disputed invoice in full and lodge a dispute prior to the twenty-fifth day after the invoice date, in which case no Late Fees will be charged, but the Chargeable Services Administrative Fee will still be charged. If the Owner's dispute is wholly or partially successful, the amount by which the invoice is reduced will be remitted to the Owner within thirty (30) days of the written decision by staff or the Dispute Panel, and the Chargeable Services Administrative Fee will also be reversed.

D. Larger disputes

A Disputed Amount more than \$1,000 may be appealed in writing, within thirty (30) days after date of the written Dispute Panel determination, to the full M&C. The appeal must include a description of why the Disputed Amount is being appealed after staff and Dispute Panel review, and must be received by the Property Services Department no later than 30 days after the date of the Dispute Panel decision. Such dispute shall be heard in an open meeting of M&C, and the Manor Owner may speak to M&C for no more than five (5) minutes. M&C shall in writing inform the Owner within thirty (30) days of its decision. In the event the appeal is denied, an additional Chargeable Services Administrative Fee of \$100 or ten percent (10%) of the amount of the dispute, whichever is greater, shall be added to the Owner's balance. This additional fee shall be charged regardless of whether the Owner has paid the invoice in full. If the appeal is successful, and the invoice is partially or completely reversed, the Late Fees and Chargeable Services Administrative Fee shall be reversed.

6. Suspension or Denial of Service

A. Chargeable Services are provided as a convenience by Third to Owners, and is not a right of membership in Third.

B. Chargeable Services may be suspended or denied to a Manor if any or all apply:

- i. The Owner is delinquent in paying for previous Chargeable Services
- ii. The Owner is delinquent in their assessment obligations.
- iii. The Owner has been disciplined by the Board of Directors and that discipline included a suspension of Chargeable Services.

iv. Staff recommends Chargeable Services be denied due to past issues with the Owner regarding Chargeable Services.

v. For other good cause as may be determined by Third in its sole discretion.

7. Common Area Damage

If Chargeable Services include the repair or replacement of common area components caused by the owner or owner's co-occupants, guests, or tenants, the common area replacement or repair charges will be separated from the rest of the Chargeable Services charges. The common area replacement or repair charges will be referred to the Board of Directors for a hearing, which shall occur in closed session, after written notification to the involved Owner. The remainder of the Chargeable Services charges will be handled as per these Rules.

Effective January 2, 2014

**Third Laguna Hills Mutual, Laguna Woods, California
VEHICLE, TRAFFIC, AND PARKING RULES
January 21, 2014, Resolution 01-14-06**

The following Vehicle, Traffic, and Parking Rules are strictly enforced and are applicable to all pedestrians and persons controlling or operating vehicles on any real property regulated by Third Laguna Hills Mutual. This generally refers to the cul-de-sacs, parking areas, sidewalks, and grounds regulated by the Mutual.

1 PREFACE

(See Section 2 – Definitions, for words appearing in ALL CAPITAL LETTERS.)

To promote safety, the BOARD requires that all drivers and vehicles IN THIRD follow the same rules for driving and parking as are expected on public streets, unless otherwise specified in herein.

Enforcement is the responsibility of the Laguna Woods Village Security Division, unless otherwise designated by law. All persons must stop when directed or signaled by a member of Security and provide all items of identification as requested, such as GRF identification card, driver's license, vehicle registration, gate pass, etc.

Security Officers will issue Notices of Violation for violation of these rules. Drivers in violation may be subject to a fine and other disciplinary action. Vehicles parked in violation may be subject to a fine, and towed-away at the vehicle owner's expense.

The BOARD kindly reminds everyone that parking space is a valuable and limited resource.

- RESIDENTS are encouraged to limit their number of vehicles kept IN THIRD.
- Please remind your guests to use UNASSIGNED PARKING or your own ASSIGNED PARKING space. Use of another RESIDENT'S ASSIGNED PARKING space without

their permission can result in a Notice of Violation, fine, and tow-away at the vehicle owner's expense.

- The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENTS of the associated MANOR.
- A NON-RESIDENT party to a MANOR such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not keep any vehicle in the Village when the subject MANOR is occupied by a RESIDENT.

The MEMBER is responsible for any violation occurring in their ASSIGNED PARKING.

The MEMBER is responsible for any violation committed by their delegate, invitee, renter or lessee, and any invitee of a delegate, renter or lessee.

See the Resource Guide (appendix) for additional information.

2 DEFINITIONS

Words appearing in ALL CAPITAL LETTERS are defined in this section.

2.1 ABANDONED VEHICLE

A MOTOR VEHICLE having ***either*** of the following attributes:

- Appears deserted, neglected, unsightly, or INOPERABLE.
- If in UNASSIGNED PARKING, has not been moved within a 21 day period unless previously receiving written authorization from the Security Division. (See Section 7.5 - Resident's Extended Parking.)

2.2 ASSIGNED PARKING

A defined parking location such as a carport, parking garage space, or MANOR driveway or garage that has ***both*** of the following attributes:

- Is regulated by the Mutual.
- Is allotted as an exclusive use area of a particular MANOR.

2.3 BOARD

The Board of Directors or its delegated Committee.

2.4 BICYCLE

A device, upon which a person can ride, propelled by human power through pedals, a belt, chain, or gears and having one or more wheels.

- A motorized bicycle is classified as a MOTOR VEHICLE, not a BICYCLE.

2.5 COMMERCIAL VEHICLE

A vehicle displaying ***any*** of the following attributes:

- Of a type used or maintained for the transportation of persons for hire, compensation, or profit.

Examples: taxi cab, limousine, any vehicle originally designed to carry 12 or more passengers.

- Designed, used, or maintained primarily for the transportation of property.
 - Includes any vehicle mounted with a utility body/bed, or aftermarket storage chest, or aftermarket equipment carrier. However, a carrier designed for specific sports or athletic equipment (e.g. bicycle or ski rack) is acceptable.
- Used, specially equipped, or advertised for commercial purposes.

Examples: MOTOR TRUCK, cargo trailer, PICKUP TRUCK with a ladder rack or utility body or carrying visible tools or merchandise, van with business advertising displayed or carrying visible tools, chests, racks or merchandise.

EXCEPTIONS:

- PICKUP TRUCKS and passenger vehicles (including commuter carpooling vans of up to 11 passenger capacity) are not COMMERCIAL VEHICLES unless used, specially equipped, or advertised for commercial purposes.

2.6 EMPLOYEE

A person who is employed by the managing agent.

2.7 GRF

The Golden Rain Foundation of Laguna Woods.

2.8 GOLF CART

A MOTOR VEHICLE having ***all*** of the following attributes:

- Having not less than three wheels in contact with the ground.
- Having an unladen weight of less than 1,300 pounds.
- Designed to be operated at no more than 20 mph.
- Designed to carry golf equipment and passengers.
- Is exempt from California Motor Vehicle Registration.

2.9 GOLF CAR

A MOTOR VEHICLE that has ***all*** the attributes of a Low Speed Vehicle (LSV) or Neighborhood Electric Vehicle (NEV):

- Having 4 wheels.
- Having a gross vehicle weight rating of less than 3,000 pounds.
- Designed to attain a speed of more than 20 miles per hour and not more than 25 miles per hour on a paved level surface.
- May legally be driven on public streets with a maximum speed limit of 35 miles per hour.
- Requires government motor vehicle registration on a public street.

2.10 GUEST

A NON-RESIDENT approved for entry into LAGUNA WOODS VILLAGE by an authorized party for a MANOR, or by the managing agent.

2.11 GUEST PARKING

A parking location that is marked as such by a sign, or curb or pavement marking is reserved for GUEST use only.

2.12 LOW SPEED VEHICLE (LSV)

See GOLF CAR.

2.13 IN LAGUNA WOODS VILLAGE

Any real property governed by GRF or a Mutual Corporation IN LAGUNA WOODS VILLAGE.

2.14 IN THIRD

Any real property governed by Third Laguna Hills Mutual.

2.15 INOPERABLE VEHICLE

A partial or complete vehicle displaying **any** of the following attributes:

- Does not show current, government issued license and registration for on-street operation.
- Is government registered with a classification of non-operational, or for a use other than on-street.

Examples: "Planned Non Operation," "Off Highway Vehicle," and watercraft registrations.

EXCEPTION:

- The above registration provisions do not apply to GOLF CARTS. See Section 5.2 – Vehicle Registration Required.
- Lacks any original and complete design component. (Examples: motor, fender, hood, wheel, light.)
- Appears unable to legally or safely operate on the street in its present condition.

Examples: does not run, significant disassembly or collision damage, leaking fluids, flat tire, tire off ground, vehicle up on blocks.
- Presents a nuisance or hazard as determined by the BOARD.

2.16 MANOR

A dwelling unit IN LAGUNA WOODS VILLAGE.

2.17 MEMBER

The person having legal accountability to GRF or a Mutual Corporation for a Manor.

2.18 MOTOR TRUCK

A MOTOR VEHICLE designed, used, or maintained primarily for the transportation of property.

2.19 MOTOR VEHICLE

A vehicle that is self-propelled.

EXCEPTIONS:

- A self-propelled wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

2.20 NEIGHBORHOOD ELECTRIC VEHICLE (NEV)

See GOLF CAR.

2.21 NON-RESIDENT

A person who is not a legal occupant of a MANOR IN LAGUNA WOODS VILLAGE.

2.22 NON-RESIDENT VEHICLE

Any vehicle not registered as a RESIDENT VEHICLE with GRF.

2.23 PICKUP TRUCK

A MOTOR TRUCK having **all** of the following attributes:

- Is equipped with an open box-type bed not exceeding 9 feet in length.
- Has an overall vehicle length not exceeding 22 feet.
- Has only 2 axles.
- Has an unladen weight of less than 8,001 pounds.
- Has a manufacturer's gross vehicle weight rating of less than 11,500 pounds in single rear wheel configuration, or 14,000 pounds in dual rear wheel configuration.

PICKUP TRUCK does not include a vehicle otherwise meeting the above definition that is equipped with a bed-mounted storage compartment unit commonly called a "utility body" or "utility bed."

A vehicle otherwise meeting the above definition that is mounted with an equipment rack or storage chest, or displays advertising is deemed to be a COMMERCIAL VEHICLE.

A PICKUP TRUCK mounted with a camper unit extending over the cab or equipped with food preparation and sleeping areas is deemed to be a RECREATIONAL VEHICLE. See Section - 7.8 Recreational Vehicles Restricted.

2.24 PEDESTRIAN

A person who is **either** of the following:

- On foot or using a means of conveyance propelled by human power other than a BICYCLE.
- Operating a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (example: Segway) or motorized quadricycle.

2.25 RECREATIONAL VEHICLE (RV)

A vehicle so defined in the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

2.26 RESERVED PARKING

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

2.27 RESIDENT

A BOARD approved, legal occupant of a MANOR IN LAGUNA WOODS VILLAGE.

2.28 RESIDENT VEHICLE

A vehicle that has **all** of the following attributes:

- A RESIDENT has exclusive use thereof.
- Is of a type approved by GRF.
- Is registered with GRF.

2.29 SAFELIST

A register maintained by the Security Division 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.

2.30 SPONSOR

A RESIDENT, MEMBER or delegate for a MANOR, who approves the admission of any NON-RESIDENT into Laguna Woods Village,

OR,

A person representing an organization or business entity for the purpose of requesting entry for themselves or another into Laguna Woods Village.

2.31 UNASSIGNED PARKING

A proper parking location having **both** of the following attributes:

- Not an ASSIGNED PARKING space for a particular MANOR or RESIDENT.
- Not designated as GUEST PARKING or RESERVED PARKING.

2.32 UNAUTHORIZED VEHICLE

A vehicle having **both** of the following attributes:

- NON-RESIDENT VEHICLE.
- Parked IN THIRD at any time between the hours of 12:00 a.m. (midnight) and 6:00 a.m. without displaying a valid GRF Overnight Parking Permit.

2.33 VISITOR PARKING

See GUEST PARKING.

See the Resource Guide (appendix) for additional information.

3 BOARD AUTHORITY and ENFORCEMENT

3.1 BOARD AUTHORITY

The BOARD establishes and from time to time updates these rules, and decides upon fines and other disciplinary actions for violations.

Fines and other disciplinary actions may be greater for repeated violations within a 3 year period.

The BOARD at its discretion may approve case-by-case exceptions to these rules.

The BOARD endorses the traffic rules of GRF and the other Mutual Corporations. Notices of Violation issued in another Mutual's area to RESIDENTS of Third Laguna Hills Mutual will be adjudicated as if the violation had occurred IN THIRD.

The BOARD will appoint a Traffic Committee comprised of three (3) BOARD members. The Traffic Committee will schedule Traffic Hearings as necessary to adjudicate Notices of Violation. The Traffic Hearing is a closed meeting that the alleged violator is invited to attend.

Notices of violation, traffic hearings, assessment of fines and other disciplinary actions are administrative processes of GRF and the Mutual Corporations in Laguna Wood Village.

3.1.1 MEMBER

A MEMBER is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the MEMBER, or any delegate, occupant, lessee, renter, invitee or guest of the MEMBER.

3.1.2 RESIDENT

A RESIDENT is subject to the payment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the RESIDENT, or any delegate, occupant, lessee, renter, invitee or guest of the RESIDENT. Responsibility for non-compliance with any such disciplinary action transfers to the applicable MEMBER.

3.1.3 NON-RESIDENT

A NON-RESIDENT is subject to confiscation of their gate pass and other loss of community access privileges as determined by the Community Access Department, and assessment of a fine and other disciplinary action imposed by the BOARD for any violation committed by the NON-RESIDENT.

3.1.4 SPONSOR OF A GUEST

If a GUEST fails to pay a fine or comply with other disciplinary requirements determined by the BOARD, responsibility transfers to the RESIDENT SPONSOR who authorized the violator into Laguna Woods Village. Responsibility for non-compliance with any such disciplinary action by the SPONSOR transfers to the applicable MEMBER.

3.1.5 ON-DUTY EMPLOYEE

An on duty EMPLOYEE of the managing agent is held to the same standard of safe driving as all others.

A violator is subject to disciplinary action, including potential loss of driving privileges, in accordance with the managing agent's Human Resources policy and procedure.

3.1.6 OFF DUTY EMPLOYEE

The Notice of Violation is unrelated to work and adjudicated under BOARD authority as a RESIDENT or NON-RESIDENT.

3.2 SECURITY DIVISION ENFORCEMENT

Enforcement of these rules is the responsibility of the Laguna Woods Village Security Division, unless otherwise designated by law.

Security Officers will issue a Notice of Violation for any violation of these rules.

All persons must stop when directed or signaled by any member of Security, and provide all items of identification as requested, such as GRF identification card, driver's license, vehicle registration, and gate pass.

3.3 NOTICE OF VIOLATION PROCESSING - RESIDENTS, MEMBERS, OWNERS, and NON-RESIDENTS

Except for Notices of Violation issued under GRF authority, Traffic Hearings for RESIDENTS will be held by the Mutual Traffic Committee where the alleged violator resides or is a MEMBER.

Traffic hearings for NON-RESIDENTS will be held by the Mutual Traffic Committee governing the location where the alleged violation occurred. However, if the NON-RESIDENT'S SPONSOR resides in a different Mutual, the traffic hearing will be heard in the SPONSOR'S Mutual.

3.3.1 TRAFFIC HEARING NOTICE

Following a Notice of Violation, the alleged violator will be sent a letter scheduling a Traffic Hearing date and time. This letter will be sent at least 15 days before the hearing.

3.3.2 TRAFFIC HEARING

The Traffic Hearing will be a closed meeting. The Committee will hear testimony and consider evidence from the alleged violator and Security staff.

If an alleged violator chooses not to attend their hearing, the Committee will make its decision based on the Notice of Violation and other evidence presented.

After each hearing, the Committee will render its decision.

The Traffic Hearing will be documented by a written report of the proceedings.

A letter stating the Committee's decision will be sent to the alleged violator within 10 days following the hearing. If the Committee finds the individual guilty, the letter will inform the violator of the penalty and present the choice of paying the scheduled fine, or attending Traffic School if eligible.

3.3.3 TRAFFIC SCHOOL

The Laguna Woods Village Traffic School will be a 2 hour class addressing traffic safety topics, and designed for Laguna Woods Village drivers.

Traffic School is available to a violator once during any 3 year period.

The Security Division will provide instructors to teach Traffic School.

Every attendee must pay an administrative fee prior to attending Traffic School.

3.3.4 FINES

Third Laguna Hills Mutual adopts the fine structure of GRF for traffic violations. Fines are set by the latest GRF schedule.

3.4 NOTICE OF VIOLATION PROCESSING – ON DUTY EMPLOYEES

The Notice of Violation will be forwarded to the managing agent's Director of Human Resources for handling according to the managing agent's disciplinary policy.

See the Resource Guide (appendix) for additional information.

4 TOWING POLICY

The California Vehicle Code authorizes private property tow-away at the vehicle owner's expense. The Security Division has been authorized by the BOARD to enforce these rules in compliance with California Vehicle Code § 22658.

Violations may result in tow-away at the vehicle owner's expense. Vehicles may be towed immediately or after a 96 hour waiting period as indicated below.

4.1 IMMEDIATE TOW AWAY

4.1.1 SECURITY DIVISION TOWING

The Security Division is authorized to immediately tow-away at the vehicle owner's expense any vehicle parked under any of the following conditions:

- In a space designated for handicapped parking while not displaying a valid disabled (handicapped) license plate or placard.
- In a no parking zone.
- Within 15 feet of a fire hydrant.
- Blocking an entrance or exit.
- Blocking a roadway or posing a hazard to traffic.

4.1.2 RESIDENT'S PRIVATE TOWING

An ASSIGNED PARKING space (e.g. carport, driveway, garage) is provided for the exclusive use of the RESIDENT who controls (is in lawful possession of) that location.

No vehicle may be parked in any ASSIGNED PARKING location without that controlling RESIDENT'S written permission.

California Vehicle Code §22658 allows a person in lawful possession of private property (the controlling RESIDENT) to order the immediate tow-away of any vehicle parked without permission in that person's ASSIGNED PARKING space. Tow-away is made at the vehicle owner's expense.

Because the tow-away is made from a restricted use common area location, the towing is a private matter between the RESIDENT ordering tow-away, the vehicle owner, and the towing company. Third Laguna Hills Mutual, GRF, and the Security Division are not parties to, and assume no authority or liability in the matter.

4.2 TOW AWAY AFTER 96 HOURS NOTICE

4.2.1 NON-RESIDENT VEHICLE IN ASSIGNED PARKING

Except as provided above, the Security Division is authorized to tow-away at the vehicle owner's expense a NON-RESIDENT vehicle, in an ASSIGNED PARKING location, for any violation of these rules, upon meeting all of the following requirements:

- Receiving specific direction from the BOARD.
- Requesting compliance to correct the violation or remove the vehicle from the Village.
- Compliance is not made within **96 hours** of written notification.

4.2.2 NON-RESIDENT VEHICLE IN OTHER THAN ASSIGNED PARKING

Except as provided above, the Security Division is authorized to tow-away at the vehicle owner's expense an UNAUTHORIZED VEHICLE or NON-RESIDENT vehicle, not in ASSIGNED PARKING, for any violation of these rules, upon meeting **both** of the following requirements:

- Requesting compliance to correct the violation or remove the vehicle from the Village.
- Compliance is not made within **96 hours** of written notification.

4.2.3 RESIDENT VEHICLE IN ANY LOCATION

Except as provided above, the Security Division is authorized to tow-away at the vehicle owner's expense a RESIDENT VEHICLE for any violation of these rules, upon meeting the following requirements:

- Receiving specific authorization from the BOARD.
- Requesting compliance to correct the violation or remove the vehicle from the Village.
- Compliance is not made within 96 hours of written notification.

See the Resource Guide (appendix) for additional information.

5 LICENSE AND REGISTRATION REQUIREMENTS

5.1 DRIVERS LICENSE REQUIRED

Any person operating a MOTOR VEHICLE is required to have a valid driver's license in their possession and present it to any member of the Security Division upon request.

EXCEPTIONS:

- GOLF CART

5.2 VEHICLE REGISTRATION REQUIRED

Every MOTOR VEHICLE IN THIRD is required to display current on-street license plate and registration, and the person in control thereof must present current registration documentation to any member of the Security Division upon request.

EXCEPTIONS:

- GOLF CART

5.3 AUTHORIZED RESIDENT VEHICLE TYPES

Third Laguna Hills Mutual authorizes any vehicle type that is eligible to receive a GRF decal.

5.4 GRF VEHICLE DECAL REQUIRED

All RESIDENT MOTOR VEHICLES must be registered with GRF and properly display the current GRF vehicle decal while IN THIRD.

See the Resource Guide (appendix) for additional information.

6 RULES FOR DRIVING

6.1 STAY ON PAVEMENT

Vehicles may only be driven on streets, cul-de-sacs, driveways, and designated parking areas designed for such use. Vehicles may not be driven or parked off pavement.

EXCEPTIONS:

Certain specific and limited exceptions are detailed in

- Section 8 - Special Rules for Golf Carts and Golf Cars
- Section 9 - Special Rules for Bicycles

6.2 TRAFFIC CONTROL DEVICES

Drivers must obey all posted traffic signs, and pavement and curb markings.

6.3 SPEED LIMITS

Vehicles may never be driven faster than is safe for the prevailing conditions.

Vehicles may not exceed the posted speed limit.

- 25 MPH: All streets, unless otherwise posted
- 15 MPH: All cul-de-sacs and parking areas, unless otherwise posted
- 10 MPH: All inbound gate entrances

6.4 STOP SIGNS

When approaching a stop sign, drivers must stop at the limit line, if marked, otherwise before entering the crosswalk on the near side of the intersection.

- The limit line is a white line painted across the driver's lane just before the stop sign or crosswalk.
- If there is no limit line or crosswalk, drivers must stop at the entrance to the intersecting roadway.
- If visibility is restricted at the limit line or crosswalk, drivers may need to pull forward and stop again before safely passing through the intersection.

Drivers must always make a full and complete stop.

- So called "California stops" or "rolling stops" are not allowed; the wheels of the vehicle must stop turning.

6.5 RIGHT OF WAY

6.5.1 Emergency Vehicles

Drivers must yield to any law enforcement, fire or ambulance vehicle with emergency lights illuminated or siren in use.

6.5.2 Pedestrians

The driver of a vehicle must yield the right-of-way to a PEDESTRIAN crossing the roadway. The driver of a vehicle approaching a PEDESTRIAN must exercise all due care and reduce the speed of the vehicle or take any other action relating to the operation of the vehicle as necessary to safeguard the safety of the PEDESTRIAN.

No PEDESTRIAN may suddenly leave a curb or other place of safety and walk or run into the path of a vehicle that is so close as to constitute an immediate hazard. No PEDESTRIAN may unnecessarily stop or delay traffic.

6.5.3 Side Road

A driver entering a through road from a cul-de-sac or side road must yield to vehicles on the through road.

6.5.4 Stop Sign

At an intersection controlled by a stop sign, the first vehicle to arrive has the right of way. If two vehicles arrive at the same time, the vehicle to the right has the right of way.

6.5.5 Travel Lanes

Do not drive to the left of center of the road, even when no center line is present.

6.5.6 Turns

A driver making a left turn or U-turn must yield to oncoming traffic.

6.6 WIRELESS COMMUNICATIONS

Drivers may not operate a cell phone without the use of a hands-free device.

Drivers may not use a wireless device to write, send or read communications, or view images.

6.7 SEAT BELTS

Drivers must wear a seat belt when driving.

Adult passengers must wear seat belts.

Younger passengers must be secured in a seat belt or child passenger restraint system of the type required by law on a public street.

6.8 USE OF LIGHTS

MOTOR VEHICLES must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise. This includes GOLF CARTS.

MOTOR VEHICLES approaching and entering any Laguna Woods Village gate at night must use low beam headlamps.

For safety, any PEDESTRIAN or BICYCLE on a roadway at night must shine a flashlight or otherwise display lighting sufficient to be plainly visible in any direction within 200 feet.

- This includes any vehicle using human power, or a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (e.g. Segway) or motorized quadricycle.

See the Resource Guide (appendix) for additional information.

7 RULES FOR PARKING

7.1 VEHICLES PROHIBITED

GRF specifies the types of vehicles prohibited from parking IN LAGUNA WOODS VILLAGE. Third Laguna Hills Mutual requires that any vehicle parked IN THIRD must adhere to the GRF restrictions.

7.2 ASSIGNED PARKING

The use and control of an ASSIGNED PARKING space rests exclusively with the RESIDENT of a MANOR.

- A NON-RESIDENT party to a MANOR such as a MEMBER, owner, leasing agent, power of attorney, successor trustee, conservator, etc. may not keep any vehicle in the Village when the subject MANOR is occupied by a RESIDENT.

A RESIDENT must utilize their ASSIGNED PARKING space before using UNASSIGNED PARKING.

A NON-RESIDENT VEHICLE may not be stored in ASSIGNED PARKING.

- A NON-RESIDENT vehicle parked more than 7 days in ASSIGNED PARKING is deemed to be stored, unless the person in possession is a GUEST who is listed for the same time period in the GRF Gate Clearance System and the vehicle is properly displaying a valid GRF Overnight Parking Permit.

7.3 GENERAL PARKING RULES

7.3.1 Park Safely

At no time may a vehicle be parked in a manner creating a traffic hazard.

7.3.2 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 Section 4 – Towing Policy.

7.3.3 Sidewalk

Except to safely cross on a roadway or driveway, no vehicle may be driven or parked with any portion of it on a sidewalk.

7.3.4 Off Pavement

At no time may a vehicle be driven or parked with any portion of it off pavement.

EXCEPTIONS:

Certain specific and limited exceptions are detailed in

- Section 8 - Special Rules for Golf Carts and Golf Cars.
- Section 9 - Special Rules for Bicycles.

7.3.5 Curb or Parking Stall

Vehicles may park in a designated parking stall or along a curb or sidewalk.

- Parking along a curb or sidewalk:
 - Vehicles on a 2-way travel roadway must be parked with the passenger side wheels alongside the curb or sidewalk.
 - Vehicles on a 1-way travel roadway may park alongside the curb or sidewalk on either side of the roadway.
 - The front and rear wheels alongside must be within 18" of the curb or sidewalk edge.
 - Vehicles may not be parked in, or within 20 feet of a street intersection.
- Parking in a marked stall:
 - Vehicle must fit and be parked completely within the marked boundaries of a parking space.
- Parking in an unmarked stall:
 - A vehicle may be parked in a location that is not marked; 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 facilities or equipment.

7.3.6 Inoperative Vehicle

At no time may an INOPERATIVE VEHICLE be parked IN THIRD.

7.3.7 Abandoned Vehicle

At no time may an ABANDONED VEHICLE be parked IN THIRD.

7.3.8 Unauthorized Vehicle

At no time may an UNAUTHORIZED VEHICLE be parked IN THIRD.

7.4 TIME LIMITED PARKING

7.4.1 ASSIGNED PARKING

There is no time limit that a RESIDENT VEHICLE may be parked in the ASSIGNED PARKING location for RESIDENT'S MANOR, provided that the vehicle's GRF vehicle decal, government registration, mechanical condition and appearance are properly maintained.

- A vehicle that appears INOPERABLE or ABANDONED is subject to tow-away at vehicle owner's expense. See Section 2 - Definitions, and Section 4 - Towing Policy.

7.4.2 UNASSIGNED PARKING

Signs and curb and pavement markings that limit or prohibit parking apply at all times.

- Red zone: No stopping, standing or parking.

EXCEPTIONS:

- A driver may stop to avoid conflict with other traffic.
- An attended vehicle may stop for passenger transfers.
- An attended vehicle may stop for use of a mailbox.
- An attended vehicle may stop or stand while necessarily engaged in work.

Examples: moving or delivery truck.

- An unattended vehicle or piece of equipment may park when necessary and is authorized by the Security Division.
- Blue zone: Parking is permitted only when the vehicle is displaying a valid government issued disabled (handicapped) license plate or placard.
- Fire hydrant zone: No person shall stop, park, or leave standing any vehicle within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense. See Section 4 – Towing Policy.
- Green zone: Parking may not exceed 10 minutes, or as 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 plate or placard.

- Grey zone: Same as Unpainted.
- Handicapped zone: See "Blue zone."
- White zone: Loading and unloading only.
- Yellow zone: Commercial vehicle loading and unloading only.
- Unpainted: Parking is permitted for up to 7 continuous days, unless otherwise restricted. Parking is always prohibited within 15 feet of a fire hydrant even if the curb is unpainted. See Fire hydrant zone above.

EXCEPTION:

- Resident's extended absence parking. See Section 7.5 following.
- GUEST PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.
- RESERVED PARKING zone: Parking is prohibited by a vehicle not carrying a party designated by the sign.
- VISITOR PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.

7.5 RESIDENT'S EXTENDED ABSENCE PARKING

Due to a RESIDENT'S extended absence from the Village, a RESIDENT VEHICLE may be parked in UNASSIGNED PARKING for more than 7 days under the following conditions:

- RESIDENT'S ASSIGNED PARKING space must be occupied during the same time period by another RESIDENT VEHICLE.
- As a courtesy to fellow RESIDENTS, vehicle must be parked as far as practicable from MANORS, preferably on a named street rather than in a numbered cul-de-sac.
- RESIDENT must arrange to keep the vehicle's GRF vehicle decal, government registration, appearance and operating condition up to date. Vehicles that become INOPERABLE, or appear neglected or ABANDONED become subject to tow-away at owner's expense. See Section 4 - Towing Policy.
- The RESIDENT must SAFELIST the vehicle with the Security Division.
- NON-RESIDENT vehicles are not eligible for extended parking privileges.

7.6 CONTRACTOR and SERVICE VEHICLE PARKING

Contractor and service vehicles, including personal vehicles driven by workers, must be parked on named streets and are prohibited from parking within numbered cul-de-sacs or MANOR parking lots.

- Contractors may park on a SPONSORING RESIDENT'S driveway with the RESIDENT'S permission, but may not obstruct the sidewalk.

EXCEPTIONS:

- Vehicles, equipment and materials immediately and directly required for the performance of work.
- Vehicles immediately loading or unloading.
- GRF owned vehicles and equipment.

7.7 OVERNIGHT PARKING PERMITS

GRF has rules regarding overnight parking for NON-RESIDENTS. Third Laguna Hills Mutual requires that any vehicle parked overnight adhere to GRF's rules.

7.8 RECREATIONAL VEHICLES (RV) RESTRICTED

Daily parking is limited to the GRF Recreational Vehicle Storage Area. Refer to the GRF Recreational Vehicle (RV) Parking Areas Rules and Regulations.

An RV may park IN THIRD only when meeting **all** of the following conditions:

- RV is parked only for the purpose of loading or unloading. Other activities such as sleeping or resting in the RV, and vehicle maintenance are not allowed.
- RV is parked with engine and accessory equipment (e.g. exterior lights, generator, air conditioner, audio and video equipment) shut off.
- Extensions such as slide-outs, tilt-outs, and awnings must be closed.
- RV may not be attached to any external power supply.
- Leveling jacks, if used, must include a base plate sufficient to prevent damage to pavement.

- RV is parked for no more than 6 hours at a time.

EXCEPTION:

- Permission to park overnight immediately before or after a road trip will be reasonably granted by the Security Division. Vehicle must be removed no later than 12:00 noon the following day.

7.9 FOR SALE SIGNS

RESIDENT VEHICLES may display a maximum of two (2) "For Sale" signs advertising that vehicle. Each sign may be up to 9" x 12" in size. No signage may be on the exterior of the vehicle.

7.10 ADVERTISING

Any signage advertising a business or organization is prohibited on a vehicle parked overnight. Displaying a name or contact information such as a physical or communications address constitutes advertising.

EXCEPTIONS:

- Commercial vehicle or equipment displaying a valid GRF Overnight Parking Permit issued by the managing agent.
- License plate frames, and vehicle manufacturer's incidental identification and accessory items (example: vehicle brand and model nameplates.)
- Signs allowed in Section 7.9 – For Sale Signs.
- GRF vehicles.

7.11 REPAIRS

Vehicles may not be rebuilt or rehabilitated, major service may not be performed, and fluids may not be changed.

7.12 WASHING

In the interest of water conservation, vehicle washing is prohibited.

See the Resource Guide (appendix) for additional information.

8 SPECIAL RULES FOR GOLF CARTS and GOLF CARS

8.1 GOLF CART

Unless exempted in this Section, all Third Laguna Hills Mutual Vehicle, Parking and Traffic Rules, including stop sign, speed limit, parking, and GRF vehicle decal rules, apply to GOLF CARTS, just as any other MOTOR VEHICLE.

8.1.1 DRIVERS LICENSE

A driver's license is not required to operate a GOLF CART.

8.1.2 MINIMUM AGE

A NON-RESIDENT driving a GOLF CART must be **both**

- Age 16 years or older.

- Accompanied by a RESIDENT.

8.1.3 VEHICLE REGISTRATION

No government vehicle registration is required.

8.1.4 LIGHTS

Must operate head lamps and tail lamps from ½ hour after sunset to ½ hour before sunrise.

8.1.5 STAY ON PAVEMENT

Driving off pavement is prohibited.

EXCEPTION:

- Limited driving off pavement is allowed at the GRF 27-hole golf course, in accordance with golf course rules.

8.1.6 SIDEWALKS AND PATIOS

Driving or parking is not allowed on sidewalks, breezeways, or patios.

8.1.7 CART PATHS

Driving on paved cart paths is permissible. On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

8.2 GOLF CAR

Unless exempted in this Section, all Third Laguna Hills Mutual Vehicle, Parking and Traffic Rules apply to GOLF CARS, just as any other MOTOR VEHICLE.

8.2.1 CART PATHS

May be driven on a paved cart path.

On a cart path the driver must:

- Travel at a slow speed that is reasonable and prudent.
- Exercise due regard for the safety of all PEDESTRIANS.
- Yield the right-of-way to all PEDESTRIANS.

Parking on a cart path is prohibited, except in a marked parking stall.

See the Resource Guide (appendix) for additional information.

9 SPECIAL RULES FOR BICYCLES (NON-MOTORIZED)

Unless otherwise specified in this Section, all requirements of Section 6 - Rules for Driving, including stop sign and speed limit rules, and Section 7 - Rules for Parking, apply to BICYCLES.

9.1 STAY ON PAVEMENT

BICYCLES may not be ridden off pavement.

9.2 SIDEWALKS

Riding on a sidewalk is allowed only between a point of origin or destination and the nearest connector to a street or cul-de-sac.

EXCEPTION:

- When delivering newspapers, a BICYCLE may be ridden an unlimited distance on a sidewalk.

While riding on a path or sidewalk, the cyclist must:

- Exercise due regard for the safety of all PEDESTRIANS.
- Travel at a speed that is reasonable and prudent.
- Yield the right-of-way to all PEDESTRIANS.
- Walk the BICYCLE when inside a building or on any covered passageway.

9.3 LIGHTS

For safety, at night a BICYCLE must operate lighting sufficient to be plainly visible in any direction within 200 feet.

9.4 PARKING

Bicycles may not be parked in any manner interfering with foot or vehicle traffic.

Bicycles must be parked utilizing parking racks where provided.

Attended BICYCLES may be parked off pavement, but only in such a manner as not to damage landscaping.

See the Resource Guide (appendix) for additional information.

10 SPECIAL RULES FOR PEDESTRIANS

10.1 SIDEWALKS

For safety considerations, PEDESTRIANS may not walk upon a roadway.

EXCEPTIONS:

- When crossing a roadway.
- When there is no adjacent sidewalk available that is at least two (2) feet wide.

When upon any roadway, PEDESTRIANS must:

- Walk facing the flow of traffic, unless upon a 1-way roadway.

- Avoid stopping or delaying traffic.
- Shine a flashlight or otherwise display lighting at night sufficient to be plainly visible in any direction within 200 feet.

10.2 SKATEBOARDS

No person may ride or propel a skateboard or other riding device.

EXCEPTION:

- A person operating a self-propelled or motorized wheelchair, invalid tricycle, electric personal assistive mobility device (ex: Segway) or motorized quadricycle.

See the Resource Guide (appendix) for additional information.

11 SPECIAL RULES FOR MANAGING AGENT

MOTOR VEHICLES and equipment used by the managing agent are permitted to operate and park on roadways, sidewalks, paths and landscape in a manner such as needed to efficiently provide services, such as maintenance, landscaping and security.

Except as necessary to efficiently provide services, MOTOR VEHICLES and equipment must be parked so as not to block access, walkways, or carports.

Except for fire hydrant and handicapped parking zones, all parking locations may be used by the managing agent as needed to efficiently provide services.

See the Resource Guide (appendix) for additional information.

12 RULES FOR REPORTING COLLISIONS

12.1 INJURY TO A PERSON

For a collision that causes injury or death to a person:

- Driver must stop and remain at the scene to provide their identity and information about the collision.
- Notify local authorities (Call 911.)
- Notify the Laguna Woods Village Security Division.

12.2 NO INJURY TO A PERSON

For a collision with no injuries that causes damage to any property, including damage solely to the driver's own MOTOR VEHICLE or BICYCLE:

- Driver must stop and remain at the scene to provide their identity and information about the collision.
- Driver must identify themselves to the owner or individual in control of the damaged property.
- Notify the Laguna Woods Village Security Division.

See the Resource Guide (appendix) for additional information.

13 APPENDIX

The managing agent will develop and periodically update a Resource Guide to be attached here, providing additional administrative information related to these rules.