

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

September 9, 2010

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Thursday, September 9, 2010 at 10:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Carol Moore, John Paulus, Kathryn Freshley, Carol Skydell, Lucy Shimon, Stanley Feldstein, Pat Feeney, Don Lippert, Dick Palmer, Dominic Burrasca

Directors Absent: Noel Hatch

Staff Present: Jerry Storage, Cris Robinson, Patty Kurzet

CALL TO ORDER

Carol Moore, President of the Corporation, called the meeting to order at 10:00 A.M., established a quorum, and stated that the special meeting was to approve the new Director Election ballot package and the new date for the Annual Meeting of the Members.

President Moore acknowledged Ms. Claire Webb of the Laguna Woods Globe as present.

The agenda was approved without objection.

Director Freshley made a motion to approve the new ballot package. Director Skydell seconded the motion and discussion ensued.

President Moore read the Civil Code that speaks to the duties of the Inspectors of Election.

Director Feldstein amended the resolution to change the word in the third paragraph from "approved" to "contracted". The motion was seconded and carried without objection.

Candidates Bud Nesvig commented on the ballot package and on a potential lawsuit; Rosemarie di Lorenzo Dickins commented on candidate fairness and adding the new dates for rebroadcasting the Meet the Candidates meeting on the ballot; Rae Tso commented on the printing error.

Mr. Dan Pabich of Martin and Chapman was phoned at 11:25 A.M. and the Directors asked questions of Mr. Pabich regarding the revised ballot package.

Without objection, the Board agreed to have Martin and Chapman provide an insert in the ballot packaging regarding the new dates for rebroadcasting the Meet the Candidates meeting.

Mr. Pabich left meeting at 11:33 A.M.

The Secretary of the Corporation read the proposed resolution approving the revised ballot package.

By a vote of 5-4-1 (Directors Burrasca, Feldstein, Lippert and Palmer opposed; Director Feeney abstained; and Directors Freshley, Paulus, Shimon, Skydell voted in favor and President Moore voted in favor to break the tie), the motion carried and the Board of Directors adopted the following resolution as amended:

RESOLUTION 03-10-131

WHEREAS, due to inadvertent deletions in the 2010 Director Election ballot instructions/candidate statements, prepared and mailed out by Martin and Chapman, the Inspectors of Election found it necessary to terminate the current election ballots;

NOW THEREFORE BE IT RESOLVED, September 9, 2010, that the revised ballot package for the 2010 Election of Directors of this Corporation, as prepared by the Inspectors of Election, is hereby approved; and

RESOLVED FURTHER, that the Board hereby approves the same three (3) random ballot rotations previously determined by Martin and Chapman, the ~~contracted approved~~ Election Company; and

RESOLVED FURTHER, that Resolution 03-10-101 adopted July 20, 2010, 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 this resolution as written.

The Secretary read a proposed resolution approving the new date for the Annual Meeting of the Members. Director Skydell moved to approve the resolution and Director Shimon seconded the motion

By a vote of 9-0-1 (Director Feldstein abstained), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-10-132

WHEREAS, the ballot instructions and candidate statements for the 2010 Director Election, as prepared and mailed out by Martin and Chapman on September 1, 2010 contained inadvertent omissions; and

WHEREAS, in order to conduct a fair election, the Inspectors of Election determined that such ballots are void and uncountable, and found it necessary to have the ballots reprinted and mailed out, at no expense to the Mutual; and

WHEREAS, due to the 30 day mailing requirement for ballots to be mailed prior to the deadline for voting, the Annual Meeting of the Members shall be postponed to another date; and

NOW THEREFORE BE IT RESOLVED, September 9, 2010, that the new date for the Annual Meeting of the Third Laguna Hills Mutual Members shall be held on Monday, October 18, 2010, at 9:30 A.M. Thereafter, the Annual Meetings of the Third Laguna Hills Mutual Members shall comport with the Bylaws of this Corporation; 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.

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

During its August 17, 2010 Regular Executive Session Board Meeting, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of July 20, 2010; heard three (3) disciplinary hearings; approved recording Notices of Default for Member ID 930-764-36, Member ID 931-460-29, Member ID 931-710-39, and Member ID 932-200-16, and approved a delinquency write-off in the amount of \$6,493.48; approved filing nine separate Small Claims Cases of \$2,500 (or less); discussed the legal matters of Ellen Moss v. Third Mutual; Victoria Pullman v. Third Mutual; Third Mutual v. PCM, Inc., and Dolores Fruchtman v. Third Mutual; and discussed other member disciplinary matters.

With no further business before the Board of Directors, the special meeting was adjourned at 11:38 A.M.

Carol Skydell, Secretary