

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

January 11, 2011

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, January 11, 2011 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Gail McNulty, Harold Allen, Arlene Miller, John Dalis, Ron Beldner, Barbara Copley, Heather Gerson, Libby Marks, Cynthia Chyba, Roger Turner, Catherine Brians

Directors Absent: None

Others Present: Jerry Storage, Patty Kurzet
Executive Session: Jerry Storage, Cris Robinson, Patty Kurzet, Sandy Meyer

CALL TO ORDER

Gail McNulty, President of the Corporation, chaired and opened the meeting, and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established and 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 Beldner led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Ms. Claire Webb from the Laguna Woods Globe was not present at the time the meeting started, and the Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

APPROVAL OF AGENDA

Without objection, the Board approved the agenda by removing *838-A Approve (appeal) absorbing half of the \$2,580 cost [\$1,290] for asbestos abatement and 933-P Deny request to install satellite dish on roof* from the Maintenance and Construction Committee Consent Calendar returning them back to the Committee for further review.

Without objection, the Board agreed to limit the total time for Member Comments to 30 minutes, and if further time is necessary, the Board would consider allotting additional time.

MEMBER COMMENTS

- Ron Stenson (285-C) commented on satellite dishes installed on flat roofs.
- Maxine McIntosh (68-C) commented on the clutter/hoarding resolution to be considered by the Board; requested that the GRF Bylaws be revised so residents can vote for GRF Directors; and requested that the Board revisit its Open Meeting Rules Policy.

- Delsie Zuzak (674-A) commented on the Board's Open Meeting Rules Policy and reported that she found proof on an escrow document that United has CC&Rs.
- Asako Kimes (933-P) addressed the Board on her request for the installation of a satellite dish.
- Roberta Berk (933-B) addressed the Board on her neighbor's variance request to install a satellite dish.
- Charlene Sydow (646-A) commented on the Board's Open Meeting Rules and a member's right to speak; and commented on land planning.
- Mary Stone (356-C) explained to the membership that United does not have CC&Rs; commented on the proposed clutter/hoarding policy; asked the Board to look into working with the other corporations to change the name of the GRF Trust; and the need to bid out for a new managing agent.
- Catherine Martinez (811-N) apologized to Director Copley on her behavior toward her at a committee meeting.
- Gunther Austin (326-B) informed the Board that the El Toro Tunnel is locked.
- Tony Dauer (96-C) thanked the Board for their Directors' Coffee meeting; commented on better building identification; and the need to bid out for a new managing agent.
- Maxine McIntosh (68-C) clarified the difference between PCM Corporate and PCM, Inc.

RESPONSE TO MEMBER COMMENTS

- President McNulty briefly responded to resident comments regarding the Board's Open Meeting Rules, the proposed clutter/hoarding policy, and satellite installations.
- Directors Dalis, Beldner, and Turner commented on satellite dish installations and broadband programming.
- Director Copley commented on the staff time used to research variance requests for satellite dish installations.

APPROVAL OF MINUTES

The Board reviewed and approved without objection the minutes of the December 8, 2010 Special Board meeting and the minutes of the December 14, 2010 Regular Board meeting.

CHAIR'S REMARKS

President McNulty briefly commented on the Cross-Complaint filed by Mr. Milt Johns, reported on the success of the recent Directors' Coffee; commented on the precautions taken by PCM and residents to prevent flood damage in cul-de-sac 67; and reminded the membership that the Community is an active senior community and not an assisted living community.

NEW BUSINESS

The Board discussed establishing a Nominating Committee, the duty it serves, and the possibility of changing the name.

The Board discussed procedural changes needed at the committee level to address the situation when a committee determines to make a recommendation to the Board regarding a Member dispute that conflicts with Staff's recommendations which are based on the Mutual's policies and governing documents. The Board was in agreement that when Member disputes

are being considered by the Committee, and the Committee votes in opposition to Staff's recommendation that has been based on Mutual policy and/or governing documents, the item is to be tabled by the Committee until the following Committee meeting, allowing the Committee further time to evaluate the matter.

OLD BUSINESS

No old business came before the Board.

GENERAL MANAGER'S REPORT

Mr. Storage reported on the ongoing projects in the Community that impact United Mutual residents; and commented on United Mutual lighting and water heater electrical upgrades. Mr. Storage provided a summary of the cul-de-sac 67 qualitative drainage study summary report; and commented on the numerous letters staff received on behalf of residents expressing their appreciation and support for staff's work.

CONSENT CALENDAR

Without objection, the Board approved the Consent Calendar as amended.

Maintenance and Construction Committee:

RESOLUTION 01-11-01

RESOLVED, January 11, 2011, that the request of Mr. Charles Parson of 66-A Calle Aragon to create a patio wall opening and install a new window in Bedroom One at his manor is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 66-A; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permit numbers must be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the finished opening must match the existing stucco finish on the subject patio wall. Wood trim around the opening will not be allowed; and

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

RESOLUTION 01-11-02

RESOLVED, January 11, 2011, that the request of Mr. Devron Donnelly of 91-C Calle Aragon to retain an HVAC unit installed on a wall-mounted rack on the

balcony at his manor is hereby approved; and

RESOLVED FURTHER, all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at Manor 91-C, including all costs incurred due to inadequate condensate drainage, including but not limited to dry rot and/or staining, and, should it become necessary for a unit and/or it's duct work to be removed to allow the Mutual access for maintenance purposes, all costs of removal and replacement will be the Member's responsibility. It is intended that the Member(s) will be given proper and timely notice for any needed removal(s). However, this may not always be possible due to the nature of the required maintenance; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits be obtained and the appropriate City of Laguna Woods permit numbers be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

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

RESOLUTION 01-11-03

RESOLVED, January 11, 2011, that the request of Mr. Hans Gretler of 361-P Avenida Castilla to retain balcony modesty paneling installed at his manor is hereby denied; and

RESOLVED FURTHER, that the Board requires removal of the subject alteration at the Member's expense within 30 days of the Board's decision on the matter; and

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

RESOLUTION 01-11-04

WHEREAS, Mr. Richard Beckerman of 434-C Avenida Sevilla disputed charges in the amount of \$277.05 for restoration repairs for damage that resulted from an alteration refrigerator filter leak, and way of Resolution 01-10-204, the Board of Directors of this Corporation denied the request that the Mutual rescind the charge of \$277.05 and upheld its Damage Restoration Policy; and

WHEREAS, Mr. Beckerman appealed the Board's decision;

NOW THEREFORE BE IT RESOLVED, January 11, 2011, that the Board of Directors of this Corporation hereby continues to uphold its Damage Restoration Policy and affirms the responsibility of Mr. Richard Beckerman of

434-C Avenida Sevilla for the charge of \$277.05 for damage restoration repairs;
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 01-11-05

RESOLVED, January 11, 2011, that the request of Mr. and Mrs. Masao Yokota of 456-B Avenida Sevilla to retain the satellite dish on the roof of their manor is hereby approved; and

RESOLVED FURTHER, that all costs for installation, repair, and maintenance associated with the subject alteration are the responsibility of the Mutual Member(s) at 456-B; and

RESOLVED FURTHER, that a required Mutual permit for the satellite dish must be obtained through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the satellite dish must be mounted on a non-penetrating stand on the roof over the subject manor away from the edge of the building; and

RESOLVED FURTHER, that the Member shall be noticed for a Hearing due to the rules violation; and

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

RESOLUTION 01-11-06

RESOLVED, January 11, 2011, that the request of Mr. John Ryan of 487-C Calle Cadiz to retain a single front door conversion at his manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance for the alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 487-C; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits be obtained and the appropriate City of Laguna Woods permit numbers be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

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

RESOLUTION 01-11-07

RESOLVED, January 11, 2011, that the request of Mr. Robert Johnson of 487-D Calle Cadiz to retain the patio extension at his manor is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual Member(s) at 487-D; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods building permit number must be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center. Specifically, a Mutual permit is required for the patio extension, and the electrical modifications. A City of Laguna Woods building permit is required for the electrical modifications only; and

RESOLVED FURTHER, that all future landscape, irrigation, and drainage modifications associated with the alteration are to be completed by the Landscape Division at the expense of the Mutual Members(s) at Manor 487-D; and

RESOLVED FURTHER, that the Member shall be noticed for a Hearing due to the rules violation; and

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

RESOLUTION 01-11-08

RESOLVED, January 11, 2011, that the request of Mr. Marshall Yagan of 500-F Avenida Sevilla to perform a double to single front door conversion at his manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance for the alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 500-F; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits be obtained and the appropriate City of Laguna Woods permit numbers be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

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

RESOLUTION 01-11-09

RESOLVED, January 11, 2011, that the request of Ms. Ann Guenther of 500-H Avenida Sevilla to retain the wood fence and gate at her manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance for the alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 500-H; and

RESOLVED FURTHER, that a required Mutual permit for the wood fence and gate must be obtained through the Permits and Inspections Office located in Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the Member shall be noticed for a Hearing due to the rules violation; and

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

RESOLUTION 01-11-10

RESOLVED, January 11, 2011, that the request of Ms. Carol Dolan of 621-Q Avenida Sevilla to retain the white vinyl lattice on patio block wall at her manor is hereby denied; and

RESOLVED FURTHER, that due to the Mutual's reinstallation of the unauthorized lattice during reconstruction of the wall, the lattice shall be removed by the Mutual at the Mutual's expense, which shall be funded from the general maintenance operating budget; and

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

RESOLUTION 01-11-11

RESOLVED, January 11, 2011, that the request of Ms. Patricia Hall of 653-B Avenida Sevilla to retain an HVAC unit installed on a wall-mounted rack on the balcony at her manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at Manor

653-B, including all costs incurred due to inadequate condensate drainage, including but not limited to dry rot and/or staining, and, should it become necessary for a unit and/or it's duct work to be removed to allow the Mutual access for maintenance purposes, all costs of removal and replacement will be the Member's responsibility. It is intended that the Member(s) will be given proper and timely notice for any needed removal(s). However, this may not always be possible due to the nature of the required maintenance; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits be obtained and the appropriate City of Laguna Woods permit numbers be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

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

RESOLUTION 01-11-12

RESOLVED, January 11, 2011, that the request of Mrs. Olivia Nastri of 687-D Avenida Sevilla to retain the existing patio wood doors, and prepare the interior patio walls for a mural at her manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance for the alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 687-D; and

RESOLVED FURTHER, that a Mutual alteration permit shall be obtained for the application of the smooth stucco and mural on the interior patio walls, and for retention of the original patio wood doors; and

RESOLVED FURTHER, that the Mutual Member shall apply a clear coat material that is compatible with the paint products applied to the Building that will provide protection to the structural integrity of the patio walls equal to or greater than that provided by the paint products applied to the building; and

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

RESOLUTION 01-11-13

RESOLVED, January 11, 2011, that the request of Mr. Charles Dobyys, Sr. of 737-C Avenida Majorca to retain the satellite dish on the fascia at his manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires the removal of the subject dish at the Member's expense within 30 days of the Board's decision on the matter; and

RESOLVED FURTHER, that the Member shall be noticed for a Hearing due to the rules violation; and

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

RESOLUTION 01-11-14

WHEREAS, by way of Resolution 01-09-148, the Board of Directors adopted a policy whereby the Mutual will remove and replace all roof alterations that are contiguous with the building roof during replacement of the main building roof, and the costs for replacement of the alteration roof shall be charged to the resident; and

WHEREAS, Ms. Trena Delamar, owner of 819-C Via Alhambra, disputes charges for re-roofing the alteration front patio roof at her manor;

NOW THEREFORE BE IT RESOLVED, January 11, 2011, that the Board of Directors of this Corporation hereby upholds its alteration roofing policy and affirms Ms. Delamar's responsibility for the \$581.14 charge to re-roof the alteration front patio roof at her manor; 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 01-11-15

RESOLVED, January 11, 2011, that the request of Ms. Isobel Biggins of 907-N Ronda Sevilla to retain balcony lattice at her manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires the removal of the lattice at the Member's expense within 30 days of the Board's decision on the matter; and

RESOLVED FURTHER, that the Member shall be noticed for a Hearing due to the rules violation; and

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

RESOLUTION 01-11-16

RESOLVED, January 11, 2011, that the appeal request of Ms. Marguerite Yadon of 2095-A Ronda Granada to retain wood lattice on the front patio wall at her manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires the removal of the wood lattice at the Mutual member's expense within 30 days of the Board's decision on the matter; and

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

Landscape Committee Recommendation:

407-C	Denial of appeal request for tree removal
460-C	Approval of request for tree removal at Mutual's expense
588-B	Denial of request for two (2) tree removals
667-C	Denial of request for tree removal

Finance Committee Recommendations:

RESOLUTION 01-11-17

WHEREAS, Member ID 947-364-18 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-364-18; 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 01-11-18

WHEREAS, Member ID 947-392-09 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-392-09; 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 01-11-19

WHEREAS, Member ID 947-412-20 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-412-20; 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 01-11-20

WHEREAS, Member ID 947-423-35 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-423-35; 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 01-11-21

WHEREAS, Member ID 947-424-53 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-424-53; 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 01-11-22

WHEREAS, Member ID 947-425-66 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-425-66; 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 01-11-23

WHEREAS, Member ID 947-441-49 is currently delinquent to United 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, January 11, 2011, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-441-49; 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.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

Director Heather Gerson gave the Treasurer's and the Finance Committee Reports.

Director Allen reported from the Maintenance and Construction Committee.

The Secretary of the Corporation, Director Barbara Copley read the following proposed resolution approving a policy regarding clutter/hoarding:

RESOLUTION 01-11

WHEREAS, the members/shareholders (each, a "Member") of United Laguna Hills Mutual ("United") have an interest in the preservation and protection of the land and improvements contained within United's common interest development (the "Development"), including the separate interest dwelling units located within the Development (each, a "Manor"); and

WHEREAS, United has maintenance and repair responsibilities related to the Manors, excluding certain alterations to and other components of the Manors, as well as maintenance and repair responsibilities related to the areas of the Development other than the Manors; and

WHEREAS, United's Board of Directors (the "Board") is responsible for ensuring that United's maintenance and repair responsibilities are carried out properly and that the Development, including, without limitation, the Manors, is maintained in a safe and clean condition to promote the general health and welfare of the "Members," "Qualifying Residents," "Co-occupants" and "Lessees" (used herein as defined under United's Bylaws and collectively referred to as the "Residents") residing at the Development; and

WHEREAS, the Board has become aware that certain Residents of the Manors have engaged in the excessive accumulation of clutter (commonly known as "hoarding") in their Manors and that this clutter (i) is a potential health and safety risk to those Residents and the Residents of surrounding Manors, (ii) can damage or impair the improvements in the Development and (iii) may prevent United from performing certain of its maintenance and repair obligations in and adjacent to those Manors; and

WHEREAS, the Board recognizes that the Residents have a right to privacy within their respective Manors and that some Residents may have engaged or engage in hoarding due to a behavioral/psychological disorder known as “compulsive hoarding”; and

WHEREAS, the Board believes that new operating rules are necessary to reasonably limit the accumulation of clutter in the Manors to prevent damage to the Development and injury to the residents of the Development, while at the same time not intruding on the privacy of the Residents, including, without limitation, the ownership of personal property/effects, or discriminating against any Residents whose accumulation of clutter in their Manors may be due to a behavioral/psychological disorder.

NOW THEREFORE BE IT RESOLVED, on March 8, 2011, that the following clutter and hoarding rules are to take effect immediately upon adoption by the Board:

**UNITED LAGUNA HILLS MUTUAL
CLUTTER RULE**

Pursuant to Article 5 of the Occupancy Agreement for each Manor, a Member may not commit or permit a nuisance in or about his/her Manor or the Development. In this context, a “nuisance” includes, without limitation, the storage of “Clutter” in a Manor. To provide for the preservation and protection of the Manors and the Development and the general health and welfare of the Residents, Clutter is not allowed in any Manor.

- (1) The definition of Clutter adopted by the Board is an excessive level of possessions maintained or kept by a Resident in his/her Manor that reasonably could and actually does:
 - (a) block or impede safe access throughout the Manor (such as blocking doors, windows or stairways, narrowing hallways and passageways or making rooms not traversable), impairing the ability of (i) a Resident to exit a Manor quickly in the event of a fire, earthquake or other emergency, (ii) fire fighters to effectively fight a fire within the Manor, or (iii) paramedics, doctors or other medical providers to attend to a Resident in that Manor;
 - (b) create a health and safety issue in the Manor and to surrounding Manors, including, without limitation, (i) the presence of bacteria, molds, mildew or other potentially hazardous microbial or biological contaminants, (ii) the infestation of rats, mice, fleas, cockroaches and other rodents, insects and vermin, or (iii)

- materials that pose a threat of combustion, explosion or chemical toxicity;
- (c) pose a threat of damage to the components of the Manor maintained by United and/or the components or surrounding Manors or other portions of the Development maintained by United, including, without limitation, (i) moisture intrusion, (ii) fire, (iii) penetration of Manor walls, floors or ceilings, or (iv) staining/marketing of improvements at the Development for which United has maintenance and repair responsibility;
 - (d) impair or limit the ability of United to reasonably inspect, maintain, repair and/or replace components of the Manor, other Manors or other portions of the Development for which United has inspection, maintenance, repair and/or replacement responsibilities and/or rights;
 - (e) create an obvious and irritating odor nuisance to (i) any other Resident or (ii) any employee, representative or agent of United's managing agent during the course of performing such person's duties at the Development on behalf of United; or
 - (f) violate any health, safety, sanitation or building code requirements of any governmental agencies or bodies having jurisdiction over the Manor or the Development.
- (2) The types of possessions a Resident keeps or stores in his/her Manor from time to time that collectively can create or constitute Clutter when such possessions are kept in large quantities in an untidy or disorganized manner include without limitation:
- (a) written/printed materials, such as newspapers, magazines, books, letters, advertisements, bills, documents and mail (the content of such written/printed materials is irrelevant to United, and United only cares about the existence of written/printed materials to the extent same creates or constitutes Clutter);
 - (b) items commonly bought in large quantities, such as soap, canned foods, toilet paper, cleaning supplies and batteries;
 - (c) rubbish and refuse, such as boxes, empty food containers, food wrappers, empty glass/plastic bottles, empty food/drink cans, plastic/paper bags, used envelopes, burned out light bulbs, cigarette butts, empty cigarette packs, empty lighters, candles with wicks that have been used in their entirety, empty medicine

- bottles, broken electrical appliances, broken furniture, pet waste, human waste, bio-hazard waste and other garbage and junk;
- (d) perishable food items that are not kept within a refrigerator or freezer and become rotten or decayed; and
 - (e) clothing, cosmetics, jewelry, toys, stuffed animals, art supplies, cookware, holiday decorations, memorabilia, collections of items/objects and tools.
- (3) The Board, through certain employees and representatives of United's managing agent (the "Inspectors"), shall investigate any complaint lodged against a Resident or Manor related to violation of this rule through an inspection of the Manor containing the alleged Clutter. The Board, the Inspectors and/or the employees, representatives or agents of United's managing agent may report a Resident and/or the Resident's Manor to local law enforcement, fire department and/or health and safety officials (collectively and individually, the "Officials") in the event a complaint is lodged against the Resident or his/her Manor related to Clutter or a violation of this rule; this report may be made to the Officials prior to and/or after an inspection of the Manor by an Inspector, as may be applicable.
- (4) In accordance with Article 17 of the Occupancy Agreement for each of the Manors at United, Residents shall be required to allow the Inspectors, upon advance notice and at reasonable times, to enter their Manor to inspect the Manor for signs of Clutter. Such inspection shall be performed in a manner least likely to invade a Resident's privacy, and shall not include an inspection of closed cupboards, closets **(with the exception of utility closets)** or drawers within the Manor, or a thorough inspection of the specific possessions within the Manor, but only a general inspection of the open areas of the Manor, including, without limitation, photo and/or video documentation of the condition of the open areas of the Manor, to confirm whether there is present in the Manor any of the conditions described in (1), above; with respect to any photo and/or video documentation taken within a Manor, the Member's privacy will be reasonably protected, and that photo and/or video documentation, as may be applicable, shall be used and viewed only by the Board, the Inspectors and the employees, representatives and agents of United's managing agent, as necessary, in connection with investigation into and disciplinary hearings related to potential or actual Clutter issues and enforcement of this rule. If a Resident refuses to allow an inspection of his/her Manor by an Inspector, the Member whose name is on the Occupancy Agreement for that Manor shall be called to a hearing before the Board, as described in (5), below.

- (5) Any Member who is determined to have Clutter in his/her Manor, or who refuses the Inspectors access to inspect his/her Manor for Clutter, shall be deemed to be in violation of this rule. Before any discipline is imposed by the Board upon the Member, the Member will be called to a properly noticed hearing before the Board with an opportunity to be heard regarding the allegations of Clutter in his/her Manor and discuss the inspection by the Inspectors of his/her Manor with the Inspectors and the Board.
- (6) After inspection of a Manor by an Inspector and a properly noticed hearing before the Board, as may be applicable, the Board will, in its sole and reasonable discretion, determine whether the Manor contains Clutter. The Board will review and consider information and documentation provided by the Inspectors and any opinions and/or reports of any Officials, to the extent such opinions and/or reports exist and have been provided to the Board, in its determination of whether a Manor contains Clutter. If the Board determines that Clutter exists, the Board will notify the Member whose name is on the Occupancy Agreement for that Manor that they have fifteen (15) days after demand from United (the "Removal Period") to remove the Clutter from their Manor to ensure that none of the issues described in (1), above, exist. The Inspectors will then re-inspect that Manor after the Removal Period, upon advance notice and at a reasonable time, to confirm that the Clutter has been removed. **With a determination that clutter exists, all costs incurred as a result of the clutter will be at the expense of the Member which would be added to the Member's chargeable services (accounts receivable) account and the Member will be invoiced accordingly.**
- (7) Should a Member fail to remove the Clutter from his/her Manor during the Removal Period and/or fail to allow a re-inspection of his/her Manor by the Inspectors after the Removal Period, United shall have the right, after a properly noticed hearing before the Board, to (i) seek a court order to force the Member to remove the Clutter from his/her Manor, (ii) report the Member and his/her Manor to the Officials, (iii) discipline the member (including imposing monetary penalties and suspension of Membership privileges as allowed under United's governing documents) and/or (iv) cancel the Member's Certificate of Membership and initiate an unlawful detainer (eviction) action against the Member and any other Residents of the Manor.
- (8) A Member may submit a written request to the Board for an extension of the Removal Period (each such request shall be referred to as a "Request"). In order to be considered by the Board, a Request must be submitted to the Board prior to the end of the Removal Period, and any supporting documentation or information explaining why an extension of

the Removal Period is necessary for the Member to appropriately remove Clutter from his/her Manor can be provided with the Request for review and consideration by the Board. There is no guarantee that the Board will approve a Request, and if the Board decides to grant an extension of the Removal Period, the length of the extension period will be established in the Board's sole discretion, and the length of such extension period may not be the same as that requested by the Member in the Request. If an extension of the Removal Period is approved, the Member will be required to remove all Clutter from his/her Manor by the end of the extension period, as may be applicable; failure by a Member to remove Clutter from his/her Manor by the end of any applicable extension period shall subject the Member to the provisions of (7), above. If a Request is not approved by the Board, the Member submitting the Request to the Board will continue to be required to remove Clutter from his/her Manor by the end of the Removal Period, as described in (6) and (7), above. In no event will Clutter be allowed to remain indefinitely in any Manor due to the potential harm to Residents and the Development that such Clutter may lead to, as described in (1), above.

RESOLVED FURTHER, that the officers and agents of United are hereby authorized on behalf of United to carry out the purposes of this Resolution.

Director Copley moved to approve the resolution. Director Gerson seconded the motion and discussion ensued.

Without objection, the Board agreed to allow the inspection of utility closets, and if any action is taken by the Board against the Member that any costs incurred will be charged to the Member.

Without objection, the Board postponed the motion, as amended, to the February meeting to conform to the thirty-day notification requirement.

The Secretary of the Corporation, read the following proposed resolution approving new criteria as a standard to consider additional walkway lighting:

RESOLUTION 01-11-

WHEREAS, in 2002, by way of Resolution U-02-156, the Board approved the Common Area Lighting Request Form which sets out the criteria, based on a 2002 Lighting Study, to approve a request for common area lighting; and

WHEREAS, since the 2002 Lighting Study is considered outdated due to multiple installations in the eight years since the study, and the Maintenance and Construction Committee is reviewing a more updated lighting system

report, the Committee recommends that use of the 2002 Lighting Study be discontinued and new criteria be established;

NOW THEREFORE BE IT RESOLVED, March 8, 2011, that the Board of Directors of this Corporation hereby discontinues the criteria set out in the Common Area Lighting Request Form for decisions regarding walkway lighting, and hereby approves the following criteria as a standard to consider additional walkway lighting:

- The location is not within 20 feet of another light source, including lights on buildings, laundries, carports, and/or walkways; and
- The location is a change in direction (either a T-intersection of walkways or a significant abrupt turn in the walkway); and/or
- The location is at an abrupt change in elevation (specifically a step or stairs in the walkway).

RESOLVED FURTHER, that the Board of Directors hereby authorizes a supplemental appropriation in the amount of \$4,200 to be funded from the Contingency Fund to install 6 new walkway lights; and

RESOLVED FURTHER, that reference to Common Area Lighting will be more appropriately called Walkway Lighting and a Walkway Lighting Request Form shall be created accordingly; and

RESOLVED FURTHER, that Resolution U-02-156, adopted November 12, 2002 is hereby amended as to the Walkway Lighting Request Form; 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.

Director Copley moved to approve the resolution. Director Gerson seconded the motion and discussion ensued.

Without objection, the motion was postponed to the February meeting to conform to the thirty-day notification requirement.

Director Chyba reported from the Landscape Committee.

Director Copley reported from the Governance Ad Hoc Committee.

Director Miller reported from Resident Relations Information Services.

GRF HIGHLIGHTS

No highlights were given.

DIRECTORS' FORUM

- Director Beldner announced the passing of renowned singer Debbie Friedman and provided a brief summary of her life experiences.
- Director Copley commented on United's governing documents and Go-Gutter's gutter cleaning process.
- Director Allen commented on various maintenance projects to be worked on.
- Director Miller expressed her sentiments with living in the Community.
- Director Gerson encouraged residents to get involved in the Community's governance and to run for the Board.
- Director Dalis commented on clutter and recommended that items be donated to local churches.
- Director Turner commented on the challenges and benefits of working on the Board.
- Director Briens encouraged residents to consider running for the GRF Board.

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 11:58 A.M. and reconvened into the Regular Executive Session at 12:50 P.M.

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

During its Special Meeting of December 8, 2010, the Board discussed member discipline and potential litigation matters.

During its Regular Meeting of December 14, 2010 the Board reviewed and approved the minutes of the Special Executive Disciplinary Committee meeting of October 25, 2010, the minutes of the Regular Executive Session of November 9, 2010, the minutes of the Special Executive Session of November 15, 2010, and the minutes of the Special Executive Disciplinary Committee meeting of November 22, 2010. The Board approved 6 chargeable services write-offs; heard 3 disciplinary hearings and imposed fines totaling \$450 for violations of the Mutual's rules and regulations; and discussed contractual, litigation and other member disciplinary matters.

During its Special Meeting of January 5, 2010, the Board discussed contractual and potential litigation matters.

The Traffic Committee of the Board met in Executive Session on December 15, 2010 to discuss member disciplinary issues.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 3:08 P.M.

Barbara Copley, Secretary