

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

March 27, 2009

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Friday March 27, 2009, immediately following the KPMG Presentation of Audited Financial Statements held at 10:00 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Carol Moore, Larry Souza, Isabel Muennichow, Dominic Burrasca, Kathryn Freshley, Stanley Feldstein, John Paulus, Carol Skydell

Directors Absent: Don Lippert

Staff Present: Janet Price and Patty Kurzet

Others Present: Mark Tillotson and Tracy Hensley of KPMG

Carol Moore, President of the Corporation, called the meeting to order at 10:56 A.M., established a quorum, and entertained a motion to approve the 2008 audited financial statements for Third Laguna Hills Mutual.

Upon motion duly made, seconded and carried by a vote of 6-2-0 (Directors Burrasca and Feldstein opposed), the Board of Directors adopted the following resolution:

RESOLUTION 03-09-35

RESOLVED, March 27, 2009, that the Board of Directors of this Corporation has reviewed the financial statements for Third Laguna Hills Mutual for the year ending December 31, 2008, as audited by KPMG and approves a final report for publication; and

RESOLVED FURTHER, a condensed financial statement shall be delivered by mail to all Mutual Members.

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

During its March 17, 2009 Regular Executive Session Board Meeting, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of February 17, 2009, and the Minutes of the Executive Committee Meeting of February 23, 2009; heard four (4) disciplinary hearings; approved recording a Notice of Default for Member ID 930-764-36; authorized five (5) delinquency write-offs; discussed other member disciplinary matters; and discussed contractual matters and pending litigation.

With no further business before the Board of Directors, the special meeting was adjourned at 11:00 A.M.

Isabel Muennichow, Secretary