

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

If this document contains any restrictions based on race, religion, gender, sexual orientation, familial status, marital status, disability, national origin, ancestry or source of income as defined in subdivision (p) of Section 12955 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.

November 16, 2021

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0.1.0 INTRODUCTION

This manual of Rules and Regulations is intended to provide the Board of Directors, the committees appointed by the Board, and the Managing Agent ready access to information they need to carry out their respective responsibilities and assignments. The Board expects this manual will be useful as an orientation guide and a continuing resource to those who take over these responsibilities from time to time, and to Owners and residents.

These Rules and Regulations implement and interpret and expand on a number of applicable legal documents including Federal, State and local laws and regulations generally, and specifically:

- 1) California Corporations Code
- 2) California Civil Code - Primarily the Davis-Stirling Act
- 3) Common Interest Development Case Law
- 4) City of Walnut Creek Building Codes
- 5) Mutual 39 Covenants, Conditions, & Restrictions (CC&Rs) and Agreements Establishing CC&Rs for Projects in Walnut Creek Mutual Thirty-Nine
- 6) Walnut Creek Mutual Thirty-Nine (Mutual 39) Articles of Incorporation
- 7) Walnut Creek Mutual Thirty-Nine (Mutual 39) Bylaws

The Mutual 39 Rules and Regulations do not supersede any provision of these documents.

The documents named above establish the parameters within which the Board of Directors of Mutual 39 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 guiding principle of the Board is to make the governance of the Mutual 39 as open, as accessible, and as helpful as possible. This requires Board members, Managing Agents, committee members, Owners, and residents to be well informed about the Mutual and have ready access to these Rules and Regulations.

The overall objectives of the Mutual are to:

- 1) Maintain buildings, 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 Unit Owners and Board members to unacceptable liability.
- 5) Maintain communications with Owners as required by the Civil Code and the Corporations Code. This includes providing access to Board minutes and Rules, distributing financial information, and making necessary disclosures about such things as lawsuits and building defects.

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Appendix B contains an archive of superseded Rules and Regulations identified by the item number of the superseding Rule or Regulation. A copy of Appendix B does not accompany each copy of the Rules and Regulations manual. Instead, the Secretary keeps one copy, and one copy is kept in the Board Office for reference.

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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 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 §7231 the Board is entitled to discharge its obligations by relying on its own member experts and on outside expert advice. When a Board expert and an outside expert are unalterably opposed, the Board should solicit a third opinion in order to develop an expert consensus. When the Board accepts expert advice, a Board member who disagrees with that decision publicly could jeopardize the Board's protection under §7231. The Board member 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 Board member 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.

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

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

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14.0 COMMITTEES OF THE BOARD

The Board, on its own initiative or on recommendation by the President, appoints committees of the Board (Bylaws Article XVIII, Section 8.1). The chairperson of each committee does not have to be a member of the Board but shall be designated by the Board, or by the President, or by the members of the committee, as specified in the resolution appointing the committee.

The objective of each committee shall be stated in writing.

A committee shall serve until its work is finished and it is discharged, or until the end of the annual meeting following the committee's appointment, whichever occurs first.

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16.0.0 FISCAL MANAGEMENT

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

16.1.0 COMPLIANCE WITH CIVIL CODE § 5500

To comply with Civil Code §5500, the Board will review the following fiscal items on a monthly basis:

- 1) A current reconciliation of Mutual's operating account.
- 2) A current reconciliation of Mutual's reserve account.
- 3) The current year's actual reserve revenues and expenses compared with the current year's budget.
- 4) The latest account statements prepared by the financial institutions where the Mutual maintains its operating and reserve accounts.
- 5) An income and expense statement for the Mutual's operating and reserve accounts.
- 6) The check register, monthly general ledger, and delinquent assessment receivable reports.

In connection with these reviews, the Treasurer shall recommend to the Board any increase in assessments against the Members necessary to avoid accumulation of substantial deficits.

16.2.0. INVESTMENTS

16.2.1 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 of the principal.

To meet the safety criteria, all 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. Mutual 39 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, a Mutual's reserve funds may be invested in authorized investment accounts, not to exceed five (5) years maturity from date of purchase. Board approval is required for investments in excess of three-year maturities.

16.2.2 INVESTMENT AUTHORITY

The Treasurer or Assistant Treasurer is authorized and empowered, subject to the approval of the Board, to establish and maintain one or more investment accounts as specified in 16.2.1.

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16.3.0 ALLOCATION OF INTEREST EARNINGS AND TAXES ON EARNINGS

16.3.1 OPERATING FUNDS

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

16.3.2 RESERVE FUNDS

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

16.4.0 RESERVES BUDGETING AND FUND TRANSFERS

16.4.1 RESERVE WORK BUDGETS

Reserve work budgets shall not include potential transfers from operating funds.

16.4.2 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.

16.4.3 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 Mutual President, and only to the extent that the operating funds are adequate, as determined by the Finance committee.

16.4.4 REQUIREMENT FOR DIRECT WITHDRAWAL FROM 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 officers: the President, the Treasurer, an Assistant Treasurer, and shall be completely documented.

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16.4.5 REIMBURSABLE USE OF OPERATING FUNDS FOR CURRENT RESERVES BILLABLE WORK

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 officers: the President, the Treasurer, or the Assistant Treasurer.

Reserve funds shall 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.

16.4.6 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. Any proposal for such a loan shall be accompanied by a repayment plan subject to Board approval.

16.5.0 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.

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17.0.0 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.

17.1.0 RESERVE FUND EXPENDITURES

The Board adopts a reserve fund expenditure budget for items such as building maintenance, rehabilitation, and roofing each year after input by the Finance Committee, Mutual President, 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 Mutual President; provided that all contracts and all work orders for goods or services in excess of \$5,000, shall be signed by the Mutual President or Vice President and reported to the Board.

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

17.2.0 OPERATING FUND EXPENDITURES

The Board adopts an operating fund expenditure budget each year after input by the Finance Committee, Mutual President and the Managing Agent.

The Board adopts an operating fund revenue budget that may include regular or "coupon" assessments 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

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and subject to approval by the Mutual President for any expenditure for Building Maintenance, Public Works, and Landscape Maintenance. provided that all contracts and all work orders for goods or services in excess of \$5,000 shall be approved by the Mutual President or Vice President 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.

17.3.0 GENERAL LIMITATIONS ON CONTRACTS AND WORK ORDERS

To be approved without action by the entire Board, all contracts and work orders must meet the Mutual's general requirements for structure and content, must have been approved by the Mutual President in accordance with the rules, 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 with approval by the Mutual President. Contract and work order amounts at or above \$5,000 may be increased, within budget limits, up to 5% of the original contract amount, with approval by the Mutual President. Additional increases, within budget limits, require approval by the Mutual President or Vice President. Budget limits may not be exceeded except by permission of the Mutual President and approval by the Board.

17.4.0 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 a Board Director in case the President is unavailable, and the chairperson of the appropriate maintenance committee.

17.5.0 EXPENDITURES FOR EMERGENCY REPAIRS

The Managing Agent is authorized to approve expenditures for emergency repairs to stop losses or mitigate safety issues. Such expenses must be reported at the earliest opportunity to the President or the Treasurer, if the amount exceeds \$5,000.

17.6.0 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 Vice President and reported to the Board. For purposes of this rule, a non-budgeted fund balance expenditure is any use of the year's beginning fund balance other than budgeted expenditures from that balance.

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18.0.0 ENFORCEMENT OF RULES

The Board shall not enforce any Rule that has not been promulgated.

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

The Board shall not impose a fine except in accordance with the schedule of fines set forth in these Rules.

18.1.0 COLLECTION OF DELINQUENT PAYMENTS

Delinquent payments of Mutual 39 Assessments shall be collected in accordance with **Article 6, Section 6.9** of the Mutual's CC&Rs and R&R 45.0.

18.2.0 VIOLATION OF MUTUAL GOVERNING DOCUMENTS

- (1) Owners are responsible for the actions of their family members, designated residents, co-occupants, tenants and guests.
- (2) For any violation of the Mutual's Governing Documents by an Owner, their family members, Residents, tenants or guests, the Board is authorized to impose a monetary penalty of \$100 for each violation, and for continuing violations, an additional penalty of \$100 for each day until the violation is corrected.
- (3) For repeated offenses of the same violation for which a fine has been imposed previously, the Board is authorized to impose a monetary penalty of up to \$500 per event.

18.3.0 DUE PROCESS

No monetary penalty shall be imposed without first affording the Owner/Resident every opportunity for notice and hearing set forth in the Mutual's CC&Rs and in California Civil Code.

At least 15 days prior to the date when the Board is to meet to impose a monetary penalty against an Owner, the Board shall notify the Owner, by certified mail, of the penalty to be imposed and the reasons for the imposition of the penalty. The notice shall provide the date, time, and place of the hearing, the nature of the violation, and the Owner's right to be heard orally or in writing.

Within 15 days after the Board's decision to impose a monetary penalty, the Board shall notify the Owner of the decision by certified mail. The Owner may appeal the Board's decision by following the internal and alternative dispute resolution procedures set forth in **Article 12** of the Mutual's **CC&Rs**.

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18.4.0 DISPOSITION OF COLLECTED PENALTIES

Funds collected by penalty shall be used first to offset any costs, including legal fees, for imposing the penalty, with the remainder, if any, payable to the Mutual's Operating Fund.

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22.0.1 SCOPE

Notwithstanding any other law or provision of the governing documents, elections regarding assessments legally requiring a vote, election and removal of members of the mutual board of directors by vote of the members of the Mutual 39, certain amendments to the governing documents, or the grant by vote of members of exclusive use of common area property pursuant to Civil Code Section 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.

22.0.2 EQUAL ACCESS RULE

Candidates for office, and members advocating a point of view, shall have equal access to Mutual 39 media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election. Mutual 39 shall not edit or redact any content from these communications but may include a statement specifying that the candidate or member, and not Mutual 39, 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.

22.0.3 QUORUM

The quorum for the transaction of business at Mutual membership meetings is twenty percent (20%) of the members eligible to vote, except that the quorum shall be three (3) members eligible to vote if the sole purpose of the meeting is to count and tabulate secret mail ballots. A quorum for meetings of the Board of directors, including the organizational meeting, is a majority of the directors. Generally, a majority of votes cast by at least a quorum shall decide an election to office or any other question brought to a vote, however, approval by more than 50% of the members is required to allow exclusive use of common property, and the approval for Mutual elections on certain special assessments, and for raising regular assessments more than 20%, is more than 50% of the members of the Mutual. Additionally, where a governing document provides that its amendment requires more than a majority of at least a quorum, the provisions of the governing document will control.

22.0.4 VOTING RIGHTS

All members as of the date of the election or vote shall be qualified to vote in that election. All members shall have one vote in any election and shall have the voting power assigned to them in the Governing Documents. Members shall not be denied a ballot for any reason other than as set forth in these Election and Voting Rules.

22.0.5 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.

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22.1.1 SELECTION OF INSPECTOR(S) OF ELECTIONS

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 rule, 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.

22.1.2 DUTIES: THE INSPECTOR(S) OF ELECTION SHALL:

Determine the number of memberships entitled to vote and the voting power of each.

Determine the authenticity, validity, and effect of proxies, if any.

Receive ballots.

Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.

Count and tabulate all votes.

Determine when the polls shall close, consistent with the governing documents.

Determine the tabulated results of the election.

Perform any acts as may be proper to conduct the election with fairness to all members in accordance with this section, the Corporations Code, the Civil Code and all applicable rules of the mutual regarding the conduct of the election that are not in conflict with this section.

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.

22.2.1 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 membership 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 a second envelope that is sealed. In the upper left-hand corner of the second envelope, the voter shall sign his or her 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. The member may request a receipt for delivery. Once a secret ballot is received by the Inspector(s) of Election, it shall be irrevocable.

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22.2.2 CUSTODY OF BALLOTS

The Inspector(s) of Elections 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 39 address and if applicable their mailing address [member's 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 a challenge to the election, the Inspector of Elections 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.

22.2.3 COUNTING AND TABULATION

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

22.2.4 VALIDITY OF BALLOTS

During the counting of ballots by or under direction by the Inspector(s) of Election, if two or more ballots are received from the same membership, and they are marked identically, they shall be accepted as one ballot. If two or more ballots are received from the same membership, and they are marked differently, they are disqualified. An unmarked ballot is disqualified. A ballot marked both Yes and No is disqualified. A ballot marked to indicate the vote is conditional is disqualified. Any unofficial ballot is disqualified.

22.3.0 CANDIDATE QUALIFICATIONS, NOMINATIONS AND DISQUALIFICATION

- 1) All candidates for the Board of Directors 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 Operating Rules and Regulations ("Rules"), Declaration of Covenants, Conditions or Restrictions, By-Laws 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 of Directors by submitting a written statement that they are nominating the

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person named as a candidate and including their address and telephone number to the Board of Directors or the Managing Agent for the Mutual. Nomination shall begin at least three (3) months and seven (7) days prior to the closing of the poll for the Election. The due date for 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 for not being 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 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.

22.4.0 ELECTION AND APPOINTMENT OF OFFICERS OF THE CORPORATION

The initial election of the required officers of the Mutual and appointment of additional officers of the Mutual takes place at the organizational meeting of the new Board following the meeting of members of the Mutual. The new Board shall appoint an Inspector or Inspectors of Election for the purposes of this meeting.

22.4.1 ELECTION OF REQUIRED OFFICERS

The offices of President, Vice President, Secretary, and Treasurer shall be filled initially, and in the order named, by and from among the directors of the Mutual. Where there is only one candidate for an office, the chairperson of the meeting shall cast a majority ballot for that candidate, who shall then be declared elected. If there are two or more candidates for an office, the Inspector(s) of Election will oversee an election by secret ballot. A majority of votes cast by at least a quorum shall determine the winner in such an election. Ties shall be broken immediately by a runoff election.

These officers shall serve at the pleasure of the Board. Vacancies in office shall be filled by election under supervision by an Inspector or Inspectors of Election at a regular meeting of the Board.

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22.4.2 APPOINTMENT OF ADDITIONAL OFFICERS

The Board may appoint additional officers at the organizational meeting or at any regular Board meeting. The persons appointed need not be members or directors of the Mutual. These officers serve at the pleasure of the Board.

- 1) Usually, governing documents called "rules" (Rules and Regulations) 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 rule change shall be put to a secret ballot vote if (1) such a vote is required by the rule itself or by any other governing document, or (2) the proposed rule change would establish a new requirement for voting by secret ballot or delete a current requirement for voting by secret ballot.
- 2) 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 mutual member or his or her authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

22.5.0 NOTICE/TIMING REQUIREMENTS

The Mutual shall comply with the following Notice/Timing requirements:

- 1) At least 30 days before the annual election of directors, the Mutual's Rules and Regulations 22.0.0 (and sequence) "Elections and Voting" must be transmitted to the members. The Elections and Voting Rules and Regulations shall not be amended or otherwise modified within 90 days of any election or vote;
- 2) At least 30 days before the Polls are closed, ballots shall be mailed to the membership;
- 3) At least 60 days before the Polls are closed, General Notice of the Meeting to Count and Tabulate ballots shall be provided to the membership containing the following information:
 - a) A list of the candidates who will be placed on the ballots;
 - b) Address where ballots may be delivered or mailed to the Inspector of Elections; and,
 - c) Date, time and location of the meeting to count ballots.
- 4) The deadline for members to submit written nominations for board positions shall be seven (7) days before the last day the Notice of Meeting provided to the membership; and,
- 5) At least 30 days before the member deadline for submitting written nominations for board positions, the Mutual shall provide general notice to the membership of the procedure for submitting written nominations. This notice shall also set forth the deadline date for submitting written nominations.

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23.0.0 RECORDS RETENTION

Mutual 39 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.

The Mutual Board should work periodically with legal counsel and its CPA to establish the Mutual's records retention policy. A detailed list of records along with durations should be documented in the Managing Agent's contract.

Records no longer required should be purged annually and destroyed in a secure manner.

The following are general requirements but do not cover all records or situations.

23.1.0 RECORDS TO BE KEPT PERMANENTLY

- (1) Governing Documents (CC&Rs; Bylaws; Articles of Incorporation; Condominium Plan; Parcel Map)
- (2) Minutes (Board and membership meetings (Civ. Code §5210(a).) and Committees with decision-making authority)
- (3) Deeds to Property Owned by the Mutual
- (4) Architectural Plans for the common areas.

23.2.0 RECORDS TO BE KEPT SIX TO SEVEN YEARS.

To ensure that all statutes of limitations have passed, the following records should be kept for six or seven years.

- (1) Financial Records
- (2) Expired Contracts
- (3) Personnel Records (least 3 years following the date of termination/separation)
- (4) Insurance Records (accident reports, settled claims, expired policies, fidelity bonds, certificates of insurance)
- (5) General Correspondence
- (6) Closed Litigation Files
- (7) Newsletters
- (8) Expired Warranties
- (9) Tax Returns
- (10) Owner architectural submittals

23.3.0 RECORDS TO BE KEPT ONE TO THREE YEARS.

Election materials must be retained by the Inspector of Elections for one year after the date of the election, and are then transferred to the Mutual. (Civ. Code §5125.) The Mutual will keep them for three years so members can inspect election records for the current year and prior two years. (Civ. Code §5210.)

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40.0 OCCUPANCY OF A CONDOMINIUM UNIT

40.1.0 GENERAL

All occupants of a Condominium Unit (Unit), including guests who stay for more than 21 days, must register at the Golden Rain Foundation Administration Office. The Golden Rain Foundation and Mutual 39 must acknowledge each registration.

40.2.0 DEFINITIONS

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

- 1) A “qualifying resident” or “senior citizen” means a person 55 years of age or older.
 - a) In compliance with Civil Code Section 51.3(c), Mutual 39 rules require that persons commencing any occupancy of a Unit must include a senior citizen who intends to reside in the Unit as their primary residence on a permanent basis.
- 2) A “qualified permanent resident” means a person who meets both of the following requirements:
 - a) 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.
 - b) 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.

In addition, a “qualified permanent resident” also means a disabled person or a 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.
- 3) A “permitted health care resident” is 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.
- 4) A “designated occupant” is a senior citizen residing in a Unit within Mutual 39 who is the spouse, parent, or child of the Owner of the 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 Mutual 39 and Golden Rain Foundation to

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the designated occupant. Appropriate forms for such transfer shall be made available by the Mutual 39 Board.

- 5) A “guest” is a person who is invited by the Owner/Resident to visit or stay in a Unit without charge while the Owner/Resident is in residence.
- 6) “House and/or Pet Sitters” are permitted to stay in a Unit when the Owner is not present and must comply with Rossmoor’s Senior housing requirements.

40.3.0 LENGTH OF STAY:

All guests and House and/or Pet Sitters who stay for more than 21 days must register at the Golden Rain Foundation Administration Office, and no guest may stay for more than 75 days in any consecutive 12-month period. To live in a Unit for 60 days or more in a calendar year is to “reside” in a Unit. “Residence” and “resident” are interpreted accordingly. Additional rules may apply to the length of stay allowed to all categories of occupants, per the Mutual’s CC&Rs and Bylaws, the Civil Code, and the Golden Rain Foundation Bylaws.

40.4.0 NUMBER OF OCCUPANTS:

In Mutual 39, no more than two persons may occupy a one-bedroom Unit, and no more than four persons may occupy a two-bedroom Unit.

40.5.0 ENFORCEMENT

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

40.6.0 INFORMATION REQUESTED:

Information about the registration of guests, qualified permanent residents, and care providers is available from Member Services. To remain a qualified senior retirement community, a certain percentage of the residences must be occupied by at least one person who is at least 55 years of age. The Mutual requests that all Owners/occupants provide the requested information about those residing in the Mutual’s Units to ensure that the Mutual’s qualification as a senior retirement community is not jeopardized, and so that Emergency Preparedness Coordinators are aware of who is residing in the Mutual.

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41.0 RENTAL/LEASING OF UNITS

Renting/leasing is a process by which the Owner of a condominium receives money or some other consideration in exchange for the right to occupy an Owner's unit. Because the community of Rossmoor is organized and operates to provide services and a stable living environment for its senior citizen inhabitants, Mutual 39 seeks to minimize the uncertainty and disruption that renting/leasing units bring to the Mutual. Also, restrictions on leasing of units are necessary to ensure that the units within the Mutual continue to qualify for conventional mortgage financing and do not violate the occupancy requirements of a senior housing project, as well as to obtain other benefits for the residents of the Mutual inherent in a community of primarily owner-occupied residences.

41.1 RENTAL/LEASE RULES AND REGULATIONS

The following pertain to both the standard home rental for a monetary fee as well as for vacation home exchanges.

- 1) Each lease must be written on the Mutual 39 Lease Agreement form and approved in writing by the Mutual Board.
- 2) Owners may request approval of a rental/lease agreement one year after taking title to their unit. Exceptions may be made by the Board for extenuating circumstances.
- 3) No more than 25% of the Mutual units may be rented at any time.
- 4) The minimum rental/lease period is 30 days (1 month).
- 5) The maximum rental/lease period is 12 months. An Owner may request approval of a new lease agreement, provided it does not exceed the 25% rental limit.
- 6) Tenants will meet all Mutual occupancy requirements.
- 7) Tenants will be required to adhere to all Mutual Governing Documents during their occupancy.
- 8) Unauthorized Rentals/Leases, including extensions of lease periods without approval, may subject the Owner to monetary penalties; see 18.0.0 Enforcement of Rules.

41.2 RENTAL/LEASE APPROVAL PROCESS

1. Any owner wishing to rent/lease their property must contact the Mutuels' Office to verify that the current rental/leases are less than the 25% limit.
2. Owners may obtain Mutual 39's Lease Packet from the Member Records Department at Gateway which includes all the required forms for renting / leasing.
3. The Owner and the prospective tenant must complete the required forms and

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information and return the packet to Member Records, together with payment for the Lease Processing Fee and the GRF Facility Usage Fee.

4. The Mutual will evaluate the proposed lease for compliance with all applicable Governing Documents and Rules and recommend action to the Board.
5. All leases must be approved by the Mutual Board or its designee. Any issues or concerns regarding the lease may be referred to the Board for further discussion and consideration.
6. The Board's action will be entered on the Lease Approval form signed by the Board and by Golden Rain Foundation.
7. Member Records completes processing the approved rental/lease, notifies the Owner of approval, and provides documentation and notification for Rossmoor services as needed.

41.3 MANAGEMENT OF AVAILABLE RENTAL/LEASE SPACE

- 1) If an Owner requests approval for a rental and the maximum number of units is already rented, the Owner's name will be placed on a rental waiting list and the request processed on a first-come-first-served basis.
- 2) When a lease expires and the number of rentals is less than the 25% limit, the next Owner in line will be notified by the Mutual and offered the option to submit a rental/lease application.

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42.1.0 CARPORT AND GARAGE SPACES

Carport and Garage spaces are intended for the Owners/Residents to park their vehicles and golf carts.

42.2.0 USE OF CARPORTS

- (1) The owner of a carport is responsible for ensuring that nothing is kept or stored in the carport except a vehicle (or vehicles).
- (2) Tandem parking of vehicles in carports is allowed only if the vehicle does not extend outside the physical dimensions of the carport.
- (3) No flammable material may be stored in a carport area. Storage cabinets and closets may not include any liquid flammable material.
- (4) Wheel bumpers in carports are installed by the Mutual to protect the carport structure and shall not be removed by Owners/Residents. If an Owner removes the wheel bumper, it will be reinstalled by MOD and the Owner is responsible for the costs of reinstallation.

42.3.0 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 to the Owner.

42.4.0 STORAGE OF PROPERTY IN GARAGES

- (1) Garage spaces shall be maintained in a neat and orderly manner, free from any conditions that would create a fire or life hazard, or a condition that would add to or contribute to the rapid spread of fire.
- (2) Combustible waste material and rubbish shall be stored in approved containers as specified in California Fire Code. Excessive accumulation of combustible waste material and rubbish creates a fire hazard and is not allowed.
- (3) The storage of flammable liquids is prohibited except for solvents such as paint thinner or other volatile liquids smaller than one quart.

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42.5.0 UPKEEP OF CARPORTS AND GARAGES

- (1) It is the responsibility of each Owner/Resident to keep their Carport/Garage in a clean, neat, and sanitary condition.
- (2) Drip pans may be used under vehicles. Vehicles leaking fluids must be repaired and the carport/garage floor cleaned.

42.6.0 RESPONSIBILITY FOR DAMAGES

Owners/Residents are responsible for any and all damage they cause to Carport/Garage structures. MOD shall repair the damaged structure and bill the Owner/Resident for the costs.

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43.1.0 OWNER/RESIDENT PARKING

Owners/residents shall utilize their Garage/Carport as the primary space for parking and storing their vehicles.

43.2.0. PARKING ON NAMED STREETS (GRF TRUST PROPERTY)

Parking on named streets is subject to State and local laws, and rules established by the Golden Rain Foundation and is not controlled by Mutual 39.

43.3.0 PARKING IN MUTUAL COMMON AREA

- 1) Only two-axle passenger vehicles of a type customarily used for personal transportation and golf carts are permitted to park in the Mutual Common Area. Trailers, campers, mobile homes, recreational vehicles, and trucks larger than standard size pickups are not permitted. However, commercial vehicles may be temporarily parked when a Unit's occupant moves in or out, and for deliveries, repairs and approved alterations. No commercial vehicles may be parked overnight.
- 2) The term "commercial vehicles" does not include two-axle personal vehicles or standard size pickup trucks which are for both business and personal uses, provided that any signs or markings of a commercial nature on such vehicles shall be unobstrusive and inoffensive as determined by the Board.
- 3) Mutual parking areas are intended for guests, visitors, and contactors/workers. Owners and Residents may not use these spaces to store their vehicles except as permitted under R&R 42. Any vehicle remaining parked in the same space not moving for more than seventy-two (72) hours in the Common Area is in violation of the Mutual's parking rules.
- 4) All vehicles parked in the Mutual's Common Area shall be operable and with current registration. No vehicles shall be repaired or rebuilt in the Common Area.
- 5) Any vehicle that presents a fire hazard or leaks oil shall be excluded from parking in Mutual Common Area upon written notice by the Mutual President until the deficiencies are corrected. The Mutual President may also encourage owners of visibly damaged or unsightly vehicles to park the vehicles only in carports or garages.

43.4.0 PARKING IN ENTRY ROADS

Vehicles may be temporarily 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 turnaround areas, or anywhere that the total width of the entry road (edge to edge) is less than 20 feet, or where marked parking spaces are available. GRF vehicles and contractors' vehicles may be parked at the roadside, but only during working hours.

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43.5.0 EXTENDED PARKING

Vehicles parked continuously in Mutual Common Area for more than 7 consecutive days may be considered abandoned and subject to removal.

43.6.0 VIOLATION OF PARKING RULES

Any violation of these parking rules by an Owner, their family member, lessee, visitor, guest, contractor, or agent, may be subject to a monetary penalty pursuant to R&R 18.

43.7.0 AUTHORITY TO TOW

Any unauthorized vehicle or any vehicle parked in violation of the Mutual's Parking Rules may be towed to a storage facility in accordance with California Vehicle Code. The owner of the vehicle shall be responsible for all towing and storage costs.

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44.0.0 COMMERCIAL ACTIVITY RESTRICTIONS

Mutual 39 Covenants, Conditions, and Restrictions (CC&Rs) prohibit professional, commercial or industrial operations of any kind in any Unit or the Common Areas. When a Member reports to the Board visible, outward indications that such activity is taking place, the Board will investigate.

"Visible, outward indications" includes, but is not necessarily 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 Unit, or on a vehicle, or elsewhere in the Rossmoor community.
- 5) Presence of full or part-time employees conducting business activities at a Rossmoor address, whether the employees are hired directly or through a labor contractor.
(These provisions do not apply to employment of persons to assist living.)

If the Board determines after investigation that there is substantial evidence showing an Owner is conducting or allowing another person to conduct business activities 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 CC&Rs if the Board determines, after hearing, that a violation of the letter and the spirit of the Mutual's CC&Rs 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.

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45.0.0 ASSESSMENTS DUE DATE, DELINQUENT PAYMENTS

To pay all assessments on time, Owners must be aware of payment procedures and allow ample time for mailing or hand delivery of payments. Mutual 39 provides coupons for the payment of monthly Regular Assessments. 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.

45.1.0 ASSESSMENTS INCLUDED

The assessments referred to in this rule include:

1. The monthly Regular Assessment, as set forth in Section [6.2], Article 6 of the Mutual's Covenants, Conditions, and Restrictions (CC&Rs).
2. Any Special Assessment approved by the Board (and if required approved by the Members) pursuant to Section [6.3], Article 6 of the Mutual's CC&Rs.
3. Any Personal Reimbursement Assessment imposed upon an individual Owner pursuant to Section [6.4], Article 6 of the Mutual's CC&Rs.

45.2.0 ASSESSMENTS DUE DATE

1. Regular Assessments are due, in advance, on the first day of the month and become delinquent if not received, in full, by the Mutual by 5:00 p.m. on the 15th day of the month.
2. Special Assessments and Reimbursement 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 the due date.

45.3.0 DELINQUENT PAYMENTS

1. Delinquent payments are subject to a late fee of five percent (5%) of the amount of the 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 may be imposed on all delinquent assessments and collection fees, once due and unpaid for thirty (30) days, at the rate of ten percent (10%) per annum.

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4. The delinquent assessment, the late fee, the interest, and any other applicable charge will be billed each month until the account balance is paid in full.

5. 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, as provided in Section [6.9], Article 6 of the Mutual's CC&Rs.

6. 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" to file a Notice of Delinquent Assessment ("lien") will be prepared and sent to the record Owner(s) by certified mail. The Letter of Intent shall contain all information required by Civil Code §5660 or comparable superseding statute.

7. 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 (45) days of the date of the postmark of the request, so long as the request is made within fifteen (15) 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.

8. All assessments and related charges thereafter due to the Mutual must be paid in full. If the Mutual decides to pursue non-judicial 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 pursuant to Section 6.9, Article 6 of the Mutual's CC&Rs, and the foreclosure proceeding will continue unless and until payment in full is received.

9. 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 the "Letter of Intent", 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.

10. 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.

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11. 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.

12. 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.

13. 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).

14. 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.

15. 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.

45.4.0 REFERRAL FOR COLLECTION

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

45.5.0 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 Owner's or Resident's 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. The Board may impose Reimbursement Assessments against an Owner in order to collect Owner Billable Receivables pursuant to Section 6.4, Article 6 of the Mutual's CC&Rs.

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Owners/Residents shall refer to **Article 4 – Maintenance and Repair Obligations** of the Mutual's CC&Rs for the information regarding the maintenance responsibilities. In general, the Mutual is responsible for maintenance, repairs, and replacements of Common Area properties including, but not limited to, buildings, entryways, stairs, walkways, and landscaping. The owners are responsible for the interior of the Unit, their Exclusive Use Common Area and owner-initiated alterations to the Common Area.

Attachment A is intended to help the Owners/Residents identify the areas of responsibilities when maintenance issues arise.

48.1.0 OWNER-RESPONSIBLE DAMAGES

Owners are responsible for the cost to repair any and all damages to the Common Area or to any other Condominium unit that is caused by the owners, family members, agents, lessees, guests, or contractors.

48.2.0 ALLOCATION OF CHARGES

The cost of the visits by MOD staff following a Work Order request to determine responsibility for the work, and routine overhead charges for actual work performed, shall be billed to the party responsible for the work, either the Mutual or the Owner.

48.3.0 LIMITATIONS ON EXTERNAL REPAIRS AND MAINTENANCE BY OWNERS AND RESIDENTS

Except for touch-up painting by owners and residents, and approved owner-initiated alterations, external repairs and maintenance shall be performed only by MOD 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, the owner or resident shall be liable for all costs of the work, including costs of restoring or refinishing the work area as necessary.

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Attachment A

Category	Mutual	Owner
A/C and Heating Units, including tubing, ducts		x
Clothes Dryer Vent		x
Doors and Windows		x
Enclosed Balconies, Patios, Carports Structure		
- Within 5 years of completion		x
- Beginning from the 6 th year	x	
Electricals		
- All wiring from individual meter up to the circuit breaker panel inside the Unit	x	
- Wiring from the panel to a junction box located in the walls, floors, and ceilings	x	
- Circuit breaker panel	x	
- All electrical receptacles		x
- All light fixtures within the Unit		x
- Light fixtures in Exclusive Use Common Area – front/back patio, balcony		x
Exterior Paint		
- Normal maintenance	x	
- Owner-initiated alteration		x
Fireplaces/Flues/Spark Arrestors		x
Garages and Carports		
- Garage and carport structures	x	
- Garage door and tracks	x	
- Garage door openers and parts, remotes, keypads		x
- Interior of garages and enclosed carports		x
- Original storage cabinets in adjacent carports	x	
Landscaping		
- Common Area	x	
- Owner-maintained garden		x

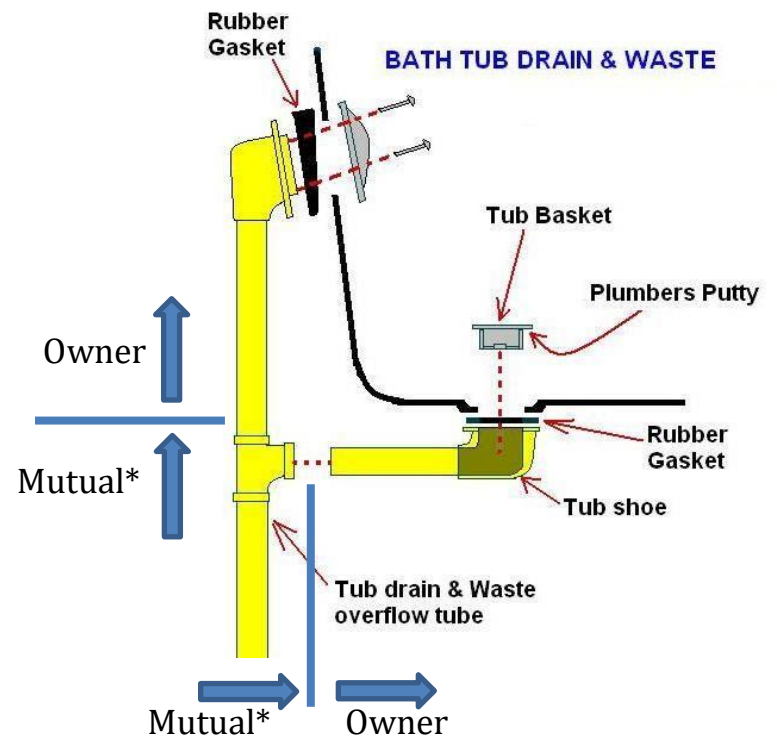
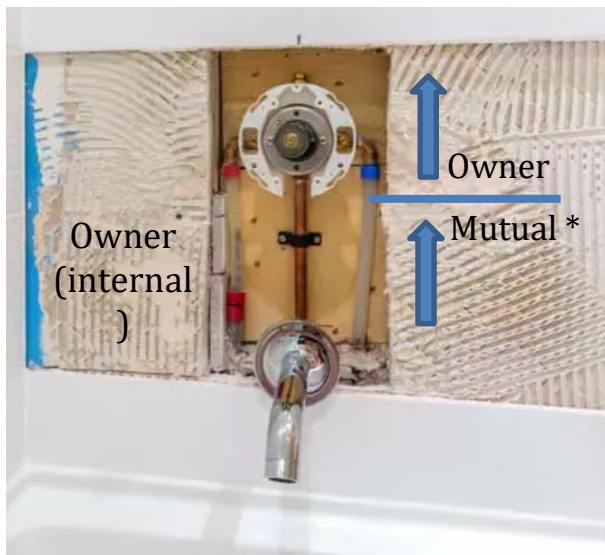
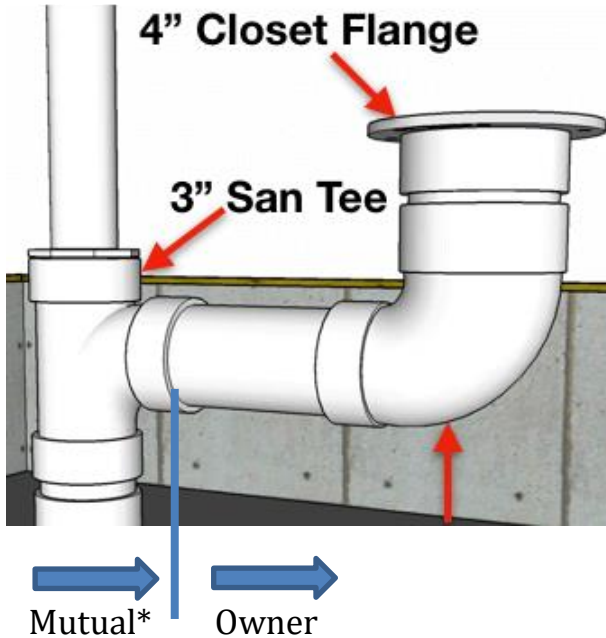
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Attachment A

Category	Mutual	Owner
Plumbing		
- Plumbing within the concrete slab and from the utility mains up to the first joint located within a Unit's structure, including, but not limited to, cold water supply lines, sewage pipes, and drainage lines for A/C units and water heaters (See Attachment B)	x	
- All subsequent plumbing and fixtures dedicated to an individual Unit, whether located within the Unit or the walls, ceilings, or floors of the Condominium, including hot water lines, except those located in the slab.		x
Roofs, Gutters, Downspouts	x	
Smoke Detectors		
- 10-year smoke alarms Mutual installed (3 alarms)	x	
- All additional smoke and carbon monoxide alarms		x
Skylights/Solar Tubes		x
Telecommunications Wiring (internal and external cables for TV, internet, and phone)		x
Tree Trimming/Removal		
- Normal maintenance	x	
- Owner requested		x
Water Damage		
- Damages caused by leaks originated from Owner-responsible pipes		x
- Damages caused by owner-initiated alteration – plumbing fixtures, windows, skylights, solar tubes, solar panels, etc.		x
- Damages caused by problems originated in Mutual-responsible plumbing and are outside the Owners control	x	

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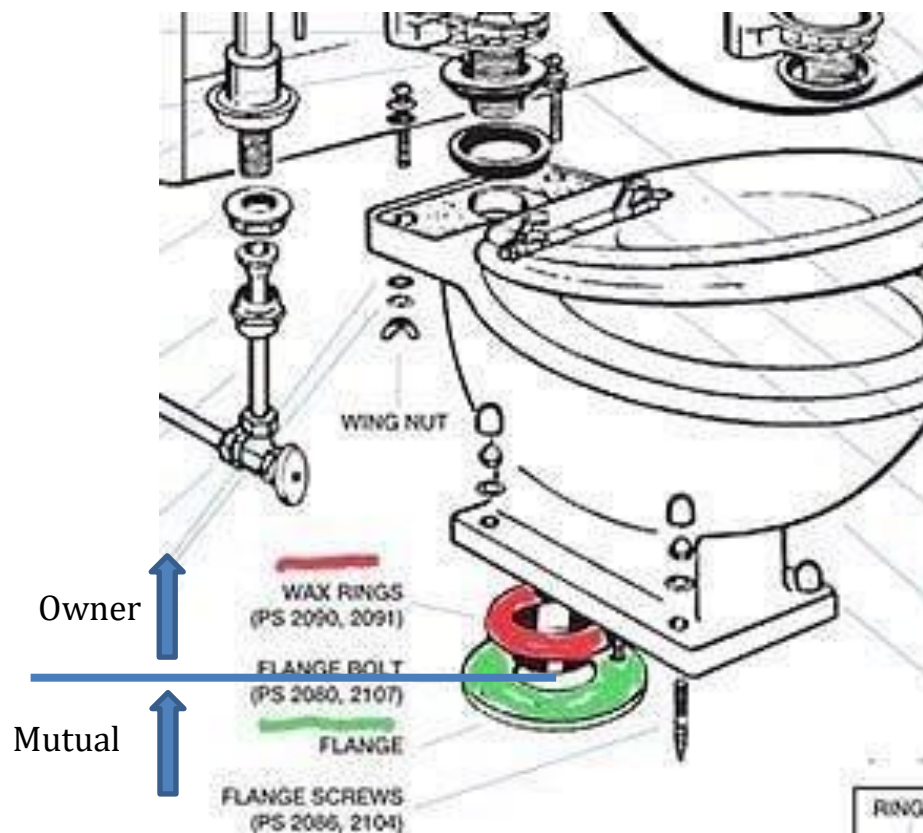
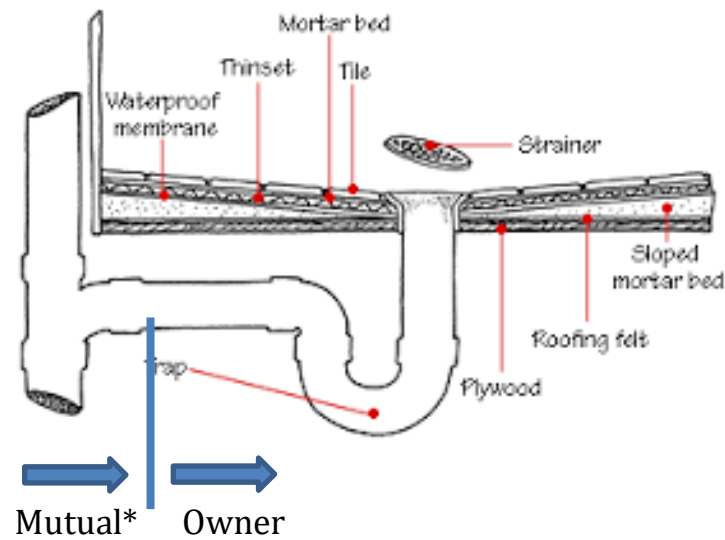
Attachment B



*** If directly from Mains, otherwise Owner's Responsibility**

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Attachment B



*** If directly from Mains, otherwise Owner's Responsibility**

RIGHT TO INSPECT PROPERTY	R & R No:	49.0
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49.0.0 RIGHT TO INSPECT PROPERTY

Mutual 39 has general authority to conduct inspections in order to manage, operate, and maintain the properties. Also, pursuant to Article 4.7 of the CC&Rs. Mutual 39 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.

49.1.0 RESERVE STUDY INSPECTIONS

Mutual 39 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.

49.2.0 RESALE INSPECTIONS

Mutual 39 shall inspect each property offered for sale in order to identify any Mutual- or Owner-responsible problems, defects, or unpermitted alterations.

- The seller shall pay for the inspection and any Owner-billable remediation.
- The Mutual shall correct any defects which are the Mutual's responsibility.
- The seller is responsible for notifying Mutual 39/MOD Alteration and Resales of the intended sale at the time of listing the property for sale with a realtor, or when 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, Mutual 39 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.
- If any alterations have been made without permission of Mutual 39, the Owner must obtain an approved permit from Mutual 39, and if required, an approved permit from the City of Walnut Creek, or the alteration must be removed.

49.3.0 ADDITIONAL INSPECTIONS

Mutual 39 does not conduct periodic interior building inspections, but inspections of the exterior and interior of buildings, as well as grounds, may be done for maintenance purposes.

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50.0.0 INSURED AND UNINSURED LOSSES

50.0.1 INSURANCE POLICIES MAINTAINED BY THE MUTUAL

As provided by Article 8 of the CC&Rs, the Board procures and maintains several insurance policies covering the full insurable replacement value of the Common Area but excluding earthquake coverage.

50.1.0 INSURANCE COVERAGE UNDER GRF'S MASTER POLICY

Golden Rain Foundation maintains a Master Insurance Policy insuring the real property of the Mutuals against losses incurred by hazards such as fire, floods, wind and wind-driven rain, and vandalism. This policy has a \$250,000 deductible per occurrence. Real property of Mutual 39 is insured through participation in the Master Policy. This policy also includes provisions for the removal of debris and reconstruction in compliance with current building codes. The Master Policy does not insure personal property, personal liability of owners or residents, loss of use, or loss due to an earthquake. If any provision in this Rule 50.0 conflicts with provisions in Article 8 of the CC&Rs the latter controls.

The real property covered by the Master Policy includes:

- 1) Residential structures including manor buildings, carports and garages, and any other buildings or improvements within the Common Areas.
- 2) Permitted structural alterations to Units that have met the requirements of the Mutual 39 Alteration Review committee, and the city of Walnut Creek (if required).
- 3) Originally installed fixtures, appliances, cabinetry, flooring, wall and floor coverings, and HVAC systems. Upgrades to any of these will be covered if the owner can verify their value at the time of loss.

In general, according to insurance industry standards, losses caused by normal wear-and-tear, dry rot, termites, and other types of progressive damage are excluded. Losses caused by rain leaks are also excluded unless they result from wind-driven rain. Settling and cracking of walls, foundations, and pavement, and damage from soil movement or underground water are also excluded. Damage to structural alterations is excluded if the Mutual 39 Alteration Review Committee and (if required) the City of Walnut Creek has not approved the alteration.

50.2.0 PAYING FOR LOSSES

50.2.1 DAMAGE TO REAL PROPERTY OUTSIDE OF MUTUAL 39

The deductible portion of the Master Policy is shared among the participating Mutuals according to a sharing agreement as follows:

The affected Mutual pays the first \$10,000 of the cost to repair the damage. The remaining \$240,000 is shared proportionately based on the number of Units within each participating Mutual. The affected Mutual also pays its pro-rata portion of the sharing.

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If the total loss due to a cause as defined in 50.1.0 is less than \$250,000 the cost to repair the damage is shared in the same manner

50.2.2 DAMAGE TO REAL PROPERTY WITHIN MUTUAL 39

If the loss is \$10,000 or less the affected Mutual will only repair the damage to the common property as defined in sections 50.1.0 paragraphs 1) and 2). In this event items in sections 50.1.0 paragraph 3) are regarded as personal property and are the sole responsibility of the Owner. If the loss is covered by the Master Policy and is greater than \$10,000 all costs of repair for items in 50.1.0 in excess of \$10,000 are shared amongst the participating Mutuals according to the sharing agreement.

However, if a loss is \$250,000 or less the condominium Unit Owner is responsible for the cost to repair any damage that is caused by the Owner, the Owner's family members or guests, agents, lessees, or contractors or damage which results from property, an appliance, a system or a component of a system that is owned by the owner or for which the owner is otherwise responsible. But, the Master Policy does not take causation into account, so that when a claim is paid by the Master Policy the Owner has no personal responsibility for the amount in excess of \$250,000.

The Master Policy does not provide protection for personal property or personal liability of Owners or Residents. Owners should obtain property and liability insurance (home owners' insurance) to cover these costs. In all such cases, this insurance is the primary insurance carrier. However, no Owner shall separately insure any property covered by the Mutual's insurance described in 50.1 above.

50.2.3 DAMAGE TO PERSONAL PROPERTY WITHIN MUTUAL 39

When there is damage to an Owner's personal property caused by a defect in a building structure (i.e. water entering through a leaky roof or a crack in the floor slab) the Mutual will share costs with the Owner according to insurance industry standards. The Mutual will share only the costs for repairing or replacing the property actually damaged and not all undamaged similar property in the Unit. For example, if the covering on a wall is damaged, the Mutual will share the cost of replacing the covering on that wall but not adjacent walls in the same room or elsewhere in the manor.

50.3.0 LOSSES TO PERSONAL PROPERTY IN THE COMMON AREA

An Owner or Resident who places personal property in the Common Area, except in accord with an alteration agreement, assumes all risk of loss or damage to the property.

Note:

The deductible amounts shown above are subject to change but are correct as of September 2021.

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51.1.0 ALTERATION APPROVALS REQUIRED

Owner-initiated alterations to a condominium property in Mutual 39 may require approval in advance by the Board and the City of Walnut Creek. Owners shall refer to section 51.5.0 for the Board approval procedures.

51.2.0 ALTERATIONS WITHIN THE BOUNDARIES OF A UNIT

Except for cosmetic changes, alterations to the interior of an Owner's Unit shall not take place without the prior written approval of the Mutual Board or GRF/Mutual Operations Department (MOD), and the City of Walnut Creek if required. Owners are advised to check with MOD to determine if an alteration is cosmetic.

51.3.0 CONSTRUCTION IN EXCLUSIVE USE COMMON AREAS

No alterations to an Exclusive Use Common Area shall take place without the prior written approval of the Board. Schematic diagrams or sketches may be adequate for simple jobs, but for complex jobs such as enclosing a porch or balcony to provide additional living space, 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 shall review the design at the Owner's cost to ensure that the waterproofing details and quality of design and materials are adequate to protect the structure from potential damage. City of Walnut Creek permits are required to make certain the design meets all applicable building codes.

51.4.0 CONSTRUCTION IN COMMON AREAS

Owners shall obtain written authorization from the Board before undertaking construction, alteration, or permanent installation of structures and equipment in the Common Area, including, but not limited to, chairlifts, air conditioning/heating systems, patios, decks, fences, sidewalks, private gardens, walkways, and concrete slabs. Owners shall also obtain written authorization from the Board before installation of solar panels, solar tubes, and skylights on the Common Area roof.

51.5.0 PERMIT APPROVAL PROCESS

51.5.1 OWNER'S APPLICATION

The Owner submits an application to MOD's Alteration and Resale Department, and MOD advises the applicant about needs for supporting documentation.

51.5.2 MOD STAFF REVIEW AND APPROVAL

MOD shall review all alteration applications and ensure that all supporting documents are submitted before forwarding them to the Board for approval if required. For standard alterations, MOD may approve the Owner's applications without the Board's review.

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For the purpose of this section, standard alterations include alterations to the interior of a Unit; windows and sliding doors; front doors; and air conditioning/heating units compliant with Mutual Standards.

51.5.3 BOARD REVIEW AND APPROVAL

The Alterations committee of the Board shall review all non-standard alteration applications. The committee is empowered to approve applications on behalf of the Board but shall obtain the Board's permission to disapprove an application. If the Board agrees to a proposed disapproval, the Secretary shall explain the reason for the disapproval in writing to the applicant.

51.5.4 NEIGHBORS' ACCEPTANCE

Unless otherwise stated in the Rules and Regulations addressing a specific type of alteration, neighbor acceptance is generally not required. If affected neighbors disagree with a proposed alteration to the Common Area, they may submit written comments to the Board. The Board may impose reasonable restrictions as a condition of a permit but may not deny a permit solely based on the neighbor's objections.

If neighbor notification is required for a specific type of alteration, the Owner shall refer to the notification procedures set forth in Mutual's Rules and Regulations governing that particular alteration.

51.5.5 CITY OF WALNUT CREEK PERMITS

If an alteration requires a building permit from the City of Walnut Creek, the Owner is responsible for obtaining the permit and paying the City's fees.

51.5.6 MOD PERMITS

After all of the foregoing requirements have been met, and the Owner has paid applicable permit fees, MOD shall issue the permit. If additional conditions are imposed by the Board, the permit shall specify those conditions.

51.5.7 CHANGES

If the Owner makes a change to the proposed alteration, the change shall be brought to the attention of MOD for review and approval. If a change is proposed after the permit is issued, it shall be treated as a new application and subject to the full approval process.

51.5.8 DISTRIBUTION OF ALTERATION PERMITS

MOD shall provide a copy of the alteration permit to the Owner of the altered property. The Owner shall disclose the permit to any potential buyer of the altered property.

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51.5.9 PROCESSING TIME FOR ALTERATION PERMIT APPLICATIONS

Mutual 39 and MOD shall act expeditiously in reviewing and approval of Owners' alteration applications. Additional time may be necessary for non-standard alterations, and incomplete applications, and if additional documents are required.

Pursuant to Mutual 39 CC&Rs, approval of an application is deemed granted if the Board or MOD fails to act within 60 days after receipt of a completed application.

51.5.10 COMPLETION OF WORK

The Owner shall commence the work as soon as reasonably practicable and shall complete the work within the timeframe specified in the permit, including the final inspection by MOD. The Owner may request an extension and pay the appropriate fee according to MOD's fee schedule. If no extension is granted, the original approval shall automatically be deemed revoked and no further work shall be done without obtaining a new written approval from the Board.

51.6.0 RESPONSIBILITY FOR MAINTENANCE OF ALTERATIONS

As a general rule, Owners are responsible for maintaining alterations and for the repair and replacement costs of the alteration. Owners are also responsible for any impact of an alteration on the Common Area. Exceptions may be specified in the alteration permit or Mutual 39 governing documents. Where maintenance of the Common Area requires the removal of an approved alteration, the alteration shall be removed and restored at the owner's expense.

51.7.0 UNAUTHORIZED ALTERATIONS

- 1) If an Owner makes an alteration without obtaining the necessary permits, the alteration may be permitted to remain in place if
 - i) the alteration would have been allowed had a permit been obtained at the time the alteration was made; and
 - ii) the Owner obtains the proper permits and pays the applicable fees, based on the current fee schedule and penalties according to RR18.0.

If the alteration would not have been authorized in any case, the Owner shall restore the Unit to its original condition at the Owner's expense.

- 2) If an unauthorized alteration was made prior to the present Owner purchasing the Unit and before October 1, 2002, when Mutual 39 did not require resale inspections, the present Owner shall obtain a specific authorization of the Board before the alteration is allowed to remain in place and an entry is made in the Unit's alteration records.

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51.7.1 PERMIT APPLICATIONS FOR EXISTING UNAUTHORIZED ALTERATIONS

1) NOTICE TO OWNER

Promptly upon determining that an existing alteration is unauthorized, MOD or the Board shall notify the Owner and specify the actions the Owner must take to correct the record. The Owner shall be informed that the remedy for the unauthorized alteration may be the removal of, or change in, the alteration. In no event shall the owner be advised to obtain a City of Walnut Creek permit for an unauthorized alteration until the necessary remedy is determined and conveyed to the Owner.

2) PERMIT PROCEDURE

If MOD determines that a permit is required, the Owner shall apply for an alteration permit following **51.5.0** Permit Approval Process stated above.

BALCONIES, PORCHES, AND ENTRY WALKWAYS OWNER-INITIATED ALTERATIONS	R & R No:	53.0
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53.0.0 OWNER-INITIATED ALTERATIONS – BALCONIES, PORCHES, AND ENTRY WALKWAYS

53.1.0 ENCLOSURES

Owners who wish to enclose a porch or balcony of their Unit shall follow the instructions set forth in Section 51.3.0 *“Construction in Exclusive Use Common Areas”* of R&R 51.0.

If an Owner applies for approval of an alteration permit to enclose an area beneath an open balcony, the Board may require consent and/or waivers by all affected owners. The Mutual shall also inspect the balcony above and may require, as a condition of approval, waterproofing of the balcony above at the expense of the applicant.

53.2.0 BALCONY AND ENTRY WALKWAY FLOOR COVERINGS

53.2.1 BALCONY

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

- 1) incorporate an architect-approved "waterproof membrane";
- 2) are installed according to architect-approved procedures by installers certified by the covering manufacturer; and
- 3) are applied with architect-approved adhesives.

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

53.2.2 ENTRY WALKWAY

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

53.3.0 HOSE BIBS

Hose bibs or drip irrigation systems installed on above-grade balconies (for watering plants or for any other use) have led to dry rot problems and will not be authorized. Unauthorized installations shall 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 bib or drip irrigation system.

Previously approved hose bib installations on above-grade balconies shall be removed at the seller's expense when the Unit is resold.

CHAIRLIFTS	R & R No:	55.0
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55.0 CHAIRLIFTS:

- 1) All chairlift installations require an approved alteration permit.
- 2) The owner must provide a minimum twenty-two-inch (22-inch) clear passage on the stairway when the seat and platform are in the stored position.
- 3) Once installed, all electrical conduit and junction boxes must be painted to match the coloring of the staircase. Deck penetrations should be minimized. All penetrations of Mutual property must be properly sealed and maintained to avoid moisture intrusion into the deck and siding. The color of the chairlift should match the predominant coloring of the building as much as possible.
- 4) The Owner is responsible for the liability, care, and maintenance of the chairlift and associated components.
- 5) Upon sale of the Unit, if the Buyer does not wish to retain the chairlift the Owner shall remove the chairlift and all associated wiring, patch all penetrations, and paint the applicable surfaces to return the staircase to the original condition.

GARDENS - OWNER MAINTAINED - OWNER-INITIATED ALTERATIONS	R & R No:	56.0
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Owner Maintained Gardens are not encouraged, but they are permitted so long as they meet certain criteria. Owner Maintained Gardens require Mutual approval (See Permit Procedure below).

56.1.0 RESTRICTIONS

Owner Maintained Gardens are subject to the following restrictions:

- a) Plants must not disturb sidewalks or building foundations.
- b) Plants may not be attached to a building.
- c) Plants may not obscure the view of another resident.
- d) Trees are not allowed, except those existing and replacement trees planted by Mutual Landscape Committee.
- e) Plants over two feet tall are not allowed within three feet of a building.
- f) Soil must be kept at least two inches below any siding.

The garden must blend with and be compatible with the existing commercial landscaping, may not *materially*¹⁾ extend the landscaped area or modify the irrigation, and must not contain *excessive*¹⁾ statuary or other non-plant items.

¹⁾ *The Landscape Committee will interpret the italicized terms.*

56.1.1 FENCES /TRELLISES

Fences may not be allowed if they are an encroachment on common property. Anyone wishing to install a fence should apply for an Alteration Permit. Trellises are not allowed.

56.1.2 WALKWAYS

- a) Walkways require an Alteration Permit.
- b) Steppingstones are not allowed.

56.2.0 MAINTENANCE

Owner Maintained Garden maintenance is the sole responsibility of the owner. Irrigation will not be modified to accommodate the garden and the Mutual is not responsible for plant loss due to irrigation problems. The Mutual and their Contractors will try not to damage plantings but are not responsible should damage occur.

Owner maintained shrubs may be pruned by the Mutual at the owner's expense if the owner does not prune them within 15 days after pruning is requested by the Mutual. Corrections required due to owner modifications of the landscaping or irrigation are owner billable.

56.3.0 PERMIT REVOCATION

Owner Maintained Garden Permits may be revoked for violation of the restrictions in 56.1.0, or improper maintenance.

GARDENS - OWNER MAINTAINED - OWNER-INITIATED ALTERATIONS	R & R No:	56.0
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56.3.1 NOTICE OF NONCOMPLIANCE

If, after a complaint is made by another resident or the Landscape Supervisor, the Board determines that the complaint is valid, the Board shall notify the owner in writing that the noncompliance must be corrected within 15 days at the owner's expense. The owner shall also be advised that if the required corrections are not made within 15 days, unless the owner files an appeal within that period, the garden permit will be revoked.

56.3.2 RESTORE GARDEN AT OWNER'S EXPENSE

Upon revocation of the permit, the owner is required to restore, at the owner's expense, the garden area to landscaping acceptable for Mutual maintenance. If this restoration is not completed by the owner in 30 days, the Board shall instruct the MOD to restore the garden and bill the owner.

56.3.3 OWNER'S RIGHT TO APPEAL

The owner may, at any point within the above stated time frames, appeal these decisions by writing the President asking for a Board review.

56.4.0 RESALE RESTRICTIONS

If upon resale inspection a manor is found to have an Owner Maintained 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 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 for Mutual maintenance. If this is not done before closing, funds will be put in escrow to cover the restoration expense.

56.5.0 PERMIT PROCEDURE

Owners should complete an Owner Maintained Garden Permit Application and submit it to MOD Alterations Dept. which will be forwarded to the Landscape Committee and the Board President for review and approval.

GARDENS - OWNER MAINTAINED - OWNER-INITIATED ALTERATIONS	R & R No:	56.0
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WALNUT CREEK MUTUAL THIRTY-NINE (Mutual 39)
APPLICATION—OWNER MAINTAINED GARDEN PERMIT

Please attach a sketch and description of the proposed garden. Show the location of the garden relative to your building,

Owner Name _____

Address _____ Entry # _____

I have read and fully understand Owner Maintained Garden Rule 56.0. If granted an Owner Maintained Garden Permit, I will abide by its terms and conditions.

Owner Signature _____ Date _____

Approvals:

Landscape Committee _____ Date _____

Mutual 39 President

Signature Date

SPAS - OWNER-INITIATED ALTERATIONS	R & R No:	57.0
	Revision:	2019-03-26
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57.0.0 OWNER-INITIATED ALTERATIONS SPAS

An owner may install a spa (generally, a tub equipped with a water pump, sometimes called a "Jacuzzi") upon approval of a Resident Alteration Agreement subject to the following conditions:

- 1) The prospective spa owner must obtain written approval from owners of neighboring units that might be impacted by the sight, sound, or odor of the spa operation.
- 2) A licensed engineer approves the installation.
- 3) The spa will be removed when the owner vacates or sells the condominium, unless at that time the owner reaffirms the neighbors' written approval.
- 4) The spa will not be used from 10:00 p.m. through 8:00 a.m.
- 5) People using the spa must consider the feelings of the neighbors about excessive noise. Mutual 39 reserves the right to further limit operation hours or revoke its approval for a spa if necessary, to resolve complaints about excessive noise.

HARD SURFACE FLOORING - OWNER-INITIATED ALTERATIONS	R & R No:	59.0
	Revision:	2021-05-25
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59.0.0 HARD SURFACE FLOORING - OWNER-INITIATED ALTERATIONS

These regulations will extend the detail found in Mutual 39 CC&R's provisions on Floor Coverings. It provides requirements for replacement only of the original type of flooring, as well as those for the installation of a new type of flooring material. It specifically describes the allowable uses of Hard Surface Flooring (HSF) in lower and upper units. HSF materials include linoleum, vinyl, ceramic tile, and hardwood flooring.

59.1.0 GENERAL

- 1) No change in the type of floor covering materials originally installed in the Units shall be permitted without the Mutual's approval.
- 2) Alteration permits for like-for-like replacement of flooring materials are not required. This includes the replacement of existing carpeting, as well as allowable HSF in specified areas in upper units.
- 3) First Floor/Lower Units may replace original flooring type with HSF materials. An Alteration permit is required.

59.2.0 SECOND FLOOR/UPPER UNITS:

- 1) HSF materials may be used in only 4 areas: front entry, kitchen, bathrooms, laundry/utilities.
- 2) All other floor areas shall be covered with carpet and padding or other material that provides equivalent insulation against sound transmission to the Unit below. If other than carpet is requested, approval by a majority of the full Board is required. The lower Unit Owner(s) must be notified before submitting an Alteration application.

BALCONIES, PATIOS, AND ROOFS - RESTRICTIONS ON USES	R & R No:	60.0
	Revision:	2021-05-25
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60.0.0 BALCONIES, PATIOS, AND ROOFS - RESTRICTIONS ON USES

Restrictions on the uses of balconies, patios, and roofs are intended to preserve appearances, prevent damage, and ensure safe conditions. See also CC&Rs 4.2 and 4.5(c).

60.1.0 USE OF ELECTRICAL APPLIANCES

Large electrical appliances, including but not limited to washers, dryers, stoves, refrigerators, and freezers shall not be placed on open balconies or patios.

60.2.0 CROWDING BALCONIES/PATIOS/STAIRWAYS

There must be a clear passageway of at least three feet on all balconies, patios, and stairways. No objects should be placed where they will interfere with passage across balconies/ patios/ stairways or impede access to handrails.

60.3.0 OVERWATERING PLANTS ON BALCONIES

All plant containers on balconies must be placed in saucers. Overwatering is to be avoided to prevent continual wetting of the balcony and runoff to patios below. To the extent that overwatering promotes dry rot, the Owner may be held liable for repairs.

60.5.0 COMMON AREA WALKWAY

The foregoing rules apply also to Common Area open walkways, such as the flat surface between the top of the stairs and the front door.

60.6.0 RESTRICTIONS ON USE OF ROOFS

To prevent damage to roofs, no objects or personal property of any kind shall be placed upon the roof of any Condominium, Garage, or Carport. Solar energy systems, Skylights, and solar tubes are permitted when they are installed under Mutual 39 approved alteration permits.

SOLAR ENERGY SYSTEMS - OWNER-INITIATED ALTERATIONS	R & R No:	61.0
	Revision:	2021-11-16
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61.0.0 OWNER-INITIATED ALTERATIONS SOLAR ENERGY SYSTEMS

Solar Energy Systems (as defined in Section 61.0.1 below) may only be installed by owners of a unit in Mutual 39 on the roof top of the condominium building in which the unit is located or adjacent carport or garage roof. No other Common Areas in Mutual 39 may be used for Solar Energy Systems by individual unit owners.

This rule is intended to conform to Civil Code Sections 714, 714.1, and 4746. In the event of any conflict between any provision of this Rule and any applicable statute, the terms of the statute shall prevail and supersede any contrary provisions in this Rule.

61.0.1 DEFINITIONS

As used in this Rule:

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.

"Owner/Applicant" shall be the Owner of the condominium unit requesting the installation of a Solar Energy System and any subsequent transferees of that unit.

"Usable Solar Space" is the amount and location of space on a condominium building roof suitable to use for solar panel installations.

61.0.2 AVAILABILITY OF COMMON AREA SPACE

The installation of Solar Energy Systems 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 allocated portion for each Unit in the condominium building.

61.1.0 TREE PRUNING

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 by the landscape or tree experts of the Mutual.

SOLAR ENERGY SYSTEMS - OWNER-INITIATED ALTERATIONS	R & R No:	61.0
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61.2.0 APPLICATION AND APPROVAL PROCESS

The installation of a Solar Energy System on a condominium building rooftop 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 Rule 51.0.0.

- (A) 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 he or she has read and understands this Rule and representing that the proposed Solar Energy System, its installation and maintenance shall comply fully with this Rule, 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 Rule (EXHIBIT A).
- (B) Notification to Neighbors. As required by Civil Code §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 Rule (EXHIBIT D) or copies of certified return letter receipts from the Post Office.
- (C) Proof of Liability Insurance Policy. The Applicant will provide proof of having a homeowner liability insurance policy which includes the Mutual 39 named as additionally insured with a right of notice of cancellation. The Applicant must renew this liability insurance annually and provide evidence of annual renewal to MOD.
- (D) Permit Review and Approval.
 - 1) The applicant shall submit a complete application to MOD Alteration and Resales Department for preliminary review. A complete application shall include all of the items required on the Solar Installation Checklist Addendum (EXHIBIT B), plus all the required documentation for Owner-initiated alterations as provided in Rule 51.0 .
 - 2) MOD will then forward the complete application to the Mutual Board for review and approval.
 - 3) The Board may impose additional reasonable restrictions within limits prescribed in Civil Code §714.
 - 4) 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

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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.(Moved from (E) 4.)

- (E) City of Walnut Creek Permits. The applicant shall provide satisfactory evidence of compliance with requirements of the City of Walnut Creek and its permits.

61.3.0 GENERAL INSTALLATION REQUIREMENTS

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

- (A) 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.
- (B) 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.
- (C) 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.
- (D) 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.

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61.4.0 INSTALLATION BY COMMERCIAL INSTALLERS

Solar Energy Systems shall only be installed 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.

61.5.0 SAFETY

- (A) 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.
- (B) 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.
- (C) 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.
- (D) 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.
- (E) 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 Rule. 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.

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61.6.0 MAINTENANCE

- (A) 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.
- (B) 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.
- (C) 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.
- (D) 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.

61.7.0 RESALE OR TRANSFER OF OWNER'S UNIT

Upon resale or transfer of any Owner/Applicant's interest in his or her 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 Rule 61.0 and shall execute an additional Maintenance and Indemnity Agreement prior to close of escrow.

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61.7.1 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 as EXHIBIT D. 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.

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Exhibit A

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 39 (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 39, I/we acknowledge that I/we have read Walnut Creek Mutual Thirty-Nine's Rule, Owner-Initiated Alterations, Solar Energy System ("Rule 61.0"), understand its contents and agree as follows:

1. The proposed solar energy system shall be installed and maintained in full compliance with Rule 61.0 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 Rule 61.0 and Alteration Permit # _____

2. I/we shall indemnify and hold harmless Mutual 39, 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 39 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 Rule 61.0.

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 Indemnatee shall have full right to defend, payor 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.

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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.

SIGNED this ____ day of _____ 20____ at _____ by all Owners of the condominium Unit making application for the installation of a solar energy system, as follows:

Name of Owner: _____

By (signature): _____

Name of Owner: _____

By (signature): _____

Name of Owner: _____

By (signature): _____

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Exhibit B

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:
 - (1) Solar panels
 - (2) Routing of electrical/plumbing lines
 - (3) Placement of sub-panels within Unit
- E. Detailed engineering drawings showing roof penetrations for the following:
 - (1) Electrical/plumbing lines and flashing
 - (2) Attachment of panels
 - (3) 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. Proof of Notification of owners of condos in the same building.

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Exhibit C

SOLAR ENERGY SYSTEM REMOVAL ADDENDUM

When it is necessary to remove solar energy systems from Mutual 39 rooftops, the building structure should be returned to its pre-solar installation condition, as follows:

- 1) 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.
- 2) Obtain Walnut Creek city permit (if required).
- 3) After removal of the solar energy system, remove roofing and plywood in areas previously covered by the panels, if required by Mutual 39's Building Maintenance Manager.
- 4) If deemed necessary by Mutual 39, install new roofing system matching the pre-existing roofing design, although color match may not be possible.
- 5) Patch all holes in the interior ceiling, if deemed necessary by the Mutual, and other penetrations where solar panel appurtenances were installed.
- 6) Inspect exterior of structure, utility/meter closets and electrical panels for penetrations and repair them.
- 7) Properly dispose of all materials outside Rossmoor.
- 8) All work shall be done to the satisfaction of Mutual 39.
- 9) Satisfy all other requirements imposed by Mutual 39.

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Exhibit D

NEIGHBOR NOTIFICATION FORM

1. Name of Applicant: _____
2. Date of Request: _____
3. Notification of each owner of condo in building at: _____

Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	
Name: _____	Address: _____
Signature _____	

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62.0.0 TREE REMOVAL OR TRIMMING - REQUESTED AND FUNDED BY OWNER

62.1.0 RESPONSIBILITY FOR COSTS

The Mutual will pay for necessary maintenance, such as replacing or trimming dangerous, dead, damaged, or unhealthy trees. 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.

62.2.0 REQUEST PROCEDURE

Any Owner who wishes to have a tree removed or trimmed shall initiate a request on the MUTUAL 39 TREE REMOVAL OR TRIMMING REQUEST FORM, which will be obtained from the Mutual 39 Landscape Committee. After completing the form, the Owner shall return it to the Landscape Committee. The committee shall evaluate the request and after conferring with the Mutual President, approve or disapprove it.

Upon approval of the request, the Landscape Committee shall notify all “affected neighbors” who may provide input to the Committee. If the Landscape Committee, in consultation with the Landscape Maintenance Supervisor, determines the request requires additional study or revision or is unable to be carried out, the requesting Owner shall be notified. Otherwise, the Landscape Department will proceed to the City of Walnut Creek permitting process.

62.3.0 CITY OF WALNUT CREEK PERMITTING PROCESS

Trees are integral to the natural beauty and ecological health of Walnut Creek, and they are therefore protected by city ordinances. For more information on the City permitting process and rationale, refer to the Walnut Creek Community Development Department/The Permit Center, and the Walnut Creek Municipal Code: Preservation of Trees on Private Property.

62.4.0 APPEALS

The applicant may appeal any disapproval by the Landscape Committee to the Mutual Board, who shall have the authority to agree with or overrule the disapproval.

The City of Walnut Creek has a process for appealing its permit application decisions via a Notice of Appeal. That information is available through the Community Development Department or the City Clerk’s Office.

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**MUTUAL 39
TREE REMOVAL OR TRIMMING REQUEST FORM
OWNER BILLABLE**

Please return all pages of the application to Mutual 39 Landscape Committee

Date _____ Name of Applicant _____

Phone number or contact information _____

Street Address _____

Entry _____ Building # _____ Unit # _____

Approximate location and type of tree _____

Request is for _____ Trimming _____ Removal

Reason for Request _____

President's Action _____

Landscape Committee Action _____

Landscape Maintenance Supervisor Recommendation _____

Mutual 39 President, Landscape Committee Chair, and Landscape Maintenance Supervisor,
please sign and date your entries. Please state any reasons for disapproval.

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63.0.0 ENCROACHMENTS

This Rule addresses encroachment as a conversion of part of the Common Area for use by one or more but not all Members of the Mutual. Encroachment in this sense effectively converts Common Area to Exclusive Use Common Area.

Owners must obtain written authorization from the Board before undertaking construction, alteration, or permanent installation of such things as patios, decks, fences, walkways, and concrete slabs in the Common Area. An Owner who wishes to place objects in the (non-exclusive) Common Area must follow the same procedures—including portable sports apparatus such as basketball standards.

63.1.0 EXCEPTIONS

Under the California Civil Code, the Board is required to obtain approval by at least 67% of the members of the Mutual before approving such an encroachment, with certain exceptions (Civ. Code §4600(b)).

Such exceptions include but are not limited to accommodating a disability, complying with governing law, or in cases where exceptions are noted and allowed in the Mutual's governing documents (for example, Mutual 39's Owner-Maintained Gardens" R&R 56.0.0).

63.2.0 APPROVAL PROCESS

Any request for encroachment should be listed in the Board's open meeting agenda so the membership is on notice of the request. Any discussion and vote by the Board should be done in an open meeting.

Before granting any approvals, the board should make a finding, recorded in the minutes of the meeting, regarding which, if any, of the above exceptions noted applies, and/or which facts would support approval of the request.

Further, if the Board or membership votes to allow an Owner to have an encroachment, the approval should be conditional on the Owner signing a recordable agreement obligating the Owner to insure and maintain the property. An indemnity agreement might also be required.

63.3.0 LIMITATIONS ON BOARD'S AUTHORITY

Other than the 67% rule, any requirement of this Rule may be waived by a vote of a majority of the Board, on request by an alteration applicant or permittee. However, although the Board is granted authority over the Common Area, it is not authorized to accommodate any encroachment that in the sole discretion of the Board might unreasonably interfere with Mutual Members' use and enjoyment of the Common Area (CC&R 2.10).

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63.4.0 NON-PERMITTED ENCROACHMENTS

Encroachments installed without a required permit will be removed, at the owner's expense, (1) on the Board's initiative or (2) in any event at the time of resale; provided, the seller may apply for a permit for the encroachment, subject to approval by the Owners of at least 67% of the Units in the Mutual and by the Board.

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64.0.0 ELECTRIC POWER AND EQUIPMENT – OWNER INITIATED ALTERATIONS

64.1.0 GENERAL

- 1) Technology related to the use of electric power is changing rapidly (generation, storage, transportation, emergency backup, etc.), therefore, Owners are advised to contact MOD or the Mutual for advice before initiating any project not addressed in these Regulations.
- 2) Mutual 39 is responsible for the repair, and maintenance of all the electric power wiring to the Units from an individual meter up to and including the circuit breaker sub-panel and wiring from the sub-panel to the junction box located in the Unit's walls, floors, and ceilings.
- 3) City of Walnut Creek and Mutual 39 Alteration Permits are required (RR 51.0) before any wiring or circuit breakers within the Unit's walls, ceilings, or floors are relocated, added to, or modified in any way.
- 4) Outlets supplied with electricity paid for by the Mutual (e.g. for street lighting, irrigation, and outlets in standalone carports) must not be used by Owners / Residents to recharge Golf Carts, Electric Vehicles, or power major appliances.
- 5) The use of any extension cord from a Unit, Garage, or attached Carport outlet to charge an Electric Vehicle or Golf Cart is strictly prohibited.
- 6) The use of a portable, gas-powered, electric generator within a Unit or Exclusive Use Common Area is forbidden. Connecting a portable generator to the Unit's internal wiring at any time is strictly prohibited

64.2.0 ELECTRIC LOADING

64.2.1 CIRCUIT LOADING

The Owner is responsible to ensure that the overall load on any given circuit is below 80% of the rated capacity of the concerned circuit (breaker). For example, the overall continuous load ^{a)} on a standard 120-volt, 15 Amp circuit should not exceed 12 Amps. If in doubt consult with a licensed contractor, or PGE, for advice.

64.2.2 SUB-PANEL LOADING

If additional circuits are authorized, then the overall continuous load ^{a)} must not exceed 80% of the Unit's sub-panel rating or be limited to 80% by an automatic load management system. If these conditions cannot be met then a dedicated circuit must be installed directly from the PG&E meter panel.

a) NEC 2014 defines a "Continuous Load" as "a load where the maximum current is expected to continue for 3 hours or more".

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64.3.0 ALTERATION PERMITS

- 1) A City of Walnut Creek Permit is required in addition to a Mutual 39 **Alteration Permit** whenever wiring or circuit breakers within the Unit's walls, ceilings, or floors are relocated, added to, or modified in any way. Replacing hardwired appliances (oven, water heater, etc) also requires a permit.
- 2) Any Alteration to a Unit's electrical wiring or sub-panel must be carried out by a qualified, licensed, and insured **contractor** approved to work in Rossmoor and meet all local, state, and related standards.
- 3) Any such wiring or circuit breaker alterations must be **inspected** and approved by the City of Walnut Creek before being put into operation.

64.4.0 ELECTRIC VEHICLE CHARGING STATIONS

This Electric Vehicle Charging Station (EVCS) Section is in accordance with California Civil Code §4745 allowing the installation of and/or use of an EVCS in an Owner's Exclusive Use Common Area Garage or Carport specifically designated for use by that Owner.

64.4.1 LEVEL 1 EV CHARGERS

A Level 1 EV charger is a cord or charging system that typically comes with the vehicle during purchase, can be plugged into a standard 120 Volt, 15/20 Amp circuit wall outlet, and delivers an electrical current from the outlet to the vehicle via a connector.

These types of chargers are typically used for standard electric golf carts but require a very long time to fully recharge an Electric Vehicle. If the conditions laid out in Section 64.2.1 cannot be met by an existing circuit then a permit application must be processed for the installation of a dedicated 120V, 20 Amp circuit to support the Level 1 charger.

If a Level 1 battery charger is used to recharge a golf cart or EV, it must be placed on a secure non-flammable surface at least one foot from other objects. Owners/Residents must comply fully with the Manufacturer's safety and use instructions, and Section 64.1.0 paragraphs 4) and 5) above. Level 1 chargers must be equipped with an overload fuse or circuit breaker.

64.4.2 LEVEL 2 EV CHARGERS

A Level 2 charger delivers an electrical current from an outlet or hardwired unit to the vehicle via a connector. However, unlike Level 1, Level 2 chargers need a 220-240 Volt, 40/50 Amp circuit. A Level 2 charger will deliver approx. 6 times more kW compared to a Level 1.

If an Owner proposes to modify an existing or install a new Level 2 outlet to charge an EV, a permit application compliant with section 64.7.1 must be submitted and approved.

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64.5.0 BATTERY ENERGY STORAGE SYSTEM (BESS)

Battery Packs or Modules (aka Power Walls) can provide a method of maximizing the use of renewable energy and/or providing emergency power in the case of grid outages.

If an Owner proposes to modify an existing or install a new BESS, a Mutual 39 permit application compliant with section 64.7.1 must be submitted and approved.

64.6.0 SOLAR PANELS

The installation of solar panels necessitates the use of the Mutual's Common Area and is, therefore, covered in a separate Mutual 39 Regulation 61.0.

64.7.0 MAJOR ELECTRICAL SYSTEMS (MES)

Examples of Major Electrical Systems (MES) include Level 2 Electric Vehicle Charging Stations (ECVS), Battery Energy Storage Systems (BESS), and any additional appliance or tool requiring a 240V electrical circuit.

64.7.1 MES ALTERATION PERMITS

In addition to the requirements and submissions of a routine Alteration Permit application, all of the following information must be provided before the application for a Major Electrical System (MES) addition will be considered for approval:

1) MES Specifications

- b) plans and specifications indicating where the MES is to be located,
- c) the name of the manufacturer,
- d) technical specifications and installation instructions
- e) dimensions (e.g. height, width, weight), and
- f) structural requirements.

If the MES location is visible from the Common Area or Exclusive Use Common Area, the MES design must conform to the surrounding structure and environment. It should be neat and attractive without exposed wiring or visible damage to surrounding improvements.

2) MES Maintenance and Indemnity

A fully executed Maintenance and Indemnity Agreement (see form 64.0A below) binding the Applicant and all successor Owners to all of the responsibilities listed therein.

3) MES Insurance

An acknowledgment, satisfactory to the Mutual, that within 14 days of permit application approval, the Owner will provide a certificate of insurance verifying liability coverage to the Mutual.

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MAJOR ELECTRICAL SYSTEM MAINTENANCE AND INDEMNITY AGREEMENT

(check one)

ELECTRIC VEHICLE CHARGING STATION (EVCS) _____

BATTERY ENERGY STORAGE SYSTEM (BESS) _____

OTHER (specify) _____

hereinafter referred to as a MAJOR ELECTRICAL SYSTEM (MES)

UNDERTAKEN BY:

Name(s): _____

Address: _____

Walnut Creek, California 94595

Unit # _____

Alteration Permit Number: _____

Exclusive Use: Attached Garage No.: _____ Attached Carport No: _____

I/we, as the Owner(s) and as the Undersigned, of the above Condominium Unit in Mutual Thirty-Nine (Mutual 39) of Rossmoor, a California nonprofit mutual benefit corporation, and in consideration of the approval of my/our application to allow the installation of the MES in the Exclusive Use Common Area of the building at the above address, have read Mutual 39's Rules and Regulations 64.0 (Electrical Power and Appliances), understand the contents and agree to all of the following:

The Applicant and each Successive Owner of the MES is responsible for:

- 1) Contracting with a currently qualified, licensed, and insured electrical contractor meeting all the requirements outlined in the Board's written approval or otherwise imposed by the Mutual.
- 2) Paying all electrical usage costs for the MES.
- 3) Performing maintenance and operation requirements of the MES and paying associated costs for the maintenance, repair, and replacement of the MES until it has been removed, and for the restoration of the Exclusive Common Area after removal.

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MAJOR ELECTRICAL SYSTEM MAINTENANCE AND INDEMNITY AGREEMENT

Alteration Permit Number: _____:

- 4) Paying the costs for any damages to the MES, Common Area, Exclusive Use Common Area, or separate interests resulting from the installation, maintenance, repair, removal, or replacement of the MES.

- 5) Providing proof, within 14 days of project approval, of Owner's liability insurance coverage with Mutual 39 named as an additional insured, with a right of notification of cancellation, and providing annual written confirmation of continuation of coverage while the MES remains in place.

- 6) Indemnifying and holding harmless Mutual 39, its Members, employees, and agents from all claims, liabilities, obligations, and damages arising out of or related in any way to the installation and maintenance of the MES for which the Applicant has requested permission to install.

- 7) Notifying any future prospective buyers of the Owner's Unit before the sale of the Unit of all of the Major Electrical System responsibilities of Ownership, and the transfer of all of those responsibilities to each subsequent Owner of the Unit.

APPLICANT SIGNATURES

APPLICANT 1: _____ DATED: _____

APPLICANT 2: _____ DATED: _____

MUTUAL 39 SIGNATURES

BY: _____ DATED: _____

TITLE: _____

Submit this photocopied and filled-out form with your application package.

FIREPLACES	R & R No:	69.0
	Revision:	2021-05-25
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69.0 FIREPLACES

69.0.1 MAINTENANCE

The maintenance of Unit fireplaces, their flues, and spark arrestors is the responsibility of the Owner. Mutual 39 agrees with the U.S. Fire Administration's 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.

69.0.2 INSPECTION WHEN MANOR IS SOLD

When a Unit is sold, Mutual 39 requires that its fireplaces, flues, and spark arrestors have a Level 2 inspection by a "Certified Inspector"*. Necessary cleaning and repairs must be completed and a "Certified Notice of Completion" given to Mutual Operations Department (MOD) before close of escrow.

Note * Inspector should be certified by CSIA (Chimney Safety Institute of America) and FIRE (Fire Investigation Research Education).

SMOKE ALARMS	R & R No:	70.0
	Revision:	2021-02-23
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California Building Code requires that each Unit has a smoke alarm in every bedroom and one in the connecting hall.

Mutual 39 recognizes that it is important for the safety of the entire Mutual that each Unit has working smoke alarms, and has taken the responsibility for the installation, maintenance, and replacement of three (3) 10-year smoke alarms per Unit.

Owners may install additional smoke alarms at the Owners' expense. It shall be the Owner's responsibility to maintain and replace these additional devices, including replacing batteries when necessary. Mutual 39 is not responsible for any smoke alarms or other types of alarms that are not provided and installed by the Mutual.

PETS	R & R No:	71.0
	Revision:	2021-02-23
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71.0 PETS

No more than three (3) domestic pets shall be kept in a Unit at any one time (excluding service dogs). Pet Owners are expected to maintain responsible ownership, housing, and care by observing the following:

- 1) When out of the unit, dogs must be on a leash and under the control of a responsible person, unless they are within the Dog Park, where dogs may run unleashed. All other animals must be under the control of a responsible person at all times. No unattended pets are permitted in the Mutual.
- 2) Pet owners are responsible for the immediate removal and proper disposal of their pets' bodily waste.
- 3) No animals shall be kept, bred, or raised for any commercial purposes within the Mutual.
- 4) The Board has the right to prohibit the presence of any animal within the Mutual that is found to be a nuisance to and/or threat to the safety of other Owners and residents. Animals that are determined by the Board to be noisy, destructive, or dangerous are subject to removal from the Mutual.
- 5) The Board may impose fines and penalties per R&R 18.0 to the unit Owner for repeated violation of these Rules and Regulations.

WILDLIFE FEEDING	R & R No:	72.0
	Revision:	2021-05-25
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72.0 WILDLIFE FEEDING

Rossmoor hosts a wide variety of wildlife animals and birds, which are not only an attraction for homeowners but can also pose risk to personal health and promote property damage. To limit these potential adverse outcomes, feeding of all wildlife outside of the Unit is not permitted.

- 1) Birdseed feeders and the scattering of birdseed are not allowed.
- 2) Hummingbird feeders may be used.
- 3) Outside birdbaths are not allowed, to limit standing water and the potential of mosquito breeding.

R&R 18.0 specifies the monetary penalty for violations of this R&R 72.0

MEMBER ACCESS TO MUTUAL RECORDS	R & R No:	73.0
	Revision:	2021-11-16
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73.0 0 MEMBER ACCESS TO MUTUAL RECORDS

Members of Mutual 39 may inspect and obtain copies of Mutual records, as defined in Civil Code §5200, by submitting a written request to Mutual 39, Mutual Board Office at 1001 Golden Rain Road, Walnut Creek, CA 94595.

Requests for inspection and/or copying of Mutual Records submitted to Mutual Directors or any other person or entity will not be “deemed received” by the Mutual and will not be acted upon.

The records that Members may inspect include, but are not limited to, Mutual 39’s financial documents and statements, executed contracts, invoices and receipts, state and federal tax returns, agendas and minutes of Board meetings (excluding executive sessions), membership lists, governing documents, and election materials. Refer to Civil Code §5200 for the complete list of records that Members have a right to inspect.

73.1.0 BOARD AND COMMITTEE MEETING MINUTES

- (1) Minutes of Board meetings (excluding executive sessions), membership meetings, and meetings of a committee with decision-making authority, are subject to member inspection permanently.
- (2) Minutes of Board meetings and membership meetings are posted on the Rossmoor.com website after they are approved by the Board at the following regular Board meeting.
- (3) Minutes of the most recent Board or membership meeting that are proposed for adoption and are marked to indicate draft status, or a summary of that minutes, shall be available for member inspection within 30 days of the meeting.
- (4) Minutes of meetings of committees with decision-making authority shall be made available within 15 calendar days following approval.
- (5) Members may submit a written request for the draft or summary minutes stated in paragraph (3) above, and for copies of older minutes that are not found on the website. The Mutual may charge for the actual cost of copying and distribution.

73.2.0 TIME PERIODS FOR ACCESS TO OTHER RECORDS

- (1) Pursuant to Civil Code §5210, Mutual records subject to member inspection, other than the meeting minutes stated in Section 73.1.0 paragraph (1) above, are for the current fiscal year and each of the previous two fiscal years.
- (2) Mutual records prepared during the current fiscal year shall be made available within 10 business days following the receipt of a proper written request.
- (3) Mutual records prepared during the previous two fiscal years shall be made available within 30 calendar days following the receipt of the written request

MEMBER ACCESS TO MUTUAL RECORDS	R & R No:	73.0
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73.3.0 MEMBERSHIP LIST

- (1) Membership list, as defined in Civil Code §5200, includes names, property addresses, mailing addresses, and email addresses of members of the Mutual, but does not include information for members who have opted out pursuant to 73.3.1 below.
- (2) Any member of the Mutual who wishes to inspect or obtain a copy of the membership list shall submit a written request to the Mutual Board Office, stating the purpose for which the membership list is requested. The purpose must be reasonably related to the Owner's interest as a member.
- (3) 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.
- (4) Pursuant to Corporation Code §8330, the Board must meet the request for inspection within five (5) business days upon receipt of a request, and ten (10) business days (or ten business days after any later list compilation date specified in the request) to produce a copy of the list.
- (5) Given the time constraint, the Board has delegated its authority to the Secretary of the Mutual to determine the relevance of the demand to the requester's interest as a member. The Secretary shall consult with the President or 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 Mutual Officer.
- (6) The Mutual may charge a reasonable fee to cover copying and mailing costs.
- (7) Alternatively, the Mutual may 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.

73.3.1 MEMBERS' RIGHT TO OPT OUT

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

73.3.2 ALTERNATIVE WAY TO REACH OPTED-OUT MEMBERS

- (1) The Mutual is required to provide the requesters for the membership list with an alternative way to reach the members who opted out.
- (2) If the purpose for requesting the membership list is to mail written material to members, the Mutual shall mail a copy of the written material to each member who opted out and include a note identifying the requester. These copies shall be provided by the requester and sent by U.S. mail in envelopes bearing the Mutual 39 return

MEMBER ACCESS TO MUTUAL RECORDS	R & R No:	73.0
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address. The requester shall pay a reasonable charge for all costs of sending copies of the written material to the opted-out members.

- (3) If the requester's purpose is other than distribution of written material, the Mutual shall notify the opted-out members of the request by U.S. mail. The requester shall pay a reasonable charge for the cost of giving notice to the opted-out members.

73.4.0 INSPECTION AND COPYING OF RECORDS

- (1) A member of the Mutual may designate another person to inspect and copy the specified records on the member's behalf. The designation shall be made in writing.
- (2) Inspection and copying of records must be conducted in Mutual Board Office at Gateway.
- (3) Members requesting paper copies of Mutual records must pay for them before they are duplicated and delivered.
- (4) When redaction of information from the requested records is appropriate pursuant to Civil Code §5215, the Mutual may charge the requesting Member an amount not to exceed ten dollars (\$10) per hour and not to exceed two hundred dollars (\$200) per written request, for the time actually and reasonably involved in redacting Mutual records, in addition to the actual cost of copying and delivering the documents.

RESOLUTION OF LOCAL CONFLICTS	R & R No:	75.0
	Revision:	2021-05-25
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75.1 LOCAL RESOLUTION

Owners (and residents on behalf of Owners) faced with urgent problems such as safety or health hazards, threats, or violence should:

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

Less urgent matters, such as parking problems, or disagreements among residents, shall be resolved locally (within the individual building or entry) when possible.

75.2 REFERRAL TO THE BOARD

If a problem cannot be resolved locally, the members concerned shall refer the matter to the Board for action. The Board will take whatever measures it deems necessary and proper to resolve the issue.

DISPUTE RESOLUTION	R & R No:	76.0
	Revision:	2021-11-16
	Page	1 of 1

76.0.0 DISPUTE RESOLUTION

Prior to the commencement of any civil action against the Mutual or an Owner, the parties shall endeavor to resolve the dispute internally by following the internal dispute resolution procedure and the alternative dispute resolution procedure provided in Section 12.9 and 12.10 of Article 12 of the Mutual's CC&Rs.

SIGNAGE	R & R No:	77.0
	Revision:	2021-10-14
	Page	1 of 1

77.0.0 SIGNAGE

77.1.0 DEFINITIONS

- 1) Commercial Signs: Commercial Signs are any sign, flag, banner or poster advertising a business, product or service, except Real Estate Signs, as defined below.
- 2) Real Estate Signs: Real Estate Signs are window signs indicating a particular Unit is for sale, lease, or exchange.
- 3) Noncommercial Signs: Noncommercial Signs are any sign, flag, banner or poster not included in the definitions of Commercial Signs and Real Estate Signs above.

77.2.0 COMMERCIAL SIGNS

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, unless expressly authorized in writing by the Board.

77.3.0 REAL ESTATE SIGNS

One temporary Real Estate Sign not exceeding four (4) 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.

77.4.0 NONCOMMERCIAL SIGNS

One Noncommercial Sign or poster must be nine (9) square feet or less and a Noncommercial flag or banner that is fifteen (15) square feet or less may be placed within a Unit or Exclusive Use Common Area (but not in the general Common Area). No other Noncommercial Signs visible from other Units or Common Area are permitted.

BARBECUES, OUTDOOR	R & R No:	78.0
	Revision:	2021-02-23
	Page	1 of 1

78.1.0 REFER TO CALIFORNIA FIRE CODE, SECTION 308 OPEN FLAMES

The purpose of this Regulation is to clearly define the rules regarding the use of open flames Barbecues within the confines of Mutual 39.

78.2.0 MUTUAL 39 BARBECUING REGULATIONS

In addition to those rules outlined in the California Fire Code, the use of barbecues in Mutual 39 must comply with the following:

- 1) No charcoal barbecues are allowed.
- 2) All barbecues used must have a lid that can close over the barbecue in case of a flare-up.
- 3) Propane fueled barbecues must not be operated within 10 feet of combustible materials above or on all sides of the barbecue. No propane barbecues are permitted on balconies.
- 4) A fully charged ABC rated fire extinguisher is required to be available within reach and clearly visible when a propane-fueled barbecue is being operated.
- 5) Never leave your grill unattended.
- 6) Keep your grill clean and free of grease or fat buildup on the grills and the trays below the grill.
- 7) All barbecue units must be used and maintained safely and must not be a nuisance to other residents.
- 8) Residents shall not barbecue on Spare the Air days.

78.3.0 ENFORCEMENT

Any violations or concerns may be directed to the Mutual 39 Board of Directors. Violators may be subject to penalties as defined in RR18.0.

MAILING ADDRESSES, SECONDARY	R & R No:	79.0
	Revision:	2021-11-16
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79.0.0 SECONDARY MAILING ADDRESSES

Any Member may establish a secondary mailing address by notifying the Secretary of the Mutual 39 at 1001 Golden Rain Road, Walnut Creek, CA 94595 by mail, facsimile or email with acknowledgment. Upon receiving such a notice, the Mutual will send all correspondence and legal notices required by law to both the Member's primary address and the Member's secondary address.

A Member may name the Member's so-called billing address as the secondary address. Billing addresses, however, are not automatically secondary mailing addresses.

A temporary address, to which the Member's primary address mail will be forwarded, should not be used as a secondary address to avoid inadvertently omitting required correspondence and legal notices, all mailings from the Mutual, for any purpose, will be sent to both addresses.

Minimum Levels of Mutual Operating and Reserve Funds	R & R No:	89.0
	Revision:	2021-11-16
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89.0.0 MINIMUM LEVELS OF MUTUAL OPERATING AND RESERVE FUNDS

Rationale: In order to ensure the financial integrity in Mutual 39 the following minimum levels for the Operating Fund (defined as monies set aside in order 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).

89.1.0 OPERATING FUND

The Operating Fund shall be maintained at the beginning of each fiscal year sufficient to cover two (2) months of operating expenses. The Board may borrow from the Reserve fund to cover the insurance premium payable annually in advance provided it is repaid within the budget period.

89.2.0 RESERVE FUND

The Reserve Fund shall be maintained at a minimum level of \$3,000 per manor. This level will be calculated by adding the cash balances maintained to cover pending commitments for work to be done within the Mutual and cash invested in CDARS or other such programs and dividing the sum by the number of manors in the Mutual.

89.3.1 TREASURER'S REVIEW

The 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.

CONTRACTORS - WORK SITE RULES	R & R No:	91.0
	Revision:	2021-10-14
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91.0.0 WORK SITE RULES FOR CONTRACTORS

Mutual 39 has engaged GRF-MOD to be its Managing Agent—this includes the management of contracts and contractors. All contractors and owner-contractors must agree in writing to comply with the MOD Rules for Contractors before performing any work in Mutual 39.

91.1.0 WORK SITE RULES

A copy of the current Contractor Working Rules can be obtained at the MOD offices or online at the Rossmoor.com web site under Residential Services, Alterations and Resales or directly at: <https://rosmoor.com/wp-content/uploads/Contractors-Working-Rules.pdf> (see Note 1)

91.2.0 CONTRACTOR LIST

For convenience MOD maintains a list of Contractors who are familiar with Rossmoor. The list can be found on the Rossmoor.com web site under Residential Services, Alterations and Resales, or directly at: <https://rosmoor.com/wp-content/uploads/Contractors-List.pdf> (see Note 1)

The list is not a recommendation, and the contractors are neither affiliated with, nor endorsed by, Mutual 39 or GRF/MOD.

91.3.0 CONTRACTOR RULES VIOLATIONS

All complaints of violations of the Rules for Contractors should be directed to GRF-MOD during normal working hours, or if urgent to Rossmoor Security.

Note 1: These URLs are listed for convenience and are correct at the time of publication but may change over time. If they do not work please search the Rossmoor.com web site for the subject information.

WORK ORDERS, CONTRACTS, AND CHANGE ORDERS	R & R No:	92.0
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92.0.0 WORK ORDERS, CONTRACTS, AND CHANGE ORDERS

92.1.0 LIMITS ON DIVISION OF TASKS

No party shall divide a task into separate work orders or contracts in order to avoid Mutual 39 approval or bidding requirements.

92.2.0 MUTUAL APPROVAL

Except for emergency repairs, all contracts and work orders for goods or services in excess of \$5,000 shall be signed by the Mutual President or Vice President and reported to the Board. The Managing Agent (GRF-MOD) is authorized to approve expenditures for emergency repairs pursuant to the Mutual's Rules and Regulations #17.5.0. All Mutual 39 Master Service Agreements must be approved by the Board.

92.3.0 BIDDING

Any job over \$5,000 or repetitive job that will aggregate over \$5,000 will be bid out unless the Mutual President orders otherwise, in writing. Jobs under \$5,000 alone or in aggregate shall not be bid out unless the Mutual President requests bidding. Single-source vendors shall be bid against at least once every 3 years.

92.4.0 CHANGE ORDERS

A change order or orders in aggregate that costs 5% or less of the contract value may be approved by the Mutual President. Change order or orders that would increase the contract value by more than 5% shall require the approval of the Board.

If a contract is awarded for all of the work covered by an acceptable bid, but the scope of the work must be expanded because of newly discovered problems in the original contract location, the scope may be changed only by a change order, or a new contract. The change order or new contract shall include all changes in scope, specifications, and completion plans.

92.5.0 NEW CONTRACTS IN LIEU OF CHANGE ORDERS

After a contract is awarded for all of the work covered by an acceptable bid, if MOD or the Mutual President determines that similar work is needed at a location that is not covered by the original contract, such work requires a new contract and may not be covered by a change order.

RULES FOR USE OF STORAGE CONTAINERS (PODS)	R & R No:	93.0
	Revision:	2021-05-25
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93.0.0 RULES FOR USE OF STORAGE CONTAINERS (COMMONLY CALLED PODS)

Mutual 39 will allow the use of storage containers (SC) for no more than seventy-two (72) hours. This rule aims to balance the needs of the Resident desiring to use a SC and the rights of the other residents to have adequate parking, ingress and egress.

93.1.0 DEFINITION

This rule applies to storage containers (SC) that are dropped off for packing or unpacking of household goods, after which the SC is removed.

93.2.0 PROCEDURES FOR APPROVAL BY MUTUAL

In order to allow delivery and removal within 72 hours, residents should begin arrangements well in advance of the desired dates. The procedure for approval will be as follows:

The Resident should contact the Mutual President in writing (email preferred) indicating that they desire placement of a SC within a specified entry in the Mutual. The resident must provide the following details in this written request:

- 1) The proposed delivery and removal dates for the SC,
- 2) The SC company name and proposed size of the SC,
- 3) The Rossmoor address pertaining to the proposed SC, and
- 4) The phone numbers of the Resident seeking approval.

If approved, the Mutual President will designate a specific parking space in the entry for the SC and communicate this approval in writing to the Resident, along with the agreed-upon dates for delivery and removal, not to exceed seventy-two (72) hours.

The Mutual President may decline to grant approval for a SC to be placed in a given entry if there is insufficient parking; if vendor or emergency vehicle access would be compromised; or a history of the SC company failing to meet deadlines.

93.3.0 IMPLEMENTATION BY SECURITAS

The Mutual President 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 SC. Securitas will not allow delivery until the contracted date.

93.4.0 SITE PREPARATION

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

93.5.0 ENFORCEMENT

Violators may be subject to penalties as defined in R&R18.0.