

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SIXTEEN
November 8, 2022
Meeting begins at 1:00 p.m.
Zoom/Video Conference Call Meeting and Conference Rm A

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone upon the Shareholder contacting Mutual Administration and requesting the call-in information. Please submit your information, including your name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

TO PROVIDE COMMENTS DURING MEETING ON ZOOM: In order to make a comment during the open Shareholder forum, the Shareholder must (i) notify their director of their intent to speak during Shareholder open forum, or (ii) submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS

Ms. Isom, GRF Representative
Mr. Stolarz, Building Inspector
Ms. Barua, Portfolio Specialist
Ms. Vasquez, Acting Portfolio Specialist
Ms. Equite, Assistant Portfolio Specialist

4. SHAREHOLDERS' COMMENTS (2-3 minutes per shareholder)
5. **APPROVAL OF MINUTES:**
 - a. Approval of Regular Meeting Minutes of October 11, 2022.
6. **BUILDING INSPECTOR'S REPORT:** Mr. Stolarz
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (pp.3-4)
7. GRF REPRESENTATIVE REPORT Ms. Isom
8. PRESIDENT'S REPORT Mr. Watkins
9. VICE PRESIDENT'S REPORT Ms. Gardette
10. CHIEF FINANCIAL OFFICER REPORT Ms. Isom
11. **UNFINISHED BUSINESS**
 - a. Discuss front yard landscaping options – Drought
 - b. Discuss emergency situation evaluators status.
 - c. Discuss the status of shareholder options for internet/cable tv options.

- d. Discuss the status of the Mutual Social Event calendar.
- e. Discuss the status of the “On Your Own” handouts.

12. NEW BUSINESS

- a. Discuss and vote to approve Monthly Finances. (p.5)
- b. Discuss and vote to appoint an Advisory Director (p.6)
- c. Discuss and adopt a motion on Zinsco Electrical Panels replacement (p.7)
- d. Discuss and adopt 16-7531-1 - Collection Rule (pp.8-15)
- e. Discuss Consent to Receive Notices by Electronic Communication (pp.16-17)
- f. Discuss annual summary newsletter

STAFF BREAK BY 3:00 P.M.

- 13. SECRETARY / CORRESPONDENCE Mrs. Clawson
- 14. PORTFOLIO SPECIALIST’S REPORT Ms. Vasquez

15. COMMITTEE REPORTS

- a. Grounds
- b. Physical Property
- c. Emergency Preparedness
- d. Social Committee Report

16. ANNOUNCEMENTS

NEXT REGULAR BOARD METING: Tuesday, December 13, 2022 at 1:00 p.m. in
Conference Rm A and Zoom/Video Conference Call

- 17. DIRECTORS’ COMMENTS
- 18. ADJOURNMENT
- 19. EXECUTIVE SESSION

STAFF WILL LEAVE THE MEETING BY 4:00 P.M.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Rich Stolarz**

MUTUAL BOARD MEETING DATE: **November 8, 2022**

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
50-E	WINDOWS	BOTH	08/18/22	09/16/22	NO	10/06/22	SWENMAN
53-C	HEAT PUMP	BOTH	10/05/22	12/05/22	NO	MONE	ALPINE HEATING & AIR

Escrow Activity

UNIT#	NMI	PLI	NBO	FI	FCOEI	COE Date	ROF

NMI: New Member Inspect **PLI:** Pre Listing Inspect **NBO:** New buyer Orientation **FI:** Final Inspect **FCOEI:** Final COE Inspect **COE:** Close of Escrow **ROF:** Release of Funds

CONTRACTS AND PROJECTS

CONTRACTOR	PROJECTS
Fenn Pest & Termite 05/2023	Termite Inspections
Fenn Pest & Termite 08/2023	Bait Station
Empire Pipe Sewer Cleaning 12/31/2022	Sewer Cleaning
Johns Landscape/Anguiano Lawn Care	Month to Month
Empire Pipe sewer cleaning is scheduled for half day the week of November 14th	

Site Visits

7

53-C - Reinspected skylight took pictures and discussed with shareholder

51-J - Inspected kitchen sink

53-C - Inspected skylight from roof

Worked with Maintenance to trouble shoot landscape water shut down

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Rich Stolarz**

MUTUAL BOARD MEETING DATE: **November 8, 2022**

50-E - Window Inspection - Signed Off

50-54 - Dry Rot Inspection from Fenn List

53-C - Leak at shower

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE MONTHLY FINANCES (NEW BUSINESS, ITEM A)
DATE: NOVEMBER 8, 2022
CC: MUTUAL FILE

I move to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, an income and expense statement for the Mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of September 2022.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPOINT AN ADVISORY DIRECTOR (NEW BUSINESS, ITEM B)
DATE: NOVEMBER 8, 2022
CC: MUTUAL FILE

I move to appoint Cynthia MacFarland as an Advisory Director to Mutual Sixteen Board of Directors.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND ADOPT A MOTION ON ZINSCO ELECTRICAL PANELS REPLACEMENT (NEW BUSINESS, ITEM C)
DATE: NOVEMBER 8, 2022
CC: MUTUAL FILE

I move to approve 6-year plan to replace electrical panels within Mutual 16 to meet insurance requirements. Mutual 16 will have all remodels of over \$5000.00 require replacing the Zinsco original electric panel by the shareholder. The Mutual will assess the number requiring replacement during the 2023 fire inspection. The mutual will commit to replacing as many panels as financially possible each year and commit to having all panels replaced within six years.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND ADOPT 16-7531-1 - COLLECTION RULE (NEW BUSINESS, ITEM D)
DATE: NOVEMBER 8, 2022
CC: MUTUAL FILE

I move to propose a rule change by adopting Rule 16-7531-1 - Collection Rule and approve 28-day posting of notice of the proposed rule change. The proposed rule change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

COLLECTION AND LIEN ENFORCEMENT RULE AND PROCEDURES FOR ASSESSMENT DELINQUENCIES

PURPOSE STATEMENT

The following is a statement (the "Policy Statement") of the specific procedures, policies and practices employed by _____, a California nonprofit mutual benefit corporation ("Mutual ___") in enforcing lien rights or other legal remedies for default in payment of assessments against its members ("Shareholders"). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7) and incorporates by reference the disclosure provided by Mutual ___ pursuant to California Civil Code Section 5730.

The collection of delinquent assessments is of vital concern to all Shareholders of Mutual _____. Such efforts ensure that all Shareholders pay their fair share of the costs of services and facilities provided and maintained by Mutual _____. Shareholders' failure to pay assessments when due creates a cash-flow problem for Mutual _____ and causes those Shareholders who make timely payment of their assessments to bear a disproportionate share of the community's financial obligations.

Assessments are the separate debt of shareholders. Mutual _____ may employ single collection recourses or combinations thereof as allowed by law. In addition to any other rights provided for by law or described in the governing documents, including, but not limited to the Articles of Incorporation, Bylaws and each Shareholder's Occupancy Agreement ("Governing Documents"), the Board has the right to collect delinquent assessments as stated herein.

WE SINCERELY TRUST THAT ALL SHAREHOLDERS, IN THE SPIRIT OF COOPERATION AND IN RECOGNITION OF THEIR LEGAL OBLIGATIONS, WILL MAKE TIMELY PAYMENTS AND AVOID THE IMPOSITION OF LATE CHARGES AND POSSIBLE RESULTANT LEGAL ACTION, AND REIMBURSEMENT FOR THE COSTS OF SUCH LEGAL ACTION. IT IS IN YOUR BEST INTEREST AND THE BEST INTEREST OF THE COMMUNITY AS A WHOLE TO MAKE YOUR MONTHLY PAYMENTS ON TIME.

REGARDLESS OF WHETHER A LIEN IS RECORDED AGAINST YOUR LEASEHOLD INTEREST DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL SHAREHOLDERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.

BASIC POLICIES AND PROCEDURES

Delinquency reports are made available monthly by Mutual _____'s managing agent to the Board of Mutual _____, identifying the delinquent Shareholder, the delinquent amount and the length of time the assessments have been in arrears. Additionally, to ensure the prompt payment of monthly assessments Mutual _____ employs the following collection and lien enforcement procedures. The policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of Mutual _____'s Board of Directors.

Pursuant to Mutual _____'s Governing Documents, as well as the California Civil Code, the following are Mutual _____'s collection and lien enforcement policies and procedures for assessment delinquencies. Also following, pursuant to Paragraphs 3, 16 and 22, are Mutual _____'s collection policies and procedures for the collection of fines, fees, and chargeable services charged against Shareholders pursuant to the Governing Documents and current law:

1. Assessments; Assessments Due Date. "Carrying Charges" as defined by Mutual _____'s Occupancy Agreement, also referred to as "assessments" in Mutual _____'s Bylaws, are referred to throughout this Policy Statement as "assessments." Assessments are due and payable to Mutual _____, in advance, in equal monthly installments, on the _____ () day of each month. **It is each Shareholder's responsibility to pay assessments in full each month regardless of whether a billing statement is received.** Special assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the special assessment. In no event shall a special assessment be due and payable earlier than thirty (30) days after the special assessment is duly imposed. If a special assessment is payable in installment payments and an installment payment of that special assessment is delinquent for more than 30 days, all remaining installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to late charges and interest as provided herein. Note that the obligation to pay assessments shall not be relieved or modified by the temporary closure and/or modified availability of common area facilities and amenities, absent a moratorium or mandate from state officials, or as otherwise determined at the discretion of the Board of Directors.

2. Reminder Notice; Administrative Collection Fee. If Assessments are not received by Mutual _____ on or before the close of business on the _____ () day of the month (or if a special assessment is not received by Mutual _____ on or before the close of business on the _____ () day after it is due), a Reminder Notice is sent to the Shareholder. PLEASE NOTE THAT TO BE CONSIDERED TIMELY, THE PAYMENT MUST BE RECEIVED BY MUTUAL _____ WITHIN THIS _____ () DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS NOT SUFFICIENT. It is the policy of Mutual _____ not to waive any duly imposed late charges, interest, or collection fees and costs. Each delinquent account shall incur an administrative collection fee, in the amount of _____ Dollars (\$_____) (the "Administrative Collection Fee"), which is charged by Mutual _____'s managing agent to reasonably cover staff's costs to prepare the files for delivery to Mutual _____'s collection agent in order to carry out collection activities authorized hereunder, as well as direct costs incurred in recording and/or forwarding documents in connection with the collection process. (See *Brown v. Professional Community Management, Inc.* [2005] 127 Cal.App.4th 532.) This Administrative Collection Fee may be increased by majority vote of Mutual _____'s Board, and may be collected by Mutual _____'s collection agent on Mutual _____'s behalf, and remitted to Mutual _____'s managing agent, or may be directly collected by Mutual _____'s managing agent. **IT IS THE SHAREHOLDER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THE DELINQUENCY DATE.** All notices or invoices for assessments will be sent to Shareholders by first-class mail addressed to the Shareholder or the Shareholder's designee at his or her address as shown on the books and records of Mutual _____ unless otherwise required by law. However, it is the Shareholder's responsibility to be aware of the assessment

payment due dates and to advise Mutual _____ of any changes in the Shareholder's mailing address.

3. Late Charges; Interest. Assessments not received by the _____ () day of the month will incur a late fee in the amount of _____ Dollars (\$_____), which amount is consistent with statutory authority. Further, both state law and Mutual _____'s governing documents provide for interest on the delinquent assessment, late charges and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed _____ Percent (____%), consistent with Civil Code Section 5650. Such interest may be imposed and collected per the foregoing sentence regardless of whether the Shareholder's delinquent account is referred to Mutual _____'s collection agent for collections. Non-assessment fines, fees and chargeable services are also subject to late charges and interest.

4. Thirty-Day Pre-Lien Letter Notice to Delinquent Shareholder. If full payment of the delinquent amount is not received by the close of business on the thirtieth (30th) day after the date of the Reminder Notice, Mutual _____'s managing agent will send a pre-lien letter (also referred to as a final demand for payment letter) to the Shareholder as required by Civil Code Section 5660 by certified and regular first class mail, to the Shareholder's mailing address of record in Mutual _____'s books and records advising of, among other things required by law, the delinquent status of the account, including an itemized statement of the charges owed by the shareholder, impending collection action and the Shareholder's rights including a statement that the shareholder will not be liable to pay charges, interest and costs of collection if it is determined the assessment was paid on time to Mutual _____, and the right to request a meeting with the Board of Directors of Mutual _____ pursuant to Civil Code Section 5665, the right to dispute the assessment debt by submitting a written request for dispute resolution pursuant to Civil Code pursuant to Article 2 (commencing with Section 5900) of Chapter 10 ("IDR"), the right to request alternative dispute resolution pursuant to Article 3 (commencing with Section 5925) of Chapter 10 ("ADR") and the right to request debt validation. Notwithstanding the provisions of this paragraph, Mutual _____ may cause a pre-lien letter to be sent to a delinquent Shareholder at any time when there is an open escrow involving the Shareholder's leasehold interest, may cause a pre-lien letter to be sent to a delinquent Shareholder if any special assessment becomes delinquent, and/or may turn the delinquent account over to Mutual _____'s collection agent to send a pre-lien letter to a delinquent Shareholder.

5. Recordation of a Lien Against a Delinquent Shareholder's Leasehold Interest. If a Shareholder does not pay the amounts set forth in the pre-lien letter and does not request IDR or ADR within thirty (30) days of the date of the pre-lien letter, or, otherwise, requests to validate the debt in which case the collection process will be placed on hold in order to validate the debt, the delinquent account will be turned over to Mutual _____'s collection agent for collections. The Board shall decide, by majority vote in an open meeting, whether to authorize Mutual _____'s collection agent to record a lien for the amount of any delinquent assessments, late charges, interest, and collection fees and costs, including attorneys' fees against the Shareholder's leasehold interest. If Mutual _____ authorizes Mutual _____'s collection agent to record a lien against the Shareholder's leasehold interest, the Shareholder will incur additional fees and costs for preparing and recording the lien. The lien may be enforced in any manner permitted by law, including without limitation, judicial or non-judicial foreclosure (Civil

Code Section 5700). A copy of the lien will be sent to the Shareholder, via certified mail, within ten (10) days of recordation of the lien.

6. Enforcement of a Lien. Mutual _____'s collection agent may be authorized to enforce the lien thirty (30) days after recordation of the lien, in any manner permitted by law, which may include recording a Notice of Default. Mutual _____ may foreclose the lien by judicial or non-judicial foreclosure when either (a) the delinquent assessment amount totals One Thousand Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments, late charges, interest, and collection fees and costs or (b) the assessments are delinquent for more than twelve (12) months. **YOU COULD LOSE YOUR LEASEHOLD INTEREST AT MUTUAL _____ IF A FORECLOSURE ACTION IS COMPLETED.** A non-judicial foreclosure sale by Mutual _____ to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which your leasehold interest may be redeemed ends ninety (90) days after Mutual _____'s foreclosure sale, per California Civil Code Section 5715(b). The Shareholder will incur significant additional fees and costs if a Notice of Default is recorded and a foreclosure action is commenced against the Shareholder's leasehold interest. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent Shareholder(s) by identifying the matter in the minutes by only the parcel number of the property in which the Shareholder has a leasehold interest. Prior to initiating any foreclosure sale on a recorded lien, Mutual _____ shall offer delinquent Shareholders the option of participating in IDR, ADR, or both IDR and ADR as requested by the Shareholder.

Mutual _____ may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner's separate interest for the delinquent assessment. In any action to collect delinquent assessments, late charges, or interest, the prevailing party will be entitled to costs and reasonable attorney's fees.

7. Inspection of Books and Records. A Shareholder is entitled to inspect Mutual _____'s accounting books and records to verify the amounts owed pursuant to Civil Code Section 5200, *et seq.*

8. Application of Payments. Any payments made shall be first applied to assessments owed and only after the assessments owed are paid in full, shall such payment be applied to late charges, interest, and collection fees and costs, including attorneys' fees.

9. Account Sent to Mutual _____'s Collection Agent In Error. In the event it is determined that the Shareholder has paid the assessments on time, the Shareholder will not be liable to pay the charges, interests, and fees and costs of collection associated with collection of those assessments. If it is determined that a lien was recorded in error, a release of lien shall be recorded within twenty-one (21) calendar days and the owner of the separate interest will be provided with a copy of the release of lien. If the lien was recorded in error, Mutual _____ shall promptly reverse all late charges, fees, interest, attorney's fees, and costs of collection.

10. Payment Under Protest. A Shareholder may but is not obligated to, pay under protest any disputed charge or sum levied by Mutual _____, including but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

11. Right to Dispute the Debt. A Shareholder has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection agent for delivery to Mutual _____ pursuant to Civil Code Section 5900 *et seq.* A dispute, by itself, will not impede Mutual _____'s ability to record a lien.

12. Right to Request Internal Dispute Resolution (“IDR”). Pursuant to Civil Code Section 5670, prior to recording a lien, Mutual _____ offers to Shareholders, and if so requested by a Shareholder, participation in internal dispute resolution (“IDR”) pursuant to Mutual _____'s “meet and confer” program.

13. Right to Request Alternative Dispute Resolution (“ADR”). A Shareholder has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 5925 *et seq.* before Mutual _____ may initiate foreclosure against the Shareholder's leasehold interest, except that binding arbitration shall not be available if Mutual _____ intends to initiate a judicial foreclosure.

14. Right to Request Debt Validation. Under the Fair Debt Collection Practices Act (“FDCPA”), a Shareholder may request that Mutual _____ and/or its collection agent send the Shareholder proof that the debt sought to be recovered is valid, that the Shareholder lawfully owes the debt, and that Mutual _____ and/or its collection agent has the right to collect the debt.

15. Payment Plan Requests. Any Shareholder who is unable to pay assessments will be entitled to make a written request for a payment plan to Mutual _____, or Mutual _____'s collection agent, as applicable, to be considered by the Board of Directors. A Shareholder may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien letter. If such request is mailed within fifteen (15) days of the postmark of the pre-lien letter, the Board will meet with the Shareholder, in executive session, within forty-five (45) days of the postmark of such request, unless there is no regularly scheduled meeting of the Board within that time period, in which case the Board may designate a committee of one or more directors to meet with the Shareholder. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with Mutual _____'s ability to record a lien on a Shareholder's separate interest to secure payment for the Shareholder's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period in addition to a \$___ one-time setup fee. If a payment plan is approved by the Board, additional late charges from the Shareholder will not accrue while the Shareholder remains current under the terms of the payment plan. If the Shareholder breaches an approved payment plan, Mutual _____ may resume its collection action from the time the payment plan was approved. Generally speaking, no payment plan may exceed six (6) months in duration. Any payment

plan which exceeds six (6) months in duration must be accompanied by a written explanation of the reason for the request, which includes documentation of the Shareholder's special circumstances, financial hardship and ability to make the payments requested.

16. Termination of Shareholder's Rights under Occupancy Agreement. Nothing herein limits or otherwise affects Mutual _____'s right to proceed in any lawful manner to collect any delinquent sums owed to Mutual _____ (such as duly levied and imposed assessments, fines, fees and chargeable services, and any associated late charges and interest), or to pursue any other discipline set forth in Mutual _____'s governing documents, including but not limited to a termination of the Shareholder's rights under the Occupancy Agreement and pursuant to the procedures set forth in Article _____, Section _____ of the Bylaws and pursuing an unlawful detainer action or other proceeding which may apply to the eviction of tenants.

17. Release of Lien. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and fees and costs of collection, including attorneys' fees, must be paid in full to Mutual _____.

18. No Right of Offset. There is no right of offset. Shareholder may not withhold assessments owed to Mutual _____ on the alleged grounds that the Shareholder is entitled to recover money or damages from Mutual _____ for some other obligation. Additionally, the obligation to pay assessments shall not be relieved or modified by the temporary closure and/or modified availability of common area facilities and amenities, absent a moratorium or mandate from state officials or as otherwise determined at the discretion of the Board.

19. Returned Checks. Mutual _____ may charge the Shareholder a Twenty-Five Dollar (\$25.00) fee for the first check tendered to Mutual _____ that is returned unpaid by the Shareholder's bank and Thirty-Five Dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, Mutual _____ may also seek to recover damages of at least One Hundred Dollars (\$100.00), or, if higher, three (3) times the amount of the check up to One Thousand, Five Hundred Dollars (\$1,500.00) pursuant to Civil Code Section 1719.

20. Additional Mailing Addresses. Shareholders have the right to provide a secondary address to Mutual _____ for mailing of an additional copy of notices and other correspondence related to collection of delinquent assessments. The Shareholder's request shall be in writing and shall be mailed to Mutual _____ in a way that shall indicate that Mutual _____ has received it. A Shareholder may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, Mutual _____ shall only be required to send notices to the indicated secondary address from the point Mutual _____ receives the request.

21. Charges Subject to Change. All charges listed herein are subject to change upon thirty (30) days prior written notice. After a delinquent account has been turned over to Mutual _____'s collection agent, Mutual _____'s collection agent's charges may vary from Mutual _____'s and are subject to change without prior written notice. Shareholders in collections should rely on Mutual _____ collection agent's charges and statement of account.

22. Notice and Hearing Prior to Suspension of Shareholder Privileges. Until the Shareholder has paid all amounts due, including delinquent assessments, late charges, interest and costs of collection, including attorneys' fees, and duly imposed fines, fees and chargeable services, and associated late charges and interest, the Board of Directors may suspend the Shareholder's right to vote, and suspend the Shareholder's right to use Mutual _____'s recreational facilities and/or the facilities or services provided by the Golden Rain Foundation of Seal Beach after providing the Shareholder with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent Shareholder from the use, benefit and pleasure of the Shareholder's leasehold interest (i.e., the unit).

When the Board is to meet in executive session to consider or impose a monetary charge as a means of reimbursing Mutual _____ for costs incurred by it in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting. (Civil Code Section 5855(a).) The notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a member may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the member has a right to attend and may address the board at the meeting.

23. Overnight Payments. The mailing address for overnight payment of assessments is: _____ Mutual, Attn: Assessments, _____, CA 9_____.

24. Annual Notice to Members. Mutual _____ shall distribute its collection policy to each member during the 60-day period immediately preceding the beginning of Mutual _____'s fiscal year.

25. No limitations. Nothing herein limits or otherwise affects Mutual _____'s right to proceed in any lawful manner to collect any delinquent sums owed to Mutual _____.

BOARD OF DIRECTORS
MUTUAL _____

GOLDEN RAIN FOUNDATION

Seal Beach, California

Consent to Receive Notices by Electronic Communication

This form (“Consent”) is to authorize Golden Rain Foundation (GRF) on behalf of itself and the 16 Mutuals, to communicate with the undersigned via Electronic Communication in lieu of first-class mail or other methods. The phrase “Electronic Communication” includes communication by electronic mail (facsimile and e-mail); televised meetings; conference calling; webcams; electronic message board, network and website; and any other similar means of electronic communication.

The undersigned is a member of GRF and the below referenced Mutual and consents to receive from GRF the following documents by Electronic Communication:

- 1. Notices of meetings of members and/or of the board and committees of GRF/Mutual.**
- 2. Documents concerning GRF/Mutual operations required to be mailed pursuant to their Governing Documents (Articles of Incorporation, Bylaws and/or CC&Rs (Mutual 17) and/or the *Davis-Stirling Common Interest Development Act*.**

The undersigned bears the responsibility to provide notice to the GRF should his/her information change, so as to have a current email address on file with the GRF. This form or the undersigned’s consent to receive notice by Electronic Communication may be submitted by electronic communication. The undersigned understands that this authorization will remain in effect until consent to receive notice by Electronic Communication is revoked, in writing (including by Electronic Communication).

Execution of the Consent waives rights to receipt of information by first class mail. The undersigned is authorized to execute this Consent on behalf of all record owners of the property whose address is below. The undersigned authorizes GRF to communicate to the following electronic addresses:

DATED: _____, 202__

Member’s name (signature)

Member’s name (print)

Email(s): _____

Member’s Mutual

Member’s address

PLEASE RETURN TO: MUTUAL ADMINISTRATION

Via in person drop off; email to mutualsecretaries@lwsb.com; or mail to PO Box 2069, Seal Beach, CA 90740

Revised 10/2022

GOLDEN RAIN FOUNDATION

Seal Beach, California

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DATED: _____, 202__

Member’s name (signature)

Member’s name (print)

Email(s): _____

Member’s Mutual

Member’s address