

NOTICE

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

WALNUT CREEK MUTUAL NO. TWENTY-EIGHT

POLICIES

Latest update 7/26/17

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WALNUT CREEK MUTUAL TWENTY-EIGHT POLICY MANUAL

PREFACE

This Policy Manual contains the rules, regulations and policies (collectively, "Rules") adopted by the Board of Directors of Walnut Creek Mutual No. Twenty-Eight (Mutual or M28) for the operation and governance of the Walnut Creek Mutual No. Twenty-Eight condominium Project. These Rules are not all-inclusive and are intended to supplement the Mutual's Amended Articles of Incorporation, Amended Bylaws and/or Amended Declaration of Covenants, Conditions and Restrictions ("CC&RS") (collectively, "Governing Documents"). In the event of a conflict between these Rules and any of the Governing Documents, the latter shall take precedence and control.

Changes to the policies are made and voted on by the Board of Directors, at a regular Board meeting. Prior to the meeting, at least a 30-day notice must be given to the membership, including a copy of the proposed changes.

DEFINITIONS

Capitalized terms that are not otherwise defined in these Rules can be found in the CC&Rs.

Alteration: Any improvement or change made by or on behalf of an Owner to any component located within the Project, whether inside or outside the Owner's Unit, which requires approval under Article 9 of the CC&Rs or these Rules. Alterations must be approved by the M28 Architectural Control Committee (M28 ACC), subject to reconsideration by the Board of Directors

Mutual Operations Division (MOD): the property management of Golden Rain Foundation of Walnut Creek ("Foundation" or "GRF"). MOD is the Mutual's managing agent.

Architectural Control Committee (ACC): While Section 10.1 of the Bylaws provides that the Foundation shall appoint the members of the ACC, the Mutual 28 Board has been delegated that authority by the Foundation. The M28 ACC is appointed by the Mutual 28 Board.

Property Manager (PM): the position of Property Manager is filled by MOD.

Exclusive Use Common Area the fenced-in area or patio. AKA 'yard.'

ABSTRACTS OF APPENDICES

A - SENIOR HOUSING RESIDENCY RESTRICTIONS – 5 pages

1. Senior Citizen Housing Development. The Project is a senior housing development
 - A. Qualifying Resident. "Qualifying Resident" means a person fifty-five (55) years of age or older.
 - B. Qualified Permanent Resident. "Qualified Permanent Resident" shall mean a person who meets either of the following requirements:
 - (i) The person was residing with the Qualifying Resident prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the Qualifying Resident **and** the person was forty-five (45) years or older, or was a spouse, cohabitant (defined as persons who live together as husband and wife or persons who are domestic partners...
 - (ii) The person is a disabled person who is a child or grandchild of the Qualifying Resident
 - C. Permitted Health Care Resident.
2. Definitions (see full document)
3. Generally, at least one qualifying resident must permanently occupy the unit.

There are many sub-categories, limitations and qualifications. Before inviting anyone to live in (occupy) your home, please read the full document in **Appendix A**.

B - MEMBER ACCESS TO MUTUAL RECORDS – 5 pages

Mutual Members shall have access to records of the Mutual for the purpose of inspection and obtaining copies as provided in this Policy. Access to records will be provided to a requesting Member or, in most cases, to the authorized representative of the requesting Member, provided that the Member's designation of such representative is in writing signed by the Member and delivered to the Mutual. Only Members (and not their representatives) are entitled to inspection of or a copy of the Membership list.

Article 3 Minutes. - Minutes are published on line at <http://rossmoor.com/mutual/mutual-28/>

Article 9 Reimbursement of Costs Incurred by Mutual in Making Records Available. Various low amounts. Ask for details before ordering.

Please see **Appendix B** for the full document for a myriad of exceptions and details.

C - VOTING AND ELECTION RULES – 3 pages

Covers all matter regarding right to vote, to have media access to proclaim candidacy, secret ballots, inspection rules, qualifications for office. Please see this in **Appendix C** if you are interested in working on the Mutual board.

D - ELECTRICAL VEHICLE CHARGING STATIONS (EVCS) - 8 pages

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Most electric cars require high current for charging. The average house wiring in Rossmore is 120 volts and breakers (fuses) set for 20 amps. For an EV 6 - 8 hour charge, voltage must be at 220 and the current at 16 amps. 16 amps at 220 volts is equivalent to 32 amps at 120 volts.

That's the technical explanation. Quite simply any scheme to charge an EV with the 120 volt circuits in our Mutual can cause fuses to blow, wiring to overheat and - because of the danger of fire involved - the Board to slap you with a \$500 fine.

Appendix D covers all of the details and contains an application form. The basic steps are:

- Applying for and installing the proper type of a user-owned appropriate outlet
- Installation of a separate power line of the proper current and voltage
- Installation by a qualified electrical contractor
- Installation of a separate meter approved by PG&E
- Installation, permits and any other costs, including the cost of removal if the resident leaves the Mutual are to be borne by the resident

E - INVESTMENTS - 1 page

Investment requirements were in the original Policies, however the MOD Accounting Department now handles all investments with the Mutual Board approval. We have left the original requirements in **Appendix E** for future Boards.

F - ASSESSMENTS AND FORECLOSURES - 2 pages

In order to assure the collection of our monthly Mutual dues (the coupon) there is a step-by-step procedure to begin and carry out action to collect overdue payments.

Appendix F contains excerpts from the Davis-Stirling Act, Civil Code Section 5370, which detail both the Mutual's and the residents obligations and rights in the case of delayed coupon payments.

G - WALNUT CREEK SMOKING ORDINANCE - 1 page

Mutual 28 has no duty to enforce local ordinances other than reporting incidents if the Board so decides, based on resident complaints or blatant cases of violation. The Mutuals' legal standing in this matter is detailed in **Appendix G**.

H - REPAIR RESPONSIBILITY CHART - 9 pages

When something is broken, damaged or not working, the chart on **Appendix H** defines who is responsible for the repair. See also page 15 under Maintenance for details of negotiations.

ALTERATIONS ARCHITECTURAL RULES

GENERALLY

Section 9.1 of the CC&Rs identifies the alterations that require approval of the M28 ACC and provides as follows:

“Except for improvements made or constructed by or on behalf of the Mutual, no landscaping and no building, fence, wall, obstruction, patio, deck, balcony, screen, patio cover, tent, awning, carport cover, or other improvement or structure of any kind shall be installed, commenced, erected, painted, or maintained within the Project, nor shall any exterior addition to or change or alteration therein be made, until the plans and specification showing the nature, kind, shape, color, height, size, materials, and location of same have been submitted to and approved in writing by the Mutual.

SPECIFICALLY

PAINTING and NUMBERING

Exterior Building Surfaces

Residents may not paint the exterior surfaces of buildings and fences.

Doors and Windows

The maintenance of doors and windows is the Owner’s responsibility, but their color must be approved by the Mutual. The Mutual may paint these items when it paints the buildings. In the case of doors installed after original construction of the buildings and approved by the Mutual. Owners may not repaint their doors a different color without M28 ACC approval.

Replacement door color/finish will be compatible with existing color scheme as judged by the Mutual Architectural Control Committee.

Fence types to be only those approved by the Mutual Architectural Control Committee. The Mutual maintains board-on-board fences, and installs and maintains these as the Mutual Standard fence. Permission may also be granted for wrought iron fences; however both the installation and maintenance will be at the owner’s expense.

Interior of Units

Owners may paint the interior of their Units without the Mutual’s approval.

House Numbering & Names

The addresses for the Manor shall consist of the white numerals on a dark brown background which are manufactured and mounted by MOD. The individual unit numbers (1 through 4) shall consist of a single numeral, in a color contrasting with the paint on the porch post nearest the mailbox.

The nameplate shall consist of white lettering on a dark brown background, 2" high and will be installed in the proper location by MOD employees or by MOD’s designated installer.

Wind chimes

These are permitted provided that they do not cause unreasonable noise or a nuisance to immediate neighbors. Ask neighbors before installing.

COMMON AREA ALTERATIONS

Section 4.7 of the CC&Rs provides that no alterations or additions to the Common Area, including landscaping, shall be permitted without the prior written approval of the Board. Owners desiring to make alterations or additions to the Common Area shall follow the "Alteration Approval Procedure" outlined below.

SATELLITE DISHES AND TV ANTENNAS

These are permitted. Owners who want to install satellite dishes, TV antennas, wireless cable or any other type of TV or broadcast reception device in the common area or on common area components must submit an Alteration Application and obtain approval of the M28 ACC and Board. This requirement also applies to installations on exclusive use common area that is maintained by the Mutual, such as decks and balconies.

To obtain permission to install a satellite dish, antenna, etc., owners must adhere to the following rules:

- Antennas must be installed in a safe manner, not endangering other residents or common area components.
- Owners must accept financial responsibility for maintenance, repair and replacement costs of roofs or other building components affected by the installation.
- If visible from a street or common area, they must be painted to blend into the surrounding area.

SOLAR ENERGY SYSTEMS

These are permitted, providing they can be installed on the existing building roofs and without major modifications. Please contact MOD for information on available options.

WALKWAYS

An Owner who wants to put a walkway, including stepping stones, in the Common Area must submit an Alteration Application and obtain Board approval. The Owner must include input from Owners of neighboring Units with the Alteration Request.

ALTERATIONS INSIDE A UNIT:

Reference is made to Section 8.5 of the CC&Rs for further details.

Generally, cosmetic alterations to the interior of a Unit do not require the M28 ACC or the Board's approval. Interior alterations that affect the structural integrity, such as removal or relocation of interior walls; or safety of the building, such as plumbing alterations or hard-wired appliances (including water heaters, air conditioning units or heat pumps), require the approval of the M28 ACC and Board. Even if such changes do not require M28 ACC approval, they may require a City of Walnut Creek permit. It would be prudent for Owners to consult with MOD or the M28 Board before proceeding with any interior changes. The Mutual is not responsible for maintenance, replacement or repair of interior alterations.

SMOKE DETECTORS

Smoke detectors are already installed in M28 Units and are inspected yearly at M28 expense. If the Owners desire more detectors they may install and maintain them at their own expense.

The units installed by the Mutual, however, must remain in place.

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ARCHITECTURAL CONTROL COMMITTEE (ACC)

The ACC shall consist of the seated Board of Directors and two Members in good standing appointed by the Board. The ACC's duties shall be:

- To assure the neat and appropriate exterior appearance of the Mutual.
- To assure safe and proper alterations to the interiors of the manors.
- To assure adherence to the By-laws, CC&Rs and Policies of the Mutual.
- To maintain a Rossmoor-compatible atmosphere.
- To review any alteration requests that MOD may submit to the Committee

ALTERATION APPROVAL PROCEDURES:

1. Owners desiring to make alterations shall comply with the following procedures:

- Obtain the standard Alteration Package from MOD
- Submit plans and specifications (as applicable) to MOD
- Execute (fill out) and submit the Alteration Agreement
- Submit neighboring Owner input/statements (if applicable)
- All documents will be reviewed by MOD personnel, and will be passed to the M28 Board or a representative thereof and then to M28 ACC for review and approval.
- If the Alteration Request is denied, and as provided in Civil Code section 1378(a)(5), the Owner has the right to request reconsideration by the M28 Board in an open Board meeting.
- If the alteration requires a building permit from the City of Walnut Creek Building Department, the Owner or the Owner's representative is responsible for obtaining the permit and paying any fees to the City.

2. M28 ACC Decisions to Be Made in Good Faith

The Owner may present the M28 ACC and the M28 Board with additional information relevant to his or her Alteration Request. The M28 ACC's decisions shall be made in good faith and shall not be unreasonable, arbitrary, or capricious. It is recognized and intended that the M28 ACC will employ subjective criteria and judgments in its review of and determination concerning Alteration Requests, plans and proposals submitted to it. The M28 ACC shall make its decisions from the perspective of the interest of the M28 Project as a whole in the fostering of the coherence, value, attractiveness and aesthetic compatibility of all architectural designs and features in the Project after consideration of such factors the M28 ACC reasonably determines to be relevant and after reasonable investigation consistent with the scope and circumstances of the Alteration Request submitted to the M28 ACC. The M28 ACC shall grant the requested approval only if:

- The Owner has submitted a complete Alteration Request;
- The M28 ACC finds that the Alteration Request, plans and specifications conform to the CC&Rs and to the Rules in effect at the time such request was submitted to the Board; and
- The M28 ACC finds that the proposed alteration will, if approved, be consistent and compatible with the architectural and aesthetic standards prevailing within the M28 Project and will be in harmony with the external design and appearance of other existing structures and improvements within the Project, and as to location with respect to topography and finished grade elevations; and
- The M28 ACC determines that the proposed work would be consistent with the standards of the M28 Project and the purposes of the CC&Rs as to quality of

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workmanship and materials.

3. M28 ACC Decisions Shall Be In Writing

All approvals and rejections of Alteration Requests shall be in writing and shall be issued by the M28 ACC within forty-five (45) days from the date of submission of a complete Alteration Request to the Board. If a request is rejected, the decision shall include an explanation of the M28 ACC's decision.

4. Reconsideration by the Board. If the M28 ACC rejects an Alteration Request, the Owner shall be entitled to reconsideration of the request by the Board of Directors at an open meeting.

5. Commencement of Alteration

Upon receipt of written approval of the Alteration Request, the Owner shall, as soon as practicable, satisfy all conditions of the approval, and diligently proceed with the commencement and completion of all approved work. Commencement of the approved work shall occur, in all cases, within ninety (90) days from the date of such approval.

6. Completion of Alteration

The Owner shall, in any event, complete all approved work within one (1) year after commencement thereof, except that the date for completion may be extended as long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities, or other supervening forces beyond the control of the Owner or his or her agents.

7. See also Work Site Rules on page10.

LANDSCAPING

Common Area (Not Including Exclusive Use Common Area):

If an Owner wants to change the landscaping in the Common Area, a proposal [including plans, if applicable] must be submitted to the Board for approval. The Mutual Board may require that the Owner obtain and provide the Board with input from the Owners of neighboring Units before considering the request for approval.

Any approved landscape change to Common Area will become the property of the Mutual and be incorporated into its overall landscape design. As a precondition for approving a proposed change, the owner may have to agree to maintain the approved change(s) or contribute to the cost of maintaining the change(s) at a maintenance level satisfactory to the Board. If maintenance does not meet the Board's standards, restoration of the area to its original condition, at the Owner's expense, may be required, at the Mutual's discretion.

Plastic or other non-growing plants may not be placed in any area visible to residents.

Watering

Residents are not permitted to water the common areas. Residents should call MOD if there is a problem with the sprinkler system for common area lawns and/or shrubs.

Tree or Shrub Removal and Trimming

Removal of trees and shrubs from any Common Area shall require Board approval.

The Board may approve an Owner's request to have a tree or shrub removed from such areas if it is:

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- Dead, dying, or seriously diseased
- An immediate or future hazard to people or property
- Unsightly because of age or damage
- Not harmonious with good landscape design
- Permitted by the City of Walnut Creek

Residents may not top, prune, or cut any tree or shrub located in the Common Area; requests to have such work done by the Mutual must be submitted to the Board in writing. The Board will have the sole discretion to decide whether to approve the request. All requests shall include separate statements from Owners of neighboring Units that will be affected by the topping, pruning, or removal.

Exclusive Use Common Area Landscaping

- Patio gardens are allowed only within a porch or patio. Plants in pots on porches must not block walkways or doorways.
- Trees or large shrubs planted in containers may not exceed gutter height at maturity.
- Any plant planted directly in the ground and with a potential mature height greater than five (5) feet requires approval from the M28 ACC (a permit from MOD). Considerations for approval are height, appearance, leaf shed and root spread.
- No action by a resident is permitted that would adversely affect water lines, hose bibs, drainage, erosion or the manor structure.
- Ivy and all other climbing plants must be controlled/pruned so that they do not climb on buildings or extend onto sidewalks.
- Overgrown shrubs or trees that have become invasive or cause problems will be pruned or removed by MOD Landscape personnel at the resident's expense.

ALTERATIONS THAT HAVE NOT BEEN APPROVED:

If an alteration is discovered that has not been approved as required by the CC&Rs and the Rules, the Owner has the option of:

- Removing the alteration and returning the area to its original configuration [to the Mutual's satisfaction], including any upgrades necessary to meet the City of Walnut Creek's building code. The Owner is responsible for all costs associated with the removal and restoration.
- Submitting an Alteration Application to the M28 ACC for approval (see Alteration Approval Procedures above). The Owner is responsible for all costs associated with getting the alteration approved.

The Board will establish a reasonable time limit for the Owner to complete this effort.

If the Owner does not comply, the Board will hold a hearing in accordance with the procedures set forth in the Amended Bylaws and may, at its discretion, employ a contractor to complete one or the other of the foregoing options at the Owner's expense.

WORK SITE RULES

The following rules apply to contractors and other service providers employed by residents. Contractors should be made aware of these rules by residents before they submit an estimate for a job. Any exceptions to these rules require the authorization of a mutual director:

- Normal work hours are 8:00 AM to 5:00 PM, Monday through Friday (except holidays). Operating noisy equipment or doing other work that disturbs neighbors outside these hours is not permitted. Please note that this includes carpet-cleaning trucks.
- Building utilities may not be interrupted without permission from a Mutual director, MOD or the utility provider, with at least 24 hours posted notice except in the case of emergency.
- Walkways and stairways must be kept clear.
- All job debris must be removed daily and the common areas swept clean. Do not discard any waste in the Mutual's trash containers.
- All vehicles must be parked in marked parking areas; do not block any parking spaces or driveways. If parking is limited or if the contractors have several vehicles, they must unload and park vehicles on the street, Under no condition may contractors park all day in a Guest Parking spot.
- Neither put nor store materials in common area or parking spaces.
- Protect landscaping and paint finishes from all work activities; report any damage to a mutual director.
- Do not operate radios, etc., so they can be heard outside a manor

BUSINESS/COMMERCIAL ACTIVITIES

No business or commercial activities may be conducted by Owners, Residents or visitors in the Common Area.

It is the Owner's responsibility to ensure that any business or commercial activities comply with applicable zoning laws or governmental regulations and, if required, proper permits, licenses or other governmental authorization should be obtained.

Any excessive trash resulting from business or commercial activities must be disposed of at the Owner's or Resident's expense.

Use of Units to conduct business or commercial activities is also governed by CC&Rs Section 4.5.

COMMITTEES

STANDING COMMITTEES:

As provided in the Bylaws (Section 10.1), the Board appoints Committee Members, the following are the Mutual's Standing Committees:

- Architectural Control
- Finance
- Landscape
- Social

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NOMINATING COMMITTEE:

As provided in the Bylaws (Section 6.1) and the Mutual's Voting and Election Rules (contained therein), the Board may appoint a Nominating Committee to nominate candidates for election to the Board of Directors.

SPECIAL COMMITTEES:

Other special and ad hoc committees will be appointed by the Board in its discretion.

ASSESSMENTS, INCLUDING DELINQUENCIES

Payment of Assessments, and handling of delinquent Assessments, is also addressed in Article 6 of the CC&Rs.

Monthly Annual (i.e., "regular") Assessments

Payments are due on the first day of each month. Payments may be made by mailing the payment in the envelope provided with the monthly coupon, or putting it in the drop box at the Administration Office in the Gateway Complex. Prior to the beginning of the year, MOD, on behalf of the Mutual, mails all Owners a "coupon book" for the monthly Annual Assessment payments and payment envelopes. The Mutual only mails statements to M28 accounts that are delinquent; separate statements are not mailed to M28 accounts that are current or have a credit balance.

Delinquent Assessments:

All Annual (i.e., regular and Special Assessment payments that have not been received and posted to accounts by 4:40 PM on the 15 day of the month.

INSURANCE

Update to current policy. See also CC&R section 7.1 Article 13, as modified in February of 2012.

The Mutual's master policy is a broad risk policy that covers damage to covered property caused by losses not specifically excluded under the policy. Earthquake is an example of one cause of loss that is excluded by the policy, there are others. The rub is that the policy has a \$100,000 deductible and thus the policy only pays for (as distinguished from covers) losses which are catastrophic.

As set forth below, the risk of losses under \$100,000 are shared by the Mutual and the residents. Mutual 28 has a deductible sharing agreement with all of the other Mutuals in Rossmoor, with the exception of the Waterford. This agreement provides that the Mutual and its membership will pay the first \$10,000 of a loss in the Mutual which is caused by fire, wind and wind-driven rain, vandalism, and other sudden and accidental causes. If the loss exceeds \$10,000 the remainder of the loss up to \$100,000 will be shared by all Mutuals on a prorated basis. Replacement value will be paid for covered property where the loss falls within the agreement. Covered property for purposes of this agreement and the policy includes the structure as well as built-in fixtures and appliances like cabinets, counter tops, and flooring.

Losses falling outside of the deductible sharing agreement will be paid either by the resident responsible or the Mutual, if the Mutual is responsible, or both if neither is responsible. Examples of losses falling outside of the agreement include losses caused by: earthquake, rain leaks, earth movement and building settlement, seepage or overflows, any other normal maintenance item, or failure of an item due to lack of maintenance or resident's personal property or resident alterations.

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If the Mutual is responsible for a loss that falls outside the deductible sharing agreement it will not pay replacement value instead it will pay the depreciated value of the damaged property.

If the resident is responsible the Mutual will pay nothing, except maybe to restore common area. Even if the Mutual pays to restore the common area, ultimately the resident will be expected to pay for such damage.

If neither is responsible, for example in the event of an earthquake, each party would be responsible for their respective property. I.e.: the Mutual would be responsible for the common area and the resident would be responsible for their unit

LEASING

Owners and Residents are reminded that there is a limitation on the number of Units within the Mutual that may be rented at any given time. Leasing of Units and occupancy of Units by persons other than the Owner is covered by CC&Rs Section 4.3 (entitled "Rental of Residences") and Section 4.4 (entitled "Time-Share and Private Exchange Arrangements").

PROCEDURE FOR PROCESSING LEASES:

Requests for permission to rent and other information concerning rental requirements are available at the GRF Administration Office at Gateway. Owners must obtain written approval from the M28 Board before executing a Rental or Lease Agreement. Approval may be requested by submitting a Request to Lease form to the GRF Member Services Department.

If the lease request is approved, the Owner must submit the Lease Agreement and the approved Request to Lease form to the Member Services Department for approval by the Mutual.

A copy of GRF's Resident Regulations, M28's policies, and the governing documents will be given to the lessee [for a fee], who will sign for their receipt.

Failure to obtain a Board-approved lease agreement may be subject to a fine. See Fine Schedule on page14.

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PETS

The keeping of pets in the Mutual is also regulated by Section 4.14 of the CC&Rs entitled "Animals."

Unless prohibited by the Board, each owner may keep no more than two dogs or two cats or one cat and one dog, or any reasonable number of birds, goldfish, turtles, hamsters or other permanently-caged animals, provided that they are not kept, bred or maintained for any commercial purposes, and that they are kept under reasonable control at all times. Keeping and controlling pet animals is expressly subject to any controls or prohibitions that may be adopted by the Board.

When dogs are outside the Manor, they must be on a leash at all times held by a responsible person capable of controlling it. The resident is responsible for cleaning up if the pet defecates.

Cats are not to be outside of the Manor or enclosure at any time.

No pets may be kept in the Mutual that become a nuisance. Pets that are determined by the Board to be noisy or obnoxious are subject to removal from the Mutual.

HEARINGS

Hearings, including required notice requirements, are also addressed in Civil Code section 1363(h) and Section 8.1.4 of the Amended Bylaws.

Conduct of The Hearings

All hearings by the Board will be informal, and will be presided over by the President or the Vice President, who will:

- Read the charges against the member;
- Require that the charges be verified by the testimony of one or more of the persons making them;
- Hear any other witnesses against the member;
- Allow the member to make a statement in his or her own behalf;
- Allow the member to call witnesses in his or her own behalf; and
- Allow the directors present, when and as recognized by the chair, to question the witnesses.

If the member fails to appear at a noticed hearing, the Board may conduct its deliberations and make its decision based on the information available to the Board.

FINES and ENFORCEMENT (Adopted 7/26/17)

Article 10, Subsection 10.5.3 of the CC&Rs covers the Imposition of Sanctions

The following fines may be imposed on any Member found in violation of the Mutual's Policies, Bylaws or CC&Rs except those specified elsewhere in these policies. It is every member's responsibility to make themselves aware of Mutual's policies as well as the fines shown below.

When any violation is observed or reported and then confirmed, the following procedure will be followed:

- The responsible party will be notified. Notification can be through any of the following; personal contact, phone call, or letter of warning. The warning shall cite the applicable governing document(s) for the case at hand.

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- The responsible member will be notified of the time allowed to correct the violation.
- If the responsible member does not correct the violation within the time allowed, then a certified letter stating the Board's intention to impose a fine, including the amount of the fine, will be sent to the member. This letter will include notice that the member may appeal this fine before it is imposed by appearing in person or by sending a written appeal to the Board of Directors. Generally this appeal would take place at the next regularly scheduled Board meeting.
- Failure of the responsible member to appear before the Board, or respond by mail, with a reasonable excuse shall not deprive the Board of being able to act on the violation. If the responsible member does not appeal the proposed fine, either in person or in writing, then the Board may decide the imposition of the fine.
- The responsible member will be notified of the Board's decision by certified mail within 15 days of the Board's taking action.

Any fines imposed by the Board will be due and payable on the 1st of the month or 30 days after assessment, whichever period of time is longer. Payment for a fine which is 30 days overdue will be assessed a late fee of \$50 per month. This amount will be separate and in addition to any late charges for unpaid assessments which may be on record.

When any fine is three (3) months past due the Mutual will seek legal action. This may include an action in Small Claims Court. All court fees will be charged to the responsible member.

If judgment is awarded through Small Claims Court, the Mutual may refer the matter to a collection agency. Any collection fees will be charged to the responsible member.

FINE SCHEDULE

Parking Violation Fines

Members who violate the Mutual's parking rules will be subject to the following fine(s):

- First Violation Warning Notice (either by Mutual or Public Safety)
- Second Violation (same violation within 3 months) \$ 50
- Third Violation (same violation within 3 months) \$ 100
- Subsequent Offenses (same violation within 3 months) \$200

Other Violations of Mutual Policies, Bylaws, or CC&Rs

- After notice and time frame expire \$100
- Same violation within 3 months \$200

Unauthorized Occupancy (no Board-approved Lease Agreement)

- From date that Board becomes aware of the violation \$100/day until corrected.

MAINTENANCE POLICIES

Certain repair and maintenance activities are the responsibility of the Mutual and others are the responsibility of the Unit Owner. A portion of the monthly fees collected pays for maintenance of the Common Area [e.g., landscaping and the exterior of buildings], which is, generally, the responsibility of the Mutual. The maintenance and repair of the interior of a Unit and the Exclusive Use Common Area (i.e.: your yard or patio) associated with a Unit is typically the responsibility of the Unit Owner.

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The CC&Rs provide that the responsibility for Maintenance, Repair and Replacement of Units and Exclusive Use Common Area shall be set forth in Maintenance Policies adopted by the Board from time to time. Appendix H identifies whether the Mutual, or the Unit Owner is responsible for the maintenance or repair of particular components. Unit and Exclusive Use Common Area components not listed on Appendix H shall be the responsibility of the Owner.

Residents should contact MOD directly for any problems involving maintenance, repair or replacement of components. If the problem is the Mutual's responsibility, it will be handled by MOD. If it is the Owner's responsibility, MOD will so advise the Owner. If there is a question about the division of responsibility, MOD will contact the Board to render a ruling.

MOD CHARGES FOR MAINTENANCE AND REPAIR WORK

Labor Charge:

The hourly rate for each serviceperson (worker) on a job is calculated from the time they arrive at the manor or place of work until they depart. The labor charge, which is based on current costs and a mark-up for indirect expenses, is reviewed regularly and adjusted when necessary to recover the costs of providing services. A premium is assessed for work done at overtime rates [after hours and on weekends]. Current charges can be obtained by telephoning the Work Order Desk at 988-7650.

Material Charges:

Any materials needed to complete the job are charged in addition to labor.

Responsibility for Payment:

Items designated as "Mutual Responsibility" in Appendix H will be paid by Mutual No. 28. Items designated as "Resident Responsibility" will be paid by the owner. If resident-billable maintenance or repair is rendered by Mutual Operations Division (MOD), payment is required at the time that service is rendered.

Differences of Opinion:

Order desk personnel advise residents, at the time orders are called in, that some work items "may be billable" to them. Workers also advise residents before commencing work when the work is billable to them. After the worker arrives, if a resident chooses not to have the work performed, the resident will be billed a minimum service charge. If there is a difference of opinion between the worker and resident regarding cost or whether the item is the resident's responsibility, the worker will not commence work, will note "resident refused work" on the work order, and indicate the work is complete. The work order will be processed as usual and the worker's time will be billed as described.

MISCELLANEOUS REGULATIONS

Resolution of Violations or Problems.

In the event that these, or any other violations or discrepancies to these Policies, the following steps should be taken:

- If possible, and feasible, contact the person creating the problem.
- If the problem is a one-time event: e.g.: loud noises, car blocking driveway, etc.
- call Public Safety. Calling Public safety assists resolution in several ways:
 - Gives a record of the event
 - Gets the problem resolved when it's needed

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- Prevents conflicts with neighbors
 - If the problem is of a recurring or chronic nature, please call one of the Board
 - members during reasonable working hours.

AIR CONDITIONERS / HEATING UNITS

As a courtesy, A/C units should not be operated after 10:00 PM except in extremely warm weather conditions. If you have a health problem please inform the Board or your neighbors.

AUTO REPAIR

No motor vehicle shall be repaired or rebuilt within the Mutual.

BIRD SEED FEEDERS; BIRD BATHS

Bird seed feeders are permitted but with the following strict regulations

- The feeders must not be M28 accessible to rodents in any fashion.
- The feeders must be placed over a bare area
- The feeders must not be placed over a deck with spaces between the planking.
- The feeders must not be kept constantly full
- All feeding supplies must be stored inside of your Manor or carport storage cabinet, and not in an outside cupboard

Bird baths are allowed with the following strict regulations:

- Flush and re-fill the bath every day
- Use a brush to remove the algae from the bottom once a week

DOOR-TO-DOOR SOLICITATIONS

Any sort of campaign(s) or other forms of resident canvassing and solicitation are prohibited, except for M28 Board candidates or Golden Rain Foundation Board candidates, or other M28 concerns and issues. The Board will not deny any reasonable request for canvassing.

DRIVING

Except as otherwise posted, the California Vehicle Code (CVC), is enforced in Rossmoor, including the streets within the Mutual 28 Project. The speed limit for streets in Mutual 28 is 10 miles per hour according to the CVC Basic Speed Law.

GUESTS/VISITORS

Owners are required to see to it that their guests, workman, contractors, Contractors' employees and health care employees abide by the Mutual's Governing Documents, including these Policies. Owners may be held responsible for the actions of their guests, including damages caused by guests

HARASSMENT

Harassment or physical or verbal abuse of the Mutual's Directors, Officers, contractors, employees or agents while performing their duties for the Mutual or as a result of the performance of such duties will not be tolerated and may be grounds for disciplinary action by the board.

LAUNDRY

No outside clothesline, clothing rack, or other outside clothes washing, drying, or airing facilities shall be maintained in any patio or deck area if it is visible to persons on the

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street or in other Units, patios or decks.

MOD, MUTUAL AND GRF EMPLOYEES; CONTRACTORS

Golden Rain Foundation prohibits their employees from residing in a Rossmoor Mutual. The Mutual may not employ Owners or Residents of the Mutual. GRF prohibits the hiring of off-duty GRF or MOD employees to do work for individual Owners or Residents or on Manors.

NATURAL DISASTERS (Added 5/25/16)

The Mutual is responsible for the proper maintenance and appearance of the manors and common areas pursuant to its Declaration of Covenants, Conditions and Restrictions (CC&Rs) and Policies.

In the event of an emergency or a natural disaster, the Mutual would be responsible, under certain conditions for restoration as required by the CC&Rs and Mutual Policies.

In such an emergency or natural disaster, the Mutual cannot be the guarantor of the health and safety of individual residents. Emergency food and water storage is an individual responsibility. It is imperative that each resident keep informed about emergency preparedness and develop a plan for dealing with an emergency or natural disaster. Residents are encouraged to take advantage of information available thru such organizations as the Rossmoor Emergency Preparedness Organization and FEMA's CERT training.

NOISES

The following Rules are in addition to the restrictions imposed in Section 4.6 of the CC&Rs and entitled "Offensive Conduct; Nuisances; Noise"

Offensive conduct, nuisances and noise are defined as a level that unreasonably interferes with or is an unreasonable annoyance to residents in neighboring Manors. This includes the following:

- Stereos, radios, televisions, music, and conversations
- Trash and recycling disposals 10:00 PM and before 7:00 AM.
- Air conditioners/Heating Units after 10:00 PM.
- Barking dogs

OFFENSIVE CONDUCT

Activities that cause unreasonable embarrassment, disturbance or annoyance to any resident of the Mutual or interfere with any resident's use and enjoyment of his or her Unit, Exclusive Use Common Area and/or the Common Area and common facilities shall not be permitted and may be grounds for disciplinary action by the Board.

OUTSIDE STORAGE

Nothing is to be stored by Owners or Residents in the Common Area outside of the manors or carport storage closets. No personal items shall be attached to external walls or fences.

Each Owner and Resident shall keep his or her assigned carport in a neat, orderly, sanitary and safe condition.

VEHICLES; PARKING RULES (Updated 1/25/17)

VEHICLES; PARKING RULES Sections 4.19 and 4.20 of the CC&Rs allow the Board to adopt Parking Rules. Except as approved by the Board on a case-by-case basis and for

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good cause shown, trailers, campers, boats, RVs and trucks used for commercial purposes may not be parked on the streets or in the driveways of M28 except for a 24-hour loading or unloading period. If this rule is violated, the Mutual may assess a fine per the Fine Schedule for each 24-hour period that the rule is violated.

Parking within the mutual is restricted to designated parking spaces and residents use of their carports. Owners and Residents of the Mutual may not use the parking spaces designated for Guest Parking except to load and unload passengers, packages and other deliveries, for periods of time not to exceed one (1) hour. The use of Guest parking spaces by non-residents is limited to 72 hours. Residents abusing these parking policies are subject to a fine. See Fine Schedule for details.

Undesignated parking places not in carports are open parking, but are subject to Mutual control. The Board may request that Public Safety investigate and mark vehicles that are: left for long periods of time, improperly parked or not belonging to Residents. If circumstances dictate, these vehicles are subject to either a fine, or towing, or both.

Parking on the grass is not allowed at any time.

Parking of any type of container in the parking areas is limited to the following situations and conditions:

- All such containers require a permit with at least 7 days' notice.
- No container may be wider than 80 inches.
- Any container must be parked with equal distance between the limit lines of the parking space.
- If the container is an assist for moving household property the limit shall be 72 hours.
- If the container is to be used for construction storage the limit shall not exceed the length of time on the Rossmoor-issued alteration permit.
- No containers may be stored in carports except as noted above.

VEHICLE SIZE LIMITATION

In addition to the declaration in CC&RS: 419, to wit "no motor vehicles other than golf carts, two axle passenger vehicles which are of a type customarily used for personal transportation, and standard size pick-up trucks shall be parked or stored upon any area within the Project." The personal vehicle must clear at least 12 inches from the roof and sides and, in the case of the multi-spaced carports, not extend more than 12 inches outside.

WILDLIFE

Other than the bird feeders and baths mentioned previously, the feeding of any other wildlife is prohibited by the Mutual and by GRF.

NEW OWNER ORIENTATION MEETING (Added 5/25/16)

Every new owner shall be required to attend a “New Owner Orientation Meeting” with representatives of Mutual 28’s Board of Directors and the Mutual Operations Division (MOD). The purpose of that meeting is to provide information to the new owners concerning the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and Policies that govern the residents of the Mutual, including the alteration permit procedures that must be followed by Owners who want to make alterations to their Manors and exclusive use common area (such as decks, patios and landscaping).

The Orientation Meeting must take place within 30 days of the close of escrow. If conflicts exist regarding attendance, telephone conferences may, at the discretion of the Board, substitute for in-person meetings. Whenever possible, meetings should be held at the MOD office at 800 Rockview Drive, Walnut Creek, CA

No alteration permit will be granted to the new owner until an Orientation Meeting or conference call has taken place.

RESALES AND RESALE INSPECTIONS

When notified that an M28 manor is going to be sold, MOD as the M28 agent will inspect the unit to determine if the owner has damaged Mutual property or has altered Mutual property without the Board’s approval.

If the Mutual’s property has been damaged, the owner must repair the damage to the Mutual’s satisfaction, or disclose to and ensure that the buyer M28 accepts financial responsibility for future maintenance costs.

If there is an unapproved alteration, the owner may:

1. Remove the alteration at his/her/their expense and return the area to its original configuration to the Mutual’s satisfaction, including any upgrades necessary to meet the City of Walnut Creek’s building code. The owner is responsible for all costs associated with the removal and restoration.
2. Submit an Alteration Application to the Board for approval.

It is the owner’s responsibility to fully disclose to the buyer any pertinent information the Mutual or MOD, as the Mutual’s agent, gives to the owner during the resale process.