

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

March 29, 2010

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday March 29, 2010, immediately following the KPMG Presentation of Audited Financial Statements held at 1:30 P.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Carol Moore, John Paulus, Kathryn Freshley, Carol Skydell, Lucy Shimon, Mike Straziuso, Stanley Feldstein, Noel Hatch

Directors Absent: Don Lippert, Mary Robertson, Dominic Burrasca

Staff Present: Jerry Storage, Janet Price and Patty Kurzet

Others Present: Tracy Hensley, Kathy Lai, and Matt Andre of KPMG

CALL TO ORDER

Carol Moore, President of the Corporation, called the meeting to order at 3:10 P.M., established a quorum, and entertained a motion to approve the 2009 audited financial statements for Third Laguna Hills Mutual.

Upon motion duly made, seconded and carried by a vote of 6-1-1 (Director Feldstein opposed and Director Skydell abstained), the Board of Directors adopted the following resolution:

RESOLUTION 03-10-45

RESOLVED, March 29, 2010, that the Board of Directors of this Corporation has reviewed the financial statements for Third Laguna Hills Mutual for the year ending December 31, 2009, 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 16, 2010 Regular Executive Session Board Meeting, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of February 16, 2010; heard two (2) disciplinary hearings; approved recording Notices of Default for Member ID 931-510-06 and Member ID 935-100-68; discussed the Rita Thompson v. Third Mutual litigation matter; discussed other member disciplinary matters; and discussed contractual and litigation matters.

With no further business before the Board of Directors, the special meeting was adjourned at 3:15 P.M.

Carol Skydell, Secretary