

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

January 23, 2009

A Special Meeting of the United Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporations, was held on Friday January 23, 2009, at 2:00 P.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Lloyd Foster, Bevan Strom, Marty Rubin, Marv Rosenhaft, John Dalis, Maxine McIntosh, Gail McNulty, Arlene Miller, Mike Curtis, Linda Wilson

Directors Absent: Paul Vogel

Others Present: Milt Johns; Patty Kurzet; Janet Price, Bill Hart of HKC

CALL TO ORDER

Lloyd Foster, President of the Corporation, chaired and opened the meeting, and stated that it was a Special Meeting held pursuant to notice duly given to establish a motion to pay-off the final United HUD-guaranteed loans. A quorum was established and the meeting was called to order at 2:00 P.M.

President Foster reminded the Board of the 3 minute limitation per Member Comments and Director Responses.

MEMBERS' COMMENTS

The following members addressed the matter of early pay-off of United's loans:

- Libby Marks (82-Q)
- Connie Grundke (2214-B)
- Iris Gorin (828-Q)
- Pamela Grundke (2214-B)

DIRECTOR RESPONSES TO MEMBERS' COMMENTS

- Director Dalis inquired on who will pay the loan off
- Director McIntosh asked who called the meeting
- Director Rosenhaft responded to the accusations that the Board has made up its mind about the decision
- Director Curtis inquired on the urgency to pay-off the loan and who pays the loan off

Director Rubin made a motion to approve to pay off the final United Loan. Director Strom seconded the motion and discussion ensued.

President Foster indicated, as reported from a memo from Janet Price, that an that an early pay-off would assist GRF sell the property involved in the Moulton Widening Project and to not pay the \$14,000 cost of the Single Audit Report.

Director Curtis stated that there was a hidden reason for the urgency to pay-off the loan.

Mr. Johns commented on the implication.

Members Ruth Treeson (860-Q) and Connie Grundke (2214-B) addressed their concerns with the motion.

Due to the lack of member comments in favor of the motion, President Foster declined additional comments on the motion.

By a vote of 0-9-0 the main motion failed.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 2:38 P.M.

Linda Wilson, Secretary