

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

April 21, 2009

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, April 21, 2009 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

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

Directors Absent: Jim Bragg, Don Lippert

Others Present: Jerry Storage, Patty Kurzet, Janet Price (10:11 A.M – 10:33 A.M.)

CALL TO ORDER

Director Carol Moore, President of the Corporation, chaired the meeting and stated that it was a regular meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 9:30 A.M.

A moment of silence was held to honor the US Troops serving our country and those placed in harm's way.

PLEDGE OF ALLEGIANCE

Director Isabel Muennichow led the Membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

In the absence of Cheryl Walker from the Laguna Woods Globe, Ms. Janet Whitcomb, a freelance reporter was present, and the Channel 6 Camera Crew, by way of remote cameras, were also acknowledged as present.

APPROVAL OF AGENDA

Without objection, the Board approved the agenda as amended by moving Agenda Item 22(c) *Motion to Direct Adams Kessler to Draft Election Procedure Rules* to under Agenda Item 16 *Report of the Board Operating Rules Ad Hoc Committee*.

CHAIR'S REPORT—Carol Moore

President Moore commented on the Board members acting in the best interest of the members, encouraged the membership to attend committee meetings to be informed and encouraged the membership to submit their application to run for the Board.

APPROVAL OF THE MINUTES

Director Feldstein commented on the Executive Session matters generally noted at the end of the open minutes per Civil Code and stated that the paragraph should be more detailed.

The Board reviewed the Minutes of the Special Meeting of March 13, 2009. Director Muennichow made a motion to approve the minutes as written. Director Paulus seconded the motion and by a vote 6-1-0 (Director Feldstein opposed), the motion carried.

The Board reviewed the Minutes of the Regular Meeting of March 17, 2009. Director Muennichow made a motion to approve the minutes as written. Director Freshley seconded the motion and by a vote 6-1-0 (Director Feldstein opposed), the motion carried.

The Board reviewed the Minutes of the Special Meeting of March 27, 2009. Director Muennichow made a motion to approve the minutes as written. Director Freshley seconded the motion and by a vote 6-1-0 (Director Feldstein opposed), the motion carried.

The Board reviewed the Minutes of the Special Meeting of March 30, 2009. Director Muennichow made a motion to approve the minutes as written. Director Freshley seconded the motion. By a vote 7-0-0 the motion carried.

THIRD MUTUAL MEMBER COMMENTS

- Barbara Marsh (3433-B) commented on the status of the letters to Realtors regarding the Freddie Mac loans
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting
- Richard Moos (5345-A) commented on a Broadband cost comparisons and ad insertions and recommend that the issue should be discussed at the Finance Meeting
- Shari Horne (2354-3C) announced the next Garden Villa Association meeting, and encouraged the residents to participate in Earth Day tomorrow
- Lilly Lachter (3211-B) commented on investigating outside broadband services for cheaper services
- Bud Nesvig (2392-3H) commented on appealing his disciplinary hearing in an open session meeting
- Karel Brouwer (3189-C) commented on Board member ex-officios

RESPONSES TO MEMBER COMMENTS

- Director Freshley responded to comments regarding Broadband
- Director Feldstein responded to Mr. Moos' comments regarding Broadband yearly costs
- Director Souza responded to comments made regarding Broadband costs
- Director Paulus also commented on Broadband services

GENERAL MANAGER'S REPORT

In Mr. Milt Johns' absence, Mr. Jerry Storage, updated the membership on the unanimous vote taken by the Corporate Members on April 20, 2009 authorizing GRF to accept or decline the El Toro Water District's offer to acquire real property. Mr. Storage provided an update on the GRF Golf Building project, and commented on the El Toro Water District Shortage Ordinance which will take effect in July and will provide guidelines to residents on how to conserve water.

Ms. Janet Price entered the meeting at 10:11 A.M.

CONSENT CALENDAR

Without objection the Consent Calendar was approved (Director Feldstein objected to the approval of the M&C Consent Calendar due to his lack of attendance during the tour) and the following actions were taken:

Maintenance & Construction Committee Recommendations:

- | | |
|---------|---|
| 2207-N | Uphold alteration alteration roofing policy and affirm member's responsibility for charges |
| 2280-U | Approval of request to extend decking system on walkway, with contingencies |
| 2391-1A | Uphold prior decision to require existing original Bedroom One, Bedroom Two, and Living Room window be retrofitted (APPEAL) |
| 3493-B | Denial of request to extend rear patio slab and install patio enclosure |
| 5225 | Approval of request to construct laundry room with window in garage with access to Bedroom Three, install awning over kitchen window and other modifications to manor, with contingencies |
| 5420 | Approval of request to retain vines and for Mutual to refrain from painting patio wall and alteration patio cover, with contingencies |
| 5587-A | Approval of request to perform Master Bedroom and Bathroom remodel, Kitchen load-bearing wall modification, relocation of the entry door, and window modifications, with contingencies |

Landscape Committee Recommendations

- | | |
|---------|--|
| 3236-B | Denial of appeal request for tree removal |
| 3469-A | Partial approval of request for tall shrub removal at the Mutual's expense |
| 2286-Q | Approval of request for plant replacements at the Mutual Member's expense |
| 3243-2C | Denial of request for plant replacements |

Finance Committee Recommendations

RESOLUTION 03-09-36

WHEREAS, Member ID 931-460-29 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-460-29; 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 03-09-37

WHEREAS, Member ID 931-480-47 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-480-47; 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 03-09-38

WHEREAS, Member ID 932-380-33 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-380-33; 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 03-09-39

WHEREAS, Member ID 932-600-19 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-600-19; 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 03-09-40

WHEREAS, Member ID 932-790-72 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-790-72; 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 03-09-41

WHEREAS, Member ID 934-901-29 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;

April 21, 2009

NOW THEREFORE BE IT RESOLVED, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-901-29; 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 03-09-42

WHEREAS, Member ID 934-903-08 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, April 21, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-903-08; 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.

FINANCE REPORT

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

Ms. Price left the meeting at 10:33 A.M.

Director Larry Souza reported from the Maintenance and Construction Committee.

Director Souza made a motion to modify the 2009 Re-Roofing Program scope of work to remain within the 2009 Budget, but use Cool Roofs, instead of Built-up Roofing at the new contracted rates. Director Skydell seconded the motion. By a vote of 7-0-0, the motion carried.

Members Lilly Lachter (3211-B) commented on water spraying the street and not the lawn, and Bud Nesvig (2392-3H) commented on bringing in an expert who reads water meters.

No one reported from the Standards Sub Committee.

No one reported from the Plumbing Ad Hoc Committee.

April 21, 2009

Director John Paulus reported that the Garden Villa Recreation Room Ad Hoc Committee did not meet.

Director Isabel Muennichow reported on the Board Operating Rules Ad Hoc Committee.

The Secretary of the Corporation, Director Isabel Muennichow, read a proposed resolution approving the Nominating Committee Standard Operating Procedures. Director Muennichow moved to approve the resolution. Director Souza seconded the motion and discussion ensued.

Mutual Member Gabriel Newhouse (4004-3F) commented on the proposed procedures.

Director Muennichow amended the motion by removing the sentence "which dual status would create a material and adverse impact on a director's ability to serve on the Third Board" from 1(c), and add the words "by blood, marriage, and adoption" under 3(g). Director Burrasca seconded the motion. By a vote of 6-1-0 (Director Souza opposed) the amendments carried.

By a vote of 5-2-0 (Directors Feldstein and Souza opposed), the motion carried as amended and the Board of Directors adopted the following resolution:

RESOLUTION 03-09-43

WHEREAS, the Nominating Committee of the Corporation is charged with soliciting qualified individuals to serve as candidates for the leadership of the Corporation; and

WHEREAS, this leadership determines the goals of the Corporation as well as the budget to achieve those goals; and

WHEREAS, the Nominating Committee needs a clear understanding of their duties and procedures;

NOW THEREFORE BE IT RESOLVED, April 21, 2009, that the Board of Directors of this Corporation hereby approves the attached Standard Operating Procedure which describes the Nominating Committee procedures for preparing candidates for the annual election for the Third Mutual Board of Directors; and

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

Mutual Member Harry Curtis (5371-2A) commented on the Garden Villa Ad Hoc Committee.

Director Freshley left at 11:25 A.M.

Director Muennichow made a motion to direct Adams Kessler to draft Election Procedures for the Mutual. Director Souza seconded the motion and discussion ensued. By a vote of 6-0-0 (Director Freshley was absent from the meeting), the motion carried.

Director Freshley returned to the meeting at 11:36 A.M.

Director John Paulus reported from the Landscape Committee.

Director Carol Skydell reported from the Long Range Planning Committee.

Director John Paulus reported from Resident Problem Resolution Services.

Director Dominic Burrasca reported from the Traffic Committee.

OLD BUSINESS

The Secretary of the Corporation read the following proposed resolution, which was postponed from last month's meeting, on adopting a policy for the removal of holiday decorations:

RESOLUTION 03-09-

WHEREAS, a concern has been expressed with the length of time that holiday decorations are left on buildings and/or within the landscaping of common areas; and

WHEREAS, decorations left out for an extended period of time lends to a poor appearance and visual nuisance; and

WHEREAS, the Corporation recognizes the need to establish a policy limiting the length of time that holiday decorations are displayed;

NOW THEREFORE BE IT RESOLVED, April 21, 2009, that the Board of Directors of this Corporation hereby adopts the following policy for the removal of holiday decorations, effective April 21, 2009:

All holiday decorations affixed to structures and/or within the landscaping of common areas, must be removed no later than the last day of the month following the holiday.

RESOLVED FURTHER, that a permit would be required should the member wish to leave decorative lighting up on a more permanent basis; and

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

Director Muennichow moved to approve the resolution. Director Feldstein seconded the motion and discussion ensued.

Director Skydell made a motion to return it back to the Landscape Committee. Director Feldstein seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the proposed changes to the Mutual committee appointments. Director Muennichow moved to approve the resolution. Director Souza seconded the motion.

Director Feldstein resigned from the Long Range Planning Committee.

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

RESOLUTION 03-09-44

RESOLVED, April 21, 2009, that the following persons are hereby appointed to serve on the committees and services of this Corporation; and

RESOLVED FURTHER, that each committee chair in consultation with the vice chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

Exterior Paint Colors Ad Hoc Committee

Carol Skydell, Chair
Advisors: Allen Cohen, Ann Souza, Nina Brice

Finance (Committee of the Whole)

Kathryn Freshley, Chair
Stanley Feldstein, Vice Chair
Advisors: Allen Cohen, Jim Hart

Garden Villa Recreation Room Ad Hoc Committee

John Paulus
Larry Souza
Advisors: Bud Nesvig, Harry Curtis, Shari Horne, Marion Dailey

Laguna Canyon Foundation Representative

Carol Skydell

Landscape (Committee of the Whole)

John Paulus, Chair
Isabel Muennichow, Vice Chair
Advisors: Gerald Fugliuzzi, John Dudley

Law Firm Search Ad Hoc Committee

Stanley Feldstein
Carol Skydell
Don Lippert

Long Range Planning

Carol Skydell
Kathryn Freshley
~~Stanley Feldstein~~

Management Agreement Ad Hoc Committee

Committee of the Whole

Maintenance and Construction (Committee of the Whole)

Larry Souza, Chair

John Paulus, Vice Chair

Advisor: Richard Palmer

New Resident Orientation

Per Rotation List

Plumbing Ad Hoc Committee

John Paulus
Dominic Burrasca
Don Lippert
Carol Moore
Larry Souza

Resident Problem Resolution Services

John Paulus
Dominic Burrasca
Carol Skydell

Rules & Admin Procedures Ad Hoc Committee (Committee of the Whole)

Isabel Muennichow, Chair

Advisor: Pat Feeney

Standards Sub-Committee

Don Lippert
Kathryn Freshley
Larry Souza

Select Audit

Kathryn Freshley
John Paulus
Stanley Feldstein (alternate)

Traffic

Dominic Burrasca
Don Lippert

RESOLVED FURTHER, Resolution 03-09-26, adopted March 17, 2009 is hereby superseded and canceled.

The Secretary of the Corporation read the proposed changes to the GRF committee appointments. Director Muennichow moved to approve the resolution. Director Souza seconded the motion and discussion ensued.

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

RESOLUTION 03-09-45

RESOLVED, April 21, 2009, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, adopted May 2006, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

Business Planning

Carol Moore
Kathryn Freshley

Bus Services Committee

Dominic Burrasca
xxxxxxx

Broadband Services Committee

Isabel Muennichow
Kathryn Freshley

Community Activities

Carol Moore
Jim Bragg

Finance

Kathryn Freshley
Stanley Feldstein

Gate Renovation Ad Hoc Committee

Carol Skydell
Larry Souza

Golf Starter Building Ad Hoc Committee

Kathryn Freshley

Larry Souza

Government and Public Relations

Isabel Muennichow
Carol Skydell

Landscape Committee

John Paulus
Carol Moore

Maintenance and Construction

Larry Souza
John Paulus

Recreation Master Planning Sub-Committee

Carol Moore
xxxxxxx

Security and Community Access

Larry Souza
Dominic Burrasca

RESOLVED FURTHER, Resolution 03-09-27, adopted March 17, 2009 is hereby superseded and canceled.

The Secretary of the Corporation read a proposed resolution approving community signage on Mutual owned property. Director Muennichow moved to approve the resolution. Director Souza seconded the motion and discussion ensued.

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

RESOLUTION 03-09-46

WHEREAS, the Golden Rain Foundation (GRF) is in the process of placing the new community signage on Mutual owned walls at Gate Entrances; and

WHEREAS, the walls in the various gate locations are the responsibility of the Mutual; and

WHEREAS, the actual signage is the responsibility of GRF; and

WHEREAS, GRF is currently replacing community signage where it previously existed per the City of Laguna Woods sign specifications;

April 21, 2009

NOW THEREFORE BE IT RESOLVED, April 21, 2009, that the Board of Directors of this Corporation hereby directs that when GRF installs a community sign, the mutual gives permission to affix said signage on mutual walls; and

RESOLVED FURTHER, that the costs associated with the installation and maintenance of the community signage will be borne by GRF; and

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

The Board requested that staff notify the Board when a sign is put up.

NEW BUSINESS

The Secretary of the Corporation read a proposed resolution approving the Inspectors of Election. Director Muennichow moved to approve the resolution. Director Freshley seconded the motion and discussion ensued.

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

RESOLUTION 03-09-47

RESOLVED, April 21, 2009 that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election:

Hillel Pitlik
Charline Brant
Gene Brant
Jim Hart, Alternate

RESOLVED FURTHER, that such appointees shall serve for the counting of the ballots for the 2009 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 03-08-47 adopted June 17, 2008 is hereby superseded and cancelled.

Director Muennichow made a motion to rescind the following resolution requiring background checks on Board candidates:

RESOLUTION-03-04-02

WHEREAS, to further Third Laguna Hills Mutual's endeavor to restrict membership in, and leadership of the Mutual, by non-felons; and

RESOLVED, February 17, 2004 that the Board of Directors of this Corporation hereby authorizes staff to conduct background checks on Board candidates; and

RESOLVED FURTHER, that applicants must be advised, in advance, that they are subject to a background check for any criminal history; and

RESOLVED FURTHER, that the applicant must acknowledge that he/she has been so advised, and gives prior written consent to the background check action; and

RESOLVED FURTHER, that the background check must be narrow in scope, limited only to criminal records, as in conformity with Section 6.4.1.2 of the Corporation's Bylaws, and privacy must be assured; and

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

Director Skydell seconded the motion and discussion ensued. By a vote of 6-1-0 (Director Souza opposed), the motion carried and the resolution was rescinded.

GRF COMMITTEE REPORTS HIGHLIGHTS

Director Muennichow reported from the Government and Public Relations Committee.

Director Muennichow made a motion to endorse the Laguna Woods Village Real Estate Education Seminar, as approved by GRF, to include mutual housing information pertaining specifically to Third Mutual, as well as marketing tools and materials to help market condominium properties in Third as part of the Real Estate Education Seminar for local realtors. Director Skydell seconded the motion and discussion ensued.

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

The Board requested that staff notify the Board when the Agenda for the seminar is made up.

PUBLIC FORUM

- Shari Horne commented on the request for the Mutual to pay for repairs in the Garden Villa Association buildings.
- Bud Nesvig commented on the Garden Villa residents willing to pay for an increase in the surcharge to repair the Recreation Rooms.

Director Comments

- Director Souza commented on the Garden Villa Association asking the Mutual to pay for plumbing repairs in the Recreation Rooms
- Director Muennichow reminded the members of the trash and curbside pickup policy, and commented on being informed on actions taken by the City and other Mutuals
- Director Feldstein commented on Gate 11 landscaping and the Mutual paying for individual slope renovations
- President Moore announced Earth Day and commented on how beautiful the Community is

The Board recessed at 12:41 P.M. and reconvened into Executive Session at 1:30 P.M.

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

During its March 30, 2009 Special Executive Session, the Board discussed contractual matters.

The Traffic Committee of the Board met in Executive Session on March 25, 2009 to discuss member disciplinary issues.

With no further business before the Board of Directors, the meeting was adjourned at 6:25 P.M.

Isabel Muennichow, Secretary

Nomination SOP for the Third Mutual Board of Directors

This SOP describes the Nominating Committee procedures for preparing the list of candidates for the annual election for the Third Mutual Board of Directors.

Any member of Third Mutual who wishes to be a candidate for the Third Mutual Board of Directors shall be included on the ballot if he or she complies with the eligibility requirements and procedures stated below.

1. Eligibility for Candidacy for Director of Third Mutual

The candidate must:

- a. be a member of Third Mutual
- b. be a resident of Third Mutual, e. g., reside in Third Mutual more than six months in any 12-month period
- c. not be, or reside in the same manor as, a director, stockholder, officer, employee, or partner of any other organization whether private, public, or governmental.
- d. not concurrently serve, or reside in the same manor as, as a GRF director or a Laguna Woods City Councilmember
- e. not be, or reside in the same manor as, a current employee of the Corporation's management agent
- f. not be, or reside in the same manor as, a current member of the nominating Committee
- g. not be shown on the books of account of Third Mutual to be more than 30 days delinquent in the payment of any sums.

2. Procedures for Becoming a Candidate

The candidate must:

- a. submit a completed Application for Candidacy, including his or her signature affirming the he or she is willing to serve his or her full term if elected
- b. attend an orientation meeting with the Nominating Committee
- c. submit a Candidates Statement to appear on the ballot.

It is strongly suggested that the candidate:

- a. attend Board and committee meetings before the election
- b. attend the "Meet the Candidates" event.

3. Nominating Committee Members

A Nominating Committee shall be selected by the president and approved by the Board.

- a. The committee shall consist of seven members plus two alternates who will fill any openings on the committee.
- b. The Board shall designate the committee chair.
- c. Eligibility to serve on this committee shall be the same as eligibility to be a candidate.
- d. The committee chair shall have the right to replace any member of the committee for lack of attendance at meetings of the committee.
- e. The committee shall be independent of any board or outside influence.
- f. No member of the committee shall be a director of Third Mutual, nor shall reside in the same manor as any director of Third Mutual.
- g. No member of the committee shall be related to any potential candidate by blood, marriage or adoption.
- h. The committee shall treat each candidate fairly and without prejudice.

4. Duties of Nominating Committee

The duties of the committee shall be to:

- a. recruit candidates
- b. assist members who wish to be candidates
- c. review candidates applications for eligibility as stated in 1. above
- d. hold an orientation session with every candidate to describe the job of Director
- e. conduct a "Meet the Candidates" forum (see below)
- f. prepare a final report to the Board of Directors at least 70 days before the Annual Meeting of Mutual Members, listing those candidates who meet the eligibility requirements.

5. Meet the Candidates Event

The Nominating Committee shall conduct a televised Meet the Candidates event no more than 10 days, and no less than one day, before the ballots are mailed to the members. Time permitting, the format should be as follows:

- a. Candidates are given a fixed amount of time to present a statement.

- b. All candidates are asked a series of questions that have been prepared by the Third Mutual Board of Directors.
- c. Candidates are asked written questions which have been submitted by members of the audience and screened by the chair of the Nominating Committee for appropriateness and duplication. All candidates are given a chance to answer all questions.
- d. Candidates are given a fixed amount of time to make a closing statement.