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WALNUT CREEK MUTUAL FIFTY (MUTUAL 50) POLICIES AND PROCEDURES

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1.0 INTRODUCTION

The name of the corporation is Walnut Creek Mutual Fifty (Mutual 50). The principal office of Mutual 50 shall be in the City of Walnut Creek, Contra Costa County, California or such other place within a reasonable distance from and convenient to the Mutual as the Board of Directors may from time to time designate by resolution. The guiding principle of the Board is to make the governance of the Mutual as open, as accessible, and as helpful as possible.

This set of Policies and Procedures for the Mutual is intended to provide the Board of Directors, the Committees appointed by the Board, the Managing Agent, and the Mutual's Members ready access to information they need to carry out their respective responsibilities and assignments.

These policies and procedures implement and interpret and expand on a number of applicable Federal, State and local laws and regulations, specifically:

1. California Corporations Code,
2. California Civil Code,
3. Common Interest Development Case Law,
4. City of Walnut Creek Building Codes,
5. Restated Declaration of Covenants, Conditions, & Restrictions of the Mutual,
6. Articles of Incorporation of the Mutual, and
7. Bylaws of the Mutual.

The documents named above establish the parameters within which the Board of Directors of the Mutual manages, operates, and maintains the properties of the Mutual as required by the Articles of Incorporation. The Board has considerable latitude in operating within the established parameters.

The overall objectives of the Mutual, in no specific order of importance, are to:

1. Maintain building areas within the control of the Mutual, landscaping, entryway streets, and utilities to high standards as established by experts in the fields involved,
2. Manage finances prudently,
3. Maintain adequate insurance coverage,
4. Avoid exposure of Owners and Board members to unacceptable liability,
5. Maintain communications with Owners as required by the Civil and Corporations Code. Such compliance is by providing access to Board minutes and these Policies and Procedures, distributing financial information, and making necessary disclosures about such things as lawsuits and building defects.

2.0 DEFINITIONS

Any capitalized term used in these Policies and Procedures and not defined below shall have the meaning set forth in the Mutual's Restated Declaration of Covenants, Conditions, & Restrictions, and Bylaws.

2.1 "The Mutual" shall mean Walnut Creek Mutual Fifty (Mutual 50), which has been formed pursuant to the California Nonprofit Mutual Benefit Corporation Law (Corporations Code, Sections 7110-8970) as a nonprofit mutual benefit corporation that functions solely as a community association for management of certain condominium projects in Rossmoor. The Mutual owns no real property.

2.2 "Owner Billable" means costs that will be charged to the Owner of a Unit for work specifically for the benefit of the Owner, or to repair damage caused by negligence; for example, backing into the garage door. Common examples are repairs or improvements inside a Unit and landscaping work for the benefit of one Unit; for example, tree trimming to preserve or improve a view.

2.3 "Mutual Billable" means costs that will be charged to the Mutual and paid from the Mutual's operating funds or the Mutual's reserve funds. The Mutual's operating funds are the Mutual's funds used to pay for such expenses as administration, insurance, landscape maintenance, non-scheduled building maintenance, utilities, and professional services. The Mutual's reserve funds are used to pay for such expenses as scheduled maintenance, repair, rehabilitation, and replacement of the major components of the Condominium Project.

2.4 "Managing Agent" means an agent employed by the Board to manage the affairs of the Mutual. The Board may delegate to the Managing Agent any of its day-to-day management and maintenance duties and powers under the Bylaws and the CC&Rs, provided that the Managing Agent shall at all times remain subject to general control by the Board. The Managing Agent is the Mutual Operations Division (MOD) of the Foundation.

2.5 "Mutual President" means President of the Board of Directors.

2.6 "Mutual Vice President" means Vice President of the Board of Directors.

2.7 "Mutual Secretary" means Secretary of the Board of Directors.

2.8 "Mutual Treasurer" means Treasurer of the Board of Directors.

3.0 OPINIONS OF BOARD MEMBERS

The President or other spokesperson of the Board, when presenting the Board's position to a governmental or private organization, or to the press, shall state in numbers the majority vote by which the Board took the position. A minority position, if any, shall be stated at the same time.

When a Director of the Board is absent from a meeting where a resolution is passed unanimously by the Directors present, that Director does not have the right to go before another body as a representative of the Board and voice a dissenting opinion.

Under Corporations Code section 7231, the Board is entitled to discharge its obligations by relying on its own experts and on outside expert advice. When a Board expert and an outside expert are unalterably opposed, the Board may solicit a third opinion in order to develop an expert consensus. When the Board accepts expert advice, a Director of the Board who disagrees with that decision publicly could jeopardize the Board's protection under section 7231. That Director of the Board may nevertheless disagree at a Board meeting and have that disagreement reported in the minutes and any disclosure of the Board's position to another body.

A Director of the Board may take a personal position that differs from the Member's official position but should be careful not to express the personal position while speaking in an official capacity.

4.0 COMMERCIAL PRESENTATION LIMITS

The Board does not permit commercial presentations at Board or membership meetings, except:

1. By the Mutual's Managing Agent or by a Director, as background for a proposed course of action, and
2. By a commercial representative, with specific approval by the Board in advance of the Board's meeting.

5.0 MEMBERSHIP APPLICATIONS AND CERTIFICATES

5.1 DELEGATION OF AUTHORITY TO ACCEPT MEMBERSHIP APPLICATIONS

The Secretary or any other officer of the Mutual may review applications for membership in the Mutual and accept the applications on behalf of the corporation upon determining that the applicants meet the requirements for membership set forth in the governing documents and the laws of the State of California.

5.2 ISSUANCE OF MEMBERSHIP CERTIFICATES

Membership certificates issued before October 1, 1994 will continue to be handled as required by law.

6.0 FISCAL POLICY

It is the policy of the Board to maintain a sound fiscal condition, to operate with balanced budgets, and to maintain adequate reserves.

6.1 COMPLIANCE WITH CIVIL CODE SECTION 5500

To comply with Civil Code section 5500, the Board shall review the following fiscal items:

1. A current reconciliation of the Mutual's operating account on at least a monthly basis.
2. A current reconciliation of the Mutual's reserve account on at least a monthly basis.
3. The current year's actual reserve revenues and expenses compared with the current year's actual budget, on at least a monthly basis.
4. The latest account statements prepared by the financial institutions where the Mutual has its operating and reserve accounts.
5. An income and expense statement for the Mutual's operating and reserve accounts, on at least a monthly basis.

6.2 INVESTMENT CRITERIA

Operating and reserve funds are augmented by investment earnings. These investments are made according to two prime criteria: accessibility and safety of principal.

Income from investments should never be increased at the expense of accessibility or safety.

To meet the safety criteria, Mutual funds must be invested in either U.S. Treasury notes and bills or in investment accounts such as Savings Accounts and/or Certificates of Deposit as long as these accounts are insured by the Federal Deposit Insurance Corporation or guaranteed by the U.S. Government. The Mutual will not borrow to purchase any security for a Mutual account and will not purchase any security for a Mutual account at a premium above net asset value.

To meet the accessibility criteria, the Mutual's reserve funds may be invested in authorized investment accounts, not to exceed five years maturity from date of purchase. Concurrence by the Mutual Treasurer and GRF CFO is required for investments in excess of three-year maturities.

6.3 INVESTMENT BANKING RESOLUTION

Authority to establish and maintain investment accounts is set forth in a current resolution of the Board.

6.4 OPERATING FUNDS

Income earned by the Mutual's operating fund is credited to the Mutual's operating account. Taxes on that income are paid from the Mutual's operating account.

6.5 RESERVE FUNDS

Income earned by the Mutual's reserve fund is credited to the Mutual's reserve account. Taxes on that income are paid from the Mutual's reserve account.

6.6 RESERVE WORK BUDGETS NOT TO INCLUDE POTENTIAL TRANSFERS FROM OPERATING FUNDS

Beginning with budgets for 2022, reserve work budgets shall not include potential transfers from operating funds.

6.7 RESERVE FUND BALANCES AS SOURCES FOR RESERVE WORK

Predicted reserve fund balances may be included as sources of funds for reserve work for budgeting purposes. Additional, actual reserve fund balances may be added to the reserves expense budget at any time with approval by the Board. All allocations of reserve fund balances to the reserves expense budgets shall be reflected in the monthly financial reports.

6.8 NON-REIMBURSABLE TRANSFERS OF OPERATING FUNDS TO RESERVE ACCOUNTS

Transfers of operating funds to reserve accounts to pay for reserves work without reimbursement from reserve accounts may be carried out only on request by the Board, and only to the extent that the operating funds are adequate, as determined by the Mutual Treasurer.

6.9 REQUIREMENT FOR DIRECT WITHDRAWAL FROM RESERVES FOR CURRENT RESERVES

The Board may establish a threshold expense amount above which current reserves billable expenses of the Mutual shall be paid directly to the vendor by withdrawal from the Mutual's reserve account(s). Such withdrawals of funds require signatures of two of the following three Mutual officers: President, Treasurer, and Assistant Treasurer, and shall be completely documented.

6.10 REIMBURSABLE USE OF OPERATING FUNDS FOR CURRENT RESERVES BILLABLE WORK

The Mutual's operating fund balances in excess of current operating fund needs may be expended for current reserves billable work, with reimbursement from the Mutual's reserves account(s) within 30 days. For purposes of this rule, drawing down an operating fund below current operating needs, on an accrual basis, is permissible if the drawdown is to be reimbursed from reserve accounts before the drawdown is realized on a cash basis.

Two or more expenditures of operating funds for reserves work, other than retention payments, may be reimbursed by a single, completely documented withdrawal from the Mutual's reserve account(s).

Any withdrawal from reserve accounts to reimburse operating accounts requires signatures of two of the following three Mutual officers: President, Treasurer, and Assistant Treasurer.

Reserve funds will not be placed in operating accounts in anticipation of future payments for reserves work from the operating fund. This prohibition applies, without limitation, to the retention payments.

6.11 BOARD APPROVAL REQUIRED FOR ALL LOANS OF RESERVE FUNDS TO OPERATING ACCOUNTS

Loans of reserve funds to operating accounts to temporarily make up shortfalls in the operating accounts are not permitted, except by order of the Board at a regular or special Board meeting to which the owners of the funds have been invited. Any proposal for such a loan shall be accompanied by a repayment plan subject to Board approval.

6.12 RETENTION FUNDS

Reserve funds retained from a contractor to assure satisfactory performance by the contractor may be used by the Mutual to finish work left incomplete by the contractor, but when the work is completed, any remaining retention funds shall be tendered to the contractor. If any such payment is not accepted by the contractor within 3 years after the date of the tender, the contractor shall be sent a notice of potential escheat. If at the end of the fourth year the payment has not been accepted, the retained funds shall be transferred to the State of California.

Payments of retained funds shall be made directly from the reserve accounts, or as individual transactions by the operating funds, with individual reimbursement from the reserve accounts.

Interest of retained funds shall be credited to the Mutual's reserve account.

6.13 MINIMUM LEVELS OF OPERATING FUNDS AND RESERVE FUNDS

To ensure the financial integrity in the Mutual, the following minimum levels for the Operating Fund (defined as monies set aside to pay for the operating expenses during the current year) and the Reserve Fund (defined as monies set aside for repair, removal or replacement of major components within the Mutual).

6.13.1 Operating Fund

The Operating Fund shall be maintained at the beginning of each fiscal year sufficient to cover two months of operating expenses or the entire insurance premium payable annually in advance plus one month's operating expenses, whichever amount is greater.

6.13.2 Treasurer's Review

The Mutual Treasurer shall complete a review of the financial condition of the Mutual and report to the Board as to the progress in repayment of borrowed reserve funds to supplement working capital at the beginning of each year.

The analysis shall also include a review of any plans outlined in writing to the Board to reach the minimum threshold levels for Reserve Funds. It is expected that this information will provide the Board with sufficient information to approve or reject the proposed Mutual budgets for the succeeding year.

7.0 AUTHORITY TO SPEND RESERVE AND OPERATING FUNDS

Authority to spend funds varies with the source of funds, use of the funds, and the amount to be spent, and is governed generally by limits of Board-approved budgets. The budgeted amount for each primary category of expense may not be exceeded except by written consent of the Mutual President (or their Director designee).

7.1 RESERVE FUND EXPENDITURES

The Board adopts a reserve fund expenditure budget for such items as building maintenance, rehabilitation, and roofing each year after input by the Mutual President or their Director designee), outside consultants and the Managing Agent.

The Board adopts a reserve fund revenue budget that may include regular or "coupon" assessments, interest income, and income from special assessments. In addition, the approved budget may provide for using part of the reserve fund balance to cover budgeted expenses in excess of current revenue. Budgeted expenses that rely on special assessments may be authorized only if the special assessments are approved, if required by law, by the Mutual membership. Budgeted expenses that rely on the use of reserve fund balances may be authorized only if the fund balances are sufficient.

The managing agent is authorized to spend reserve funds by contract or work order within limits of the Board-approved budget, subject to limitations stated in the preceding paragraph and subject to approval by the Board; provided all contracts in any amount, and all work orders for goods and services in excess of \$5,000 OR \$50 per unit, whichever is less, shall be signed by the Mutual President or Mutual Vice President and reported to the Board.

Pursuant to Civil Code section 5510, withdrawal of funds from the reserve accounts requires signatures of any two of the following three Mutual officers: President, Treasurer, and Assistant Treasurer.

7.2 OPERATING FUND EXPENDITURES

The Board adopts an operating fund expenditure budget each year after input by the Mutual President (or their Director designee) and the Managing Agent. The operating fund budget may cover, among other things, costs of enhanced landscaping and tree removal.

The Board adopts an operating fund revenue budget that may include an Annual Assessment (Regular Assessment or Monthly Coupon) and interest income. In addition, the approved budget may provide for using part of the operating fund balance to cover budgeted expenses in excess of current revenue.

Budgeted expenses that rely on the use of operating fund balances may be authorized only if the fund balances are sufficient.

The Managing Agent is authorized to spend operating funds by contract or work order within limits of the Board-approved budget, subject to limitations stated in the preceding paragraphs and subject to approval by the Mutual President (or their Director designee) for any expenditure for Building Maintenance and Public Works, and Landscape Maintenance, and provided that all contracts in any amount, and all work orders for goods or services for the Mutual in excess of \$5,000 or \$50 per unit, whichever is less, shall be approved by the Mutual President (or their Director designee) and reported to the Board.

The Managing Agent is also authorized to debit the Mutual's operating account, within limits of the Board-approved budget, for the utility bills, professional services, income taxes, and general and administrative expenses billable to the Mutual on a per-unit basis.

7.3 GENERAL LIMITATIONS ON CONTRACTS AND WORK ORDERS

To be approved without action by the entire Board, all contracts and work orders must meet our general requirements for structure and content, must have been approved by the Mutual President in accordance with policy, must be for expenses within the

Mutual's budget limits, and must be supported where appropriate by suitable scopes of work, specifications, and warranties.

Each contract or work order for reserve fund or operating fund work shall specify a dollar amount. Within budget limits, this dollar amount may be increased, up to a total of \$5,000 or \$50 per unit, whichever is less, with approval by the Mutual President (or their Director designee). Contract and work order amounts at or above \$5,000 or \$50 per unit, whichever is less, may be increased, within budget limits, up to 5% of the original contract amount, with approval by the Mutual President (or their Director designee). Additional increases, within budget limits, require approval by the Mutual President (or their Director designee). Budget limits may not be exceeded except by permission of the Mutual President and approval by the Board.

7.4 URGENCY/INCAPACITY

If the need for an approval is urgent, but the officer is incapacitated, or absent from Rossmoor without having delegated approval authority, the approval authority shall be exercised jointly by the Mutual President (or their Director designee) and the chairperson of the appropriate committee.

7.5 EXPENDITURES FOR EMERGENCY REPAIRS

The Managing Agent is authorized to approve expenditures for emergency repairs. Such expenses must be reported at the earliest opportunity to the Mutual President or Mutual Treasurer if the amounts exceed \$3,000.

7.6 EXPENDITURE OF FUNDS IN EXCESS OF BUDGET LIMITS

Non-budgeted expenditures of fund balances may be permitted when there is an urgent need. All such expenditures must be approved in advance by the Mutual President or Mutual Vice President and reported to the Board. For purposes of this policy, a non-budgeted fund balance expenditure is any use of the year's beginning fund balance other than budgeted expenditures from that balance.

8.0 ENFORCEMENT OF POLICIES

The Board will not enforce any policy that has not been promulgated among the Members of the Mutual.

The Board shall encourage voluntary compliance by all reasonable means before undertaking involuntary compliance action.

9.0 DISTRIBUTION OF WRITTEN MATERIALS

The Mutual's written materials described below are available to all persons who have a corporate need to know the information and are ordinarily distributed as indicated below.

Material	Mutual	Foundation
Minutes of regular Board meetings	Directors and Committee Chairpersons	CEO of GRF and Director of MOD. Secretary may provide information copies to other GRF officials on a need-to-know basis.
Recap of regular Board meetings (Board actions and directives, when produced)	Directors and Committee Chairpersons	Director of MOD. Secretary may provide information copies to other GRF officials on a need-to-know basis.
Minutes of executive sessions	Directors	Secretary may provide information copies to other GRF officials on a need-to-know basis.
Confidential correspondence documents or reports related to resident personal issues.	Directors	Secretary may provide information copies to other GRF officials on a need-to-know basis.
Other correspondence or reports marked "confidential" by the originator.	Recipients specified by the originator	Recipients specified by the originator
Correspondence and reports produced by board services staff relating to Mutual matters	Recipients specified by the originator	Recipients specified by the originator
Correspondence to and from legal counsel	Directors and Officers; Recipients specified by the originator	Recipients specified by the originator.

Minutes and recapitulations are also available in the Board Office to any member on request. Members may read the documents and may obtain copies on payment of a fee to cover the cost of duplication and distribution.

10.0 RECORD RETENTION

The Mutual's corporate records shall be retained only so long as: (1) they are necessary for the conduct of the Mutual's business; (2) required to be kept by statute or government regulation; or (3) relevant to pending or foreseeable investigations or litigation. To that end, the following retention periods shall be applicable for the categories of records described. Documents in these categories shall routinely be destroyed after the retention periods shown, unless good cause exists for keeping a particular record for a longer period.

Document Category	Retention Period
Governing Documents (CC&Rs, Bylaws, Articles and Rules and all amendments)	Permanent
Approved Board and Committee minutes	Permanent
Filings with Dept. of Corporations	Permanent
Operating Budgets, Financial Statements and Reserve Studies per Civil Code Section 1365	Permanent
Attorney Opinion Letters and Similar Correspondence	Permanent
Settlement Documents	Permanent
Insurance policies	Permanent
Federal and State Tax Returns	6 years
Bank statements & cancelled checks	6 years
Cash Receipts and Disbursement Records (including billing/aging ledgers, accounts payable ledgers and vendor invoices)	6 years
General Ledgers	6 years
General Correspondence	5 years
Contracts Which Have Been Fully Performed	4 years after completion of work or services
Warranties	Warranty period + 4 years
Litigation Documents (Pleadings, depositions, etc.)	1 year after completion of litigation
Ballots and tally sheets for elections	1 year after election

11.0 OCCUPANCY OF A MANOR/UNIT

All occupants of a Manor (including guests who stay for more than 21 days) must register at the Golden Rain Foundation Administration Office. The Golden Rain Foundation and the Mutual must acknowledge each registration.

Each occupant of a Manor (other than a guest) must be a qualifying resident or a qualified permanent resident, or a permitted health care resident (as defined in the Civil Code) or a designated occupant. These definitions are summarized below.

A “qualifying resident” or “senior citizen” means a person 55 years of age or older.

To comply with the Civil Code, persons commencing any occupancy of a Unit must include a senior citizen who intends to reside in the Unit as his or her primary residence on a permanent basis. That intention shall be declared at the time of registration.

A “qualified permanent resident” means a person who meets both of the following requirements:

1. Was residing with the qualifying resident or senior citizen prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the qualifying resident or senior citizen, and
2. Was 45 years of age or older, or was a spouse, cohabitant, or person providing primary physical or economic support to the qualifying resident or senior citizen.

“Qualified permanent resident” also means a disabled person or person with a disabling illness or injury who is a child or grandchild of the senior citizen or qualified permanent resident who needs to live with the senior citizen or qualified permanent resident because of the disabling condition, illness, or injury.

“Permitted health care resident” means a person hired to provide live-in, long-term, or terminal health care to a qualifying resident, or a family member of the qualifying resident providing that care.

A “designated occupant” is a senior citizen residing in a condominium unit within the Mutual who is the spouse, parent or child of the owner of the condominium unit and has been designated, in writing, by the owner as the approved occupant for the unit. A spouse living with such a person will also be considered a designated occupant. The owner shall transfer, in writing, all membership rights in the Mutual and Golden Rain Foundation to the designated occupant.

Appropriate forms for such transfer shall be approved and utilized by the Board. A person’s status as a designated occupant shall end upon the death of the owner or transfer of the title to the unit.

No guest may stay for more than 75 days in any consecutive 12-month period.

In keeping with HUD and California Fair Housing standards, no more than three persons may occupy a one-bedroom unit or residence, and no more than five persons may occupy a two-bedroom unit, and no more than seven persons may occupy a three-bedroom unit.

The Board will investigate written reports alleging violation of the occupancy rules and take appropriate steps to ensure compliance.

Occupancy of a manor is further regulated by additional provisions of the Civil Code, by the Mutual Agreements Establishing Covenants, Conditions and Restrictions; by Golden Rain Foundation bylaws; and by the Mutual's Bylaws.

12.0 OWNERSHIP LEASING OF MANORS/UNITS AND TRANSFER

Leasing (renting) is a process by which the Owner of a Condominium receives money or some other consideration in exchange for the right to occupy the Owner's Unit.

To provide the Mutual's Owners the security required for a gated senior citizens' housing development; the following lease requirements shall apply:

1. Each lease must be written on the Mutual 50 Lease Agreement form and approved in writing by the Board. Owners may obtain Mutual 50's Request to Lease and Lease Agreement forms from the Member Records Department at Gateway and shall return the completed forms to the Member Records Department.
2. The Board may approve a proposed lease for occupancy by more than two persons in a 1-bedroom unit and more than three persons in a 2 or 3 bedroom unit, upon a satisfactory showing of need by Owner.
3. An authorized agent of the Mutual will evaluate the proposed lease for compliance with all applicable Governing Documents, including these Policies and Procedures, and recommend action to the Board.
4. The Board hereby delegates to the Mutual President or Mutual Vice President its authority to approve any proposed initial lease.

The Board may impose fines and penalties on an Owner who has leased a Unit without the approval of the Board or whose lessee has not vacated the Unit upon expiration of the Lease Agreement.

13.0 CARPORT AND GARAGE SPACES

13.1 OWNERSHIP LEASING AND TRANSFERS

Carports

The ownership, transfer and leasing of Carports (not appurtenant to any unit) is covered under CC&R 3.14. Among other things, CC&R 3.14 restricts the ownership of an exclusive right to use of a Carport to Mutual 50 Owners. Assignment of exclusive rights to the Carports may therefore only be conveyed to other Owners. The CC&R also requires that agreements transferring or conveying ownership of a Carport be in writing and recorded.

All agreements assigning the right to use a carport, as covered by CC&R 3.15, must be provided to the Mutual 50 Board by delivering a copy of the agreement (i.e., for rental, lease, sale) to the Board Services Coordinator at: Rossmoor, 1001 Golden Rain Road, Walnut Creek, CA 94595.

Deeded Garages

CC&R 3.15 covers the transfer of rights in the 12 Deeded Garages. These garages are exclusive use common area but are not appurtenant to a Unit. Ownership of these garages is restricted to Mutual 50 Owners, and therefore may only be conveyed to other Owners. The CC&R also requires that agreements assigning rights to the Deeded Garages be in writing and recorded.

All agreements, including the sale, lease or rental of a Deeded Garage covered by CC&R 3.15 must be provided to the Mutual 50 Board by delivering a copy of the agreement (i.e., for rental, lease, sale) to the Board Services Coordinator at: Rossmoor, 1001 Golden Rain Road, Walnut Creek, CA 94595.

13.2 RESTRICTIONS ON STORAGE OF PROPERTY OTHER THAN VEHICLES IN CARPORTS

The owner of a carport is responsible for assuring that nothing is kept or stored in the carport except a vehicle (or vehicles).

When articles are stored in a carport in violation of this rule, the Mutual may, after giving 30 days written notice to the owner, remove the articles and store them in public storage at the owner's expense and at the owner's risk.

13.3 NON-VEHICULAR USES OF CARPORTS

Upon application by the owner of a carport, on a form approved by the Board, the Board may permit temporary non-vehicular uses of the carport that are not objectionable to the owner's neighbors.

13.4 NON-VEHICULAR USES OF GARAGES

The parking space in each garage shall be used only for the parking of vehicles, except (1) during the first six months after the beginning of occupancy, and (2) when the occupant's vehicles, if any, are parked elsewhere in exclusive use common areas assigned or leased to the occupant.

13.5 FLAMMABLES

The storage of flammable liquids is prohibited except for solvents such as paint thinner or other volatile liquids smaller than one quart and 20-pound propane tanks (also known as "grill cylinders") stored in open areas.

14.0 PARKING

14.1 PARKING ON NAMED STREETS (TRUST PROPERTY)

Parking on named streets is subject to rules established by the Golden Rain Foundation and is not controlled by the Mutual.

14.2 PARKING

Parking is subject to general rules governing what kinds of vehicles may be parked, where they may be parked, and length of time they may be parked. Only passenger vehicles such as coupes, sedans, golf carts, vans, sport utility vehicles, and pickup trucks not wider than seven (7) feet and no longer than eighteen (18) feet may be parked in the Mutual.

Any vehicle parked in a Mutual road, parking space, driveway, or carport must be currently registered in its home state and in a condition to be driven. However, any vehicle that presents a fire hazard or leaks oil may be excluded from parking, until the deficiencies are corrected, upon written notice by the Mutual President (or their Director designee). The Mutual President (or their Director designee) may also encourage owners of visibly damaged or unsightly vehicles to park the vehicles only in carports or garages.

14.3 PARKING IN ENTRY ROADS – GENERAL RULE

Vehicles may be parked at the side of the entry roads except where the curb is painted red, and not opposite outdoor marked spaces, or opposite driveways, or opposite intersections, or in marked turnout areas, or anywhere that the total width of the entry road (edge to edge) is less than 20 feet, or where suitable offroad parking is available. GRF vehicles and contractors' vehicles may be parked on the roadside, but only during working hours. No vehicle may be parked in any manner that impedes pedestrian use of sidewalks.

14.4 PARKING IN OUTDOOR SPACES

Marked outdoor parking spaces are owned by all of the Condominium owners in the Mutual as tenants in common. The use of parking spaces may be restricted by posting a sign in front of the restricted spaces.

14.5 UNRESTRICTED PARKING SPACES

Parking spaces that are not posted with a sign may be used by Residents, Guests, and Visitors. However, Owners must use their garage and/or carport to store their vehicles before using non-posted parking spaces for this purpose except as allowed under these Policies and Procedures.

14.6 PARKING IN DRIVEWAYS

No vehicle may be parked in any driveway where any part of the vehicle protrudes into the entry way, or interferes with opening a garage door, interferes with access to a garage or manor entry, or impedes pedestrians use of the sidewalk. Vehicles that are wider than 7 feet and longer than 18 feet may never be parked in driveways. No commercial vehicle may be parked in driveways overnight. GRF vehicles and contractor vehicles that are not wider than 7 feet and not longer than 18 feet may be parked in driveways, but only during working hours.

14.7 PARKING IN CARPORTS

Vehicles parked in carports must be contained wholly within the carport structure, with no part of the vehicle protruding into the entry road. Owners/Residents and, with the owners' permission, Guests and Visitors may park their vehicles in the carports at any time. GRF and contractors' vehicles may not be parked in carports.

14.8 PARKING IN GARAGES

Vehicles parked in garages must fit within a 9 foot by 20 foot floor space. Owners/Residents and with their permission, Guests and Visitors, may park their vehicles in the Owner's assigned garage at any time. GRF and contractors' vehicles may not be parked in garages.

14.9 EXTENDED PARKING

Vehicles parked on entry roads or outdoor spaces or driveways continuously for more than 7 consecutive days may be considered abandoned and subject to removal.

14.10 VIOLATION OF PARKING POLICY

Any Owner of a Unit may be subject to a monetary penalty as provided in these Policies and Procedures for any violation of a Mutual Parking Policy by an Owner's family member, lessee, visitor, guest, contractor, or agent.

14.11 AUTHORITY TO TOW

So long as the requirements of California Vehicle Code Section 22658 or comparable superseding statute are met, any unauthorized vehicle or any vehicle parked in violation of the Mutual Parking Policies may be towed to an appropriate storage facility. The owner of the vehicle shall be responsible for all towing and storage costs.

15.0 COMMERCIAL ACTIVITY RESTRICTIONS

The Mutual's CC&Rs prohibit visible, outward indications of professional, commercial or industrial operations in any Unit or Common Area. When an Owner reports to the Board visible, outward indications that such activity is taking place, the Board will investigate.

"Visible, outward indications" includes, but is not limited to:

1. Distribution of advertisements giving a Rossmoor address as a place where goods or services may be purchased.
2. Automobile or pedestrian traffic in or about the Rossmoor address, apparently from clients other than residents.
3. Deliveries of merchandise or office equipment to be used in such activities.
4. Presence of signs, posters or other paraphernalia indicating a business name or other business information on or about a manor, or on a vehicle, or elsewhere in the Rossmoor community.

If the Board determines after investigation that there is substantial evidence showing an owner is conducting or allowing another person to conduct visible, outward indications of professional, commercial or industrial operations in the Owner's unit, the Board shall notify the Owner in writing, setting forth the allegations, and invite the Owner to appear before the Board to discuss the allegations. The Board may impose sanctions in accordance with the Mutual's Policies and Procedures if the Board determines, after the owner has had the opportunity to appear for a hearing with the Board, that a violation of the letter and the spirit of the Mutual's Policies and Procedures has occurred. The Board may impose sanctions for each day that a violative business activity continues after the owner receives a notice of allegations from the Board.

16.0 ASSESSMENTS DUE DATE, DELINQUENT PAYMENTS, AND REFERRAL FOR COLLECTION

To pay all assessments on time, Owners must be aware of payment procedures, and allow ample time for mailing or hand delivery of payments. The Mutual provides coupons for payment of monthly carrying charges. Payments may be mailed directly to the address on the coupon or placed in the drop box at the Administration Office at 1001 Golden Rain Road. Also, an owner or resident may arrange with the Mutual's Managing Agent to have payments automatically deducted from a bank account of the owner's or resident's choice.

16.1 ASSESSMENTS INCLUDED

The assessments referred to in this policy include:

- A. The Monthly Coupon (or Regular Assessment), as set forth in the CC&Rs.
- B. Any Special Assessment approved by the Board (and if required approved by the Members) for such costs of common area construction or demolition, costs related to rebuilding the Mutual after damage or other expenses not included as part of the Monthly Coupon for which a Special Assessment is authorized by California law or the governing documents.
- C. Any Reimbursement Assessment imposed upon an individual owner for damage to the common area pursuant to these Policies and Procedures.

16.2 ASSESSMENTS DUE DATE

All regular and special assessments are due on the first day of each month, unless otherwise specified in the notice of assessment.

16.3 DELINQUENT PAYMENTS

Unpaid assessments become delinquent at 5:00 p.m. on the 15th day of the month. A 15-day grace period is allowed by Civil Code Section 5650(b).

Delinquent payments are subject to a late fee of 5% of the amount of the assessment. Civil Code Section 5650, subdivision (b) permits a late charge of 10% of the delinquent payment or ten dollars (\$10), whichever is greater, unless the declaration specifies a late charge in a smaller amount. The permitted late payment charge is 5% of the amount of the assessment. To reconcile these rules, the late payment charge is set at 5% of the delinquent assessment. The late fee may be waived if the owner arranges for direct payment of the coupon amount by a bank.

The delinquent assessment, the late fee (plus interest at 10% annual percentage rate beginning 30 days after the due date of the assessment) and any other applicable charge will be billed each month, until the account balance is paid in full. It is Mutual Fifty policy not to waive these fees.

Civil Code Section 5650, subdivision (b) allows interest to accrue beginning 30 days after the assessment due date, and also sets the maximum interest at 12%, giving an exemption for homeowner's associations from the general usury limit of 10% in the California Constitution. However, in as much as Golden Rain Foundation is not an association subject to the Civil Code, the interest limit on Golden Rain Foundation's portion of the assessment appears to be limited to 10%. Furthermore, the Mutual CC&Rs limit the interest rate to 10%. For these reasons, the interest rate is set at 10%. Other applicable charges may include, among other things, reasonable collection fees and attorney fees.

Owners are personally liable for delinquent payments that accrued during their ownership. The Board may proceed against these persons in any way available under the law to collect delinquent amounts.

16.4 REFERRAL FOR COLLECTION

Past due accounts that are seriously delinquent may be assigned by the Board to an outside agency for collection.

16.5 OWNER BILLABLE RECEIVABLES

Owner billable means costs that will be charged to the owner of a unit for work specifically for the benefit of the owner, or to repair damage caused by negligence; for example, backing into the garage door. Common examples are repairs or improvements inside a unit and landscaping work for the benefit of one unit; for example, tree trimming to preserve or improve a view.

17.0 EMERGENCIES – HEALTH AND PROPERTY

Residents should be aware that payments may be required for certain kinds of emergency help.

17.1 NON-EMERGENCY PROBLEMS

Residents should take the initiative for reporting non-emergency problems (such as outdoor lights burned out or broken sprinkler heads), any time but preferably on weekdays from 8:00 a.m. to 5:00 p.m. (See the Rossmoor telephone book or web site for the telephone numbers).

17.2 HEALTH EMERGENCIES

Call 911 for a prompt response from the police or fire department in health emergencies. The police or fire department will call for an ambulance and bring paramedics when needed. In addition, Public Safety monitors radio broadcasts arising out of the 911 telephone call and may also respond.

17.3 PROPERTY EMERGENCIES

Call 911 for a prompt response from the fire department in case of fire. Call the emergency telephone numbers listed in the Rossmoor telephone book for help with other property emergencies, for example, a power failure, broken water pipe, or potentially hazardous conditions. If the emergency number is not responsive for any reason, call Public Safety (telephone number listed in the Rossmoor telephone book) to report the emergency.

18.0 GENERAL MAINTENANCE AND REPAIR INFORMATION

The Mutual, as a community association, is responsible for repairs, maintenance, and replacements in the Common Area. This means the buildings as originally built and as upgraded by the Mutual and the landscaping as planted and as upgraded by the Mutual. The Owners are generally responsible for the Condominium Unit and any appurtenant owner-maintained garden area.

18.1 ALLOCATION OF MAINTENANCE COSTS AND CERTAIN UPGRADING COSTS

The Mutual funds pay for:

1. All normal and necessary maintenance in the Mutual' common areas including exclusive use common areas, such as entryways, buildings, walkways, patios, decks, carports, steps, bridges, landscaping, and normal tree trimming.
2. Certain maintenance work in the unit such as painting exterior doors and air conditioners.
3. Clearing of drain lines that are outside of the unit perimeter unless the stoppage is due to misuse by the owner/resident.
4. Upgrades of facilities such as area lighting, sidewalks, building and street signs, and for removing trees to reduce hazards to property or persons.

The Owner pays directly for:

1. Most costs of maintaining a Unit.
2. The cost of maintaining all alterations including alterations to the common property, except that alterations to the exterior of the building will be maintained by the Mutual starting with the first rehabilitation of the building after an alteration has been made.
3. Maintaining an appurtenant owner-maintained garden and the cost of the eventual conversion back to common area.
4. Tree trimming or removal requested by the Owner (and authorized in accordance with these Policies and Procedures on owner-maintained gardens) when the Owner's purpose is to preserve or improve the owner's view.
5. Cleaning of ducts, vents, and fireplace flues.

6. The cost to repair any damage to the common area or to any other condominium unit that is caused by the owners, family members, agents, lessees, guests, or contractors

18.2 ALLOCATION OF INITIAL VISIT AND OVERHEAD CHARGES

The costs of first visits to determine responsibility for the work, and routine overhead charges for work actually performed, will be billed to the party responsible for the work (Mutual or Owner).

18.3 LIMITATIONS ON EXTERNAL REPAIRS AND MAINTENANCE BY OWNERS AND RESIDENTS

Except for touch-up painting by owners and residents, as permitted in the following paragraph, external repairs and maintenance shall be performed only by staff or approved contractors, whether the costs are Mutual billable or owner billable. Owners and residents shall not perform such work personally or engage other persons to perform such work. If an owner or resident initiates such work in spite of this policy, the owner or resident shall be liable for all costs of the work, including costs of restoring or refinishing the work area as necessary.

In order to assure proper preparation and proper selection of exterior paints, all exterior painting shall be carried out by staff or approved contractors, provided however, Owners and Residents may apply properly selected courtesy paint (paint supplied by MOD at no direct cost to the owner) for minor touchup, with advance approval by the Mutual President (or their Director designee).

19.0 INSPECTIONS

The Mutual has general authority to conduct inspections to manage, operate, and maintain the properties. Also, pursuant to the Mutual CC&Rs, the Mutual has the right to enter a Unit in an emergency or when necessary in connection with any maintenance or construction for which it is responsible.

19.1 RESERVE STUDY INSPECTIONS

The Mutual provides for visual inspections of the exterior and structural components of all buildings and other reserve components at least once every three years, as a basis for meeting the reserve study requirements of the Civil Code. Qualified independent inspectors or architects who report directly to the Board make these inspections. The Board will rely on their reports as a guide to additional detailed inspections on which to base the timing, priority, and scope of work to repair, replace, restore, or maintain the major components for which the Mutual is responsible.

19.2 RESALE INSPECTION OF ALTERATIONS

Starting July 1, 2021, in order to evaluate owner alterations to the exterior and interior of buildings, and to grounds, the Mutual shall inspect each property offered for sale. The seller shall pay for the inspection, and for any owner-billable remediation required. The seller is responsible for notifying the Mutual of the intended sale at the time of listing the property for sale with a realtor, or advertising the property for sale, and in any event not later than 21 days before the intended transfer of title. If the seller fails to give timely notice, the Mutual shall conduct the inspection upon being informed of the transfer of title, and the cost of inspection and any owner-billable remediation required shall be borne by the owner of record at the time of inspection.

The report of inspection shall be set forth in a format approved by the Mutual.

19.3 ADDITIONAL INSPECTIONS

The Mutual does not conduct periodic interior inspections, but may inspect the exterior and interior of buildings, and inspect grounds, as needed for the purposes of maintenance.

20.0 OWNER-INITIATED ALTERATIONS – IN GENERAL

Owners are responsible for repair and maintenance costs resulting from failure to comply with the following alteration policies.

20.1 ALTERATION APPROVALS REQUIRED

Owner-initiated alterations to a condominium property may require approval in advance by the Board with advice from the Buildings and Facilities Committee, and the City of Walnut Creek.

20.2 BOARD APPROVAL AND RIGHT TO INSPECT

The Board will consider approving any owner-initiated alteration as to legality, effect on neighbors, and detailed structural design as it affects maintenance costs and building integrity. Starting July 1, 2021, the Mutual requires resale inspections of alterations to Manors. The Mutual also retains a right to inspect as needed for preventive maintenance. If at any time the Mutual discovers an alteration that has not been approved by the Board and the City of Walnut Creek as required, the Mutual will instruct the owners to obtain the required approvals or remove the alteration.

20.3 CITY OF WALNUT CREEK APPROVAL AUTHORITY

City of Walnut Creek permits are required for any alteration involving work subject to the Uniform Building Code.

20.4 ALTERATIONS WITHIN THE BOUNDARIES OF THE UNIT

Except for cosmetic changes, alterations inside the unit (such as adding or changing hard-wired appliances, making openings in walls, or replacing water heaters, air conditioning units or heat pumps) normally require the same approvals (Board and City of Walnut Creek) that are required for exterior alterations.

20.5 CONSTRUCTION IN EXCLUSIVE USE COMMON AREAS

In general, alterations in the exclusive use common area are subject to the same approvals (Board and City of Walnut Creek) that are required for alterations in the common areas.

Schematic diagrams or sketches may be adequate for simple jobs, but for complex jobs like enclosing a deck to provide additional living space, very careful and detailed design and construction drawings by a licensed architect or engineer are required.

Rigid design standards must be followed to eliminate water penetration into the building structure, to avoid the costly repair of dry rot. A licensed architect will review the design at the owner's cost to assure that the waterproofing details and quality of design and materials are adequate to protect the structure from potential damage. The City of Walnut Creek requires permits and will make certain the design meets all applicable building codes.

20.6 CONSTRUCTION IN COMMON AREAS

Owners must obtain written authorization from the Board before undertaking construction, alteration, or permanent installation of such things as patios, decks, fences, sidewalks, and concrete slabs in the common area. An owner who wishes to place objects in the non-exclusive common area must follow these same procedures.

Initially, the Owner must contact the Managing Agent (MOD) to determine if the proposed alteration requires a permit. If a permit is required, MOD will bring the proposal to the attention of the Mutual President. The Mutual President (or their Director designee) will grant preliminary approval or confer with the owner and MOD to discuss modifications that might make the proposal acceptable. Once the proposal is accepted by the Mutual President (or their Director designee), the owner must contact MOD to determine the necessary additional steps, which could include:

1. The owner issuing written notice to all other owners in the Mutual who might be affected by the proposed alteration, telling them precisely what is proposed, and obtaining their written approval for the alteration.
2. The owner submitting a Resident Alteration Agreement to the Buildings and Facilities Committee and the Board for approval.

3. The owner obtaining City of Walnut Creek permits.

20.7 UNIFORM REQUIREMENT FOR AS-BUILT DRAWINGS

Contractors performing alteration work are required to submit "as-built" drawings to MOD upon completing the work.

20.8 RESPONSIBILITY FOR MAINTENANCE OF ALTERATIONS

Owners are responsible for maintaining alterations and are responsible for any impact of an alteration on the common area. Exceptions may be specified in the alteration permit. Where maintenance of the common area involves disturbing an approved alteration, the alteration shall be restored at the owner's expense unless the Board, on request by the Mutual President, requires the Mutual to pay for the restoration.

20.9 UNAUTHORIZED ALTERATIONS

If the Owner of a Manor makes an alteration without obtaining the necessary permits, the alteration may be permitted to remain in place if it was one which would have been allowed had an alteration permit been obtained at the time the alteration was made. The Owner will be required to obtain the proper permits and pay the applicable fees, based on the current fee schedule. If the alteration would not have been authorized in any case, the manor must be restored to its original condition at the owner's expense.

If the alteration was made prior to the present Owner purchasing the Manor, during a period when the Mutual did not conduct resale inspections, then before the alteration is allowed to remain in place and any entry is made in the Manor's alteration records, the specific authorization of the Mutual President and/or the Board of Directors must be obtained.

Relocation or replacement of an air-conditioner unit or heat pump, requested by an Owner, will be at the Owner's expense. The Owner must request approval of the Board, in addition to obtaining a Resident Alteration Permit from Mutual Operations. The air-conditioner unit or heat pump must comply with the standards and requirements specified by the Mutual for such installations.

20.10 OWNER-INITIATED ALTERATIONS: BALCONY AND ENTRYWAY FLOOR COVERINGS

An Owner who wishes to install or replace a floor covering on a balcony must obtain approval of a Resident Alteration Agreement by the Board before work is begun. Installations of coverings (such as carpets and ceramic tile) will be approved only if:

1. Incorporating an architect-approved "waterproof membrane;"

2. Installed according to architect-approved procedures by installers certified by the covering manufacturer; and
3. Applied with architect-approved adhesives.

The use of nails, screws, or any device that could penetrate the waterproof membrane is not allowed.

An Owner who wishes to install or replace a floor covering over a walkway at the entryway to a manor, or over an elevated walkway or landing, must obtain written approval by other owners who use the same walkway, entryway, or landing. The Owner must also obtain approval of a Resident Alteration Agreement by the Board before work is begun. Such coverings will be required to be of architect-approved construction using architect-approved adhesives, to avoid damage when the coverings are removed.

20.11 OWNER-INITIATED ALTERATIONS: ENCLOSURES

If an owner applies for approval of a Resident Alteration Agreement to enclose an area beneath an open deck, the Board may require consent and/or waivers by all affected owners. The Mutual will also inspect the deck above and will require, as a condition of approval, waterproofing of the deck above at the expense of the applicant.

20.12 OWNER-INITIATED ALTERATIONS: HOSE BIBBS

Hose bibbs or drip irrigation systems placed, installed, or used on above-grade balconies (for watering plants or for any other use) have led to dry rot problems and are not permitted. Unauthorized installations must be removed at the owner's expense. Any dry rot resulting from such installations will be repaired at the expense of the owner of the hose bibb or drip irrigation system.

Such previously approved hose bibbs and drip irrigation systems on above-grade balconies must be removed at the owner's expense within 30 days' notice from the Board.

Alteration permit requests for properly designed hose bibb installations at ground level and for concrete slabs on grade will be considered for approval by the Board.

20.13 OWNER-INITIATED ALTERATIONS: SPAS

Spas are not allowed.

20.14 OWNER-INITIATED ALTERATIONS: FENCES AND WALKWAYS

Anyone wishing to install a fence or walkway must apply for an Alteration Permit.

Fences are not allowed if they are an encroachment on common property.

Placing nonhazardous walkways in Common Areas or Exclusive Use Common Areas by residents is an alteration that requires approval as to the style and placement by the Board. A non-hazardous walkway has a uniform, even, and non-slip surface that does not rise more than 1/4-inch above adjacent surfaces.

Walkways installed by the Owner without permits may remain when reported, provided the owner obtains an Alteration Permit.

Hazardous walkways installed by the Owner, with or without a permit, will be removed when reported and in any event not later than the time of resale. MOD Landscape will determine whether or not the walkways are hazardous. In cases of a dispute, they will consult with the Mutual President (or their Director designee).

Walkways required for access to a device attached or adjacent to a building may, with the Mutual President's (or their Director designee's) approval, not be considered an encroachment. Such devices may include hose bibbs, electric meters, and heat pumps.

20.15 HARD SURFACE FLOORING AND OWNER INITIATED ALTERATIONS - UPPER UNITS

Any flooring that fails to comply with CC&R Section 4.11 shall be removed and replaced at the Owner's expense, within 60 days of Owner's notification/direction by the Board and, if the Unit is being refinanced or conveyed, no later than before the close of escrow, refinance or time of sale or transfer.

Any owner wishing to change a carpeted surface to a hard surface flooring shall first apply for such alteration with Mutual Operations. The Mutual Board will consider the application, assisted by its Buildings and Facilities Committee.

Any noncompliance with flooring requirements must be disclosed to prospective purchasers. Sellers of Units are required to bring that Unit into compliance with Section 4.11 at the time of a sale, as stated above.

Additionally, all sellers must disclose Section 4.11 and this policy, and incorporate the policy into all sales agreements. Failure to comply with this policy is sanctionable up to \$1,000 per month until compliance.

20.16 OWNER-INITIATED ALTERATIONS: HARD SURFACE FLOORING – LOWER UNITS

All other flooring installations, including hard surface flooring, those requiring a change in materials, or the installation of hard surface flooring where there was previously soft surface flooring, require an alteration permit.

20.17 OWNER-INITIATED ALTERATIONS: HARD SURFACE FLOORING REFINISHING

Wood floor refinishing can expose workers, building occupants, homeowners, and residents of the surrounding neighborhood to a variety of health and safety hazards. For this reason, Manor hardwood floor refinishing requires approval of the Board via the Alteration Application. Only water-based non-flammable floor finishing products with flash points at or above 100° F are permitted for hardwood floor refinishing in the Mutual Manors. Additionally, if floor sanding is required, a dust capture and/or ventilation system will be required as part of the Alteration Application.

20.18 RESALE RESTRICTIONS

If upon resale inspection a manor is found to have an Owner Maintained (Private) Garden, permitted or not, the buyer has two options. The buyer may assume the responsibility for the garden. If so, the seller must obtain an Owner Maintained (Private) Garden Permit if one does not exist. If the buyer does not agree to assume the responsibility for the garden, the seller must restore, at the seller's expense, the garden to landscaping that is acceptable to the MOD Landscape Department. If this is not done before closing, funds will be put in escrow to cover the restoration expense.

20.19 OWNER-INITIATED ALTERATIONS: OWNER MAINTAINED GARDENS

Owner Maintained (Private) Gardens are not encouraged, but they are permitted so long as they meet certain criteria. Owner Maintained Gardens require permits from the Board. The permit form is found below.

20.19.1 Restrictions

Owner Maintained (Private) Gardens are subject to the following restrictions. The garden:

1. May not direct irrigation water onto a building
2. May not obscure the view of another resident or extend the landscaped area
3. May not include stepping stones
4. May not include trees except those existing and replacement trees planted by the MOD Landscape Department or Mutual Landscape Committee
5. May not include plants over two feet tall within three feet of a building
6. Must include plants that are drought tolerant, deer and gopher resistant, and require low water use.
7. Must keep soil at least two inches below any siding

20.19.2 Maintenance

Owner Maintained (Private) Garden maintenance is the sole responsibility of the owner. Irrigation protocols (times or pressures) will not be modified to accommodate the garden and the Mutual is not responsible for plant loss due to irrigation problems. The

gardeners will try not to damage any planting. The Mutual will not assume any responsibility should damage occur. Contractors working on the buildings will try not to damage plantings. Should damage occur, the Contractor and the Mutual are not responsible. Owners are responsible for moving plants in plant containers to avoid damage during construction or painting.

Owner maintained shrubs may be pruned by the Mutual at owner expense if the owner does not prune them within 15 days after pruning is requested by the MOD Landscape Department or Mutual Landscape Committee.

Corrections required for owner modifications of the landscaping or irrigation are owner billable.

20.19.3 Landscape Improvements Not Requiring a Private Garden Permit

An Owner may wish, at their own expense, to improve the commercial landscaping. This is allowed without a permit as long as it does not significantly expand the landscaped area, maintenance expense or water usage, as interpreted by the Board and the Mutual Landscape Committee. The improvements must enhance the existing landscape, not significantly alter it, and must not include new plants in the ground.

20.19.4 Permit Revocation

Owner Maintained (Private) Garden Permits may be revoked for violation of the restrictions in section 20.19.1, or improper maintenance upon complaint of another resident or the MOD Landscape Department. Resident complaints should be directed to the Board in writing. If the Board determines that the complaint is valid, the owner will be given written notice that the defect(s) must be corrected within fifteen days at the owner's expense. If the owner refuses to correct the defect(s), the permit will be revoked and the owner must restore, at the owner's expense, the area to landscaping that is acceptable to the MOD Landscape Department. If the owner refuses to restore the landscaping, MOD will do the work and bill the owner. Owners may appeal these decisions by writing the Mutual President asking for a Board review. The Board decision is without further appeal.

20.19.5 Permit Procedure

An Owner must complete the following Private Garden Application and submit it to the Board who will be assisted by the Mutual Landscape Committee.

MUTUAL 50 APPLICATION
TREE REMOVAL OR TRIMMING, OR PRIVATE GARDEN

A. Applicant: Please complete Section B, then forward the form to the Mutual 50 Landscape Supervisor, Mutual Operations Division, 800 Rockview Drive, Walnut Creek, CA 94595

B. Date of Request _____

Name of applicant _____

Name of Owner, if not applicant _____

Tree or Garden location (Include Drawing or Picture) _____

Request is for Tree Removal Trimming /Crepe Myrtles Private Garden

Reason for request _____

Owner signature _____ Date: _____

C. MOD Landscape Supervisor _____ Date: _____

Approve/Disapprove _____ Signature: _____

D. Neighbors opinions

Address _____ Signature _____ Approve/Disapprove

Address _____ Signature _____ Approve/Disapprove

Address _____ Signature _____ Approve/Disapprove

Address _____ Signature _____ Approve/Disapprove

Address _____ Signature _____ Approve//Disapprove

E. Mutual 50 Landscape Committee Representative _____ Date: _____

Approve/ Disapprove _____ Signature: _____

F. Mutual 50 President _____ Date: _____

Approve/Disapprove _____ Signature: _____

Neighbors, Landscape Representative, and Mutual President: Please sign and date your entries. Please state any reason for disapproval on the reverse side.

20.20 OWNER INITIATED ALTERATIONS: CAMERAS

In addition to those general requirements of Policies 20.5 and 20.6, the following specific requirements apply to a grant of permission for installation of a camera in Common Areas and Exclusive Use Common Areas:

1. The Owner/applicant shall, in all cases, provide written notice to all other Owners who may be affected by the camera installation. Such notice will include the proposed location of the camera and the range of view of the camera. At a minimum this will include neighbors residing in the same building as well as Owners whose Units are potentially in view of the camera.
2. The range of the camera must be limited such that it does not infringe on the privacy of another owner (i.e., a view of the windows, doors, interior garage, or Exclusive Use Common Areas of other Owners). Video and audio recordings captured by the camera shall be maintained or released by the Owner and are confidential. It shall not be publicly shared or published electronically (internet), absent a request from law enforcement or fire officials.
The President of the Mutual may also authorize additional access to and use of the material when he/she deems circumstances warrant such use.
3. The Owner/applicant shall sign a statement promising to abide by these Policy conditions, along with drawing of the camera's location and range of view, as a condition of being permitted to install the camera. The Owner shall pay for any electrical power required to operate the camera system.
4. Upon transfer of ownership, the camera will be removed unless the new Owner assumes responsibility for compliance with the above conditions, either by endorsement of the selling Owners statement and drawing, or by signing a new statement to that effect.

21.0 RESTRICTIONS ON USES OF DECKS, PATIOS, AND ROOFS

To preserve appearances and prevent damage to open decks, balconies, and patios, and for safety reasons, owners and residents must refrain from placing electrical appliances on open decks, balconies, or patios overnight, refrain from crowding or overloading decks and balconies, and refrain from over-watering plants on decks and balconies. Since decks, balconies, and patios are exposed to public view, residents must make a concerted effort to keep decks, balconies, and patios neat. These areas are not to be used as storage areas.

21.1 USE OF ELECTRICAL APPLIANCES

Electrical appliances that require access to electrical power overnight shall not be placed on open decks, balconies, or patios. Such appliances include, without limitation, refrigerators and freezers. Temporary connections for other electrical equipment such as leaf blowers and barbeque spit motors are permitted.

21.2 CROWDING DECKS/PATIOS/STAIRWAYS

Objects, including potted plants, should not be placed where they will interfere with passage across stairways or impede access to handrails. There must be a clear passageway of at least three feet from the center of the plant's pot to the stairway's nearest handrail.

21.3 OVERWATERING OF PLANTS ON DECKS AND BALCONIES

All plant containers on decks, balconies and elevated walkways must be placed in water-tight saucers or the equivalent to prevent overflow and leakage; plant containers must be elevated at least one inch above the surface to allow evaporation of moisture from any source. The elevated containers should be moved periodically to prevent wear spots on the surfaces. Plants may be watered only with water cans. Hoses in any form are not allowed. Overwatering is to be avoided to prevent continual wetting of the balconies and/or deck and runoff to the other decks below. To the extent that overwatering promotes dry rot, the Owner shall be held liable for repairs.

21.4 RESTRICTION ON USE OF ROOFS

To prevent damage to the roofs of the Manors, garages, and carports, no objects or personal property of any kind or nature, including but not limited to flowers, pots, shrubs and statues, shall be displayed or placed upon the roof of any Manor or garage or carport: provided, solar energy panels and roof penetrations for improved lighting may be installed under Mutual-approved alteration permits.

22.0 OWNER REQUESTED REMOVAL OR TRIMMING OF TREES

22.1 RESPONSIBILITY FOR COSTS

All owner requested tree removal or trimming beyond necessary maintenance is Owner Billable. The cost of the work plus the cost of required City of Walnut Creek permits will be borne by the Owner.

Owner requested tree removal or trimming must be done according to International Society of Arboriculture (ISA) standards. The work must be performed by MOD-approved contractors to ensure compliance with local laws. If a Resident arranges to have a tree trimmed or removed without permission or with a contractor that is not preapproved, steep fines apply.

22.2 REQUEST PROCEDURE

Any owner who wishes to have a tree removed or trimmed shall initiate a request on the form provided (see section 20.19.5).

After signing the request, the owner shall send the form to the Mutual 50 Landscape Supervisor at MOD. The Landscape Supervisor shall evaluate the request and disapprove it, after conference with the Board, or approve it.

Upon approving a request, the Landscape Supervisor shall return it to the applicant with a list of the addresses of neighbors who should approve or disapprove it. The applicant shall obtain the signatures of the neighbors identified by the Landscape Supervisor, and return the request form to the Landscape Supervisor, who shall forward the form to the Mutual President for final approval.

The Mutual President shall obtain a recommendation and signature from the Mutual Landscape Representative (if any), then approve or disapprove the request, and return the completed request form to the Landscape Supervisor for distribution.

22.3 APPEALS

The applicant may appeal any neighbor's disapproval to the Mutual President, who shall have authority to agree with or overrule the disapproval. The Mutual President's decision is final.

23.0 FIREPLACES

The maintenance of manor fireplaces and their flues is the responsibility of the manor owner. Creosote and resins are by-products of burning wood or other materials. If allowed to build up in fireplace flues they present a fire hazard. The Mutual agrees with the U. S. Fire Administration recommendation that frequently used fireplaces and their flues be inspected and cleaned by a "Certified Inspector" every year. During ownership each owner should decide when their fireplace should be inspected and cleaned depending on how often it is used.

When a manor is sold, the Mutual requires that its fireplaces and flues, regardless of use frequency, have a Level 2 inspection by an inspector certified by the Chimney Safety Institute of America and Fire Investigation Research Education. Necessary cleaning and repairs must be completed, and a "Certified Notice of Completion" given to Mutual Operations before close of escrow.

24.0 SMOKE ALARMS

General Requirements:

The California Building Code and Health & Safety Code section 13113.7 require that each Unit have smoke alarms. Therein, smoke alarms must be approved by the California Fire Marshal. This code places responsibility for compliance on the Unit Owners. However, CC&R Section 6.21 mandates a role for the Mutual, to assist Owners in achieving compliance. Owners still play a critical role in this process as described below. The Building Code specifies installation in every bedroom and one in the connecting hallway, at minimum.

There are two types of smoke alarms in Mutual 50 units: wired A/C electrical-powered and battery-operated. For purposes of these governing documents (see CC&R Section 6.21), "smoke alarm" shall have the same meaning as "smoke detector." The Mutual shall install and replace alarms every 10 years, or sooner, if necessary. Both types of the Mutual-installed alarms do not have replacement batteries that need replacement during the alarm's lifetime. The Mutual shall maintain and replace the battery-operated

smoke alarms that the Mutual has installed in each unit, as provided for in CC&R Section 6.21, as well as those that are A/C-powered. Owners or other parties shall not remove, disconnect, or disable these alarms. Each Owner shall test each alarm by pushing the test buttons at least once per month. Owners shall notify the MOD Work Order Desk if an alarm does not sound or other testing problems occur.

The Residents of each Unit are responsible to:

- Clean the outside of each alarm at least once a year and push the test button at least once a month; or perform each function according to the manufacturer's instructions, if more frequently required.
- As required by CC&R Section 6.21, maintain and replace any additional smoke alarms they or previous residents have installed.

The Mutual and/or MOD has the right to periodically inspect Units for compliance, including during remodeling or unit sale. The MOD enforces compliance under the authority granted by the Mutual. In the event of remodeling/alteration or sale, MOD will inspect to assure the alarms operate properly. Owners shall pay for any costs to keep the alarm system in compliance as a result of that Owner's alterations.

1. A/C-powered Smoke Alarms

The Mutual shall install, maintain, and replace the AC-powered smoke alarm installed in each hallway of a unit and the exterior sound system (horns or bells). When this smoke alarm beeps or makes similar sounds, it should cause the exterior sound system to alarm. Owners or other parties shall not remove, disconnect or disable these alarms or exterior horns or bells. Each Owner is responsible for testing the alarm and sound system by pushing the test button at least once per month. Owners shall notify the MOD Work Desk if a smoke alarm or exterior horn or bell does not sound, or other testing problems occur.

2. Battery-operated Smoke Alarms

The Mutual shall install, maintain, and replace battery-operated smoke alarms that the Mutual has installed in each unit, as provided for in CC&R Section 6.21. Owners or other parties shall not remove, disconnect, or disable these alarms. Each Owner shall test each alarm by pushing the test buttons at least once per month. Owners shall notify the MOD Work Order Desk if an alarm does not sound or other testing problems occur.

3. Additional Smoke Alarms

Owners are to test and maintain any additional Smoke Alarms in their units. Further, they are to replace these alarms when they no longer operate. Finally, Owners are encouraged, at their own expense, to install additional smoke alarms where appropriate for safety. Responsibility for these Smoke Alarms lies with Owners, including maintenance and testing as recommended by the manufacturers. The Mutual and MOD are available to educate and assist Owners in these regards, as well as for other described in Policy 24 herein.

24.1 CARBON MONOXIDE DETECTORS

General Requirements:

California Health & Safety Code Section 17926 mandates that the owners of

residential units install carbon monoxide detectors (CMD's) in any building with fuel-burning appliances (e.g., fireplaces, water heaters, furnaces, stoves, ovens). Therein, Carbon monoxide detectors must be approved by the California Fire Marshal and meet ANSI/UL 2034 standards. Detectors must be placed:

- Outside each separate sleeping area in the immediate vicinity of the bedrooms.
- In any bedroom containing a fuel-burning appliance or adjacent to a bathroom containing such an appliance.

There are two types of CMD's in Mutual 50: A/C powered and battery-operated.

1. A/C Powered Hallway Carbon Monoxide Detectors

The Mutual shall install, maintain, and replace the AC-powered CMD's installed in the hallway of each unit. The Mutual and/or MOD has the right to periodically inspect units for compliance, including during remodeling or unit sale. The MOD enforces compliance under the authority granted by the Mutual. In the event of remodeling/alteration or sale, MOD will inspect to assure the alarms operate properly. Owners shall pay for any costs to keep the alarm system in compliance as a result of that Owner's alterations.

Owners or other parties shall not remove, disconnect or disable these detectors. Each Owner is responsible for testing the alarm and sound system by pushing the test button at least once per month.

Owners shall notify the MOD Work Desk should CMD testing problems occur.

2. Additional Carbon Monoxide Detectors

Owners are to test and maintain any additional CMD's, mostly battery-operated, in their units. Further, they are to replace these detectors when they no longer operate. Finally, Owners are encouraged, at their own expense, to install additional battery-operated CMD's where appropriate for safety. Responsibility for these battery-operated CMD's lies with Owners, including maintenance and testing as recommended by the manufacturers. The Mutual and MOD are available to educate and assist Owners in these regards, as well as for other detectors/alarms described in Policy 24 herein.

25.0 PETS

Most pets do not cause any trouble and are a source of pleasure and satisfaction to their owners. However, some cause acute distress to neighbors. Therefore, pet owners must observe the following policies and guidelines.

25.1 NUMBER OF PETS

The raising, breeding or keeping of animals in a Unit or Common Area is prohibited. Dogs, cats, or other domestic household pets may be kept in Units (although not for commercial purposes) subject to the restrictions set forth below. One or two domestic pets may be kept in a Unit at any one time. However, the Board may disallow keeping of individual pets the Board determines to be noisy, obnoxious or unsanitary.

25.2 LEASH RULE

Dogs and cats must be leashed at all times when outside the Manor or Patio/Deck. A dog park area is located adjacent to the Tice Creek Fitness Center parking lot where owners may allow their dogs to run unleashed (but under control).

Pet pens are not allowed on common property, either for exclusive use or non-exclusive use (i.e., front entry porches, or rear decks/balconies/patios). Welded wire fences matching the color of the wrought iron handrails and posts of no more than two feet in height are allowed.

25.3 SANITATION RULES

To prevent unsightly damage, pets must be restrained from defecating on lawns. Pets are not allowed to defecate on any Deck, Balcony, or Patio, or any outside portable pet potty. Pet waste stations or systems are not allowed on any Deck, Balcony, or Patio

The pet owner is responsible for cleaning up and removing any feces left by a pet in any area of Rossmoor. The feces must not be disposed of in storm drains or other outside areas. Trash collection bins may be used for disposal of bagged feces.

25.4 DOGS

Dog owners must prevent excessive barking by their pets. Dogs that are left alone or frightened may bark intermittently for hours. Even a dog barking inside a manor can be distracting. Also, dog owners must not tie up their pets outdoors.

25.5 FINES AND PENALTIES

Repeated violation of these policies may cause imposition of fines and penalties to the Unit owner.

26.0 BIRD FEEDERS AND WILDLIFE

Rossmoor is a haven for wildlife of many kinds, some benign, others, such as rats and gophers, less so. Our landscaping and the wild areas surrounding Rossmoor provide a variety of food and shelter, all that the wildlife require. As a result, there is no need to put out additional food. In fact, since both the desirable animals and the undesirable animals tend to enjoy the same food, the mix of animal life that scattered food will attract is not one that residents want in Rossmoor.

Therefore, providing or scattering of birdseed, or feeding turkeys, deer, or all other wild, feral, or domestic animals outside the Condominium Unit is not permitted because it attracts rats, gophers, and other rodents.

Hummingbird feeders must not drip the sugary feed on the ground or any building structure lest ants be attracted to it.

Repeated violation of these policies may cause imposition of fines and penalties to the Unit owner.

27.0 OWNER ACCESS TO MEMBERSHIP LISTS

27.1 CONDITIONS FOR ACCESS

Any member of the Mutual who wishes to inspect or obtain a copy of the list of names and addresses of the Members of the Mutual, should submit a written request to the Board of Directors Mutual 50 at 1001 Golden Rain Road, Walnut Creek, California 94595, stating the purpose for which the membership list is requested. The purpose must be related to the Owner's interest as a Member. If the Board reasonably believes the information will be used for business or solicitation purposes, or where the Board provides a reasonable alternative, the Board may deny the Member access to the list. Members should allow the Board five business days to meet the request for inspection,

and 10 business days (or ten business days after any later list compilation date specified in the request) to produce a copy of the list.

Given this time constraint, the Board has delegated its authority to determine relevance of the demand to the requester's interest as a Member to the Secretary of the Mutual, who shall consult with the Mutual President or Mutual Vice President before making the determination. All such determinations shall be reported promptly to the Board. If the Secretary is not available when the demand is received, the Secretary's authority shall be assumed by a presidential officer. The Mutual may charge a reasonable fee to cover copying and mailing costs. The Mutual may instead deliver a written offer to the requester, within 10 business days after receiving the request, of an alternative method of achieving the purpose of the request without providing access to or a copy of the membership list.

27.2 MEMBER'S RIGHT TO "OPT OUT"

Any member who does not want their name, property address, and mailing address revealed to any requester may "opt out" of sharing this information, by submitting a written request to opt out to the Secretary of the Mutual.

The Mutual is required to provide the requesters with an alternative way to reach the opters-out. If the purpose is to mail written material to the members, the Mutual will provide the requester with the names, property addresses, and mailing addresses from the membership list requested, except the names, property addresses, and mailing addresses of the opters-out. The list may be a machine-readable file, a printout of such a file, or mailing labels. The Mutual will mail a copy of the written material to each opter-out on the membership list requested, and include a note identifying the requester. These copies shall be sent by US mail in envelopes bearing the Mutual return address. The requester shall pay a reasonable charge for all costs of producing the membership list and sending copies of the written material to the opters-out. In no event shall the Mutual copy, stuff, address, or provide postage for the material that the requester is mailing directly.

If the requester's purpose is other than to distribute written material, the Mutual will provide the mailing list as above. The Mutual shall notify the opters out of the request by US mail. The requester shall pay a reasonable charge for all costs of producing the membership list and giving notice to the opters-out.

28.0 OWNER ACCESS TO BOARD MINUTES

Owners have access to minutes of the meetings of the Mutual Board in accordance with the California Civil Code and the California Corporations Code.

Owners should address requests for copies of the meeting minutes to the Board of Directors Mutual 50 at 1001 Golden Rain Road, Walnut Creek, California 94595.

29.0 RESOLUTION OF LOCAL CONFLICTS

Owners (and Residents on behalf of Owners) who wish to call attention to problems such as unruly behavior, unsafe or illegal parking, other disruptive activities, threats, violence, or safety and health hazards should:

- Dial 911 in case of an emergency,
- Notify the Golden Rain Foundation's Department of Public Safety.

Less urgent matters of local concern such as parking problems, landscaping problems, or disagreements among Residents will be resolved locally (within the individual building or entry) whenever possible. If a problem cannot be resolved locally, the Members concerned will refer the matter to the Board for action. The Board may take whatever measures it deems necessary and proper to resolve the issue, including a formal hearing or vote of the Mutual owners.

30.0 ADR / ALTERNATIVE DISPUTE RESOLUTION

In addition to the procedures stated in the CC&Rs, California Civil Code Section 1354 addresses Owners' rights to sue the Mutual or another member of the Mutual regarding the enforcement of the governing documents.

Civil Code Section 1354 requires that the Owners shall be provided each year with a summary of the provisions of the section, specifically referencing the section. The summary must include the following language:

"FAILURE BY ANY MEMBER OF THE ASSOCIATION TO COMPLY WITH THE PREFILING REQUIREMENTS OF SECTION 1354 OF THE CIVIL CODE MAY RESULT IN THE LOSS OF YOUR RIGHTS TO SUE THE ASSOCIATION OR ANOTHER MEMBER OF THE ASSOCIATION REGARDING ENFORCEMENT OF THE GOVERNING DOCUMENTS."

30.1 COMMERCIAL SIGNS

Commercial Signs are any sign, flag, banner or poster advertising a business, product or service, except Real Estate Signs (see below), that displays a message on behalf of a company or individual for the intent of making a profit, or economic in nature and usually has the intent of convincing the audience to purchase a specific product or service.

All Commercial Signs are prohibited anywhere within the Common Area and within those portions of a Unit and Exclusive Use Common area visible from other Units or Common Area, including Balconies, Decks, and Patios, unless expressly authorized in writing by the Board.

Commercial Signs cannot obscure the view of any Resident.

Repeated violation of this policy may cause imposition of fines and penalties to the Unit Owner.

30.2 NONCOMMERCIAL SIGNS

Unlike commercial signage, a Noncommercial Sign (usually political signage) may be posted or displayed within a Unit or Exclusive Use Common Area (but not in the general Common Area). Noncommercial Signs must comply with local, state, and federal law, including, but not limited to, California Civil Code Section 4710.

Type of Materials: Noncommercial Signs may be a poster, flag, or banner made of paper, cardboard, cloth, plastic, or fabric, but may not be made of lights, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component, or include the painting of architectural surfaces.

Size of Signs: Noncommercial Signs and posters cannot be more than 9 square feet in size. Noncommercial flags or banners cannot be more than 15 square feet in size.

No other Noncommercial Signs visible from other Units or Common Area are permitted.

Noncommercial Signs cannot obscure the view of any Resident.

Repeated violation of this policy may cause imposition of fines and penalties to the Unit Owner.

30.3 REAL ESTATE SIGNS

Real Estate Signs are window signs indicating a particular unit is for sale, lease, or exchange. One temporary Real Estate Sign not exceeding four square feet of area may be placed in a window of a Unit that is for sale, lease or exchange. The information on the sign shall be limited to the name of the seller or agent, his or her telephone number and address and whether the property is for sale, lease or exchange. All such signs must be removed within three days of close of escrow, or lease of the Unit.

Repeated violation of this policy may cause imposition of fines and penalties to the Unit Owner.

31.0 SPORTS APPARATUS

No basketball standard (including so-called portable basketball standards) or other portable or fixed sports apparatus shall be placed upon or attached to any portion of the Mutual common property without the written permission of the Board. Repeated violation of this policy may cause imposition of fines and penalties to the Unit Owner.

31.2 NONCOMMERCIAL SIGNS

Unlike commercial signage, a noncommercial sign or decorations may be posted or displayed within ones Unit or Exclusive Use Common Area. The Board through designated Points of Contact (“POC’s”) will be in charge of any seasonal decorations in the general Common Areas, including in proximity to entry signs.

31.4 DECORATIONS

Decorations fall under the category of “signs, banners and flags” as referred to in this Article 31, as well as is found in CC&R Section 4.21.

32.0 STORAGE CONTAINERS

Storage containers are such that are dropped off for packing or unpacking of household goods, after which the storage container is removed.

This policy is developed to assure the safety of residents and to maintain adequate parking for visitors and guests. Storage containers may be parked on Mutual property for no more than 72 hours in accordance with this policy. This policy aims to balance between the needs of the resident desiring to use a storage container and the rights of the other residents to have adequate parking in the Mutual.

32.1 PROCEDURE FOR APPROVAL BY MUTUAL PRESIDENT

To allow delivery and removal within the time frames set forth in this policy, Residents should begin arrangements well in advance of the desired dates so that the storage container company is able to comply with the necessary delivery or removal dates. The procedure for approval will be as follows:

- 1) The Resident shall contact the Mutual President in writing indicating their desired placement of a storage container within a specified entry in the Mutual. The Resident must provide the following details in this written request:
 - a) The proposed delivery and removal dates for the storage container,
 - b) The storage container company name and the proposed size of the storage container,
 - c) The Rossmoor address pertaining to the proposed storage container, and
 - d) The phone numbers of the Resident seeking approval.
- 2) If approved, the Mutual President (or their Director designee) will designate a specific parking space in the entry for the storage container and communicate this approval in writing to the resident, along with the agreed upon dates for delivery and removal, not to exceed 72 hours.
- 3) The Mutual President (or their Director designee) may decline to grant approval for a storage container to be placed in a given entry if there is insufficient guest parking; if vendor or emergency vehicle access would be compromised; or a history of the storage container company’s failing to meet deadlines.

- 4) Prior to delivery to the Rossmoor destination, the resident or designated representative will ensure that the approved parking space for the SC is marked with cones.

32.2 IMPLEMENTATION BY SECURITAS

The Mutual President (or their Director designee) will notify Securitas via email of the approval, delivery and removal dates, street and entry number, and specific parking space for the delivery of the storage container. No early admission of the storage container by Securitas will be allowed. Any holding over beyond the agreed upon removal date shall incur a daily fee of \$100.00 charged to the Resident until the storage container is removed.

33.0 POWER SOURCES FOR ELECTRICAL AUTOMOBILES

This Policy is intended to comply with applicable law governing Electric Vehicle Charging Stations and protect the safety of residents and infrastructure from fires that can and have resulted from overloading the electric circuit or extension cord in a garage or carport.

This Policy applies to Common Area as well as Exclusive Use Common Area, i.e., garages and carports whether attached or detached (stand-alone) from Units.

33.1 SECTION DEFINITIONS

For purposes of this section,

- 1) "Electric Vehicle" means the following plug-in vehicles: an electric or hybrid automobile, sports utility vehicle (SUV), van or truck.
- 2) "Electric Vehicle Charging Station" or "EVCS" means as set forth in California Civil Code section 4745(d) which defines Electric Vehicle Charging Station as "a station that is designed in compliance with the California Building Standards Code and delivers electricity from a source outside an electric vehicle into one or more electric vehicles. An electric vehicle charging station may include several charge points simultaneously connecting several electric vehicles to the station and any related equipment needed to facilitate charging plug-in electric vehicles."
- 3) "LOW-Speed Vehicle" or "LSV" means as set forth in California Vehicle Code section 385.5 which states as follows:
 - a. A "low-speed vehicle" is a motor vehicle that meets all of the following requirements:
 - i. Has four wheels.
 - ii. Can attain a speed, in one mile, of more than 20 miles per hour and not more than 25 miles per hour, on a paved level surface.
 - iii. Has a gross vehicle weight rating of less than 3,000 pounds.
 - b. For the purposes of this section, a "low-speed vehicle" is not a golf cart, except when operated pursuant to Section 21115 or 21115.1.

- c. A "low-speed vehicle" is also known as GI "neighborhood electric vehicle."
- 4) "Neighborhood Electric Vehicle" or "NEV" means as set forth in California Vehicle Code section 385.5(b)(2).
 - 5) "Golf Cart" means as set forth in California Vehicle Code section 345 which states as follows: A "golf cart" is a motor vehicle having not less than three wheels in contact with the ground, having an unladen weight less than 1,600, which is designed to be and is operated at not more than 25 miles per hour and designed to carry golf equipment and not more than two persons, including the driver.

ELECTRIC VEHICLES AND CHARGING STATIONS

It is the policy of the Mutual to comply with Civil Code section 4745 by approving, whenever reasonably possible, applications for the installation of EVCS and electric wiring and related components necessary to provide electricity sufficient to power approved EVCS installed in an Owner's Exclusive Use Common Area attached garage. Such installation would provide "hard wire" connections to the EVCS as opposed to providing for plug outlets to supply power to portable charging devices.

33.2 REQUIREMENTS

Any Mutual Owner who proposes to install an EVCS ("Applicant") shall:

- 1) Submit an executed "Alteration Agreement" to the Mutual in care of Golden Rain Foundation of Walnut Creek Mutual Operations Division ("MOD"),
- 2) Follow the applicable procedures governing "alterations" set forth in Owner-Initiated Alterations-In General, and
- 3) Obtain Board approval and procure an "Alteration Permit" prior to installation of the EVCS.

In addition to the submittals required by the applicable procedures governing "alterations" set forth in Owner-Initiated Alterations-In General, the following must accompany the fully filled out and executed Alteration Agreement for installation of an EVCS:

- 1) Plans and specifications clearly indicating where the EVCS is to be located, the brand or manufacturer, technical specifications and dimensions (i.e., height, width, weight, etc.). as well as structural requirements,
- 2) An acknowledgment satisfactory to the Mutual that the Applicant will procure a homeowner liability insurance policy providing \$1 million in coverage and will provide satisfactory evidence to the Mutual, within fourteen (14) days of the Mutual's approval of the EVCS, that the Mutual has in fact been named as an additional insured under the Applicant's homeowner liability insurance policy providing \$1 million in coverage with a right of notice of cancellation; provided, however, that the Applicant shall not be required to maintain a \$1 million

homeowner liability coverage policy for an EVCS utilizing an existing National Electrical Manufacturers Association standard alternating current power plug, and

- 3) A fully executed recordable EVCS Installation and Maintenance Agreement substantially in the form attached hereto, approved by the Mutual, binding Applicant and their successors to:
 - a. indemnify and hold harmless the Mutual,
 - b. if applicable, continue the \$1 million liability insurance and additional insured endorsement in effect,
 - c. pay for the electricity usage associated with the EVCS,
 - d. be responsible for costs of damage to the EVCS and related property from the installation, maintenance, repair, removal or replacement of the EVCS,
 - e. be responsible for costs of installation, maintenance, repair, removal or replacement of the EVCS, and
 - f. disclose to prospective buyers the existence of the EVCS and the related responsibilities of the Applicant.

Alteration Agreements which include all specified submittals shall be responded to within 60 days of a valid submission.

Within fourteen (14) days of approval by Mutual of Applicant's request for permission to install the EVCS and before commencement of installation, the Applicant shall provide the Mutual with satisfactory evidence that the Mutual has been named as an additional insured under the Applicant's \$1 million homeowner insurance liability policy with a right of notice of cancellation; provided, however, that the Applicant shall not be required to maintain a \$1 million homeowner liability coverage policy for an EVCS utilizing an existing National Electrical Manufacturers Association standard alternating current power plug.

The installation of the EVCS shall be performed by a qualified, licensed and insured contractor meeting all the requirements set forth in the Alteration Agreement or otherwise imposed by the Mutual.

Applicant shall be responsible for the installation of a separate meter or hard wire the EVCS back to the Unit's electrical meter to accommodate the EVCS. If installed, the meter shall be listed in the Applicant's name and all recharging and related expenses billed directly to the Applicant by Pacific Gas and Electric (PG&E). All installations shall meet all applicable requirements established by state and local laws, PG&E and the Electric Vehicle manufacturer. Electric Vehicle Charging Stations may only be powered using metered circuits billed to the owner.

Mutual electrical outlets and metered electric circuits charged to the Mutual may never be used to power an EVCS.

Applicant shall comply with all applicable governmental laws and regulations and procure all required City of Walnut Creek and governmental permits and authorizations before installing the EVCS.

The EVCS shall meet all applicable governmental and industry safety standards, and local permitting requirements.

The EVCS shall be installed in a location acceptable to the Mutual. If visible from the other Exclusive Use Common Area or Common Area, the EVCS must conform to the surrounding structures and environment in design, size and appearance. Visually the installation shall appear neat and attractive, without exposed wiring or visible damage to surrounding improvements.

The Applicant and each successive owner of the EVCS shall pay for all electricity usage associated with the EVCS.

The use of an extension cord from the Unit to an EVCS is strictly prohibited. The

Applicant and each successive owner of the EVCS shall be responsible for:

- 1) all costs for damage to the EVCS, Common Area, Exclusive Use Common Area or Unit resulting from the installation, maintenance, repair, removal, replacement or existence of the EVCS,
- 2) all costs for the installation, operation, maintenance, repair and replacement of the EVCS and all additions or modifications to existing Mutual electrical components until the EVCS has been removed and for the restoration of the Common Area, Exclusive Use Common Area or Unit after the removal,
- 3) disclosing to prospective buyers the existence of the EVCS and the related responsibilities that said buyer will assume, including,
 - a. maintenance at all times of a homeowner liability insurance policy providing \$1 million in coverage which also names the Mutual as an additional insured under the policy with a right to notice of cancellation; provided, however, that said buyer shall not be required to maintain \$1million homeowner liability coverage policy for an EVCS utilizing an existing National Electrical Manufacturers Association standard alternating current power plug,
 - b. the obligation to pay for the electricity usage associated with the EVCS,
 - c. responsibility for all costs for damage to the EVCS, Common Area, Exclusive Use Common Area and/or Unit resulting from the installation, maintenance, repair, removal, replacement or existence of the EVCS,
 - d. responsibility for the cost of the maintenance, repair and replacement of the EVCS until it has been removed and for the restoration of the Common Area, Exclusive Use Common Area and/or Units after the removal; and
 - e. responsibility to disclose to prospective buyers the existence of any EVCS and the related responsibilities of the owner pursuant to Civil Code section 4745.

If, at the time of sale of the Unit, the new owner (i.e., buyer) does not accept responsibility for the EVCS and separate electrical circuit by signing a recordable EVCS

Installation and Maintenance Agreement substantially in the form attached hereto and approved by the Mutual, the EVCS and electrical circuit will be dismantled and the electrical circuit capped at the seller's expense.

Nothing in this Policy shall modify, release or otherwise discharge any rights of the Mutual or obligations of the owners imposed pursuant to the Declaration, Bylaws, Policies and Procedures, and applicable law.

The prevailing party in any dispute arising out of the interpretation, violation or enforcement of the provisions of this Section relating to Electric Vehicle Charging Stations or documents created as called for under this Section shall be awarded their reasonable attorneys' fees and costs.

33.3 ILLEGAL USAGE

As provided in this Section, Mutual electrical outlets and metered electric circuits charged to the Mutual may never be used to power Electric Vehicles. Each illegal use of a Mutual electrical outlet or electric circuit is a violation of this Section and shall be subject to a monetary penalty in accordance with these Policies and Procedures.

33.4 GENERAL CONDITIONS FOR POWER USE

Convenience outlets in garages and carports, attached and stand-alone, may only be used for intermittent charging of small electrical appliances. The peak load of the appliance or battery combined with any other electric device drawing power must not exceed the amperage rating of the circuit. It is the responsibility of the owner to determine both the amperage of all appliances and what the circuit can bear.

Attached garages were originally designed for a single passenger motor vehicle. Such garages have convenience electric outlets that provide electric service paid for by the Unit owner.

Extension cords over 10 feet are prohibited for battery chargers and any electrical cord must (i) be in good condition, (ii) meet the manufacturer's specifications for the battery being charged, and (iii) have a minimum of 12 gauge/3 conductors.

33.5 STAND-ALONE GARAGES AND STAND-ALONE CARPORTS

Stand-alone garages and stand-alone carports that contain multiple assigned parking spaces present a different set of circumstances. Such garages and carports are detached and remote from the Unit and have convenience electric outlets that provide electric service paid for by the Mutual as opposed to the individual owner.

These electric outlets in most stand-alone garages and stand-alone carports were designed to provide power for intermittent use by small appliances. Therefore, major electric appliances (such as freezers, refrigerators) and Golf Cart chargers rated less than 13 amps or 1600 watts – devices which are plugged in continuously – may not be plugged into an existing convenience electric outlet since they tend to overload the

circuit. Further, Golf Cart chargers rated more than 13 amps, or 1600 watts may never be plugged into an existing convenience electric outlet.

If, after an electrical inspection by the Mutual, the stand-alone garage or stand-alone carport is proven to have sufficient electrical capacity to safely charge a 13 amp/1600 watt or less Golf Cart charger, a sign will be posted in the garage or carport, as applicable, stating that the electric outlet is safe to do so. A user fee, established by the Mutual, will be billed to the owner, unless the electric line is already hard-wired back to the individual owner's PG&E electric meter. Extension cords over 10 feet are prohibited for Golf Cart battery chargers and any electrical cord must (i) be in good condition, (ii) meet the manufacturer's specifications for the Golf Cart battery being charged, and (iii) have a minimum of 12 gauge/3 conductors.

Extension cords from the Unit to the garage or carport are not permitted.

Extension cords over 10 feet are prohibited for battery chargers and any electrical cord must (i) be in good condition, (ii) meet the manufacturer's specifications for the battery being charged, and (iii) have a minimum of 12 gauge/3 conductors.

Mutual metered circuits charged to the Mutual may never be used to power Electric Vehicles, LSVs, NEVs or Golf Cart chargers rated more than 13 amps/1600 watts; such vehicles and devices may only be powered using metered circuits billed to the owner. Each illegal use of a convenience electric outlet is a violation of this Section and shall be subject to a monetary penalty in accordance these Policies and Procedures.

Mutual 50 – EVCS Installation
MAINTENANCE AND INDEMNITY AGREEMENT

I/We, _____
Owner(s) of the condominium unit at _____,
_____, Walnut Creek, CA 94595 (collectively, the
"Undersigned") in consideration of the approval of the Mutual, a California nonprofit
mutual benefit corporation, of my/our application to allow the installation of an EVCS in
the Exclusive Use Common Area of the building located at _____
_____, in Mutual 50.

I/we acknowledge that I/we have read the Mutual Policies and understand its contents
and agree as follows:

- 1) The proposed EVCS shall be installed and maintained in full compliance the
Mutual Policies and Alteration Permit # _____ that has been issued by the
Mutual for this installation and the Undersigned agree to comply with all terms
and conditions set forth these Policies and Alteration Permit # _____.
- 2) I/we shall indemnify and hold harmless Mutual 50, Golden Rain Foundation of
Walnut Creek, and their respective officers, directors, employees, agents, and
members, and their respective successors and assigns (hereinafter
"Indemnitees," from and against any and all claims, liability, loss, or damage
arising from suits, losses, costs, liabilities, interest, attorney's fees, including but
not limited to any such fees and expenses incurred in enforcing this Indemnity
Agreement (collectively "Damages") resulting from, arising out of or in any
connected with the installation, maintenance, operation or removal of the EVCS
described in Alteration Permit # _____.
- 3) The planned EVCS under Alteration Permit # _____ shall be installed in the
Exclusive Use Common Area at _____,
_____, Walnut Creek, CA 94595 in
the manner and location approved by the Mutual, which is defined under the
Declaration of Covenants, Conditions and Restrictions ("CC&Rs") of the Mutual
to be part of the Mutual's Exclusive Use Common Area.
- 4) If I/we, the Undersigned, sell the Unit, the transferee shall accept in writing the
obligations under this agreement or the Undersigned agrees to remove the
installation at their own cost and restore the Exclusive Use Common Area to its
original condition and in compliance the Mutual Policies.
- 5) If I/we, the Undersigned, fail to meet its obligation to defend and/or indemnify and
save harmless in accordance with this agreement, then in such case Indemnitee
shall have full right to defend, pay or settle said claim on their own behalf with or
without notice to the Undersigned for all fees, costs and payments made or
agreed to be paid to discharge said claim.

- 6) In the event of enforcement of said maintenance and indemnification obligations as set forth herein, the Undersigned agrees to pay all reasonable attorneys' fees necessary to enforce said maintenance and indemnification obligations.

THIS AGREEMENT SHALL BE UNLIMITED AS TO AMOUNT OR DURATION and shall be binding upon and inure to the benefit of the parties, their respective successors, assigns, personal agents and representatives.

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Mutual 50 – EVCS Installation
CHECKLIST

1. Plans and specifications clearly indicating where the EVCS is to be located, the brand or manufacturer, technical specifications and dimensions (i.e., height, width, weight, etc.), as well as structural requirements
2. Proof of Liability Insurance coverage to be renewed annually
3. Fully executed EVCs Installation

34.0 OWNER-INITIATED SOLAR ENERGY SYSTEMS

Solar Energy Systems as defined in these Policies may only be installed by Owners of a unit in the Mutual on the roof top of the condominium building in which the Unit is located and/or attached garage roof. No other Common Areas in the Mutual may be used for Solar Energy Systems by individual unit owners.

This Policy is intended to conform to Civil Code Sections 714, 714.1, and 4746. In the event of any conflict between any provision of this Policy and any applicable statute, the terms of the statute shall prevail and supersede any contrary provisions in this Policy. This Policy shall be effective for all new installations on the date adopted and shall supersede all prior Mutual policies pertaining to Solar Energy System installations.

As used in this Policy, a “Solar Energy System(s)” is any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage and distribution of solar energy; and “Usable Solar Space” is the amount and location of space on a condominium building roof suitable to use for solar panel installations.

34.1 AVAILABILITY OF COMMON AREA SPACE

The installation of Solar Energy Systems in or on Common Area roofs is subject to a determination of Usable Solar Space, allocation of Usable Solar Space to the numbers of units in the condominium building.

The Usable Solar Space shall be calculated by the solar contractor of each Owner/Applicant in the building, and it shall include a calculation of the square footage available for the Solar Energy System and the equal allocated portion for each Unit in the condominium building.

The Mutual shall not be required to prune or allow pruning or removal of trees and/or shrubs which were planted before the Solar Energy System was proposed. However, trees or shrubs after the installation of the Solar Energy System may not be allowed to grow so as to cast a shadow greater than ten percent (10%) of the collector absorption area upon that collector's surface at any one time between the hours of 10:00 a.m. and 2:00 p.m. local standard time (California Public Resources Code Section 25982).

Pruning needs shall be determined and dictated by the landscape or tree experts of the Mutual.

34.2 APPLICATION AND APPROVAL PROCESS

The installation of a Solar Energy System on a condominium building roof top results in the exclusive use of a portion of the Common Area by a member. The same review and approval process as for other proposed physical changes to Units or Common Area shall be followed, except for mutual owners' vote of approval and other certain modifications as set forth herein. Alteration permit procedures are more fully set forth in these Policies and Procedures.

- 1) Indemnification and Maintenance Agreement. As a condition of approval of installation of any Solar Energy System within the Common Area, the applicant shall execute a separate "Maintenance and Indemnity Agreement" acknowledging that they have read and understand this Policy and representing that the proposed Solar Energy System, its installation and maintenance shall comply fully with this Policy, and further agreeing to indemnify and hold harmless the Mutual, Golden Rain Foundation of Walnut Creek and their respective officers, directors, employees and members from and against any and all claims, allegations, litigation, arbitration or judgments resulting in whole or in part from the installation, maintenance or removal of the Solar Energy System, substantially in the form attached to this Policy.
- 2) Notification to Neighbors. As required by Civil Code 714.1 and 4746, the Owner/Applicant shall notify each Owner of a Unit in the building on which the installation will be located (i.e., those under the same common roof) and the Owner/Applicant shall certify in the application the names and addresses of those notified and the date of the notification. This will be done by the attached form to this Policy or copies of certified return letter receipts from the Post Office. The Owner/Applicant shall submit a solar site survey showing the placement of the solar energy system.
- 3) Mutual President's Review. The application will be prepared with the assistance of the MOD Alterations Department and then submitted to the Mutual President for preliminary review. The Mutual President (or their Director designee) may suggest reasonable restrictions on the installation but may not disapprove the installation.
- 4) Proof of \$500,000 Liability Insurance Policy. The Owner/Applicant will include proof of having a homeowner liability insurance policy providing \$500,000 in coverage, which includes the Mutual named as additionally insured under the Applicant's homeowner liability insurance policy providing \$500,000 in coverage with a right of notice of cancellation. The Applicant must renew this liability insurance annually and provide evidence of annual renewal to MOD.

- 5) Permit Review and Approval. The Board shall review the application for installation of a Solar Energy System to determine whether or not all of the items required on the Solar Installation Checklist Addendum have been included and may offer recommendations, if any, for additional reasonable restrictions within limits prescribed in Civil Code Section 714. The application for installation of a Solar Energy System may be approved or denied by the Board alone.
- 6) City of Walnut Creek Permits. The applicant shall provide satisfactory evidence of compliance with requirements of the City of Walnut Creek and its permits.
- 7) Board Review of Application; Decision. Any decision by the Board on a proposed Solar Energy System installation must be in writing and, if the proposed Solar Energy System is disapproved, the written decision shall include an explanation of why the application was disapproved. As provided by Civil Code section 714, an application for the installation of a Solar Energy System that is not denied in writing within forty-five (45) days from the date of receipt of the application by the Mutual shall be deemed approved, unless that delay is a result of a reasonable request for additional information.

34.3 GENERAL INSTALLATION REQUIREMENTS

The following installation conditions shall govern the installation of Owner/Applicant initiated installation of Solar Energy Systems:

- 1) All installations of Solar Energy Systems shall be completed so as not to materially harm or damage common elements of the Mutual, or any other individual Unit or Exclusive Use Common Area, void any warranties held by the Mutual or other owners and/or impair the integrity of a building or structure. The applicant will be responsible for learning the status of the roof warranty from MOD and responsible for following MOD instructions to protect the warranty.
- 2) All portions of a Solar Energy System shall be secured in a manner which does not jeopardize the safety or soundness of any structure and/or the safety of any person within the Mutual. All solar energy systems shall have non-glare panels installed flush to the roof.
- 3) There shall be no penetrations into building structures, not limited to walls and roofs, unless it is absolutely necessary for the installation and operation of the system and/or to avoid an unreasonable increase in the cost of the installation. Any penetrations for wiring or piping for a Solar Energy System shall be properly sealed and waterproofed in accordance with industry standards and building codes in order to prevent moisture penetration and resulting structural damage.
- 4) The Owner/Applicant installing the Solar Energy System shall be responsible for any damage to building elements, Unit interiors or personal property caused by

such penetrations even if the Mutual has primary maintenance responsibility for such elements under the governing documents of the Mutual.

34.4 INSTALLATION BY COMMERCIAL INSTALLERS

Installation shall only be by a licensed and properly insured installer knowledgeable in the installation of Solar Energy Systems. Prior to installation, the installer shall have insurance coverage that meets the following minimums: (i) Worker's Compensation with minimum coverage required by California law; and (ii) Contractor's General Liability (including completed operations) with policy limits of at least \$500,000.00. The installer must, prior to installation, provide to the Mutual copies of certificates of insurance for the above policies and endorsements which name the Owner/Applicant and the Mutual as additional insureds.

34.5 SAFETY

Solar Energy Systems shall be installed and secured in compliance with manufacturer's instructions and all City of Walnut Creek, State of California and Federal ordinances, regulations and laws.

A Solar Energy System for heating water shall be certified as to all system components and the installation thereof by the Solar Rating & Certification Corporation" or other nationally recognized certification agency.

A Solar Energy System for producing electricity shall also meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronic Engineers (IEEE) and accredited testing laboratories such as Underwriters Laboratories (UL TM) and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

To ensure the safety of individuals and allow safe access to the physical plant of the Mutual, Solar Energy Systems shall not obstruct access to or from any Unit, walkway, or ingress or egress into any area of the Mutual. In approving the installation of any Solar Energy System, the Board is entitled to rely upon the representation of the Owner/Applicant or his or her contractor that the system fully complies with the safety criteria set forth in this Policy. Should the Board later determine that the equipment is not in conformance with such criteria, the Board may require the Owner/Applicant to remove the Solar Energy System or modify it so that it is in compliance with such criteria.

34.6 MAINTENANCE

Owner/Applicant of a Solar Energy System is solely responsible for all associated costs, including but not limited to: replacement, repair, maintenance, moving and/or removal of the Solar Energy System or any of its components; repair and/or replacement of any property damaged by the installation, maintenance and/or use of the Solar Energy

System; payment of any medical expenses incurred by persons injured by the installation, maintenance and/or use of the Solar Energy System; and/or restoration of Solar Energy System sites to their original condition after removal.

Owner/Applicant shall not permit his or her Solar Energy System to become a hazard or fall into disrepair. Owner/Applicant shall be responsible for correction of any safety hazards and Solar Energy System repair and/or replacement. Owner/Applicant shall be responsible for the cost of repainting or replacement of the visible ancillary components of the Solar Energy System, such as conduits, plumbing and supports, if deterioration occurs, whether performed by the Mutual or outside contractor.

Owner/Applicant shall be responsible for any increased costs incurred by the Mutual in maintaining or repairing the Common Area or those portions of a Unit or Exclusive Use Common Area which the Mutual is responsible under the Governing Documents for maintaining or repairing which are caused by the presence of a Solar Energy System on the Common Area. If it is necessary to temporarily remove a Solar Energy System or some of its components so that the Mutual may perform required maintenance or repairs to the Common Area, the Owner/Applicant of the Solar Energy System shall be responsible, at his or her sole expense, for removing and reinstalling the system after the maintenance or repair is completed. Unless there is an emergency, notices to the Owner/Applicant regarding removal shall be in writing sent by certified mail at least fifteen (15) days prior to the date removal is required. If the Owner/Applicant fails to remove a Solar Energy System or a system component when requested to permit necessary maintenance or repairs, the Mutual may remove the system or component and charge the cost of such removal to the Owner/Applicant. So long as the Mutual uses reasonable care in removing and reinstalling the Solar Energy System or any component thereof, the Mutual shall not be responsible for any damage caused to the system or component by such removal or reinstallation.

34.7 RESALE OR TRANSFER OF OWNER'S UNIT

Upon resale or transfer of any Owner/Applicant's interest in their Unit which has a permitted Solar Energy System, the buyer or transferee (as the case may be) shall assume in writing all of the Owner/Applicant's duties and responsibilities as outlined in this Policy and shall execute an additional Maintenance and Indemnity Agreement prior to close of escrow.

34.8 REMOVAL OF SOLAR ENERGY SYSTEM

If a buyer or a transferee does not agree in writing to assume responsibility for the Solar Energy System, the Owner/Applicant must remove the Solar Energy System and restore the area where the Solar Energy System had been located which shall be in accordance with the Removal Procedures attached hereto. Should an Owner/Applicant fail to remove the Solar Energy System when required, the Mutual may remove the Solar Energy System at the Owner/Applicant's expense.

Walnut Creek Mutual Fifty – Solar Energy Systems
MAINTENANCE AND INDEMNITY AGREEMENT

I/We (name) _____ Owner(s) of the
condominium unit at (address) _____
Walnut Creek, CA 94595 (collectively, the "Undersigned") in consideration of the
approval of Mutual 50 (the "Mutual"), a California nonprofit mutual benefit corporation, of
my/our application to allow the installation of a solar energy system in the common area
of the building located at _____
in Mutual 50, I/we acknowledge that I/we have read Walnut Creek Mutual Fifty's Policy,
Owner-Initiated Alterations, Solar Energy System ("Policy 35.0"), understand its
contents and agree as follows:

1. The proposed solar energy system shall be installed and maintained in full compliance with the Mutual's Policies and Procedures and Alteration Permit # _____ that has been issued by the Mutual for this installation and the Undersigned agree to comply with all terms and conditions set forth in these Policies, and Alteration Permit # _____.
2. I/we shall indemnify and hold harmless Mutual 50, Golden Rain Foundation of Walnut Creek, and their respective officers, directors, employees, agents, and members, and their respective successors and assigns (hereinafter "Indemnitees," from and against any and all claims, liability, loss, or damage arising from suits, losses, costs, liabilities, interest, attorney's fees, including but not limited to any such fees and expenses incurred in enforcing this Indemnity Agreement (collectively "Damages) resulting from, arising out of or in any connected with the installation, maintenance, operation or removal of the solar energy system described in Alteration Permit # _____.
3. The planned solar energy system under Alteration Permit # _____ shall be installed on the common-area roof of the building at _____, Walnut Creek, CA 94595 in the manner and location approved by the Mutual, which roof is defined under the Declaration of Covenants, Conditions and Restrictions (CC&Rs) of Mutual 50 to be part of the Mutual's common area.
4. Should the Undersigned sell the unit; the transferee shall accept in writing the obligations under this agreement or the Undersigned agrees to remove the installation at its own cost and restore the common area to its original condition and in compliance with these Polices.
5. Should the Undersigned fail to meet its obligation to defend and/or indemnify and save harmless in accordance with this agreement, then in such case Indemnitee shall have full right to defend, pay or settle said claim on their own behalf with or without notice to the Undersigned for all fees, costs and payments made or agreed to be paid to discharge said claim.

6. In the event of enforcement of said maintenance and indemnification obligations as set forth herein, the Undersigned agrees to pay all reasonable attorneys' fees necessary to enforce said maintenance and indemnification obligations.

THIS AGREEMENT SHALL BE UNLIMITED AS TO AMOUNT OR DURATION and shall be binding upon and inure to the benefit of the parties, their respective successors, assigns, personal agents and representatives.

Dated: _____

Owner's Signature

Owner's Printed Name

Dated: _____

Owner's Signature

Owner's Printed Name

Dated: _____

Owner's Signature

Owner's Printed Name

Dated: _____

Owner's Signature

Owner's Printed Name

Dated: _____

Owner's Signature

Owner's Printed Name

Walnut Creek Mutual Fifty – Solar Energy Systems
SOLAR INSTALLATION CHECKLIST ADDENDUM

Documents required to be attached to application:

- A. Manufacturer's spec sheet of solar panels (similar to Sun Power X20- 250-BLK BC); only non-glare panels will be approved
- B. Survey of usable solar roof area showing dimensions and placement of installation
- C. Engineering drawings of proposed installation with placement of panels flush to roof as high as practical to roof ridge
- D. Dimensioned plans showing location of the following
 - a. Solar panels
 - b. Routing of electrical/plumbing lines
 - c. Placement of sub-panels within Unit
- E. Detailed engineering drawings showing roof penetrations for the following:
 - a. Electrical/plumbing lines and flashing
 - b. Attachment of panels
 - c. Method of affixing panel brackets and flashing to roof
- F. Proof of liability insurance coverage, to be renewed annually
- G. Solar installation warranty; minimum 10-year warranty on installation workmanship
- H. For roofs that have an existing warranty, written approval by Mutual's roofing contractor or roofing consultant of roof penetrations.
- I. Final inspection checklist:
 - a. Visible ancillary components, such as conduits, plumbing and supports painted to match exterior of adjacent structures (unless such painting would void a manufacturer's warranty).
 - b. Solar panels mounted flush with roof surface, with all rooftop installations blending into the roof color as much as possible.
- J. Proof of Notification of owners of condominiums in the same building

Walnut Creek Mutual Fifty – Solar Energy Systems
SOLAR ENERGY SYSTEM REMOVAL ADDENDUM

When it is necessary to remove solar energy systems from Mutual 50 roof tops, the building structure should be returned to its pre-solar installation condition, as follows:

- A. Owner of installation shall obtain an alteration permit for removal. This assures that the work is done by a licensed contractor with appropriate insurance, and in accordance with all permits and legal requirements.
- B. Obtain Walnut Creek city permit (if required).
- C. After removal of the solar energy system, remove roofing and plywood in areas previously covered by the panels, if required by Mutual 50's Building Maintenance Manager.
- D. If deemed necessary by Mutual 50, install new roofing system matching the pre-existing roofing design, although color match may not be possible.
- E. Patch all holes in the interior ceiling, if deemed necessary by the Mutual, and other penetrations where solar panel appurtenances were installed.
- F. Inspect exterior of structure, utility/meter closets and electrical panels for penetrations and repair them.
- G. Properly dispose of all materials outside Rossmoor.
- H. All work shall be done to the satisfaction of Mutual 50
- I. Satisfy all other requirements imposed by Mutual 50

Walnut Creek Mutual Fifty – Solar Energy Systems
OWNER NOTIFICATION FORM

Name of Applicant: _____

Date of Request: _____

Notification of each owner of condominium in building at

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

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Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

Dated: _____

Owner's Signature

Owner's Printed Name

Owner's Address

35.0 OUTDOOR BARBECUES

Open-flame outdoor cooking devices (barbecues) using charcoal fuel are not permitted for use in any Exclusive Use Common Areas. Only outdoor cooking devices (barbecues) fueled by propane or electricity are permitted for use in the unenclosed exclusive-use common areas that are patios, decks, or balconies.

All barbecues, both propane-fueled and electric, must have a cover or lid that can close over the barbecue in case of a flare-up.

Use of an electric barbecue requires that it be plugged into a Ground Fault Circuit Interrupter (GFI) outlet. When not in use, electric barbecues must remain unplugged.

Propane-fueled barbecues must not be operated within three feet of combustible materials above or on all sides of the barbecues. If there is a gas valve on the tank of a propane-fueled barbecue, the valve on this tank must be turned off when not in use.

It is required that a fully charged ABC rated fire extinguisher be available nearby and clearly visible when a propane-fueled barbecue is being operated.

It is recommended that all barbecues be attended at all times when in use. It is recommended that residents do not barbecue on Spare the Air days.

If complaints from neighbors have been received regarding barbecue smoke or odors, it is recommended that these neighbors be advised in advance of future plans to barbecue so that windows and doors can be closed.

It is recommended that users read and adhere to the operation and maintenance instructions for their barbecue.

36.0 ELECTIONS

36.1 SCOPE

Notwithstanding any other law or provision of the governing documents, elections regarding

- 1) assessment increases requiring Member approval
- 2) election and removal of a director or directors
- 3) amendments of the Bylaws and/or CC&Rs
- 4) grants of exclusive use common area pursuant to Civil Code 4600

shall be held by secret ballot in accordance with the procedures set forth below. Elections for other purposes may, at the discretion of the Board, be held at duly noticed meetings of the members or by mailed ballots pursuant to this section.

“Policies” (Policies and Procedures) may be amended by the Board without a mail ballot vote, provided the members have an opportunity to comment on proposed changes

before the changes are finally adopted by the Board. However, a policy change shall be put to a secret ballot vote if (1) such a vote is required by the policy itself or by any other governing document, or (2) the proposed policy change would establish a new requirement for voting by secret ballot or delete a current requirement for voting by secret ballot.

36.2 EQUAL ACCESS RULE

Candidates for office, and members advocating a point of view, shall have equal access to Mutual 50 media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election. Mutual 50 shall not edit or redact any content from these communications but may include a statement specifying that the candidate or member, and not Mutual 50, is responsible for that content. Candidates for office, including candidates who are not incumbents, and members advocating a point of view, including viewpoints not endorsed by the board, shall have equal access to the common area meeting space, if any exists, during a campaign, at no cost, for purposes reasonably related to the election.

36.3 QUORUM

The quorum requirements are as set forth in the Bylaws.

36.4 VOTING RIGHTS

Member voting rights and procedures, and total voting power are as set forth in the Bylaws.

36.5 VOTING PERIODS

In any election by secret ballot, the polls are considered open when the ballots are mailed to the membership. The polls are considered closed at the end of business on a day, not earlier than thirty (30) days after the polls open, to be specified on the ballot.

36.6 INSPECTOR(S) OF ELECTION

The Board of Directors shall appoint one or three independent parties as Inspector(s) of Election for each election by mail ballot. The Board shall allow the Inspector(s) of Election to appoint and oversee additional independent third parties to verify signatures and to count and tabulate votes. For the purposes of this policy, an independent third party may be a member of the Mutual but may not be a member of the board of directors or a candidate for the board of directors or related to a member of the board of directors or a candidate for the board of directors. An independent third party may not be a person or business entity, or subdivision of a business entity currently employed or under contract to the Mutual for any compensable services.

The Inspector(s) of Election shall:

- 1) Determine the number of memberships entitled to vote and the voting power of each.
- 2) Determine the authenticity, validity, and effect of proxies, if any.
- 3) Receive ballots
- 4) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- 5) Count and tabulate all votes.
- 6) Determine when the polls shall close, consistent with the governing documents.
- 7) Determine the tabulated results of the election.
- 8) Perform any acts as may be proper to conduct the election with fairness to all members in accordance with this section, the Corporations Code, and all applicable policies of the Mutual regarding the conduct of the election that are not in conflict with this section.
- 9) Perform the Inspector(s) duties impartially, in good faith, to the best of the Inspector(s) ability, and as expeditiously as is practical. If there are three inspectors of election, the decision or act of a majority shall be effective in all respects as the decision or act of all. Any report made by the Inspector(s) of Election is prima facie evidence of the facts stated in the report.

36.7 BALLOT MAILING

Ballots and two preaddressed envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Mutual to every Member not less than 30 days prior to the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the ballot. The ballot itself is not signed by the voter but is inserted into an envelope that is sealed. This envelope is inserted into the second envelope that is sealed. In the upper left-hand corner of the second envelope, the voter shall sign their name in the space provided below the unit file number. The second envelope is addressed to the Inspector(s) of Election, who will be tallying the votes. The envelope shall be mailed to a location specified by the Inspector(s) of Election. Ballots submitted by any other method will be disqualified. The Member may request a receipt for delivery. Once a secret ballot is received by the Inspector(s) of Election, it shall be irrevocable.

36.8 CUSTODY OF BALLOTS

The Election Inspector shall maintain in the inspector's custody or at a location designated by the inspector the sealed ballots, signed voter envelopes, voter list (which shall include the member's name, their Mutual address and if applicable, their mailing address [members may verify their information at any time prior to 30 days before the ballots are distributed]) and candidate registration list until the date scheduled for the tabulation of the vote; and, until the time allowed by Civil Code Section 5145 for challenging the election has expired. No person, including a member of the Mutual or an employee of the management company, or an Inspector or Inspectors of Election, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. If there is a demand to inspect the ballots or challenge to the election, the Election Inspector shall make the ballots available to the requesting Member or the Member's authorized representative. On the date of the tabulation and counting, the sealed ballots may be transported to the location of the meeting to count and tabulate the ballots. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

36.9 COUNTING AND TABULATION

All votes shall be counted and tabulated by the Inspector(s) of Election or their designee(s) in public at the open meeting of the Board, or an open meeting of the Members entitled to vote, announced in the ballot solicitation. Any candidate or other Member may witness the counting and tabulation of the votes. The tabulated results of the election shall be promptly reported to the Board and shall be recorded in the minutes of the next meeting of the Board and shall be available for review by Members. Within 15 days after the election, the Board shall publicize the tabulated results of the election in a communication directed to all Members.

If there is a recount or other challenge to the election process, the Inspector(s) of Election shall, upon written request, make the ballots available for inspection and review by a Member or their authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

36.10 CANDIDATE QUALIFICATIONS, NOMINATIONS AND DISQUALIFICATIONS

- 1) All candidates for the Board must be members of the Mutual at the time of their nomination and in good standing. In good standing shall mean all assessments are paid in full at the time of the nomination/election; and the member's right to run for office has not been suspended due to the violation of the Mutual's Governing Documents, including but not limited to Policies and Procedures, CC&Rs, Bylaws or Articles of Incorporation. Once elected, a director shall also be required to remain current in the payment of regular and special assessments; and not suspended due to violations of the governing documents.

- 2) Any Member can nominate any other Member, including themselves, as a candidate for the Board by submitting a written statement that they are nominating the person named as a candidate and including their address and telephone number to the Board or the Board Services Coordinator. Nominations shall begin at least three (3) months and seven (7) days prior to the meeting to count and tabulate the election ballots. The due date for the receipt of nominations shall be one week prior to the deadline for the mailing of the Notice of Meeting to Count and Tabulate the ballots to allow time to include the names of the nominees in the Notice of Meeting

- 3) The Mutual shall disqualify a person from a nomination as a candidate if they are not a Member at the time of the nomination; or at such time as it is learned that the proposed candidate is not a Member. The Mutual may also disqualify a candidate for the following reasons:
 - a. If another person who holds joint ownership in the same separate interest unit/parcel and the other person is nominated or currently serving on the board of directors;
 - b. If the person has been a Member for less than one year
 - c. If the person has a criminal conviction preventing the Mutual from purchasing a Civil Code Section 5806 Fidelity Bond, or if the conviction would cause the existing bond coverage to terminate should the person be elected;
 - d. If the person is not current in the payment of regular or special assessments, unless
 - i. The assessment was paid under protest;
 - ii. The person has entered into a payment plan to repay the assessment; or,
 - iii. The person has not been provided the opportunity to engage in internal dispute resolution.
 - e. If the person is currently in violation of the Mutual's governing documents.

36.11 ELECTION AND APPOINTMENT OF OFFICERS

The election and appointment of officers are as set forth in the Bylaws.