

1.0.O OWNER-INITIATED ALTERATIONS SOLAR ENERGY SYSTEM

1.0.1 OWNER-INITIATED ALTERATIONS

Solar Energy Systems (as defined in 1.0.2 below) may be installed by owners of a Unit In Mutual 53 only on the rooftop of the condominium building in which the Unit is located or a contiguous garage roof. No other Common Areas in Mutual 53 may be used for Solar Energy Systems by individual Unit owners.

Shared Solar Systems (as defined in 1.0.2) may be installed by groups of owners of Units within Mutual 53 on roofs within Mutual 53 as described in section 1.1.3 below.

This policy is intended to conform to Civil Code Sections 714,714.1, and 4746. In the event of any conflict between any provision of this Policy and any applicable statute, the terms of the statute shall prevail and supersede any contrary provisions in this Policy. This Policy shall be effective for all new installations on the date adopted and shall supersede all prior TWCM, Project 53 and Mutual 53 policies and rules pertaining to Solar Energy System Installations.

1.0.2 DEFINITIONS

As used in this Policy,

"Solar Energy System" 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" is the owner of the condominium Unit requesting the installation of a Solar Energy System and any subsequent transferees of that Unit.

"MOD" is the Mutual Operations Division of Golden Rain Foundation of Walnut Creek, managing agent for Mutual 53.

"Mutual" is Walnut Creek Mutual 53.

"Shared Solar System" is a single Solar Energy System owned by two or more Owner/Applicants and operating under the provisions of the PG&E Virtual Net Energy Metering Service (NE|V2V) defined by California Public Utilities Commission Sheet 42589-E (June 20, 2018) or its successor tariffs.

"Shared Solar Participant" is an Owner/Applicant who participates in the ownership of a Shared Solar System and any subsequent transferees of that ownership interest.

"Shared Solar Group" is the collection of Shared Solar Participants jointly participating in a single Shared Solar System.

The terms "**Board.**" "**Common Area.**" "**Exclusive Use Common Area.**" and "**Unit**" have the same definition as in the Bylaws and CC&Rs of Mutual 53.

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

1.1.1 OWNERSHIP OF SHARED SOLAR SYSTEMS

Each Participant in a Shared Solar System individually decides how many solar panels he or she needs, and purchases that number of panels from the pre-qualified installation company vetted by MOD. The installation company incorporates all the Participants' shared panels into a single Shared Solar System; however, each Participant remains responsible for his or her own panels. Each Participant is required to register the serial numbers of their panels with the Solar Committee within 30 days after installation is complete.

Shared Solar Participants may at any time sell their solar panels to other Participants in their Shared Solar System or to other owners in the same Project who do not belong to an existing Shared Solar Group. Participants are required to provide written notice of all such sales to the Solar Committee within 30 days of closing.

1.1.2 AVAILABILITY OF COMMON AREA SPACE FOR INDIVIDUALLY-OWNED SOLAR ENERGY SYSTEMS

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

The Usable Solar Space shall be calculated by the installer of each Solar Energy System in the building, and 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.

1.1.3 AVAILABILITY OF COMMON AREA SPACE FOR SHARED SOLAR SYSTEMS

Because Shared Solar Systems can serve Owner/Applicants living in multiple buildings within the Mutual - subject to certain restrictions imposed by the NEIU2V tariff - and because a condominium owner has rights to install a Solar Energy Systems on the roof of the building in which he or she resides (California Civil Code 714), the following rules shall determine on which roofs a Shared Solar System may be installed:

(1) If it is proposed to install the Shared Solar System on the roof of the building in which all of the Shared Solar Participants reside, then the same rules as for an Individually-Owned System (sec 1.1.3) shall determine the availability of Common Area Space, with each Shared Solar Participant receiving their proportional allocations of the Usable Solar Space of the building;

(2) If it is proposed to install the Shared Solar System on the roof of a building in which one or more of the Shared Solar Participants reside but one or more of Shared Solar Participants live in different buildings within the same Project, then

a) The Shared Solar System may occupy only the proportional share of the usable solar space belonging to the residents who subscribe to the Shared Solar system. However, if all the residents of the building are also Participants in the proposed Shared Solar System or have already installed their own individual Solar Energy Systems in which case the proposed Shared Solar System may occupy as much of the building's roof as required;

b) If, at some time in the future, a condominium owner resident in that building (the "Denied Owner") wishes to install a Solar Energy System and there is no Usable Solar Space on the roof of that building, then the Shared Solar Participants agree to sell to the Denied Owner that portion of the Shared Solar System equal to the Denied Owner's allocated Usable Solar Space. The portion of the Shared Solar System to be sold shall be the number of solar panels that occupy the same area as the Denied Owner's allocated space, rounded up or down to the nearest whole panel. If the Shared Solar Participants cannot agree which solar panels to sell to the Denied Owner, then each Participant shall sell their pro rata share of the panels they own, rounded up or down to the nearest whole panel. If, after this pro rata calculation, one or more additional panels are required to be sold, the Participants not residing in the building shall sell such additional panels. The price per panel paid by the Denied Owner shall not exceed the current market price of a new installation.

It is not permitted to install a Shared Solar System on the roof of a building unless at least one of the Shared Solar Participants resides in that building.

1.1.4 MAINTENANCE OF COMMON AREA SPACE

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 planted after the installation of the Solar Energy System may not be allowed to grow so as to cast a shadow greater than ten percent (10%) of the collector absorption area upon that collector's surface at any one time between the hours of 10:00 a.m. and 2:00 p.m. local standard time (California Public Resources Code Section 25982).

Pruning needs shall be determined and dictated by the landscape or tree experts of the Mutual. Trees and shrubs planted after the solar installation are the financial responsibility of the participants of the shared solar systems.

1.2.0 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 and other certain modifications as set forth herein are in the Alteration permit procedures.

(A) Indemnification and Maintenance Agreement. As a condition of approval of installation of any Solar Energy System within the Common Area, the Owner/Applicant or Shared Solar Participants shall each execute a separate "Maintenance and Indemnity Agreement" (1) acknowledging that he or she has read and understands this Policy; (2) representing that the proposed Solar Energy System or Shared Solar System, its installation and maintenance shall comply fully with this Policy, and (3) agreeing to indemnify and hold harmless the Mutual, Golden Rain Foundation of Walnut Creek and their respective officers, directors, employees and members from and against any and all claims, allegations, litigation, arbitration or judgments resulting in whole or in part from the installation, maintenance or removal of the Solar Energy System, substantially in the form attached to this Policy (EXHIBIT A).

(B) Notification to Neighbors. As required by Civil Code 714.1, Sec. 4746, the Owner/Applicant or Shared Solar Participants 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 or Shared Solar Participants shall certify in the application the names and addresses of those notified and the date of the notification. This will be done by the attached form to this Policy (EXHIBIT D) or copies of certified return letter receipts from the Post Office. The application will be prepared with the assistance of the MOD Alterations Department and then submitted to the Architectural Review Committee for preliminary review. The Committee may suggest reasonable restrictions on the installation but may not disapprove the installation.

(C) Proof of \$1 Million Liability Insurance Policy. The Owner/Applicant will include proof of having a homeowner liability insurance policy providing \$1 million in coverage under the Applicant's homeowner liability insurance policy with Mutual 53 being listed as an interested party. The owner must advise the Mutual if the policy is canceled. The Applicant must renew this liability insurance annually and provide evidence of annual renewal to MOD.

(D) Permit Review and Approval. The Architectural Review Committee shall review the application for installation of a Solar Energy System or Shared Solar System to determine whether or not all of the items required on the Solar Installation Checklist Addendum (EXHIBIT B) have been included and may offer recommendations, if any, for additional reasonable restrictions within limits prescribed in Civil Code Section 714. However, no application for installation of a Solar Energy System may be approved or denied by the Architectural Review Committee; the Board alone has the authority to approve such applications.

(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.

(F) Board Review of Application; Decision. Any decision by the Board on a proposed Solar Energy System installation must be in writing and, if the proposed Solar Energy System is disapproved, the written decision shall include an explanation of why the application was disapproved. As provided by Civil Code section 714, an application for the installation of a Solar Energy System that is not denied in writing within forty-five (45) days from the date of receipt of the application by the Mutual shall be deemed approved, unless that delay is a result of a reasonable request for additional information.

1.3.0 GENERAL INSTALLATION REQUIREMENTS

The following installation conditions shall govern the installation of Owner/Applicant initiated installation of Solar Energy Systems including Shared Solar 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 Owner/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 Project. All Solar Energy Systems must be installed so that they do not hinder the repair or maintenance of any existing installations, (i.e. gutters, roof flashings, etc.). All Solar Energy Systems shall have non-glare panels installed flush to the roof except on flat roofs.

(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. 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.

(E) All visible ancillary components, (i.e. conduit, surface-mounted boxes, etc.) must be installed as inconspicuously as possible and must blend aesthetically to the existing roof lines and exterior walls. Those ancillary components, such as conduits, plumbing and supports shall be painted to match the exterior of adjacent structures (unless such painting would void a manufacturer's warranty). Installation of such components shall not detract from or alter the appearance of any exterior portion of that structure which is adjacent to and/or visible from any door and/or window of the residence of a non-participant in the individually owned or shared Solar Energy System when possible and as allowed by current Building Codes. This shall apply to residences within the structure on which the Solar Energy System is to be installed as well as residences within an immediately adjacent structure that have direct line of sight to such components.

1.4.0 INSTALLATION BY COMMERCIAL INSTALLERS

Installation shall only be by a licensed and properly insured installer knowledgeable in the installation of Solar Energy Systems. These installers must be pre-qualified by MOD. 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.

1.5.0 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 (ULrM) 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 Policy. Should the Board later determine that the equipment is not in conformance with such criteria, the Board may require the Owner/Applicant to remove the Solar Energy System or modify it so that it is in compliance with such criteria. Such removal or modification shall be at the sole expense of the Owner/Applicant of the Solar Energy System.

1.6.0 MAINTENANCE

(A) Owner/Applicant of a Solar Energy System or Shared Solar Participants are 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 or Shared Solar Participants shall not permit their Solar Energy System to become a hazard or fall into disrepair. Owner/Applicant or Shared Solar Participants shall be responsible for correction of any safety hazards and Solar Energy System repair and or replacement. Owner/Applicant or Shared Solar Participants 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 or Shared Solar Participants 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 Association 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 or Shared Solar Participants shall be responsible, at their 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 or Shared Solar Participants 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 or Shared Solar Participants fail 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 or Shared Solar Participants. 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.

1.7.0 RESALE OR TRANSFER OF OWNER'S UNIT

Upon resale or transfer of an Owner/Applicant's or Shared Solar Participant'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 or Shared Solar Participant's duties and responsibilities as outlined in this Policy 1.1.0 and shall execute an additional Maintenance and Indemnity Agreement prior to close of escrow.

1.7.1 REMOVAL OF SOLAR ENERGY SYSTEM

If a buyer or a transferee does not agree in writing to assume responsibility for an individually-owned Solar Energy System, the Owner/Applicant must remove the Solar Energy System and restore the area where the Solar Energy System had been located. Such removal or restoration shall be in accordance with the Removal Procedures attached hereto as EXHIBIT D. If a buyer or a transferee does not agree in writing to assume responsibility for the Owner/Applicant's share of a Shared Solar System, the Shared Solar Participant has two options:

(1) Sell or otherwise transfer his or her share of the Shared Solar System to one or more of the other Participants in the Shared Solar System or to another Mutual owner resident; or

(2) Remove their portion of 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.

February 1, 2023

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Exhibit A, Policy 1.0 Solar Energy Systems

Mutual 53
Policy 1 Solar Energy Systems
MAINTENANCE AND INDEMNITY AGREEMENT

I/We (name) _____

Owner(s) of the condominium unit at (address) _____,
Walnut Creek, CA 94595 (collectively, the "Undersigned") in consideration of the approval of Walnut Creek Mutual 53 (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: _____,

I/we acknowledge that I/we have read Mutual 53's Policy 1.0, Owner-Initiated Alterations, Solar Energy System ("Policy 1.0"), understand its contents and agree as follows:

1. The proposed solar energy system shall be installed and maintained in full compliance with Policy 1.0 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 Policy 1.0 and Alteration Permit # _____.
2. I/we shall indemnify and hold harmless Mutual 53 and 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 anyway 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&R's") of Mutual 53 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 expense and restore the common area to its original condition and in compliance with Policy 1.0.
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 Indemnitee shall have full right to defend, pay or settle said claim on their own behalf with or without notice to the Undersigned for all fees, costs and payments made or agreed to be paid to discharge said claim.

Exhibit A, Policy 1.0 Solar Energy Systems

Mutual 53
Policy 1 Solar Energy Systems
MAINTENANCE AND INDEMNITY AGREEMENT

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

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

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): _____

Exhibit B, Policy 1.0 Solar Energy Systems

Mutual 53
Policy 1 Solar Energy Systems
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. For roofs that have an existing warranty, written approval by Mutual's roofing contractor or roofing consultant of roof penetrations.

I. Final inspection checklist:

(1) Visible ancillary components, such as conduits, plumbing and supports painted to match exterior of adjacent structures (unless such painting would void a manufacturer's warranty) and as inconspicuous as possible.

(2) Solar panels mounted flush with roof surface, with all rooftop installations blending into the roof color as much as possible. J. Proof of Notification of owners of condos in the same building.

J. Proof of Notification of owners of condos in the same building

Exhibit C, Policy 1.0 Solar Energy

Mutual 53 Policy 1 Solar Energy Systems ENERGY SYSTEM REMOVAL ADDENDUM

When it is necessary to remove solar energy systems from Mutual 53 roof tops, the building structure should be returned to its pre-solar installation condition, as follows:

1. Owner of the 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.
4. If deemed necessary by Mutual 53, install a 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 53
9. Satisfy all other requirements imposed by Mutual 53

Exhibit D, Policy 1.0 Solar Energy

Mutual 53
Policy 1 Solar Energy Systems
OWNER 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: _____