A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWELVE
November 12, 2020
Meeting begins at 9:00 a.m.
Clubhouse 4 / via Zoom Video and Call Conference Meeting

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone or via video upon the Shareholder contacting GRF Mutual Administration at mutualsecretaries@lwsb.com or (562)431-6586 ext. 313 and requesting the call-in or log-in information.

TO MAKE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must submit their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., on 11/10/2020, the business day before the date of the meeting. If you do not have access to an email, please call (562)431-6586 ext. 313 and let us know that you wish to make a comment during the open shareholder forum.

IN-PERSON: If you do attend the meeting, you will be required to follow strict guidelines, including physical distancing, and wearing face coverings at all times. Thank you.

- Please do not move seats; each seat has been set with physical distancing requirements
- Always wear a face mask while in the building
- No food or beverages will be allowed in the building

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. SHAREHOLDERS' COMMENTS **(2-3 minutes per shareholder)**

3. ROLL CALL

4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS:

   Mrs. Damoci, GRF Representative
   Mr. Rocha, Security Services Director
   Ms. Hopkins, Mutual Administration Director
   Mr. Antisdel, Building Inspector
   Ms. Gamboa, Portfolio Specialist
   Ms. Dullaart, Recording Secretary

5. APPROVAL OF MINUTES:
   a. Regular Monthly Meeting Minutes of October 8, 2020

6. GUEST SPEAKER — Mr. Rocha
   a. Discuss the Security Guide **(p. 4-7)**

7. BUILDING INSPECTOR'S REPORT — Mr. Antisdel
   Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests **(pp. 8-10)**
   a. Update on All American Sign Installation
   b. Update on tree trimming issues
   c. Fenn bait trap report

d. Update on vacant unit inspections
e. Update on Roofing Standards

8. GRF REPRESENTATIVE Mrs. Damoci

9. UNFINISHED BUSINESS
   a. Discuss and vote to approve cleaning by Jetline of sewers #10, 24, 44 and 57 **(Handout) (p. 11)**

10. NEW BUSINESS
   a. Approval of Monthly Finances **(p. 12)**
   b. Discuss and vote to ratify Landscape Committee **(p. 13)**
   c. Discuss and vote to ratify Physical Property Committee **(p. 14)**
   d. Discuss and vote to ratify Financial Review Committee **(p. 15)**
   e. Discuss and vote to ratify Policies and Procedures Committee **(p. 16)**
   f. Discuss and vote to ratify Governing Documents Committee **(p. 17)**
   g. Discuss and vote to ratify Parking Committee **(p. 18)**
   h. Discuss and vote to ratify Budget Committee **(p. 19)**
   i. Discuss and vote to ratify rescission of 7305 – Depreciation-Straight Line Method - 7332 – Billings to Mutuals - 7333 – Income Items and their Distribution - 7334 – Investment Records - 7337 – Financial Reports - 7340 – Accounts Receivable - 7341 - Cashier Service - 7409 – Rabbit Control Resolution - 7491 – Roof Extensions - 7493 – Patio Roof Covers - 7910 – Regulatory Agreement **(p. 20)**
   j. Discuss and vote to rescind 7020.12 – Approval of Escrows, 7025.12 – Common Interest Development, 7170 – Parcel Representation, 7306.12 – Banking Resolution, 7335.12 – Cash Disbursements, 7336 – Shareholder's Interest, 7408.12 – Contractors Liability, 7411.12 – New Plan Concepts and Changes, 7430 – Purchasing Service, 7431 – Service Maintenance Requests, 7440 - Communications, 7452 – Equipment Standards, 7461 – Lateral Sewer Cleaning, 7490 – Standard Plans and Specifications, 7490.1 – Standard Contract, 7490.3 – Standard Plans and Specs - Remodeling, 7491.1 –Roof Leaks, 7492 – Padmount Transformers, 7503 – Plumbing Stoppages, 7509 - Acceptability of Individual for Stock Ownership, 7510.12 – Eligibility Requirements, 7549.12 – Lockout Procedures, 7545 – Non-resident Co-owner Inheriting Share, 7545.2 – Procedure of Shareholder Changes when there is No Escrow Involved, 7550 – Dual Ownership, 7554 – Orientation for Applicants for QPR, 7582.12 – Towing Vehicles, 7610.12 – General Operating Procedures, 7621.12 – Mutual Contract Bid Procedure, 7622.12 – Mutual Repairs and Replacements, 7623.12 – Contract Bid Procedure, 7711 – Stock & Membership Transfer Outside Escrow, 7712 – Stock & Membership Affected by Escrow, 7811 – Presidents' Council Bylaws, 7812 – Physical Property Council Bylaws **(p. 21-77)**
   k. Discuss and vote to rescind Policy 7010 – Merger of Mutuals **(p. 78-79)**
   l. Discuss and vote to rescind Policy 7451 – Standardization Committee **(p. 80-81)**
   m. Discuss and vote to approve the changes to the Notice of Disclaimer regarding Dual Ownership **(p. 82-84)**
   n. Discuss and vote to approve the Resolution of the Board of Directors regarding AB 3182 **(p. 85-86)**
   o. Discuss and vote to adopt Procedure 12-7175-3 – Committees **(pp. 87-90)**
   p. Discuss and vote to approve to cancel the December board meeting **(p. 91)**

STAFF BREAK BY 11:00 A.M.

11. SECRETARY / CORRESPONDENCE Mrs. Sprague

12. CHIEF FINANCIAL OFFICER'S REPORT Mrs. Ferraro

13. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins

14. ANNOUNCEMENTS

    a. Thursday, December 10, 2020, 9:00 a.m., Clubhouse 4 / via Zoom Meeting

15. COMMITTEE REPORTS

16. DIRECTORS' COMMENTS

17. SHAREHOLDERS' COMMENTS **(2-3 minutes)**

18. ADJOURNMENT

19. EXECUTIVE SESSION

STAFF WILL LEAVE THE MEETING BY 12:00 p.m.

Knob Lock Procedures

A knob lock device is designed to lock around a door knob to prevent the knob from turning and accessing the keyhole. These devices are used by security to secure a residence for a variety of reasons. The most important reason a residence is 'knob locked' is to ensure anyone accessing the residence (such as after a death of a resident) has the legal authority to do so.

Security may be asked to install a knob lock by:

- Stock Transfer Department
- Mutual President

All requests for use of a knob lock will be noted on a Knob Lock Report. This report documents information regarding the initial request, who installed the device, and who removed the device.

Some knob lock devices will not fit certain types of locks (such as custom locks). Mutuals may have other types of locking devices or systems to secure a door. Any additional type of equipment or device beyond the basic knob lock system (such as boarding up a unit with plywood) will be ordered and installed by the Mutual or installed by the Service Maintenance Department.

Resident Welfare Checks

The Security Department conducts resident checks after being notified by someone who is concerned about a resident's safety. When a security officer is called out to a residence to conduct a resident check:

- Whenever possible, two security officers should be present when entry is made to the residence.
- Knock of the door loudly and state you are from the Security Department.
- If there is no answer, use the residence key found in the lockbox to gain entry.
- When entering the residence state in a loud voice you are from the Security Department.

If all rooms are checked and no one is found, please ensure you have checked the following areas for someone:

- Shower
- Underneath the bed
- All closets
- Underneath large piles of clothes or blankets

If a person is found and they require immediate medical attention:

- Call 911 immediately from the resident's phone.
- If a resident's phone is not available, use a two-way radio to advise dispatch to call 911 immediately.
- After calling 911, security officers should remain outside of the residence and wait for police, fire, and/or a coroners' unit to arrive.

The watch commander will complete the Resident Check Log to document the resident check.

Occupancy Checks

An occupancy check is a procedure where a Mutual verifies all people residing inside a unit to ensure that all regulations of the occupancy agreement are being followed.

If it is not an emergency and a Mutual representative wishes to conduct an occupancy check, please refer them to the Mutual Administration Department. Mutual Administration has the expertise to advise a Mutual of the best course of action to take to ensure occupancy agreement compliance.

If it is decided that an occupancy check is warranted, Mutual Administration will send an e-mail request and approval to the watch commander. The patrol unit completing the occupancy check will complete an Occupancy Check Report and send a copy to the Mutual Administration Department.

Death Investigations

If security is called to a location where someone is deceased or if during a resident check a person is found deceased:

- Call 911 immediately from the resident's phone.

- If a resident's phone is not available, use a two-way radio to advise dispatch to call 911 immediately.

On most occasions, police and coroner units will be taking over the investigation. Remain outside of the residence until the police and/or coroner clear the scene.

When there is activity of this type at a residence, other resident's may ask a security officer what is happening at the location. To maintain confidentiality, Security will advise anyone who is asking about the incident, "We received a request for medical aid at this address." *EXCEPTION: If a Mutual President or Director ask about this type of incident, the security officer may share that there is an on-going death investigation at the scene.*

The security officer at the scene will complete a Death Investigation Report as soon as possible after the incident. If the Mutual President was not at the scene, the watch commander on duty will immediately e-mail the Mutual President to advise them of the incident.

Interactions Involving Family Members at a Death Investigation

The loss of a loved one is a very stressful event for a family. As the security officer at the scene, you may be dealing with a wide range of emotions, even if a death was expected.

When loved ones are at a residence of a deceased person, be patient and give family members the time to grieve. **NEVER** say to a grieving person:

- *"He's in a better place."*
- *"It was his time."*
- *"There's a reason for everything."*
- *"I know how you feel."*

It is best to be silent or you may simply say, *"I'm sorry for your loss."*

Establishing Legal Authority

After a death investigation is completed, security must ensure that anyone who wants to stay at the residence after the scene has been cleared by police and/or coroner has 'legal authority' to remain inside the residence.

Establishing who has legal authority to remain at a residence with unlimited in and out and overnight stay privileges can be confusing. Family members and/or caregivers may be advise you that they have legal authority of a residence due to the fact they have a "Power of Attorney", an "Executor of a will", a "Non-resident co-owner" or "Head of a trust and an inheritor."

The only people with legal authority to stay in a residence after a resident death are:

- Member resident
- Co-Occupant

Security officers do not have the power to review or interpret legal documents or determine who has legal authority to stay in a residence. All legal authority issues must be reviewed and approved by the Stock Transfer Department.

Caregivers have no authority to stay after a resident is deceased.

Security may not allow any unauthorized person to stay at a residence of deceased shareholder. Security should advise anyone remaining in the unit in a firm but polite manner:

> *"I'm Security Officer _____. Your name, Sir/Ms._____? Mr/Ms _____, unfortunately, since there is no member resident or a co-occupant present, I must ask you to leave. You may call the Stock Transfer Office during regular business hours and they will be able to assist you in how to gain access to the unit."*

If unauthorized people still refuse to leave the unit, The Security Officer will state:

> *"Please understand we must protect the interest of the deceased, so I must ask you to leave."*

If unauthorized people continue to stay, the security officer will notify the watch commander. The watch commander will notify the Mutual President immediately regarding the refusal to leave, regardless of the date or time. The Mutual President has the authority to allow someone to stay in a unit or ask them to leave.

If the Mutual President denies anyone from staying in the unit and they still refuse to leave, the Mutual President can ask us to contact the Seal Beach Police Department for assistance.
Security will follow the instructions of the police department at the scene. If police officers allow unauthorized persons to stay in the unit and police will take no further action, ensure you receive the name and serial number of the police officer at the scene to document on the report.

If a Mutual President allows someone to stay in the unit, ensure this information is noted in the report.

Coroner's Investigations

When a Coroner is conducting a death investigation they may place a 'Coroners Seal' on the door when they leave the residence. This seal forbids anyone from entering the residence (including those who have legal authority to do so) until they have completed their investigation.

After a Coroner's investigation is completed, they will usually notify the next of kin to the deceased that their investigation is complete and they may enter the residence. However, there are two important issues to remember:

- Even though the next of kin are stating the Coroner is allowing entry, this information must be verified with the Orange County Sheriff-Coroner/Coroner Division. This information will be documented by the watch commander on a Coroner's Information Report.

- If the coroner verifies that entry is allowed, the Security Department must ensure that the next of kin must have legal authority to enter the residence. If the next of kin does not have legal authority, they may not enter.

Refer any next of kin claiming legal authority to the Stock Transfer Department.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (12) TWELVE) **INSPECTOR:** JERRY ANTISDEL

MUTUAL BOARD MEETING DATE: NOVEMBER 12TH **Print Date:** 11/5/2020

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
6-E	HEAT PUMP	BOTH	08/31/20	12/31/20	NO	NONE	GREENWOOD
6-J	ENTRY DOOR / WINDOWS	BOTH	08/20/20	10/20/20	NO	ON HOLD NO INSURANCE	LW DECOR
6-L	FLOORING	GRF	07/31/20	11/30/20	NO	NONE	LW DECOR
7-A	SECURITY DOOR	GRF	10/01/20	11/01/20	NO	10/30/20 FINAL	BODIES GLASS SERVICE
8-H	WINDOWS / DOORS	BOTH	11/09/20	12/09/20	NO	NONE	OGAN
35-K	SHOWER CUT DOWN	GRF	10/14/20	11/14/20	NO	NONE	NUKOTE
42-A	RAISE SEAT IN SHOWER	BOTH	10/08/20	11/08/20	NO	NONE	NUKOTE
42-J	WASHER/DRYER	BOTH	11/16/20	12/31/20	NO	NONE	BJ &COMPANY
44-A	HEAT PUMP	BOTH	10/14/20	01/14/21	NO	NONE	GREENWOOD
44-H	WINDOWS/DOOR	BOTH	11/23/20	12/30/20	NO	NONE	BERGKVIST
46-D	CART PAD	GRF	11/01/20	12/01/20	NO	NONE	ANGUIANO LAWN CARE
46-D	HEAT PUMP	BOTH	09/16/20	12/16/20	NO	NONE	GREENWOOD
46-D	COUNTER TOPS/ WINDOWS	BOTH	09/21/20	12/30/20	NO	10/13/20 FINAL	MP CONSTRUCTION
47-G	HEAT PUMP	BOTH	08/17/20	12/17/20	NO	NONE	GREENWOOD
60-A	REMODEL	BOTH	10/26/20	12/23/20	NO	NONE	BERGKVIST
63-F	HEAT PUMP	BOTH	10/07/20	01/07/21	NO	NONE	GREENWOOD
66-J	COUNTER TOPS	BOTH	10/26/20	11/30/20	NO	NONE	BERGKVIST
70-B	FLOORING	GRF	10/19/20	11/20/20	NO	NONE	KARYS CARPET
70-G	SHOWER CUT DOWN	GRF	11/03/20	11/30/20	NO	NONE	NUKOTE
71-L	KITCHEN REMODEL	BOTH	08/28/20	10/16/20	YES	COVID 19 LATE START	LOS AL BUILDERS
71-L	KITCHEN REMODEL	BOTH	08/28/20	10/16/20	YES	10/01/20 PLUM.ELEC.FRAM	LOS AL BUILDERS
75-C	REMODEL	BOTH	09/16/20	03/03/21	NO	NONE	MP CONSTRUCTION
75-D	BATH ADDITION	BOTH	09/15/20	12/15/20	NO	10/23/20 FINAL	JC KRESS
78-C	COUNTER TOP/LIGHTS	BOTH	07/15/20	10/30/20	YES	COVID 19 LATE START	MAMUSCIA

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(12) TWELVE)** **INSPECTOR:** **JERRY ANTISDEL**

MUTUAL BOARD MEETING DATE: **NOVEMBER 12TH** **Print Date: 11/5/2020**

GREY AREAS HAVE BEEN SIGNED OFF

ESCROW ACTIVITY

	NMI	PLI	NBO	FI	COE DATE	ROF
7-B		08/28/20				
8-F		09/16/20				
9-D		02/06/20				
11-H		10/11/19				
11-L		08/06/20				
38-D		08/21/20				
39-F		10/07/20				
41-H		11/26/19				
42-J		12/18/19				
43-C		08/28/20				
59-F		03/22/19				
64-A		11/02/18				
66-J		05/21/20	09/01/20	09/11/20	09/25/20	10/20/20
70-B		10/02/20				
72-K		09/13/19				
73-H		12/04/18				
76-I		10/06/20				

GREY AREAS HAVE BEEN SIGNED OFF

NMI = New Member Inspection **PLI** = Pre-Listing Inspection **NBO** = New Buyer Orientation
FI = Final Inspection **FCOEI** = Final COE Inspection **ROF** = Release of Funds

	A	B	C	D	E	F	G	H	I
1	**INSPECTOR MONTHLY MUTUAL REPORT**								
3	**MUTUAL:**	**(12) TWELVE)**					**INSPECTOR:**	**JERRY ANTISDEL**	
4	**MUTUAL BOARD MEETING DATE:**		**NOVEMBER 12TH**				**Print Date: 11/5/2020**		
744	**CONTRACTS AND PROJECTS**								
958									
959	**FENN TERMITE AND PEST CONTROL CONTRACT GOOD UNTIL JUNE 30TH 2023**								
961	**FENN BAIT STATION CONTRACT GOOD UNTIL JULY 31 2021**								
965	**PINNACLE LANDSCAPE MONTH TO MONTH**								
1047	**EMPIRE SEWER CLEANING OUT ONLY YEAR 2021 $3,141.84**								
1062	**SPRAY -ON TURF FOR PEST CONTROL $3,850.00 PINNACLE**								
1063	**VACANT UNIT CHECKS WILL START IN NOVEMBER**								
1065	**I WILL BE CHECKING ON CARPORTS THIS WEEK**								
1066	**CLEANING OF SEWER LINES AT BUILDINGS #10,#34,#44, #57**								
1067	**CHANGE ORDER FOR ADDING TREES TO THE 2020 TREE TRIMMING CONTRACT WITH PINNACLE**								
1068	**ALL AMERICAN SIGN INSTALLATION OF MORE FADED BUILDING SIGNS WORKING ON A NEW LIST**								
1071	**WORKING WITH PINNCLE ABOUT TREE TRIMMING**								
1072	**SIDEWALK/GRIND/REPLACEMENT/BLOCK WALL REPAIRS 19 LOCATIONS MAINTENANCE IS WORKING ON IT**								
1121	**CALLS AND VISITE TO UNITS**								
1478	**74**								

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE JETLINE SEWER CLEANING (UNFINISHED BUSINESS, ITEM A)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to approve the proposal from Jetline for the cleaning of sewers #10, 24, 44 and 57 in the amount of $_____. Funds to come from _____ and authorize the President to sign the proposal.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPROVAL OF MONTHLY FINANCES (NEW BUSINESS, ITEM A)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to approve October 2020 financial statements as reviewed per California Civil Code Section 5500 (a)-(f) for audit as presented.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY LANDSCAPE COMMITTEE (NEW BUSINESS, ITEM B)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Vice President Anderson, Chair, Secretary Sprague, and Director Hoover to the Landscape Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY PHYSICAL PROPERTY COMMITTEE (NEW BUSINESS, ITEM C)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Vice President Anderson, Chair, Directors Mortesen, and Hoover to the Physical Property Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY FINANCIAL REVIEW COMMITTEE (NEW BUSINESS, ITEM D)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Chief Financial Officer Ferraro, Chair, Vice President Anderson, and Director Milek to the Financial Review Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY POLICIES AND PROCEDURES COMMITTEE (NEW BUSINESS, ITEM E)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Chief Financial Officer Ferraro, Chair, Secretary Sprague, and Director Milek to the Policies and Procedures Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY GOVERNING DOCUMENTS COMMITTEE (NEW BUSINESS, ITEM F)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Chief Financial Officer Ferraro, Chair, President Carson, and Director Milek to the Governing Documents Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY PARKING COMMITTEE (NEW BUSINESS, ITEM G)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify President Carson, Chair, Directors Mortesen and Milek to the Parking Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY BUDGET COMMITTEE (NEW BUSINESS, ITEM H)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to ratify Chief Financial Officer Ferraro, Chair, Vice President Anderson, and Secretary Sprague to the Budget Committee.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY RESCINDED/POSTED POLICIES (NEW BUSINESS – ITEM I)
DATE: NOVEMBER 12, 2020
CC: FILE

I move to ratify the rescission of the following policies:

7305 – Depreciation-Straight Line Method - 7332 – Billings to Mutuals - 7333 – Income Items and their Distribution - 7334 – Investment Records - 7337 – Financial Reports - 7340 – Accounts Receivable - 7341 - Cashier Service - 7409 – Rabbit Control Resolution - 7491 – Roof Extensions - 7493 – Patio Roof Covers - 7910 – Regulatory Agreement, the 28-day posting requirement has been met.

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RESCIND LISTED POLICIES (NEW BUSINESS, ITEM J)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to rescind 7020.12 – Approval of Escrows, 7025.12 – Common Interest Development, 7170 – Parcel Representation, 7306.12 – Banking Resolution, 7335.12 – Cash Disbursements, 7336 – Shareholder's Interest, 7408.12 – Contractors Liability, 7411.12 – New Plan Concepts and Changes, 7430 – Purchasing Service, 7431 – Service Maintenance Requests, 7440 - Communications, 7452 – Equipment Standards, 7461 – Lateral Sewer Cleaning, 7490 – Standard Plans and Specifications, 7490.1 – Standard Contract, 7490.3 – Standard Plans and Specs - Remodeling, 7491.1 –Roof Leaks, 7492 – Padmount Transformers, 7503 – Plumbing Stoppages, 7509 - Acceptability of Individual for Stock Ownership, 7510.12 – Eligibility Requirements, 7549.12 – Lockout Procedures, 7545 – Non-resident Co-owner Inheriting Share, 7545.2 – Procedure of Shareholder Changes when there is No Escrow Involved, 7550 – Dual Ownership, 7554 – Orientation for Applicants for QPR, 7582.12 – Towing Vehicles, 7610.12 – General Operating Procedures, 7621.12 – Mutual Contract Bid Procedure, 7622.12 – Mutual Repairs and Replacements, 7623.12 – Contract Bid Procedure, 7711 – Stock & Membership Transfer Outside Escrow, 7712 – Stock & Membership Affected by Escrow, 7811 – Presidents' Council Bylaws, 7812 – Physical Property Council Bylaws on a preliminary basis until the 28-day posting period is completed.

MUTUAL OPERATIONS

Approval of Escrows – Mutual Twelve

~~1 WHEREAS, Article V, Section 2, of the bylaws vests power in the Board of Directors to accept or reject all applications for membership and admission to occupancy of a dwelling unit in the housing project, either directly or through an authorized representative; and~~

~~2 WHEREAS, a system utilizing questionnaires and personal interviews has been established to ascertain that the potential member(s) meet all established eligibility criteria. Upon signature approval by the Golden Rain Foundation Stock Transfer Supervisor confirming the applicant's financial eligibility;~~

~~3 BE IT RESOLVED, THAT~~

~~3.1 The President of this Corporation is authorized to sign various escrow documents that are necessary to accept or reject potential member(s) of the Corporation.~~

~~3.2 The Vice President shall take the place of the President and perform those escrow approval duties whenever the President shall be absent or unable to act.~~

~~3.3 If neither the President nor the Vice President is able to act, the Board of Directors shall appoint and authorize some other Officer of the Corporation to perform those escrow approval duties on an interim basis.~~

RESCIND

MUTUAL ADOPTIONS

TWELVE: 2017-07-13

(2017-07-13)

MUTUAL OPERATIONS

Common Interest Development - Mutual Twelve Only

~~Whereas, Section 1350, the first Section of Title 6 in Part 2 of the California Civil Code, states: "This title shall be known and may be cited as the Davis-Stirling Common Interest Development Act," and~~

~~Whereas, Mutual Twelve, a stock cooperative, is defined in Section 1351(m) of this title* and, meeting all other necessary criteria for inclusion in the above noted Act, is subject to common interest development law, thus giving its shareholders the rights and protections therein.~~

~~Be it resolved that the flyer reproduced on the other side of this policy, "WELCOME NEW MUTUAL TWELVE SHAREHOLDER" be included with information given to new shareholders during escrow at their buyer interview.~~

~~*" 'Stock cooperative' means a development in which a corporation is formed or availed of, primarily for the purpose of holding title to, either in fee simple or for a term of years, improved real property, and all or substantially all of the shareholders of the corporation receive a right of exclusive occupancy in a portion of the real property, title to which is held by the corporation. The owners' interest in the corporation, whether evidenced by a share of stock, a certificate of membership, or otherwise, shall be deemed to be an interest in a common interest development and a real estate development for purposes of subdivision (f) of Section 25100 of the Corporations Code."~~

MUTUAL ADOPTION

TWELVE: 14 Jul 11

RESCIND

~~WELCOME NEW MUTUAL TWELVE SHAREHOLDER~~

(Jul 11)

MUTUAL OPERATIONS

Common Interest Development - Mutual Twelve Only

~~YOUR RIGHTS AND PROTECTIONS UNDER THE DAVIS-STIRLING ACT~~

~~THE DAVIS-STIRLING ACT IS A PART OF THE CALIFORNIA CIVIL CODE. IT SPECIFICALLY PROTECTS YOU AS A SHAREHOLDER IN A COMMON INTEREST DEVELOPMENT SUCH AS OURS.~~

~~WITHOUT THE DAVIS-STIRLING ACT, you would have no legal right to attend your Mutual Board of Directors' Meetings except for the Annual Membership Meeting – unless your Board of Directors gave you permission, and they would not be legally required to do so.~~

~~WITHOUT THE DAVIS-STIRLING ACT, you would have no legal right to be notified in advance of any meetings of your Board of Directors.~~

~~WITHOUT THE DAVIS-STIRLING ACT, you would have no legal right to inspect any of the books or business of your Mutual.~~

~~BUT~~

~~WITH THE DAVIS-STIRLING ACT, you have a legal right to attend all of your Mutual Board of Directors meetings except for Executive Sessions where, by law, only certain private issues may be discussed.~~

~~WITH THE DAVIS-STIRLING ACT, you have a legal right to be notified at least four days in advance of any meeting of your Board of Directors.~~

~~WITH THE DAVIS-STIRLING ACT, you have a legal right to inspect all of the books and business of your Mutual. You have a legal right to see every check written, all of the books of the Mutual, and to inspect every piece of business the Mutual conducts.~~

~~WITH THE DAVIS-STIRLING ACT come many, many other rights and protections that you would not have without it.~~

~~Mutual 12, itself, is a common interest development. It is also part of Leisure World, a common interest development. Our shareholders have the rights and protections of the Davis-Stirling Common Interest Development Act.~~

~~(Jul 11)~~

RESCIND

MUTUAL OPERATIONS

Common Interest Development - Mutual Twelve Only

~~Most of your rights and responsibilities that are specific to the Golden Rain Foundation (a corporation of which you are a voting Member) and to Mutual 12 (a corporation of which you are a voting Shareholder) are set forth in your "Pink Book," your Occupancy Agreement, your Mutual 12 Handbook, and the Mutual Policies available to you in the Leisure World Library or on line at lwsb.com.~~

RESCINDED

(Jul 11)

MUTUAL OPERATIONS

ORGANIZATION OF THE BOARD

Parcel Representation – Except Mutuals Two, Five, Fourteen

~~Excerpt from Attorney W. A. Williams' letter to the Administrator, dated 15 April 1969.~~

~~"With respect to the nomination of individuals for the office of director in the corporation, it is not necessary that the nominating party be a member of the same mortgage parcel as the person nominated. The reason for this is the fact that this is one corporation, and the directors serve all members of the corporation despite the fact that the Bylaws provide that only one member may be eligible for election for each mortgage parcel."~~

~~(Removes paragraph concerning nominations from the floor which is no longer valid.)~~

TWO: Rescinded 01-18-18
FIVE: Rescinded 09-20-17
FOURTEEN: Rescinded 02-20-18

(Feb 18)

RESCINDED

MUTUAL OPERATIONS

ACCOUNTING AND FISCAL

Banking Resolution – Mutual Twelve

~~WHEREAS, the 2010-2011 Board of Directors of Mutual Twelve took office with the Mutual's reserves already invested in Municipal Bonds; and~~

~~WHEREAS, Mutual Twelve's Policy 7306, Banking Resolution, was in effect at that time and required, "That all funds will be deposited with banks and savings and loans that are insured by the F.D.I.C"; and~~

~~WHEREAS, California Civil Code 5515(e) states, in part, "...The Board shall exercise prudent fiscal management in maintaining the integrity of the reserve account...;" and~~

~~THEREFORE, BE IT RESOLVED, that with respect to the existing Municipal Bonds, the Board has the discretion to hold them to maturity or sell them as deemed prudent; and as municipal bonds mature or are sold, the proceeds therefrom shall be reinvested in federally-insured financial instruments; and~~

~~BE IT FURTHER RESOLVED, that all funds including reserves will be placed in accounts instruments or securities that are backed by the full faith and credit of the Federal government under the F.D.I.C., N.C.U.A. or such other federally approved program, with prudent attention to the established limits of coverage per account.~~

~~WHERAS, that California Civil Code 5510(a) provides that two signatures shall be required for the withdrawal of moneys from reserve accounts and in accordance with Article X, Section 5, of Mutual Twelve's Bylaws.~~

~~BE IT RESOLVED, that all checks executed on behalf of Seal Beach Mutual Twelve shall be signed and executed by two officers, either the President or Vice President and countersigned by either the Secretary or Chief Financial Officer.~~

RESCIND

MUTUAL	**ADOPTION**	**AMENDMENTS**
TWELVE	10 Dec 92	09 Dec 10, 08 Mar 12, 04-09-15

(Apr 15)

MUTUAL OPERATIONS

ACCOUNTING AND FISCAL

Cash Disbursements – Mutual Twelve Only

~~Cash disbursements are made from a checking account referred to as the General Account.~~

A. ~~GENERAL ACCOUNT~~

~~1. Outside Contractors and Services~~

~~2. Electricity and Lights~~

3. Trash Collection

~~4. Golden Rain Foundation (Paid by GRF and Invoiced to Mutuals)~~

~~a. Administration, Recreation, Physical Property~~
~~b. Service Maintenance (Service Repair Orders)~~
~~c. Water Charges~~
~~d. Rubbish Hauling~~
~~e. Street Lighting~~
~~f. Third Party Charges~~

5. ~~Funding~~

~~a. Operating Reserve, if applicable~~
~~b. Appliance Replacement Reserve~~
~~c. Repair and Replacement Reserve (Infrastructure, Painting and Roofing)~~
~~d. Emergency Reserve, if applicable~~

~~6. Federal and State Income Taxes~~

~~7. Property Taxes~~

~~8. Refund to Shareholders Related to Monthly Fees, etc.~~

~~9. Extraordinary Expenses~~

B. ~~DELIVERY OF CASH DISBURSEMENTS~~

~~Subject to the exception below, all signed Mutual Twelve checks shall be transmitted by the Golden Rain Foundation directly to the respective payees by U.S. Mail or by electronic transfer.~~

RESCIND

MUTUAL OPERATIONS

ACCOUNTING AND FISCAL

Cash Disbursements – Mutual Twelve Only

~~An authorized and designated Mutual Twelve check signer shall have discretion to hand deliver a Mutual Twelve check to a payee. Such a check signer shall sign a dated receipt on a photocopy of such check and shall report such an incident and the need for it at the first subsequent meeting of the Board of Directors of Mutual Twelve. The subject signed receipt shall be attached to the relevant invoice and retained by the Finance Department with Mutual Twelve records.~~

MUTUAL ADOPTION **AMENDMENT (S)**

TWELVE: 10-10-13

(Oct 13)

RESCIND

MUTUAL OPERATIONS

ACCOUNTING AND FISCAL

Shareholders' Interest – All Mutuals Except Five, Nine, Eleven, Fourteen, Seventeen

~~The Internal Revenue Service regulations provide for inclusion of mortgage interest and property tax as an itemized deduction on an individual tax return. This provision extends to shareholders of a cooperative housing corporation.~~

~~At the end of each calendar year, a letter will be sent to each shareholder informing them of the amount of their pro-rated mortgage interest and property tax amount paid during the year just ended.~~

MUTUAL	ADOPTION	AMENDED	RESCINDED
ONE	08-01-88	08-01-00, 02-28-02	
TWO	08-01-88	08-01-00, 03-21-02	
THREE	08-01-88		08-01-00, 04-12-02
FOUR	08-01-88		08-01-00, 03-04-02
FIVE	08-01-88	08-01-00, 02-20-02	01-20-16 (see policy 7336.5)
SIX	08-01-88	08-01-00, 03-26-02	
SEVEN	08-01-88	08-01-00, 05-15-02	
EIGHT	08-01-88	08-01-00, 02-25-02	
NINE	See Policy 7336.9		
TEN	08-01-88	08-01-00, 02-27-02	11-29-17
ELEVEN	08-01-88	08-01-00, 02-21-02	01-18-18
TWELVE	08-01-88	08-01-00, 01-10-02	
FOURTEEN	08-01-88	08-01-00, 03-13-02	06-20-17
FIFTEEN	08-01-88	08-01-00, 02-19-02	
SIXTEEN	08-01-88	08-01-00, 02-19-02	
SEVENTEEN	08-01-88	08-01-00, 02-05-02	11-07-17

(Jan 18)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

CONTRACTORS/VENDORS LIABILITY FOR DAMAGES TO THIRD-PARTY EQUIPMENT OR MUTUAL PROPERTY – Mutual Twelve Only

~~RESOLVED, that when an apartment is being remodeled or alterations are being made to an apartment or adjacent common area, the contractor/vendor shall remove from the turf area all objects or debris that could damage the mowing or edging equipment of the Mutual Corporation's landscape contractor. This includes, but is not limited to, nails, screws, bolts, hinges, metal pieces, concrete chunks, stucco chunks, wood chips, and shingle pieces.~~

~~If the contractor/vendor fails to remove any offending objects or debris and damage occurs to the mowing or edging equipment, the contractor/vendor shall be responsible for the cost of repairing the damaged equipment. In addition, if the contractor/vendor causes damage to the turf area or any other vegetation, including trees, the contractor/vendor shall be responsible for the cost of correcting the damage to the turf area or vegetation, including trees.~~

~~In all remodels or other approved alterations where grass and/or sprinkler repair or relocation is needed, all work will be done by the Mutual's landscape contractor and paid for by the shareholder's contractor at a price approved by the remodeling contractor prior to any work being done.~~

~~RESOLVED FURTHER, that if the responsible contractor/vendor who causes damage to the mowing or edging equipment, or the turf area and vegetation, including trees, fails to compensate the landscape contractor or Mutual Corporation for the damages, the resident shareholder who contracts with the contractor/vendor shall be financially responsible for the cost of the damages which shall be paid to the landscape contractor or Mutual Corporation.~~

~~Please see Policy 7496.12.~~

MUTUAL ADOPTION

TWELVE: 14 Oct 10

(Oct 10)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

New Plan Concepts and Changes – Mutual Twelve

~~A. Any new concept in apartment or easement design or materials not in "general practice" (general practice defined as being three or more similar approved instances existing within the Mutual) must be approved by Board quorum majority vote (CA Civil Code §4900 et. sec.) presented to the Board for its consideration prior to approval of any GRF permit authorizing the commencement of work.~~

~~B. Plans approved by the Mutual do not supersede Mutual policies and resolutions and remain subject to all Mutual policies and resolutions unless specifically exempted.~~

~~C. If there is any problem regarding interpretation of the Mutual's policies or resolutions, the GRF Inspector working with the Mutual's Physical Property Committee shall consult with the Mutual Board in a legally called meeting for clarification or amendment.~~

~~D. Anything questionable discovered during plan check or construction shall promptly be brought to the Mutual's attention for Board resolution.~~

~~E. Changes cannot be made to any project without prior approval. The changes must be recorded, acknowledged, and dated by the approving parties on the originally approved plans.~~

MUTUAL ADOPTION AMENDMENTS

TWELVE: 05-12-16

(May 16)

RESCIND

MUTUAL OPERATIONS

SERVICE MAINTENANCE

Purchasing Service Except Mutual Nine, Seventeen

~~In accordance with Golden Rain Foundation Procurement Policy 5506, and related Policies 5512 and 5518, the staff is available to all Mutual Boards.~~

~~Mutual Board requests for service should specify any variations from the policy in the request for procurement services. Examples of such variations would be in the area of:~~

~~a. Selection of bids~~

~~b. Qualification of bidders~~

~~c. Approval of specifications~~

~~d. Award of bids~~

~~The Board minute record needs to designate any changes from the established policy if such changes are to be implemented.~~

~~Approved: 09 Dec 71~~
~~Amended: 10 Jul 87~~

MUTUAL ADOPTION/RESCIND

NINE: Rescinded 06-13-16
SEVENTEEN: Rescinded 11-07-17

(Nov 17)

RESCIND

MUTUAL OPERATIONS

SERVICE MAINTENANCE

Service Maintenance Requests Except Mutuals One, Eight, Nine, Fourteen, and Seventeen

1. ~~Any service listed as a standard service in the Welcome to Leisure World brochure is performed without cost to the resident, if such services do not result from negligence on the part of the resident. Any resident can arrange for this service by telephoning the Service Desk. Requests for other than standard services should also go through the Service Desk.~~

2. ~~Servicemen are normally dispatched the day following the request by the resident for standard services. A maximum of five (5) days should be allowed for performance of this type of service, and if the work is not done within this period, the resident may wish to contact the Service Desk again to determine if the work has been scheduled. Plumbing stoppages, water line breaks and electrical outages are emergency items requiring priority over other requests. This is why it could take up to five (5) days for action on a normal request.~~

3. ~~Requests for service called in over the weekend may not be received by the Dispatcher until Monday morning; consequently, it may be Friday or Monday morning before the work is performed.~~

4. ~~Servicemen are all bonded, and entry to an apartment with a passkey can often mean quicker and less costly service. Residents must always authorize passkey entry into their apartments for maximum service.~~

5. ~~Mutual Board members contacted by residents with requests for service should first determine whether the resident has previously reported the problem to the Service Desk to avoid duplication of two servicemen going out on the same job, resulting in a charge made for the time of both men.~~

6. ~~Board members and other residents are asked not to make any arrangements directly with the individual servicemen with whom they come in contact.~~

7. ~~Board members and residents are requested not to contact the Service Maintenance Supervisor unless it is absolutely necessary. This can result in delay instead of the fast, desired action. It should be kept in mind that emergencies take priority in the scheduling of work and that other work orders are filled according to the date of the call for service. For the Service Maintenance Supervisor to arbitrarily place any request at the top of the list would be unfair and costly.~~

RESCINDED

~~(Apr 18)~~

MUTUAL OPERATIONS

SERVICE MAINTENANCE

Service Maintenance Requests Except Mutuals One, Eight, Nine, Fourteen, and Seventeen

MUTUAL ADOPTION/RESCIND

EIGHT: Rescinded on February 23, 2015 (See Policy 7505.8)
NINE: Rescinded on June 13, 2016
FOURTEEN: Rescinded on October 11, 2000 (See Policy 7431.14)
SEVENTEEN: Rescinded on November 7, 2017
ONE: Rescinded on April 26, 2018 (See Policy 7431.01)

RESCIND

MUTUAL OPERATIONS

SERVICE MAINTENANCE

Communications Except Mutual Nine, Seventeen

~~1. The Service Maintenance Supervisor will determine if a matter needs to be called to the attention of the Physical Property representative of the Mutual involved or if it can be routinely handled. If the matter is one that needs to be taken up with the Service Maintenance Supervisor, an advance appointment should be arranged.~~

~~2. When a department head or supervisor is invited to attend a Mutual Board meeting, delays will be eliminated if advance information on the subject to be discussed is provided. Necessary materials and information relating to the subject under discussion can then be brought to the meeting by the department head or supervisor.~~

~~3. Questions pertaining to overcharges or other matters pertaining to Accounting should be taken up by telephone with the office of the Controller. If further explanation is necessary following the telephone call, an appointment will be arranged with the appropriate person.~~

RESCIND

Mutual Nine – rescinded on 03-14-16 Mutual
Seventeen – Rescinded on 11-07-17

(Nov 17)

MUTUAL OPERATIONS

ACCOUNTING DEPARTMENT

Equipment Standards

~~It is recommended that the Mutuals approve a revised standardization of appliances list and that this list be updated by the Purchasing Department from time to time as manufacturers improve, modify or replace models, thereby altering the current applicable model numbers. The revised list will be published annually.~~

~~REFRIGERATORS~~	~~DESCRIPTION~~
~~Kenmore 46-60502~~	~~Top Freezer, 18.0-cu ft., White~~
~~Kenmore 46-60504~~	~~Top Freezer, 18.0-cu ft., Bisque~~
~~Kenmore 46-60509 (special order)~~	~~Top Freezer, 18.0-cu ft., Black~~
~~Whirlpool WRT318FZDW (alternate only)~~	~~Top Freezer, 18.2-cu ft., White~~
~~Whirlpool WRB329DMBW (special order)~~	~~Bottom Freezer, 18.7-cu ft., White~~
~~Whirlpool WRB329DMBB (special order)~~	~~Bottom Freezer, 18.7-cu ft., Black~~
~~Whirlpool WRB329DMBM (special order)~~	~~Bottom Freezer, 18.7-cu ft., Stainless Steel~~

~~ELECTRIC OVENS~~	
~~Sears Kenmore Brand~~	~~White 22-49402~~
	~~Black 22-49409~~
	~~SS 22-49403~~

~~ELECTRIC COOKTOPS~~	
~~Sears Kenmore Brand~~	~~White 22-41202~~
	~~Black 22-41209~~
	~~SS 22-41203~~

~~WASTE DISPOSALS~~	
~~Insinkerator, 3/4 H.P.~~	~~Pro Essential – PRO ES~~

~~KITCHEN FAUCETS~~	
~~Delta #100-LF-HDL~~	~~Without hose~~
~~Delta #300-DST~~	~~With sprayer~~

~~**BATHROOM FAUCETS**~~
~~Delta B510LF~~

~~BATHROOM SHOWER FIXTURES~~	
~~Delta Shower Head 59462~~	~~White~~

~~KITCHEN SINKS~~	
~~Kohler K5950W~~	~~White~~
~~Kohler K5950A~~	~~Almond~~
~~Kohler K5950B~~	~~Bisque~~

~~(Dec 16)~~

RESCIND

~~MUTUAL OPERATIONS~~

~~ACCOUNTING DEPARTMENT~~

~~Equipment Standards~~

~~BATHROOM SINKS DESCRIPTION~~

~~Mansfield 249 4”~~	~~Round – Bone and White~~
~~Mansfield 249 4”~~	~~Oval – Bone and White~~

~~BATHROOM TOILET BOWLS & TANKS~~	~~DESCRIPTION~~
~~Toto C715 #01 Bowl~~	~~White Standard~~
~~Toto C715#03 Bowl~~	~~Bone Standard~~
~~Toto C744 #01 Bowl~~	~~White Hi-Boy~~
~~Toto C744 #03 Bowl~~	~~Bone Hi-Boy~~
~~Toto ST743 #01 Tank~~	~~White, 1.28gpf~~
~~Toto ST743 #03 Tank~~	~~Bone, 1.28gpf~~

~~BATHROOM FAN/HEATER~~

~~Nutone~~	~~Model 9965~~

~~WASHERS~~

~~Maytag Model MVW18PDAWW~~	~~Top Load, Digital~~
~~Maytag Model MVW18CSAWW~~	~~Top Load, Coin Slide WASHER~~
~~Maytag Model MHN30PD~~	~~Front Load, Digital~~
~~Maytag Model MVW18MNAWW~~	~~Top Load, Non-Coin~~
~~Whirlpool Model CAE2763BQ~~	~~Top Load, Coin Slide~~
~~Whirlpool Model CAE2793BQ~~	~~Top Load, Non-Coin~~
~~Speed Queen Model SWNBC2SP112TW01~~	~~Top Load, Digital, Stainless Tub~~
~~Speed Queen Model SWNBC2PP112TW01~~	~~Top Load, Digital, Porcelain Tub~~
~~Speed Queen Model SWNSX2SP112TW01~~	~~Top Load, Coin Slide, Stainless Tub~~
~~Speed Queen Model SWNSX2PP112TW01~~	~~Top Load, Coin Slide, Porcelain Tub~~
~~Speed Queen Model LWN432SP113TW01~~	~~Top Load, Non-Coin, Standard, No Electronics~~

~~DRYERS~~

~~Maytag Model MDE18CSAYW~~	~~Coin Slide~~
~~Maytag Model MDE18MNAYW~~	~~Non-Coin~~
~~Whirlpool Model CEM2763BQ~~	~~Coin Slide~~
~~Speed Queen Model SDET07W~~	~~Digital~~
~~Speed Queen Model LDE30RGS173TW01~~	~~Non-Coin~~

~~ELECTRIC WATER HEATERS~~

~~30-Gallon 3000W, Low Boy~~	~~American Standard E30L-2-12~~
~~40-Gallon 3000W, Low Boy~~	~~American Standard E40L-2-12~~
~~50-Gallon 4500W, Tall~~	~~American Standard E50T-6~~

~~(Dec 16)~~

RESCIND

~~MUTUAL OPERATIONS~~

~~ACCOUNTING DEPARTMENT~~

~~Equipment Standards~~

~~WATER HEATER ALARMS~~

~~Model PWA 4NE49~~	~~Pro Series~~
~~Sonin Water Alarm with Dual Sensor~~	~~Model 00702~~

~~SMOKE DETECTORS~~

~~BRK/First Alert, Hardwired, Battery Back-up~~	~~Model 9120B~~
~~Kidde, Wireless, 10 year Battery~~	~~Model i9010~~
~~Kidde, Hard-Wired, 10 year Battery Back-up~~	~~Model i12010S~~

RESCIND

~~AMENDMENT(S)~~

~~12-01-13, 12-01-16~~

~~(Dec 16)~~

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Lateral Sewer Cleaning

~~RESOLUTION:~~

~~WHEREAS, It is apparent that preventive maintenance is needed to avoid expensive sewer backups of entire buildings, and since it appears that roots from trees and other forms of plant growth have sought out moisture and invaded the lateral sewer system leaving from the buildings to the main sewers; and~~

~~WHEREAS, It is the intent of this Board to contract for an annual spring cleaning of the lateral sewers of the Mutual as a preventive maintenance measure, provided a reasonable bid can be secured to perform the work; now, therefore, be it~~

~~RESOLVED, That the Physical Property Supervisor is authorized to develop specifications for such cleaning and invite responsible bidders early each calendar year so that the Board may consider the resulting bids with a view to awarding a contract.~~

MUTUAL	ANNUAL ADOPTION	BIENNIAL AMENDMENT	ADOPTION	AMENDMENT
ONE	09 22 94	07-25-96		10 26 95
TWO	10-17-91		03 19 87	
THREE	04 16 73	09-11–98	04 10 87	
FOUR	06 05 72	10 07 91/ 12-04-00	04 06 87	09 07 94
FIVE	06 21 72	02-19-97	03 18 87	
SIX	11-26-91		03 27 87	
SEVEN	10-15-91		03 20 87	
EIGHT	10-28-91		03 23 87	
NINE	08-10-98		03 09 87	
TEN	03-26-97		03 25 87	
ELEVEN	02 17 77	09-17-98	03 10 87	
TWELVE	06 28 72	11-14-91	03 20 87	
FOURTEEN	04 13 73	10-25-91	03 27 87	
FIFTEEN	04 15 73	10-21-91	03 16 87	
SIXTEEN		11-18-91	11 16 87	
SEVENTEEN	08-04-98		04 07 87	

(Dec 00)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Standard Contract – Building Alterations – Except Mutuals Fourteen, and Seventeen

~~In connection with issuing building alteration permits for work on apartments of this Mutual, the only acceptable contract form, properly completed and signed by the resident and contractor proposing to do the work, will be the appropriate Standard Form of Contract as drawn by the Foundation attorney, and as presented by the Ad hoc Committee on Apartment Alterations.~~

MUTUAL	ADOPTION	RESCINDED
ONE	12-75	
TWO	10-75	
THREE	10-74	
FOUR	01-75	
FIVE	01-77	
SIX	01-76	
SEVEN	11-75	
EIGHT	11-75	
NINE	10-75	
TEN	06-81	
ELEVEN	02-77	
TWELVE	11-75	
FOURTEEN	10 75	01-16-18 (See Policy 7490.14)
FIFTEEN	01-77	
SIXTEEN	01-77	
SEVENTEEN:	N/A	

(Jan 18)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Inspection Service – Building Alterations – Except Mutual Fourteen

~~Any resident of the Corporation desiring to make any works of improvement by way of construction, either by way of change or addition to the apartment occupied by such resident, shall comply with all prior regulations and requirements adopted by this Corporation as to such works of improvement, and all state, county or municipal laws.~~

~~This Corporation hereby requests the Golden Rain Foundation to provide inspection services for said works of improvement while said work is in progress and when completed, assuring compliance with the regulations and requirements of this Corporation relating to such work.~~

~~The Golden Rain Foundation shall use a staff member for such inspection services or at its discretion may employ an independent outside inspecting firm.~~

~~No works of improvement shall commence prior to the procurement of a permit from the Golden Rain Foundation on behalf of this Corporation. The Golden Rain Foundation shall issue a permit for said work, and such work shall not commence without said permit having been issued.~~

MUTUAL	ADOPTION	RESCINDED
ONE	02-22-90	
TWO	02-15-90	
THREE	02-09-90	
FOUR	03-05-90	
FIVE	02-14-90	
SIX	02-23-90	
SEVEN	02-16-90	
EIGHT	02-26-90	
NINE	02-12-90	
TEN	02-28-90	
ELEVEN	02-15-90	
TWELVE	02-08-90	
FOURTEEN	02 23 90	01-16-18 (See Policy 7490.14)
FIFTEEN	02-20-90	
SIXTEEN	02-20-90	
SEVENTEEN	N/A	

(Jan 18)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Roof Leak Procedure

~~RESOLUTION:~~

~~Mutual No. ___ hereby resolves to authorize the Service Maintenance Department to make roofing repairs if a roofing contractor fails to effect warranty repairs within fifteen (15) working days from notification by the Physical Property Department. The following procedure will be followed:~~

~~When a roof leak is reported by a resident, a Mutual Director or the Service Maintenance Department:~~

~~1. The leak is reported to the Physical Property Department, and recorded in the Roof Leaks Log.~~

~~2. The Physical Property Department Secretary reports the leak to the appropriate Inspector.~~

~~3. The Physical Property Inspector initiates a Roof Leak Report.~~

~~4. The Inspector determines whether the leak is under warranty and, if not, whether it is the responsibility of the Mutual or the resident.~~

~~a. If the leak is under warranty:~~

~~1. The Inspector notifies, in writing, the contractor holding the warranty. The contractor is given a period of 15 working days to repair the leak.~~

~~2. If the leak is not repaired within 15 working days by the contractor:~~

~~a. The inspector notifies the Service Maintenance Department to perform the work.~~

~~b. Upon completion, the Service Maintenance Department prepares a monthly status report on assigned roofs and issues a copy to the Mutual and Physical Property Department, and forwards an SRO to accounting to invoice the contractor.~~

~~3. The Inspector notifies the Physical Property Department Secretary to record the job as complete in the Roof Leaks Log.~~

~~b. If the leak is not under warranty and is the responsibility of the Mutual:~~

RESCIND

~~MUTUAL OPERATIONS~~

~~PHYSICAL PROPERTY~~

~~Roof Leak Procedure~~

1. ~~The Inspector reports the leak to the Service Maintenance Department. The Service Maintenance Department performs the work; prepares a monthly status report on assigned roofs and issues a copy to the Mutual and Physical Property Departments; and generates a Service Repair Order and invoicing.~~

2. ~~The Inspector notifies the Department Secretary to record the job as complete in the Roof Leaks Log.~~

~~Mutual Six Only: Use the following Section b, Item 1:~~

~~b. If the leak is not under warranty and is the responsibility of the Mutual:~~

1. ~~The Inspector reports the leak to the Mutual President and the Service Maintenance Department is notified to repair the leak as soon as possible.~~

~~c. If the leak is not under warranty and is the responsibility of the resident:~~

1. ~~The Inspector sends a letter to the resident that the leak is their responsibility. A copy of the letter is sent to the Mutual President and to file.~~

2. ~~The Inspector notifies the Department Secretary to record the job as such in the Roof Leaks Log.~~

MUTUAL ADOPTION

ONE	04-26-01	NINE	04 09 01 – rescinded 03-14-16
TWO	04-19-01	TEN	04-25-01
THREE	04-13-01	ELEVEN	04-19-01
FOUR	05-07-01	TWELVE	04-12-01
FIVE	04-18-01	FOURTEEN	04-11-01
SIX	04-24-01	FIFTEEN	04-16-01
SEVEN	04-20-01	SIXTEEN	04-16-01
EIGHT	04-23-01	SEVENTEEN	Not Applicable

(Mar 16)

RESCIND

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Padmount Transformers

~~WHEREAS, there are transformers mounted on cement pads in various areas of the Mutual to provide electrical power for the Mutual, and which are the property of, and under the control of, the Southern California Edison Company, and~~

~~WHEREAS, There are California State laws in connection with such transformers providing for the safety of the public and for workmen who might be required to service these transformers, and the Edison Company has served notice that the immediate area around the transformers must be kept clear of any material that could interfere with the safe entry by workmen,~~

~~NOW THEREFORE BE IT RESOLVED, That this Mutual will comply with the laws and directives of the Edison Company by keeping the area in front of the transformer door clear to a distance of eight feet, keep any shrubbery growing nearing the transformer sides trimmed to prevent any of the growth from hanging down inside any fence around the transformer, and remove any potted plants that might be placed on top of any such fence (including the top of the transformer: Mutual Fourteen only), and completely remove any growth that would interfere with the safe access to the transformer door.~~

~~BE IT FURTHER RESOLVED, That the landscaping company be instructed and authorized to prune and trim from time to time as necessary to comply with State safety laws and Edison Company rules constantly.~~

~~Mutual Three Only - Replaces Paragraph Three~~

~~NOW THEREFORE BE IT RESOLVED, That this Mutual will comply with the laws and directives of the Edison Company by keeping the area in front of the transformer door clear to a distance of eight feet, keep any shrubbery growing nearing the transformer sides trimmed to prevent any of the growth from hanging down inside any fence around the transformer, and remove any potted plants that might be placed on top of any such fence, including the top of the transformer, and completely remove any growth that would interfere with the safe access to the transformer door.~~

RESCINDED

~~MUTUAL OPERATIONS~~

~~PHYSICAL PROPERTY~~

~~Padmount Transformers~~

~~Also, that the Physical Property Department be instructed to work with the Edison Company (owner of the transformers) to ascertain that repairs are made to upgrade the appearance of the property.~~

MUTUAL	ADOPTION DATE	AMENDMENT
ONE	Not Applicable	
TWO	02-19-70	
THREE	02-16-70	05-08-98
FOUR	02-23-70	
FIVE	02-18-70	
SIX	02-27-70	
SEVEN	03-20-70	
EIGHT	03-23-70	
NINE	04-08-85	
TEN	02-25-98	
ELEVEN	02-17-77	
TWELVE	04-09-70	
FOURTEEN	02-26-70	04-24-98
FIFTEEN	03-16-70	
SIXTEEN	09-18-06	
SEVENTEEN	Not Applicable	

RESCIND

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Plumbing Stoppages – Except Mutual Two, Three, Nine, Eleven, Fourteen and Seventeen

~~The following Mutual pays the charges for back-to-back kitchen sink stoppages:~~

~~Six~~
Seven
~~Fifteen~~
~~Sixteen~~

~~The following Mutual pays the charges for all stoppages except when caused by shareholder/resident neglect or misuse:~~

~~One (effective 04-27-78)~~
~~Four (effective 03-03-86)~~
~~Five (effective 02-21-73)~~
~~Ten (effective 11-27-85)~~
~~Twelve (effective 04-18-84)~~
~~Fourteen (effective 01-15-96)~~

~~The following Mutual pays the charges for all stoppages, including toilet stoppages, except if caused by shareholder's/resident's negligence:~~

~~Eight (effective 08-26-85)~~

~~**Note: All toilet stoppages in Mutuals Two, Three, Six, Seven, Fifteen, and Sixteen are charged to shareholder/resident.**~~

MUTUAL ADOPTION	**AMENDMENTS**
Adopted: April 27, 1978	Oct 16 80
	Apr 18 84
	Aug 26 85
	Nov 27 85
	Apr 21 86
	Jan 15 96
	Feb 11 13 (Mutual 3 See Policy 7503.3)
	Feb 21 13 (Mutual 2 See Policy 7503.2)
	Mar 21 13
	Jun 13 16 (Mutual 9 See Policy 7503.9)
	Aug 18 16 (Mutual 11 See Policy 7503.11)
	Dec 14 17 (Mutual 14 See Policy 7503.14)

Proper format changes made on 09-06-16

(Dec 17)

RESCIND

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Acceptability of Individual for Stock Ownership – Except Mutual Fourteen

~~RESOLUTION:~~

~~WHEREAS this Mutual Corporation is called upon from time to time to interview and evaluate the eligibility of individuals for common stock ownership in this Corporation, and~~

~~WHEREAS previously no criteria has been established except as to the Section 1, Article III, Eligibility Criteria for Stock Ownership, and~~

~~WHEREAS the Mutual Corporation is required to determine suitability pursuant to the regulatory agreement and executed between this Corporation and FHA at the initial and final endorsement of the mortgages upon this project, and~~

~~WHEREAS the Occupancy Agreement is to be executed by said member-stock-holder-resident, and~~

~~WHEREAS it is the duty of this Corporation to determine that the intention of the person seeking common stock ownership is to provide housing for such member and eligible family.~~

~~NOW THEREFORE BE IT RESOLVED that any interviewer for this Corporation, in determining the eligibility and acceptability of an individual for common stock ownership, shall include in the determination by such interviewer, among other factors, as to whether said individual has made multiple moves within the Leisure World Seal Beach complex, for the purpose not of maintaining a residency for said member and family, but rather to create investment properties for the benefit of said proposed owner, the improvement, remodeling, and sale of said units, in which event the interviewer shall report the same to the Mutual Board of Directors, who shall be the final arbiters in making a determination as to the acceptability of said proposed individual for common stock ownership.~~

~~Mutual Sixteen Only:~~

~~BE IT FURTHER RESOLVED that the interview of prospective new buyer(s) be conducted after a deposit is made and before escrow is opened.~~

RESCIND

(Feb 18)

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Acceptability of Individual for Stock Ownership – Except Mutual Fourteen

MUTUAL	ADOPTION	AMENDED	RESCINDED
ONE	09-26-91		
TWO	09-19-91		
THREE	09-13-91		
FOUR	10-07-91		
FIVE	11-11-91		
SIX	09-24-91		
SEVEN	09-20-91		
EIGHT	09-23-91		
NINE	10-13-91		
TEN	10-23-91		
ELEVEN	09-19-91		
TWELVE	09-16-91	12-12-91	
FOURTEEN	09-27-91		02-20-18
FIFTEEN	09-16-91		
SIXTEEN	11-18-91	02-21-06	
SEVENTEEN	N/A		

RESCIND

(Feb 18)

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Eligibility Requirements – Mutual Twelve

~~All persons seeking approval of the Board of Directors of Seal Beach Mutual No. Twelve to purchase a share of stock in the Mutual, and to reside in the Mutual, shall meet the following eligibility criteria:~~

~~1 Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.~~

~~2 Meet the Mutual eligibility criteria as follows:~~

~~2.1 Age~~

~~2.1.1 Minimum of 55 years.~~

~~2.2 Financial Ability~~

~~2.2.1 Verified monthly income or sufficient assets that is/are four (4) times or greater than the monthly carrying charge (Regular Assessment plus Property Tax and Fees) at the time of application, and have liquid assets of at least $25,000.~~

~~2.2.2 Verified monthly income will be in the form of the past two years of:~~

~~2.2.2.1 Tax returns;~~

~~2.2.2.2 1099s for interest and dividends;~~

~~2.2.2.3 1099-Rs for retirement income from qualified plans and annuities;~~

~~2.2.2.4 SSA-1099 Social Security Benefit Statement;~~

~~2.2.2.5 Brokerage statements and current interim statement.~~

~~2.2.2.6 Six to 12 months of checking account statements.~~

~~2.2.3 Adjusted Gross Income per 1040, 1040A, or 1040EZ; minus income and self-employment taxes paid will equal net annual income able to be spent.~~

~~(2017-05-15)~~

RESCIND

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Eligibility Requirements – Mutual Twelve

~~2.2.4 Projected assessments will be the previous year's assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by 12 for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times four (4) will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income.~~ .

~~2.2.5 Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer interview and prior to the close of escrow (the above verification will not be done by the individual Mutual Directors; Directors will not be required to study or understand the financial requirements).~~

~~Only the residential shareholder's income shall be considered for qualifying.~~

~~2.3 Character~~

~~2.3.1 Have a reputation for good character in his/her present community.~~

~~2.4 Assume, in writing, the obligations of the "Occupancy Agreement" in use by the Mutual Corporation.~~

~~Officers or Committees of the Board of Directors designated to approve new applicants are responsible that the eligibility criteria of this corporation is equitably applied to all applicants. Approval or disapproval of buyer(s) must be received by the Stock Transfer Office at least ten (10) working days prior to the close of escrow.~~

RESCINDED

[1] **If major remodeling, expansion, or addition of a bathroom is being considered, the increase in taxes over the 1.2% of the purchase price must be taken into consideration.**

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Eligibility Requirements – Mutual Twelve

I have read and understood what is required for eligibility consideration in the above named Mutual, including necessary documentation.

Prospective Buyer	**Date**
Prospective Buyer	**Date**
Prospective Buyer	**Date**
Prospective Buyer	**Date**

MUTUAL ADOPTION	**AMENDMENT**
TWELVE: 06-18-71	09-09-93, 08-14-08, 2017-05-15

RESCIND

(2017-05-15)

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Nonresident Co-Owner Residency – Inheriting Share of Stock

~~BE IT RESOLVED, that whenever a nonresident co-owner inherits a share of stock and desires to become a shareholder of the Mutual Corporation and member of the Golden Rain Foundation, the individual shall meet the eligibility criteria with reference to age, financial ability, health and character (as outlined in Mutual Corporation Policy No. 7510.____ and Golden Rain Foundation Policy 1610), and be interviewed by representative(s) of the Mutual Corporation.~~

~~FURTHER, the inherited unit will be inspected by representatives of the Mutual Corporation to determine whether it has been properly maintained, repaired and meets the Mutual regulations. Unless repairs are a Mutual responsibility, items noted in the inspection as being deficient will be corrected at the owner's expense.~~

MUTUAL ADOPTION

ONE:	01-24-91
TWO:	01-25-91
THREE:	01-11-91
FOUR:	01-07-91
FIVE:	01-24-91
SIX:	01-19-91
SEVEN:	01-18-91
EIGHT:	01-28-91
NINE:	01-14-91
TEN:	01-23-91
ELEVEN:	01-17-91
TWELVE:	01-10-91
FOURTEEN:	01-25-91
FIFTEEN:	01-21-91
SIXTEEN:	01-21-91

RESCINDED

(Jan 91)

MUTUAL OPERATIONS

Lockout Procedures – Mutual Twelve

1 ~~Upon a report to Security or to the Stock Transfer Office of the Foundation (See Policy 7710 Estate Transaction and Creditor Claims) of the death of a shareholder/owner, the following actions will be initiated depending upon the circumstances of death:~~

~~2 Death with Surviving Shareholder/Owner Living in the Unit~~

~~2.1 When the death of the shareholder/owner occurred at the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be left at the unit by Security.~~

~~2.2 When the death of the shareholder/owner occurred outside the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be provided by Foundation personnel at the time the death is reported.~~

~~3 Death of Sole Owner – The sole responsibility of the Board of Directors is protection of Mutual property.~~

~~3.1 Unattended Death Within the Unit~~

~~3.1.1 When death is unattended and the unit is sealed per law enforcement or Coroner's order, then no one may access the unit until official next-of-kin determination is made by the coroner's office. Security will leave a Bereavement Book at the unit and secure the unit by placing a knob lock on the door.~~

~~3.1.2 When a knob lock cannot be affixed, Security shall obtain permission from the Mutual Twelve Board of Directors or the President and one other Officer to re-key the lock, change out the lock or add an additional lock such as a deadbolt or a hasp hinge lock.~~

~~3.1.3 If circumstances are such that the lockout procedures stated above cannot be accomplished, and as long as the~~

RESOLVED

~~Coroner's office while it has control of the property does not object, the method of securing the unit shall require permission of the Mutual Twelve Board of Directors or the President and one other Officer.~~

~~3.1.4 When someone comes forward as Trustee, nonresident co-owner or with other legal authority, and the coroner's office has released its hold on the premises, Foundation personnel shall review the documentary evidence presented to establish legal authority to enter the unit and report to the Mutual President as per Section Reporting of Death to Mutual President.~~

~~3.2 Attended Death Within the Unit~~

~~3.2.1 Security will identify on the DOA report those present at the time of death, including family members, hospice workers, caregivers, and other individuals. A Bereavement Book will be left at the unit. If someone present identifies as legal authority of the unit and can provide evidence of same, Security will instruct them to visit the Stock Transfer Office as soon as possible.~~

~~3.2.2 Security will inform all persons present that no one may stay in the unit overnight without Mutual Twelve permission, unless they are a registered co-occupant.~~

~~3.2.3 If legal authority is not established at the unit via documentary evidence, all persons present will be asked to leave the unit until legal authority is established at the Stock Transfer Office. From there, as soon as possible, and until such time as legal authority is established, the unit will be knob locked.~~

~~3.2.4 When a knob lock cannot be affixed, Security shall obtain permission from the Mutual Twelve Board of Directors or the President and one other Officer to re-key the lock, change out the lock or add an additional lock such as a deadbolt or a hasp hinge lock. The exception to this is if a registered co-occupant lives at the unit in accordance with Civil Code §51.3 (7e), or if Mutual permission is obtained.~~

RESCINDED

~~3.2.5 In the case of a full time caregiver who resides in the unit, the caregiver will be given an opportunity to return to the unit to remove his or her personal belongings in the presence of the Mutual Twelve President and one other Officer.~~

~~3.3 Attended Death Outside the Unit~~

~~3.3.1 Upon notification to the Stock Transfer Office of the death, the following actions will be taken depending upon the circumstances presented. If someone presents and provides legal documentary evidence of legal authority the Mutual President shall be informed and no further action be taken. Otherwise, and until such time as legal authority is established, the unit will be knob locked.~~

~~3.3.2 In the event a knob lock cannot be affixed, Security shall obtain permission from the Mutual Twelve Board of Directors to re-key the lock, change out the lock,~~

~~3.3.3 Once legal authority is identified, the premises will be released to the decedent's agent.~~

~~4 Reporting of Death to Mutual President~~

~~4.1 Anyone can report a death to the Stock Transfer Office. Then, as soon as possible, the Stock Transfer personnel shall report to the Mutual President with the following information:~~

~~4.1.1 Name of decedent~~

~~4.1.2 Date and location of death~~

~~4.1.3 Identification of persons present at unit (if any)~~

~~4.1.4 Name, relationship and contact information of surviving shareholder/owner (if any)~~

~~4.1.5 Name, relationship and contact information of decedent's emergency contacts (if no surviving shareholder/owner is present at the unit)~~

~~4.1.6 If legal authority has been established~~

RESCINDED

~~4.1.7 If/how the unit was secured~~

~~4.1.8 If there are any registered co-occupants, caregivers or pets at the unit~~

~~4.2 Additionally, the Stock Transfer Office personnel shall notify by email all Mutual Twelve Directors of the shareholder/owner death and update the monthly "DOA" report concurrent with the Pet and Caregiver monthly report.~~

MUTUAL ADOPTION

TWELVE: 2017-08-10

RESCIND

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Dual Ownership Except Mutual Fourteen and Two

~~FHA recognizes that is some instances dual ownership can be justified and arranged on a reasonable and sound basis.~~

~~A member can change to another unit for legitimate reasons if:~~

~~a. The Mutuals involved are agreeable to such an arrangement;~~

~~b. The member agrees to be responsible for paying full carrying charges on both units until he has sold the vacated or to-be vacated unit, and;~~

~~c. The member demonstrates his ability to meet the dual financial obligations involved.~~

~~Policing these requirements should be left with the Mutuals involved and management.~~

Mutual	**Rescinded**
Fourteen	**02-20-18**
Two	**04-19-18**

RESCIND

FHA Letter: 26 Jun 67

(May 18)

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Interview of Applicants for Qualified Permanent Residency/Co-Occupancy – Except Mutual Nine

~~WHEREAS, it is the intent of this Corporation to clarify occupant entry information and explain the duties, obligations and rights to an applicant applying for qualified permanent residency/co-occupancy,~~

~~BE IT HEREBY RESOLVED, that the Mutual will interview all applicants for qualified permanent residency/co-occupancy.~~

MUTUAL ADOPTION		AMENDMENT(S)	RESCINDED
ONE:	03-24-94		
TWO:	03-17-94		
THREE:	03-08-94		
FOUR:	03-07-94		
FIVE:	03-16-94		
SIX:	03-22-94		
SEVEN:	03-18-94		
EIGHT:	03-28-94		
NINE:	03-14-94		09-09-13 (See Policy 7554.9)
TEN:	03-23-94		
ELEVEN:	03-17-94		
TWELVE:	03-10-94		
FOURTEEN:	04-22-94		
FIFTEEN:	03-21-94		
SIXTEEN:	03-21-94		
SEVENTEEN:	04-05-94		

RESCIND

(Sept 13)

MUTUAL OPERATIONS

RESIDENT REGULATIONS

Towing Vehicles – Mutual Twelve

~~Pursuant to Clause (1) of subparagraph (E) of paragraph (1) of subdivision (1) of Section 22658 of the California Vehicle Code:~~

~~The Security Department is hereby authorized by the Board of Directors of Mutual Twelve **to cause the REMOVAL AND TOWING OF A VEHICLE WHICH IS PARKED ON ANY MUTUAL TWELVE PROPERTY LOCATED WITHIN 15 FEET OF A FIRE HYDRANT OR IN A FIRE LANE, OR IN A MANNER WHICH INTERFERES WITH AN ENTRANCE OR EXIT FROM THE PRIVATE PROPERTY,** so long as such towing conforms to the other provisions of said Section 22658.~~

~~The Security Department is further authorized to cause the removal and towing of a vehicle that is in violation of Seal Beach Mutual No. Twelve policies on Mutual No. Twelve property when authorized by a majority vote of the Board in compliance with CA Civil Code §4910-4925 of the Davis-Stirling Open Meeting Act and signed by the Mutual President and one other officer.~~

~~Mutual Twelve relies on the assurance of the Golden Rain Foundation that appropriate signage is and will continue to be posted at all shareholder entrances to the Seal Beach Leisure World community and that all vehicle code reporting and notice requirements will be met.~~

~~Any towing that results from this authorization will be at the vehicle owner's expense in conformity with the provisions of Section 22658.~~

RESCINDED

MUTUAL	**ADOPTION**	**AMENDMENTS**
TWELVE:	03-14-13	05-12-16 (Also see Policy 7502.12-Section E)

MUTUAL OPERATIONS

MUTUAL ACCOUNTS AND RESERVES

General Operating Procedures – Mutual Twelve

~~As the association is obligated under Civil Code Section 5510(b) to repair, restore, replace, or maintain major components for which the reserve fund was established, Mutual No. Twelve hereby adopts the following general operating procedures in relation to the restricted and nonrestricted funds.~~

~~Restricted Reserve Funds~~

~~A RESOLUTION of Mutual Twelve's Board of Directors is necessary to authorize a contract or a transfer from or between any of these five funds. The President of the Mutual shall sign all contracts when funds are utilized from any of these five funds. Each of these funds to be maintained in accounts in keeping with Policy 7306.12 – Banking Resolution and Civil Code Sections 5502 and 5515(c).~~

~~1. Appliance Replacement Reserve Fund~~

~~The Appliance Replacement Reserve Fund is designated for repairs, restoration, replacement or maintenance of Mutual property and fixtures within the interior of the separate unit as defined in Policy 7622.12. Expenditures that exceed $1,000 require Mutual Board authorization before the Service Maintenance Department may proceed with the repair/replacement order.~~

~~2. Infrastructure Reserve Fund~~

~~The Infrastructure Reserve Fund is designated for major projects which may require an outside contractor, such as, but not limited to, carport flooring, driveways, run-offs (swales), landscape irrigation systems, water distribution, plumbing, sewers, and other major projects. Following Board authorization, the GRF Supervisor of Physical Property or Supervisor of Service Maintenance is required to prepare Request for Bid specifications approved by the Mutual Twelve Physical Property Committee and initialed by the Mutual Twelve President before submitting to qualified contractors for these projects in accordance with Policy 7621.12.~~

~~3. Painting Reserve Fund~~

~~The Painting Reserve Fund is designated for painting of the exterior of all Mutual apartment buildings, carports exterior and interior, and laundry rooms exterior and interior, and any related expenses including wood repair. Following Board authorization, the GRF Physical Property Department is required to prepare Request for Bid specifications for painting projects in accordance with Policy 7621.12.~~

RESCIND

MUTUAL OPERATIONS

MUTUAL ACCOUNTS AND RESERVES

General Operating Procedures – Mutual Twelve

~~4. Roofing Reserve Fund~~

~~The Roofing Reserve Fund is designated for major roofing projects and related components which may require outside contractor bids. Following Board authorization, the GRF Supervisor of the Physical Property Department is required to prepare Request for Bid.~~

~~5. Emergency Contingency Reserve Fund~~

~~The Emergency Contingency Reserve Fund is designated for the unexpected occurrence, or chance happening or concurrence of events requiring urgent immediate action. Use of funds requires Board authorization on a case-by-case basis and in accordance with Policy 7621.12.~~

~~Non-Restricted Funds~~

~~1. Operation Fund~~

~~The Operation Fund shall be used to accumulate funding to supply cash to the general checking account to make payments for billings not covered by the above defined Restricted Reserve Funds. This fund shall also be:~~

~~a) An interest-bearing money market account.~~
~~b) Used for transferring money into the general checking account for billings with the concurrence of the Chief Financial Officer.~~
~~c) Used to receive moneys from the carrying charge account and the general checking account when that account has a balance in excess of $25,000.~~

~~2. Impound Fund~~

~~The Impound Fund shall be used to accumulate funds, as required and as determined by the GRF Controller, for the payment of real property taxes on individual shareholder separate interest as assessed by Orange County Property Tax. This fund shall also be:~~

~~a) An interest-bearing money market account.~~

RESCIND

MUTUAL OPERATIONS

MUTUAL ACCOUNTS AND RESERVES

General Operating Procedures – Mutual Twelve

3. Repair and Tax Deposit Fund

   When a Transfer of Membership is initiated, the Repair and Tax Deposit Fund is for the purpose of managing seller repair and tax deposits held until the unit is sold and the tax liability is relieved. This fund shall also be:

   a) An interest bearing money market account.

MUTUAL ADOPTION	AMENDMENTS
TWELVE JUL 02	04-10-03, 03-10-16, 04-11-19

RESCIND

MUTUAL OPERATIONS

MUTUAL RESERVES

Mutual Contract Bid Procedure - Mutual Twelve

~~Expenditures from the Reserve Funds and Operating Funds require Mutual Board approval except in the case of immediate, urgent need. Then either the Supervisor of Service Maintenance or the Supervisor of Physical Property is authorized to repair, restore, replace, and maintain items, or to obtain an outside contractor at a cost up to $1,000 without first obtaining Mutual Twelve Board authorization.~~

~~A Board authorized contract is required in all cases when the cost exceeds $1,000 or the Supervisor of Service Maintenance or the Supervisor of Physical Property determines that a certain repair, restoration, replacement or other necessary maintenance should be performed by an outside contractor, the following steps must be taken:~~

~~1. The Supervisor of Service Maintenance or the Supervisor of Physical Property shall notify the President of the Mutual that an outside contractor is recommended for the project.~~

~~2. The Mutual Twelve Board shall then pass a RESOLUTION to include deadlines for bid preparation, sending bids to contractors for return. Then the Mutual President shall ask the Supervisor of Physical Property to prepare specifications for the project. Specifications to be reviewed and approved by the Mutual Twelve Physical Property Committee and initialed by the Mutual President before the Request for Bid is sent out to the qualified contractors.~~

~~a. Contractors must be notified bids are to be submitted in sealed envelopes when the project estimated costs exceed $50,000, and that if their bid is based on any variance of the specifications, then a written explanation, in a separate envelope from the sealed bid, shall accompany the sealed bid.~~

~~b. The sealed bids shall be presented for opening to the Mutual Twelve Board for review, questions, discussion, revisions, and recommendations.~~

~~3. Upon the Board's RESOLUTION to accept a bid, and after providing requested notification of the resolution, the Supervisor of Physical Property shall prepare within 10 days a contract for review and approval by the Mutual Twelve Physical Property Committee. After that the President is authorized to sign the contract. Further, the Mutual Board in its discretion will determine which reserve or operating account is to be charged for the expenditure.~~

MUTUAL ADOPTION	**AMENDMENTS**
Twelve: 08-08-02	05-12-16

RESCIND

MUTUAL REPAIRS AND REPLACEMENTS – Mutual Twelve

1 ~~Information~~

~~1.1 Under its obligations to make certain necessary repairs, maintenance and replacements *Mutual* Twelve will continue to maintain or replace the items that were listed in Policy 7622 (original policy), and incorporated in Policy 7622.12. Items that the Golden Rain Foundation Service Maintenance and Purchasing Departments are authorized to stock, repair or replace are listed below. At times, the original items may no longer be available and they will be replaced by an approved replacement item.~~

~~1.2 Please note: Repair as well as removal and or replacement of ANY item of Mutual Twelve property misused, abused, covered, modified, blocked or relocated with or without required GRF or Mutual Twelve permit (Policies 7480.12 and 7480.12.1) is shareholder responsibility and at shareholder expense. (Post installation permit may be possible. Any work needed to achieve compliance shall be at shareholder expense. Mutual Twelve reserves the right to remove unpermitted work outright.) All working/repairable (cosmetic) item replacements are shareholder responsibility.~~

~~1.3 Interior of Each Unit~~

~~1.3.1 Cook top, Oven~~

~~1.3.2 Refrigerator~~

~~1.3.3 Kitchen sink and fittings~~

~~1.3.4 Bathroom sink and fittings~~

~~1.3.5 Bathroom shower stall and fittings~~

~~1.3.6 Bathroom toilet and fittings~~

~~1.3.7 Bathroom vent and heater assembly with a thermo control unit~~

~~1.3.8 Hot water heater, electric~~

~~1.3.9 Garbage Disposer~~

~~1.3.10 Electric radiant heat in ceilings and thermo control units~~

~~1.3.11 Kitchen ventilating fan installed on the roof~~

~~1.3.12 Electric fixtures~~

RESCINDED

MUTUAL REPAIRS AND REPLACEMENTS – Mutual Twelve

~~1.3.13 Doors, windows and aluminum screens~~

~~1.3.14 Electric circuit breaker panel~~

~~1.3.15 Asphalt tile (equivalent of original floor tile)~~

~~1.4 Exterior of the Building~~

~~1.4.1 Roofing including flashing and areas around the skylights, but not frame and window of skylight~~

~~1.4.2 Flashing, gutters and downspouts~~

~~1.4.3 Sidewalks (original)~~

~~1.5 Laundry Rooms~~

~~1.5.1 Washing machines~~

~~1.5.2 Electric clothes dryers~~

~~1.5.3 Hot water heaters~~

~~1.5.4 One wash basin and fittings per building~~

~~1.5.5 Clothesline between the washroom areas~~

~~2 Approval Procedure~~

~~2.1 The Mutual Board President, GRF Supervisor of Service Maintenance OR Supervisor of Physical Property has authority to approve expenditures under this policy up to $1,000.~~

~~2.2 When the estimated cost is in excess of $1,000, the GRF Supervisor of Service Maintenance or the Supervisor of Physical Property will prepare and give an estimate of the needed work to the Mutual Board of Directors. A RESOLUTION of the Mutual Twelve Board of Directors will approve or disapprove the work. Further the Board of Directors, in its discretion, will determine whether to charge the expenditure to any of the Restricted Replacement Funds or to a current year operating budget account.~~

~~3 Common Area Maintenance Exception~~

~~3.1 When Mutual Twelve bears the responsibility for maintenance, repairs, or~~

RESCIND

~~replacement of common areas that results in damage to personal property and fixtures, including but not limited to floor coverings within the separate interest, the owner will be compensated for the damaged personal property in the amount to restore it to the same or reasonably close equivalency.~~

~~3.2 This policy covers non-insurable maintenance events only. In the event that a separate interest owner does not carry any or adequate HO6 insurance or is not duly compensated by their insurance company for an insurable event, Seal Beach Mutual No. Twelve will not be responsible for compensation.~~

RESCIND

MUTUAL ADOPTION	**AMENDMENTS**
TWELVE: 2002-07-11	2016-05-12, 2017-08-10

2017-08-10

MUTUAL OPERATIONS

MUTUAL RESERVES

Contract Bid Procedure - Mutual No. Twelve

~~The funds which require approval from the Mutual Board of Directors include the Supplemental, Painting and Replacement funds.~~

~~The Maintenance Supervisor and Physical Property Supervisor are authorized to repair, restore or replace the items listed on Policy 7622, Replacement Reserve, at a cost up to $700. When the repair, restoration or replacement amount of a specific work order exceeds $701, approval must be obtained from the Mutual Board of Directors as follows:~~

~~1. The Physical Property or Service Maintenance Supervisor will notify the President and recommend that an outside contractor be used to accomplish a certain project.~~

~~a. Upon approval of the Board to go out to bid, the President will request that specifications be prepared.~~

~~2. The Physical Property Department will prepare specifications to present to the Mutual Board for approval.~~

~~a. Upon approval of the Board, specifications are to be initialed by the Mutual President and sent to various contractors for sealed bids.~~

~~3. Sealed bids must be returned to the Physical Property Department by the specified date.~~

~~a. Contractors must outline, in writing, any variances to the specifications in a separate envelope addressed to the Physical Property Department in order for an analysis to be conducted.~~

~~1) Physical Property Department will notify Mutual Board when analysis is complete.~~

~~0. The Physical Property/Recreation Supervisor will present any sealed bids, all analysis and a recommendation to the Mutual Board. The Mutual Board will open the bids and discuss the bids, analysis and any recommendations. Any necessary changes to the specifications will be discussed and approved by the Mutual Board.~~

~~(Aug 02)~~

RESCIND

MUTUAL OPERATIONS

MUTUAL RESERVES

Contract Bid Procedure - Mutual No. Twelve

~~5. The Physical Property Supervisor will make modifications to the specifications, if needed, and notify all contractors who submitted bids~~

~~a. The Mutual Board will approve the modified specifications.~~

~~b. The modified specifications will be sent to the same contractors with a new time frame for submitting a sealed bid.~~

~~6. The Mutual Board will make a recommendation and approve to award a contract to the specified contractor.~~

~~7. Upon approval of the Board, the president will sign the contract on behalf of the Mutual and the CFO will determine which fund will be used for payment to the contractor.~~

MUTUAL ADOPTION

TWELVE 08 Aug 02

(Aug 02)

RESCIND

MUTUAL OPERATIONS

ADMINISTRATIVE SERVICES

Stock and Membership Transfers Outside Escrows Except Mutual 09, 16

~~1. Internal "Request for Stock Transfer Outside Escrow" form is completed by Member and submitted to Mutual's authorized representative for approval (usually president or Vice President).~~

~~2. After approval of the transfer, the old certificates are cancelled and new certificates and Occupancy Agreement area issued for signatures of the appropriate Board officers.~~

~~3. The certificates and a copy of the Occupancy Agreement area mailed to the Member by certified mail with a return receipt requested, completing the transfer.~~

~~The Stock Transfer Office also maintains a record of all transfers and information available.~~

RESCIND

Mutual Nine: Rescinded 11-13-17

(Nov 17)

MUTUAL OPERATIONS

ADMINISTRATIVE SERVICES

Stock and Membership Transfers Affected by Escrow – Except Mutual Three, Seven, Nine

~~1. The Articles of Incorporation and Bylaws of the Corporation provide for the proper procedure to follow with regard to Member's Intent to Withdraw. If the Board does not sign this Notice of Intention to Withdraw within thirty (30) days, the Member has the right to sell. If and when signed, the Intent is returned to the originating Sales and Escrow Office, or to the member submitting the form.~~

~~2. The Escrow Office submits the escrow package to the Stock Transfer Office where it is recorded, reviewed and approved or disapproved by the President or Vice President of the Mutual and by the Golden Rain Foundation.~~

~~3. The Stock Transfer Office prepares the demands for all monies, keys, payment cards, resident identification cards, and all other necessary documents to be delivered into escrow; these Demands area forwarded to the Escrow Office originating the sale.~~

~~4. The Escrow Office collects these Demands and sends them to the Stock Transfer Office at the close of escrow at the close of escrow when all demands have been met. The Stock Transfer Office makes proper disbursement of these Demands, keeping a record of all escrows closed and distribution made of all escrow funds delivered to Stock Transfer Office.~~

RESCINDED

MUTUAL ADOPTION	AMENDMENT(S)	RESCINDED
ALL: 11-85		NINE (See Policy 7712.9)-Sept. 2007 SEVEN (See Policy 7712.7)-Aug. 2008 THREE (See Policy 7712.3)-Jan. 2014

MUTUAL COUNCILS

Presidents' Council Bylaws

~~ARTICLE I – NAME~~

~~This organization shall be known as the Leisure World Seal Beach Presidents' Council.~~

~~ARTICLE II – PURPOSE~~

~~a) The establishment of a personal relationship between the 15 Mutual Presidents of Leisure World, to the end that ideas and problems affecting all Mutuals may be discussed.~~

~~b) To receive pertinent information from management on any action to be taken by individual Mutual Boards.~~

~~c) Any collective opinion reached by the Council shall be considered ONLY as a consensus of the Presidents.~~

~~ARTICLE III – MEMBERSHIP~~

~~Membership of Leisure World Seal Beach Presidents' Council shall consist of:~~

~~a) Presidents of all Seal Beach Mutuals.~~

~~b) The President of any Mutual may designate a member of his/her Board to serve in his/her place and stead at any meeting that he/she, the President, is unable to attend.~~

~~1. The Board member who is designated to represent the President at these meetings in his/her absence shall so declare his/her appointment to the Chair during roll call at the meeting.~~

~~c) The President of any Mutual may invite one member of his/her Mutual Board to attend any Council meeting a participant.~~

~~d) Shareholders/Residents are invited to attend as observers as space~~

~~allows. ARTICLE IV – OFFICERS~~

~~a) The officers of this organization shall be: President, Vice President and Secretary.~~

~~b) The officers shall be elected at the Annual Meeting of this organization to be held on the first Thursday in August of each year and shall hold office for a term of one year or until his/her replacement is duly elected.~~

~~c) The President shall preside at all meetings of the Council and shall appoint all committees and serve as ex officio member of all committees.~~

RESCIND

MUTUAL COUNCILS

Presidents' Council Bylaws

1. ~~The Vice President shall assume the duties of the President during his/her absence and shall perform such other duties as requested by the President.~~

2. ~~In the absence of the President and Vice President, the Secretary will serve as Chair of the meeting.~~

3. ~~A recording secretary will be provided by administration to take the minutes of the meetings of this Council and transcribe same. Duplicate copies for the use of all members of the Presidents' Council and their Boards shall be made available. A recap of the minutes shall be published in the LW Weekly.~~

~~ARTICLE V – MEETINGS~~

a. ~~Regular meetings: The regular meetings of the Council shall be held on the first Thursday of each month at 9 a.m. in Clubhouse 4, Section B, unless the members are notified to the contrary.~~

b. ~~Cancellation of meetings: The President may, for good cause or at the request of a majority of the Council members, postpone or otherwise change the time, date or place of any regular monthly meeting.~~

c. ~~Special meetings: The President shall have the authority to call Special Meetings of the Council at his/her discretion by giving the members four days' notice in advance by the most convenient means available. Any President or Staff member must arrange for a Special meeting with the President.~~

~~ARTICLE VI – VOTING~~

a. ~~Each Mutual shall have only one vote on each question arising at any Regular, Special or Executive Meeting of the Presidents' Council.~~

~~ARTICLE VII – ELECTION PROCEDURE~~

a. ~~Nominating Committee Members: At the July meeting a nominating committee shall be appointed by the President consisting of three sitting members. Nominating Committee members shall not be eligible to be a nominee on the ballot.~~

b. ~~Qualifications: Must be a duly elected Mutual President.~~

c. ~~Nominations: Must be made with the consent of the nominee.~~

d. ~~Conducting the vote:~~

RESCIND

MUTUAL COUNCILS

Presidents' Council Bylaws

~~i. The nominating committee shall present names of candidates for office at the August meeting.~~

~~ii. The vote may be done by voice vote if the slate has one name for each office. If one or more Presidents request it, the vote shall be done by secret ballot.~~

~~iii. The vote shall be done by secret ballot if one or more than one candidate is nominated for the office. Presidents simply write the name of the person they are voting for on a provided piece of paper or a ballot.~~

~~. Two guests, randomly selected by the Nominating Committee, shall collect all ballots and proceed to count them. The person with the most votes wins the office.~~

~~iv. The process is repeated for each officer until all positions are~~

~~filled. e. Term of office shall be from August to July of the following year.~~

~~ARTICLE VIII – QUORUM~~

~~A quorum shall exist at any Regular or Special Meeting of the Council when a majority of the Mutuals are represented.~~

~~ARTICLE IX – PARLIAMENTARY PROCEDURE~~

~~All meetings of the Presidents' Council shall be conducted in accordance with proper parliamentary procedures.~~

~~ARTICLE X – AMENDMENTS~~
~~The Bylaws of the Presidents' Council may be amended at any Regular or Special Meeting by a majority vote of the Mutual Presidents in attendance.~~

RESCIND

Adopted: 14 Jun 75 **PRESIDENTS' COUNCIL**
Amended: 10 Aug 83 Leisure World Seal Beach
Amended: 14 Mar 84
Amended: 14 Nov 84
Amended: 25 Aug 86 (corrects time for caucus)
Amended: 09 Dec 87 (effective February 1988)
Amended: 02 Aug 90 (effective September 1990)
Amended: 03 Sept 09 (effective immediately)
Amended: 07 Sept 17 (effective immediately
Amended: 06 Sept 18 (effective immediately)

MUTUAL OPERATIONS

MUTUAL COUNCILS

Physical Property Council Bylaws

~~ARTICLE I – NAME~~

~~This organization shall be known as the Leisure World Seal Beach Physical Property Council.~~

~~ARTICLE II – PURPOSE~~

~~For the establishment of a personal relationship between the Mutuals, so that viral communications necessary to the best interests of the stockholders of Leisure World Seal Beach may be expedited.~~

~~To discuss physical property matters relating to the best interests of Leisure World. However, any collective opinion reached by the Council shall be considered as policy only when approved by the Boards of Directors of said Mutuals.~~

~~ARTICLE III – MEMBERSHIP~~

~~Membership in the Council shall consist of one Official Representative and any other representatives for each Mutual selected by procedures determined by each Mutual.~~

~~ARTICLE IV - OFFICERS~~

~~The officers of the Council shall be a President, a Vice President and a Secretary.~~

~~Each officer shall serve until replaced by a duly elected officer.~~

~~The President shall have all of the general powers and duties usual to the office including presiding at all meetings of the Council, appointing all committees and serving as an ex officio member of all committees.~~

~~The Vice President shall assume the duties of the President in the absence of the President and shall perform other duties assigned to the Vice President by the President.~~

~~The Secretary shall perform all duties usual to the office.~~

~~ARTICLE V – MEETINGS~~

~~Annual Meeting~~

RESCIND

MUTUAL OPERATIONS

MUTUAL COUNCILS

Physical Property Council Bylaws

~~The Annual Meeting shall be conducted immediately prior to the first regular or special meeting of the Council held after June 30 of each year.~~

~~The business of the meeting shall be:~~

~~(1) To elect officers for the coming year and~~

~~(2) To set a schedule of regular meeting for the coming year.~~

~~A Nominating Committee consisting of at least three Official Representatives of the Council shall be appointed by the President prior to June 15th of each year. The Nominating Committee's report shall be included in the agenda for the Annual Meeting. Nominations from the floor are permitted during the Annual Meeting.~~

~~Regular Meetings~~

~~Regular Meetings shall be held in accordance with the schedule of meetings as determined during the Annual Meeting and, if necessary, as revised by the Council during the year by resolution.~~

~~Special Meetings~~

~~Special Meetings may be called:~~

~~(1) By the President,~~

~~(2) By the Vice President if the President is unable to act,~~

~~(3) By the Secretary if the President and Vice President are unable to act, or~~

~~(4) The Official Representatives of any three Mutuals if the officers are unwilling to act.~~

~~Each Official Representative of each Mutual shall be notified of a Special Meeting at least three days in advance of the meeting.~~

~~ARTICLE V1 – VOTING~~

~~Each Mutual shall have one vote only on each question arising at any regular or special meeting of the Council.~~

~~The vote is to be cast by the Official Representative or duly appointed substitute.~~

RESCIND

MUTUAL OPERATIONS

MUTUAL COUNCILS

Physical Property Council Bylaws

~~ARTICLE VII – QUORUM~~

~~A quorum shall exist at any meeting when three-fourths of the Mutuals are represented by a duly designated representative.~~

~~Attendance is determined by a roll call of the Official Representatives of the Mutuals. Any substitute for an absent Official Representative is to be identified during the roll call.~~

~~Meetings may proceed without a quorum. However, no official business may be conducted.~~

RESCIND

ALL MUTUALS
August 93

Fourteen: Rescinded 02-20-18

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RESCIND POLICY 7010 – MERGER OF MUTUALS (NEW BUSINESS, ITEM K)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to rescind Policy 7010 – Merger of Mutuals, on a preliminary basis until the 28-day posting period has been completed.

MUTUAL OPERATIONS

Merger of Mutuals – Except Mutual Two, Fourteen

~~Excerpt of FHA letter dated 17 Sept 65 from H. E. Johnson, Director; copies to President Golden Rain Foundation and Presidents of all Mutuals.~~

~~"To reduce the number of entities in Leisure World, we would be glad to approve the merger of Mutuals. Our policy on this subject is set forth in Section 10.24 of the Cooperative Housing Insurance and Servicing Handbook. This would perhaps make a unified approach on subjects of this kind more feasible."~~

~~Section 10.24~~

~~Corporate Mergers: The Merger of Cooperative Housing Corporations is to be encouraged, and its achievement is to be assisted when in the opinion of the Director of the Insuring Office and the Regional Attorney such a pooling of interests will result in benefits to the cooperatives concerned.~~

~~Where two or more cooperative housing projects are contiguous or within close proximity, duplication of cost and effort may often be eliminated by way of centralization of management, consolidation of utility costs and centralized authority of a single Board of Directors.~~

~~Any proposed Merger plan should be drafted by the cooperative corporations concerned and submitted to the Director for his review, approval and subsequent recommendation to the Director of the Cooperative Housing Division.~~

~~The approval of any Merger plan must be conditioned upon the written opinion of the Regional Attorney that the Merger will not waive or diminish any of the legal rights of the Commissioner.~~

~~The consent of the mortgagee or mortgagees involved should be obtained. All obligations of the original corporations must be assumed by the new or surviving corporation.~~

~~Statutory requirements of the jurisdiction or jurisdictions concerned must be met. The laws of a number of states require an affirmative vote of two-thirds or more of the stockholders to validate a Corporate Merger.~~

MUTUAL	ADOPTION	RESCIND
TWO		01-18-18
FOURTEEN		02-20-18

(Policy assigned Sept 65)
(Feb 18)

RESCIND

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RESCIND POLICY 7451 – STANDARDIZATION COMMITTEE (NEW BUSINESS, ITEM L)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to rescind Policy 7451 – Standardization Committee, on a preliminary basis until the 28-day posting period has been completed.

MUTUAL OPERATIONS

ACCOUNTING DEPARTMENT

Standardization Committee All Mutuals Except Seventeen

~~On December 8, 1971, the Presidents' Council appointed three members of a joint committee to work with representatives of the Physical Property Council and the Purchasing Agent with the assignment of making recommendations of standardization for replacement equipment.~~

~~On December 2, 1971, the Physical Property Council appointed three members to the joint committee.~~

~~Recommendations of the committee will be found in Sections 7452 et seq. The first recommendations were made to the Presidents' Council in March 1972 and to the Physical Property Council in May 1972.~~

~~Both councils recommended the continuance of the joint committee.~~

(Nov. 71)

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE CHANGES TO THE NOTICE OF DISCLAIMER REGARDING DUAL OWNERSHIP (NEW BUSINESS, ITEM M)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to approve the proposed changes to the Notice of Dual Ownership disclaimer signed in a sale or transfer for Mutual Twelve to be implemented by the Stock Transfer Office.

Put on each mutual agenda

Notice of Disclaimer Regarding Dual Ownership

The purpose of this Notice of Disclaimer is to set forth information regarding dual ownerships:

Article 5 of the Occupancy Agreement states that "Member shall not own more than one share of stock in Corporation, or any other Mutual Corporation located in Seal Beach Leisure World concurrently, Member being expressly obligated to fully divest ownership in Corporation prior to acquiring, owning or occupying a dwelling unit other than as set forth above."

Some Mutuals *do not allow dual ownership*. If you wish to go on title of an additional unit you must first contact both Mutual Boards.

By our signatures below, it is acknowledged that I have read and received a copy of the Notice of Disclaimer Regarding Dual Ownership.

Remove 3rd paragraph

This doesn't make sense

Prospective Buyer's Signature	Date
Prospective Buyer's Signature	Date
Prospective Buyer's Signature	Date
Prospective Buyer's Signature	Date

If Occupancy agreement states you can't - what does the 3rd paragraph mean?

Make one for each of the mutuals.

- Check OA -

update next month.

Notice of Disclaimer Regarding Dual Ownership Mutual Twelve

The purpose of this Notice of Disclaimer is to set forth information regarding dual ownerships in Mutual Twelve:

Article 5 of the Occupancy Agreement states that “Member shall not own more than one share of stock in Corporation, or any other Mutual Corporation located in Seal Beach Leisure World concurrently, Member being expressly obligated to fully divest ownership in Corporation prior to acquiring, owning or occupying a dwelling unit other than as set forth above.”

By our signatures below, it is acknowledged that I have read and received a copy of the Notice of Disclaimer Regarding Dual Ownership.

_____	_____
Prospective Buyer’s Signature	Date
_____	_____
Prospective Buyer’s Signature	Date
_____	_____
Prospective Buyer’s Signature	Date
_____	_____
Prospective Buyer’s Signature	Date

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE RESOLUTION OF THE BOARD OF DIRECTORS REGARDING AB 3182 (NEW BUSINESS, ITEM N)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

See next page for MOTION.

Seal Beach Mutual No. Twelve

Resolution of Board of Directors Regarding AB 3182

WHEREAS, the California Legislature passed Assembly Bill 3182, which Bill was signed into law by Governor Newsom, and will become effective on January 1, 2021, amending Civil Code Section 4740 and Government Code Section 65852.2, and adding a new Civil Code Section 4741 (the "New Law");

WHEREAS, the New Law imposes certain restrictions on the ability of a homeowners association to regulate the leasing of a unit by an **owner** to a **tenant;**

WHEREAS, the New Law assumes that the owner of a unit is a person/entity distinct from the homeowners association, and does not take into account the unique ownership structure of a stock cooperative, like Seal Beach Mutual No. Twelve ("Mutual"), where the Mutual is the **owner** of the buildings within the development, and the units contained therein, and the Mutual leases its units to its **tenant shareholders** pursuant to an occupancy agreement;

WHEREAS, any leasing of a unit by a tenant shareholder would be considered under California law, as a **subleasing** of a unit;

WHEREAS, the Mutual's governing documents prohibit a tenant shareholder from subleasing the unit he or she occupies without the Mutual's consent;

WHEREAS, the New Law does not grant a tenant any special right to sublease his or her unit;

NOW, THEREFORE, RESOLVED, the Board of Directors of the Mutual, by a majority vote thereof, hereby declares that the New Law is not applicable to the Mutual, that no changes to its governing documents are necessary to conform to the New Law, and that shareholders are still prohibited from subleasing their units without the consent of the Mutual.

Dated: _____, 2020 Seal Beach Mutual No. Twelve

_____

_____

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_____

_____

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO ADOPT RULES & REGULATIONS 12-7175-3 - COMMITTEES (NEW BUSINESS, ITEM O)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to adopt Procedure 12-7175-3 – Committees as written.

MUTUAL OPERATIONS

ORGANIZATION OF BOARD

Committees

1. PURPOSE:

To provide procedures and authorizations for committees formed to assist the Board in the conduct of the affairs of the corporation.

2. GENERAL REQUIREMENTS:

2.1. Shareholder Committees
The President appoints committees from among the membership of Mutual 12. (Bylaws Article VI, Section 4)

2.2. Board Committees
A committee of the Board may be appointed upon Board approved resolution (Bylaws Article V, Section 14). The President recommends two or more committee members and leadership for Board committees. The President, as ex-officio member, may choose whether to participate in committee proceedings and, if the Board so resolves, in leadership.

2.3. The Physical Property Committee and the Landscape Committee are standing committees. Other committees may be formed and are considered as ad hoc relating to a particular purpose when necessary.

2.3.1 Unless by Board resolution in compliance with Corporations Code §7212, all standing, and ad hoc committees are advisory.

2.4. The Board may designate a single Board member for an ad hoc purpose.

2.5. All members of a standing committee should meet at least once per month and report update to the Board.

3. Committee Functions

3.1. The job of a committee or Board designees is to gather facts and advise the Board.

3.2. The Board's job is to make informed decisions.

3.3 The President's job is to formalize the Board's decisions. (Succession in the President's absence shall be in accordance with the Bylaws of Seal Beach Mutual No. Twelve, Article VI, Section 5 Vice President).

(November 2020)

MUTUAL OPERATIONS

ORGANIZATION OF BOARD

Committees

4. **Architectural Control is a Mutual 12 Board Responsibility; it is not Delegated**
The Board has authority and responsibility for approval of Physical Property or Landscape work. Any building exterior or interior modification must be approved by Board resolution unless Board approval is on file or clear in policy.

4.1 The President or Physical Committee Chair may approve GRF Building Permit applications that comply with policy except for the following that must be presented to the Board for approval at the earliest regularly scheduled open Board meeting: (1) all exceptions to policy; (2) complete tear-down and rebuilds; (3) remodels or alterations exceeding $_____.

4.2 Committee members, as well as other Board members, monitor contractors, both Mutual and shareholder. Directors may not supervise contractors or their employees. Problems are reported to the Mutual's Physical Property Inspector for resolution. Security can be called when necessary. The Mutual 12 President shall be informed when problems occur.

4.3 The Landscape Committee and the Physical Property Inspector work directly with the Landscape contractor to implement Board approved procedures and projects. The Landscape Committee, as well as other Board members, report shareholder non-compliance with policy problems to the Board for review.

5. **Committee Spending Authority**

5.1 The President and Physical Property Committee Chair have authority up to $1,000.00 on necessary Physical Property repairs and work through Service Maintenance (Policy 12-7622-03). This spending authority may be delegated on appliance and fixture repairs and replacements. Emergency service by an outside contractor such as a midnight flood clean-up can be authorized as well. (Management Agreement FOURTH (f))

5.2 The Landscape Committee Chair has authority up to $750.00 on emergency or necessary repairs.

6. **Other Authorizations and Limitations**

6.1 The Physical Property Inspector has authority up to $1,000.00 (Policy 12-7622-03) for necessary repairs and work. Service Maintenance or an outside contractor may perform such work.

(November 2020)

MUTUAL OPERATIONS

ORGANIZATION OF BOARD

Committees

6.2 The President or the President's designee(s) and the Physical Property Inspector determine what work needs to be done on apartments in escrow, inside, exterior, and garden area – whether at seller's expense or Mutual expense. Unusual cases need to be reviewed by the Board.

6.3 No Mutual 12 Director or committee member is authorized to form or amend a contract with any vendor or contractor, change a Board approved contract, order non-emergency services from Service Maintenance, other than minor standard repairs and replacements, or place Purchasing Orders (Exception, small items such as red flags) without Board approval.

7. Reporting Mutual Business

Officer and Director reports that are attached to or distributed with the Regular Monthly Meeting minutes are only for the purpose of providing information on Board-approved activities and projects. New or alternative concepts or points of view will be considered for placement on the Monthly Regular Meeting Agendas.

Document History

Adopted: Day Month Year Action

Keywords:

Mutual Corporation No. Twelve

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO CANCEL THE DECEMBER BOARD MEETING (NEW BUSINESS, ITEM P)
DATE: NOVEMBER 12, 2020
CC: MUTUAL FILE

I move to cancel the December 10, 2020 Board meeting.