

**WALNUT CREEK MUTUAL THIRTY-NINE
(Mutual 39)
RULES AND PROCEDURES**

APPENDIX A

SUPPLEMENTARY INFORMATION

October 14, 2021

WALNUT CREEK MUTUAL THIRTY-NINE (Mutual 39)

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Supplementary Information

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23.0.0 RECORD RETENTION

Following are the retention times, keepers, storage places, and storage formats for certain specific records:

WHAT DOCUMENTS	HOW LONG KEPT	WHO'S THE KEEPER	STORAGE PLACE	HARD OR ELECTRONIC
Bidding papers	4 years after completion	MOD	MOD	either
Bids	4 years after completion	MOD	MOD	either
2 nd Copy	4 years after completion	MUTUAL	MUTUAL	either
Contracts with warranties	Warranty + 4 years	MOD	MOD	either
2 nd Copy	Warranty + 4 years	MUTUAL	MUTUAL	either
Contracts w/o warranties	4 years after completion	MOD	MOD	either
2 nd Copy	4 years	MUTUAL	MUTUAL	either
Reserve studies	permanent	MOD	MOD	either
2 nd Copy	3 years	Vendor	Vendor	electronic
Annual review of reserve studies	In minutes	MUTUAL	MUTUAL	hard
Legal opinions	permanent	MUTUAL	MUTUAL	either
2 nd Copy	permanent	Counsel	Counsel	either
Current building maintenance reports	1 year	MOD	MOD	either
Current landscape maintenance reports	1 year	MOD	MOD	either

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WHAT DOCUMENTS	HOW LONG KEPT	WHO'S THE KEEPER	STORAGE PLACE	HARD OR ELECTRONIC
Work orders - MOD *	4 years after completion	MOD	MOD	either
Work orders - contractors *	4 years after completion	MOD	MOD	either
Reserves work Plans	1 year	MOD	MOD	either
Reserves work done *	4 years after completion	MOD	MOD	either
Superseded rules	Permanent	MUTUAL	MUTUAL	either
2nd Copy	Permanent	MOD	MOD	either
Draft minutes	1 year	MUTUAL	MUTUAL	either
Final minutes	permanent	MUTUAL	MUTUAL	either
2nd Copy	permanent	MOD	MOD	either
Inspection reports Chimney *	permanent	MOD	MOD	either
Buildings *	permanent	MOD	MOD	either
Alterations at sale *	permanent	MOD	MOD	either
Crawl spaces *	permanent	MOD	MOD	either
Other dry rot and termites *	permanent	MOD	MOD	either
Alteration actions and reports *	permanent	MOD	MOD	either

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WHAT DOCUMENTS	HOW LONG KEPT	WHO'S THE KEEPER	STORAGE PLACE	HARD OR ELECTRONIC
Owner complaints and MUTUAL responses	5 years	MOD	MOD	either
2 nd Copy	5 years	MUTUAL	MUTUAL	either
MUTUAL complaints and owner responses	5 years to permanent	MOD	MOD	either
2 nd Copy	5 years to permanent	MUTUAL	MUTUAL	either
Monthly financial reports	6 years	MOD	MOD	either
Budget papers	permanent	MOD	MOD	either
Audit reports	permanent	MOD	MOD	either
Elections Announcement	5 years	MOD	MOD	either
Petitions	1 year after election	MUTUAL	MUTUAL	either
Mailing list	1 year	MOD	MOD	either
Secretary letter	5 years	MOD	MOD	either
2 nd Copy	5 years	MUTUAL	MUTUAL	either
General correspondence	5 years	MUTUAL	MUTUAL	either
2 nd Copy	5 years	MOD	MOD	either
Elections Ballots	1 year after election	MUTUAL	MUTUAL	Hard

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WHAT DOCUMENTS	HOW LONG KEPT	WHO'S THE KEEPER	STORAGE PLACE	HARD OR ELECTRONIC
I E certificates	1 year after election	MUTUAL	MUTUAL	either
Publish. Results	1 year after election	GRF	GRF	either
Committee minutes (decisions)	permanent	MUTUAL	MUTUAL	either
2nd Copy	permanent	MOD	MOD	either

* Signifies documents to be placed in unit or building file.

Where MOD is indicated as the custodian, MOD is responsible for second-copy security.

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40.0.0 OCCUPANCY OF A MANOR

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Occupancy of a manor is regulated not only by Walnut Creek Mutual Thirty-Nine Board rules but also by the Civil Code, the Agreement Establishing Covenants, Conditions and Restrictions; Golden Rain Foundation bylaws; and Walnut Creek Mutual Thirty-Nine bylaws. These additional regulations are summarized below.

THE CIVIL CODE

Section 51.3 of the Civil Code provides that our rules may require one occupant person to be a qualifying resident and every other occupant to be a qualified permanent resident. A qualifying resident is a person 62 years of age or older, or 55 years of age or older in a senior citizen housing development. A qualified permanent resident is a person who was residing with the qualifying resident and who was 45 years of age or older, or a spouse, cohabitant, or person providing primary physical or economic support to the qualifying resident; or a disabled child or grandchild of the qualifying resident or qualified permanent resident.

Section 51.3 of the Civil Code also requires our rules to permit occupancy by permitted health care residents, and temporary residency by guests under the age of 55 years for periods of time not less than 60 days in any year.

THE AGREEMENT ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WALNUT CREEK MUTUAL THIRTY-NINE.

Part 8A of the Agreement establishing covenants, conditions, and restrictions for Walnut Creek Mutual Thirty-Nine provides that a person may reside in or occupy a manor if that person is:

- (1) A natural person, for whom payment of membership fees and current dues, charges, and assessments of the Foundation are not delinquent and who comply with the By-Laws, Rules and Regulations of the Foundation as they now exist or from time to time are adopted, or
- (2) A member of the immediate family of the person listed above, who may be permitted temporary occupancy by the Foundation under its rules and regulations as they now exist or are from time to time adopted.

GOLDEN RAIN FOUNDATION BYLAWS.

Under bylaws Article II Section I(d) a member of the Golden Rain Foundation is one or more natural persons residing in a single manor - one of whom must be at least 55 years of age. Under bylaws Article II Section I (e) a "designated occupant" is any person residing in a condominium Mutual who has been designated by the owner of the manor as an approved occupant, in accordance with the terms and conditions imposed by that Mutual and the Foundation.

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"To reside" means to live in a unit for 60 days or more in a calendar year. "Residence" and "resident" are interpreted accordingly.

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45:0.0 ASSESSMENTS DUE DATE, DELINQUENT PAYMENTS AND REFERRAL FOR COLLECTION

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WALNUT CREEK MUTUAL THIRTY-NINE 2005-2006 DELINQUENT ASSESSMENT COLLECTION RULE

1. Regular assessments are due, in advance, on the first day of the month and delinquent if not received, in full, by the Mutual by 5:00 p.m. on the fifteenth day of the month. Special and special individual assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received by the Mutual within fifteen (15) days after it is due. A late charge of 5 percent (5%) of the amount of the delinquent assessment shall be due on any such delinquent assessment.
2. The Mutual is entitled to recover reasonable costs of collecting delinquent assessments including but not limited to reasonable attorneys' fees, late charges, reasonable costs of collection, lien fees and costs and litigation guarantees.
3. At the option of the Mutual, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of ten percent (10%) per annum.
4. If any portion of any such assessment or late charge remains unpaid thirty (30) days after the original due date thereof, a demand letter will be prepared and sent to the record owner(s). If any portion of any such assessment or late charge remains unpaid sixty (60) days after the original due date thereof a "Letter of Intent" " which shall include all information required by Civil Code 5660 or comparable superseding statute to file a Notice of Delinquent Assessment ("lien") will be prepared and sent to the record owner(s).
5. The owner has the right to request a meeting with the board as provided in Civil Code Section 5665 to discuss a payment plan for the debt identified in the "Letter of Intent". The board shall meet with the owner within forty-five days of the date of the postmark of the request, so long as the request is made within fifteen days of the postmark of the "Letter of Intent" letter. If there is no regular meeting of the board scheduled within that time period, the board may designate a committee of one or more directors to meet with the owner.
6. All amounts specified in paragraphs 1 and 2 above, and all other assessments and related charges thereafter due to the Mutual, must be paid in full. If the Mutual decides to pursue foreclosure and sale of the unit to recover the amount owing, partial payments of such amount will not be accepted after a Notice of Default has been recorded, and the foreclosure proceeding will continue unless and until payment in full is received.

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7. If all such amounts have not been received ninety (90) days after the original due date thereof, or thirty (30) days after the mailing of a "Notice of Intent to Lien", whichever is later, a Notice of Delinquent Assessment ("Lien") will be prepared and recorded after a resolution authorizing the recording of the lien has been adopted at a duly noticed open meeting of the Board as to the delinquent property and the owner(s) thereof, and all resulting collection fees and costs will be added to the total delinquent amount.

8. If all such amounts have not been received, in full, within thirty (30) days after the recordation of such lien, the Mutual may, to the extent permitted by law, and without further advance notice, proceed to take any and all additional enforcement remedies as the Mutual, in its sole discretion, deems appropriate, including, without limitation non-judicial foreclosure of such lien, judicial foreclosure, or suit for money damages all at the expense of the property owner(s). Foreclosures of the recorded lien will take place only after a resolution has been adopted at an Executive session of the Board.

9. To the extent permitted by law, all payments received by the Mutual, regardless of the amount paid, will be directed to the oldest assessment balances first, until all assessment balances are paid, and then to late Charges, interest, and costs of collection, unless otherwise specified by written agreement.

10. Any check returned by the bank, and any automatic payment withheld by a bank, for insufficient funds, stop payment, or any other reason will be charged back to the unit and a \$25.00 administrative fee plus any bank fees will be assessed to the account. If the account has been turned over to the Mutual's agent for collection and a check is returned the account will be assessed bank fees plus whatever reasonable administrative fee the agent charges.

11. All above-referenced notices will be mailed to the record owner(s) at the last mailing address provided in writing to the Mutual by such owner(s).

12. The owner shall have the right to dispute the assessment debt by submitting a written request for dispute resolution to the Mutual pursuant to the Mutual's informal "meet and confer" program. The owner shall also have the right to request alternative dispute resolution (mediation or arbitration) with a neutral third party pursuant to Civil Code Section 5925 *et seq.* before the Mutual may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Mutual intends to initiate a judicial foreclosure. The owner shall be required to pay one-half of the fees of any mediator or arbitrator used for this purpose.

13. The Board of Directors may waive any part of this rule on a case-by-case basis, except to the extent the procedures described above are required by California law.

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ATTACHMENT 1
COLLECTIONS PROCESS Regular (Coupon) and Special Assessments (per Appendix A para. 45.3.0)

	Day 0	Day 15	Day 30	Day 60	Day 90	Day 120	Day 150
Invoice is Sent	1 st Day of Month Debt Is Due	Debt Is Declared Delinquent	Demand letter Is Sent	Letter of Intent to File Lien Is Sent	Notice of Delinquency II Sent & Lien Is Recorded	Board May Pursue Additional Remedies ~Small Claims Or Superior Court	Board May Pursue Additional Remedies (Small Claims Or Superior Court)
		late Charge of 5% Is Imposed	Interest of 10% Per Annum II Imposed	Board authorizes lien		Board Authorizes Referral of Debt To the Court	Small Claims filed by M39 Administrator Superior Court filing by Legal Firm
Responsibility >>>	Assistant Controller	Assistant Controller	Assistant Controller	Collection Agency	Collection Agency	Director M39 Board	M39 Administrator or legal Firm

Owner Billable - PROPOSED (Modelled on Appendix A para. 45.3.0)

Event Occurs	Owner Signs Work Order	Work Is Completed By MOD	Invoice Is Sent (Owner Billable Confirmation letter and Invoice)	In Day of Month Debt Is Due	Day 15 Debt Is Declared Delinquent	Day 30 Demand letter I.; Sent	Day 90 Late Charge of 5% Is Imposed	Day 120 Interest of 10% Per Annum Is Imposed	Day 270 Board May Pursue Additional Remedies (Small Claims Or Superior Court)
	Other Affected Owners Are Notified		See item 3 below for processing details	MOD Supports Owner in Filing Insurance Claim		Letter Indicates Additional Fees To Be Imposed	Board Authorizes Referral of Debt To The Court		Small Claims filed By M39 Administrator Superior Court filing by Legal firm
Responsibility >>>	MOD/ Owner	MOD	Assistant; Controller	MOD	Assistant Controller	Assistant Controller	Assistant Controller	Assistant Controller	M39 Administrator or Legal Firm

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49.0.0 INSPECTIONS

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Sellers of manors and Walnut Creek Mutual Thirty-Nine (Mutual 39) each have responsibilities to correct problems or defects that may be discovered in an inspection at the time of resale.

Manor owners are responsible for maintaining the interior of their manors as defined in the CC&Rs and in the Mutual rules.

Mutual 39 is responsible for maintaining and repairing all common areas, as defined in Rule 0.3.0, Part II D. The costs of all such maintenance and repair work are borne by the Mutual.

If a present or previous owner of the manor has made permitted alterations, such as enclosing a balcony or finishing a loft area, the owner has agreed to maintain such alterations as a condition for the issuance of an alteration permit.

If a present or previous owner has made an alteration without permission from Mutual 39, the alteration must be removed unless the owner obtains and complies with the conditions of a Mutual 39 permit for the alteration.

A new buyer accepts responsibility for the maintenance of building alterations. Simply put, the current owner has responsibility for maintaining all alterations to the original structure.

Buyers and sellers may initiate building inspections at the time of resale. Such inspections may include areas that are the responsibility of the owner of the manor, i.e., interior of the manor and owner alterations. Other inspections may include areas that are not only the responsibility of the owners but also areas that are the responsibility of Mutual 39. If such an inspection reveals problems that are Mutual 39's responsibility, those problems will be corrected in accordance with established rules.

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62.0.0 ALTERATIONS -Owner requested REMOVAL OR TRIMMING OF TREES Page 1 of 1

WALNUT CREEK MUTUAL THIRTY-NINE TREE REMOVAL OR TRIMMING REQUEST

Applicant please fill in Section A, then forward the form to the Landscape Supervisor, Walnut Creek Mutual Thirty-Nine, at the Mutual Operations Division, at 800 Rockview Drive, Rossmoor

A.

Date of Request _____

Name of applicant _____

Name of Owner, if not applicant _____

Tree location _____

Request is for Removal Trimming

Reason for request

Owner signature _____

B. Landscape Supervisor action _____

C. Neighbors opinions

Address _____ Signature _____ Approve
 Disapprove

Address _____ Signature _____ Approve
 Disapprove

Address _____ Signature _____ Approve
 Disapprove

Address _____ Signature _____ Approve
 Disapprove

D. Landscape Representative recommendation _____

E. President's action _____

Neighbors, Landscape Representative, and Mutual 39 President please sign and date your entries. Please state any reason for disapproval on the reverse side. Also use the reverse side for any additional neighbor opinions.

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