

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

August 7, 2006

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday August 7, 2006 at 2:00 P.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Richard Moos, Jim Keysor, Larry Souza, Raymond Gros, Dominic Burrasca, Gunter Vogt, George Arnold, Jim Matson

Directors Absent: Phyllis Fish, Mark Schneider, Bob Hatch

Others Present: Patty Fox, Bryan English

CALL TO ORDER

President Richard Moos, President of the Corporation, chaired the meeting, stated that it was a special meeting held pursuant to notice duly given, established a quorum, and stated that the purpose of the meeting was to adopted a resolution to record a Lien against Member ID 932-72-010. The meeting was called to order at 2:00 P.M.

The Secretary of the Corporation, Director Gunter Vogt read a proposed resolution on recording a Lien against a Member. Director Larry Souza moved to approve the resolution. Director Jim Keysor seconded the motion. Discussion ensued.

Bryan English provided a summary of the issues.

By a unanimous vote of 7-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-06-30

WHEREAS, Member ID 932-72-010 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment in an amount exceeding \$1800; 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, August 7, 2006 that the Board of Directors of this Corporation hereby approves the recording of a Lien for Member ID 932-72-010; 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.

During its July 18, 2006 Regular Executive Session, the Board approved the Regular Executive Session Minutes of June 20, 2006; discussed member discipline, contractual, and litigation matters; and heard five (5) Disciplinary Hearings.

During its August 2, 2006 Special Executive Session, the Board discussed contractual issues.

With no further business before the Board of Directors, the special meeting was adjourned at 2:05 P.M.

Gunter Vogt, Secretary