RULES AND PROCEDURES

OF

WALNUT CREEK MUTUAL FIFTY-FIVE
(MUTUAL 55)

- Approved by Board, March 11, 2021 (Rules 1.0 - 35.0)
  (Notice, 02/09/2011; Member Review, 02/09/2021 - 03/11/2021)

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) 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.

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1.0 INTRODUCTION

The name of the corporation is Walnut Creek Mutual Fifty-Five (Mutual 55) ("the Mutual"). The principal office of the Mutual shall be in the City of Walnut Creek, Contra Costa County, California or such other place within a reasonable distance from and convenient to the Mutual as the Board of Directors may from time to time designate by resolution. The guiding principle of the Board is to make the governance of the Mutual as open, as accessible, and as helpful as possible.

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

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

- California Corporations Code,
- California Civil Code,
- Common Interest Development Case Law,
- City of Walnut Creek Building Codes,
- Articles of Incorporation of the Mutual, and
- Restated Declaration of Covenants, Conditions, & Restrictions of the Mutual,
- Bylaws of the Mutual.

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

The overall objectives of the Mutual 55, in no specific order of importance, are,

- To manage finances prudently,
- To maintain adequate insurance coverage,
- To avoid exposure of Owners and Board members to unacceptable liability.
- To maintain buildings areas within the control of the Mutual, landscaping, entryway streets, and utilities to high standards as established by experts in the fields involved,
- To maintain communications with Owners as required by the Civil and Corporations Code. Such compliance is by providing access to Board minutes and these Rules and Procedures, distributing financial information, and making necessary disclosures about such things as lawsuits and building defects.

2.0 DEFINITIONS

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

2.1 "The Mutual" shall mean Walnut Creek Mutual Fifty-Five (Mutual 55), which has been formed pursuant to the California Nonprofit Mutual Benefit Corporation Law (Corporations Code, Sections 7110-8970) as a nonprofit mutual benefit corporation that functions solely as a community association for management of certain condominium projects in Rossmoor. The Mutual owns no real property.

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

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

3.0 OPINIONS OF BOARD MEMBERS

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

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

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

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

4.0 COMMERCIAL PRESENTATION LIMITS

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

- By the Mutual's Managing Agent or by a Director, as background for a proposed course of action, and

- By a commercial representative, with specific approval by the Board in advance of the Board's meeting.

5.0 MEMBERSHIP APPLICATIONS AND CERTIFICATES

5.1 Delegation of Authority to Accept Membership Applications

The Secretary or any other officer of Mutual 55 may review applications for membership in the Mutual, and accept the applications on behalf of the corporation upon determining that the applicants meet the requirements for membership set forth in the governing documents and the laws of the State of California

5.2 Issuance of Membership Certificates

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

6.0 FISCAL POLICY

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

6.1 Compliance with Civil Code §1365

To comply with Civil Code section 1365, subdivision (a), the Board will review the following fiscal items:

- A current reconciliation of Mutual's operating account on at least a quarterly basis.
- A current reconciliation of Mutual's reserve account on at least a quarterly basis.
- The current year's actual reserve revenues and expenses compared with the current year's budget, on at least a quarterly basis.
- The latest account statements prepared by the financial institutions where Mutual 55 has its operating and reserve accounts.
- An income and expense statement for Walnut Creek Mutual Fifty-Five's operating and reserve accounts, on at least a quarterly basis.

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.

6.2 Investment Criteria

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

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

To meet the safety criteria, 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. The Mutual will not borrow to purchase any security for a Mutual account and will not purchase any security for a Mutual account at a premium above net asset value.

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

6.3 Investment Banking Resolution

Authority to establish and maintain investment accounts is set forth in a current resolution of the Board. See Appendix A for a copy of the current resolution.

6.4 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.

6.5 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.

6.6 Reserve Work Budgets not to Include Potential Transfers from Operating Funds

Beginning with budgets for 2021, reserve work budgets shall not include potential transfers from operating funds.

6.7 Reserve Fund Balances as Sources for Reserve Work

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

6.8 Non-Reimbursable Transfer 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 Budget and Finance committee.

6.9 Requirements for Direct Withdrawal from Reserves for Current Reserves

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

6.10 Reimbursable Use of Operating Funds for Current Reserves Billable Work

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

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

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

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

6.11 Board Approval Required for all Loans of Reserve Funds to Operating Accounts

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

6.12 Retention Funds

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

at the end of the fourth year the payment has not been accepted, the retained funds shall be transferred to the State of California.

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

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

6.13 Minimum Levels of Operating Funds and Reserve Funds

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

6.13.1 Operating Fund

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

6.13.2 Treasurer’s Review

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

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

7.0 AUTHORITY TO SPEND RESERVE AND OPERATING FUNDS

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

7.1 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 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, all contracts in any amount, and all work orders for goods or services in excess of $5,000 or $50 per unit, whichever is less, shall be signed by the President or a Vice President and reported to the Board.

Pursuant to Civil Code section 1365.5(b), withdrawal of funds from the reserve accounts requires signatures of any two of the following three persons: President, Treasurer, and Assistant Treasurer.

7.2 Operating Fund Expenditures

The Board adopts an operating fund expenditure budget each year after input by the Mutual President and the managing agent. The operating fund budget may cover, among other things, costs of enhanced landscaping, tree removal.

The Board adopts an operating fund revenue budget that may include regular or “coupon” (homeowner 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 and subject to approval by the Mutual President for any expenditure for Building Maintenance and Public Works, Landscape Maintenance, and provided that all contracts in any amount, and all work orders for goods or services in excess of $5,000 or $50 per unit, whichever is less, shall be approved by the President or a 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.

7.3 General Limitations on Contracts and Work Orders

To be approved without action by the entire Board, all contracts and work orders must meet our general requirements for structure and content, must have been approved by the Mutual President in accordance with 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 or $50 per unit, whichever is less, with approval by the Mutual President. Contract and work order amounts at or below $5,000 or $50 per unit, whichever is less, may be increased, within budget limits, up to 5% of the original contract amount, with approval by the Mutual President. Additional increases, within budget limits, require approval by the Mutual President or a Vice President. Budget limits may not be exceeded except by permission of the Mutual President and approval by the Board.

7.4 Urgency / Incapacity

If the need for an approval is urgent, but the officer is incapacitated, or absent from Rossmoor without having delegated approval authority, the approval authority shall be exercised jointly by the president and the chairperson of the appropriate maintenance committee.

7.5 Expenditures for Emergency Repairs

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

7.6 Expenditure of Funds in Excess of Budget Limits

Non-budgeted expenditures of fund balances may be permitted when there is an urgent need. All such expenditures must be approved in advance by the President or a 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.

8.0 ENFORCEMENT OF RULES

The Board will not enforce any rule not promulgated among the Members of the Mutual.

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

9.0 DISTRIBUTION OF WRITTEN MATERIALS

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

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

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

10.0 RECORD RETENTION

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

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

11.0 OCCUPANCY OF A MANOR/UNIT

All occupants of a Manor (including guests who stay for more than 21 days) must register at the Golden Rain Foundation Administration Office. The Golden Rain Foundation and Mutual 55 must acknowledge each registration.

Each occupant of a manor (other than a guest) must be a qualifying resident or a qualified permanent resident, or a permitted health care resident (as defined in the Civil Code) or a designated occupant. These definitions are summarized below.
A “qualifying resident” or “senior citizen” means a person 55 years of age or older.

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

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

1. Was residing with the qualifying resident or senior citizen prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the qualifying resident or senior citizen; and

2. Was 45 years of age or older, or was a spouse, cohabitant, or person providing primary physical or economic support to the qualifying resident or senior citizen.

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

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

A “designated occupant” is a senior citizen residing in a condominium unit within Mutual 55 who is the spouse, parent or child of the owner of the condominium unit and has been designated, in writing, by the owner as the approved occupant for the unit. A spouse living with such a person will also be considered a designated occupant. The owner shall transfer, in writing, all membership rights in the Mutual and Golden Rain Foundation to the designated occupant.
Appropriate forms for such transfer shall be approved and utilized by the Board. A person's status as a designated occupant shall end upon the death of the owner or transfer of the title to the unit.

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

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

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

Occupancy of a manor is further regulated by additional provisions of the Civil Code, by the Mutual Agreements Establishing Covenants, Conditions and Restrictions; by Golden Rain Foundation bylaws; and by the Mutual's Bylaws. Refer to Appendix A for a summary of these additional regulations.

12.0 OWNERSHIP LEASING OF MANORS/UNITS AND TRANSFER

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

To provide Mutual 55 Owners the security required for a gated senior citizens' housing; the following lease requirements shall apply:

1. Each lease must be written on the Mutual 55 Lease Agreement form and approved in writing by the Mutual 55 Board. Owners may obtain Mutual 55's Request to Lease and Lease Agreement forms from the Member Records Department at Gateway and shall return the completed forms to the Member Records Department.

2. The Board may approve a proposed lease for occupancy by more than two persons in a one-bedroom Unit and more than three persons in a two-bedroom Unit, upon a satisfactory showing of need by Owner, subject to approval by the Golden Rain Foundation.

3. An authorized agent of Mutual 55 will evaluate the proposed lease for compliance with all applicable Governing Documents, and Rules & Procedures, and recommend action to the Board.

4. The Board hereby delegates to the President or Vice President its authority to approve any proposed initial lease.

13.0 CARPORT AND GARAGE SPACES

13.1 Ownership Leasing and Transfers

A carport or garage space that is a portion of the exclusive use common area of a condominium remains with the condominium and may not be sold separately. The condominium owner may lease the carport, garage, or golf cart space, but only to another Rossmoor resident.

A carport or garage space that is apart from the exclusive use common area of a condominium property remains with the Mutual and may not be sold to a buyer outside the Mutual. The owner of the space may have exclusive use of it, lease it to any resident of Rossmoor, or sell it to another member of the Mutual. If the owner of the space ceases to be a member of the Mutual and fails to sell the space to a member of the Mutual, ownership of the space will revert to the Mutual.

Such agreements require that the lessor to provide a physical, hard copy of this policy to the lessee and such lease agreement must include and incorporate this policy into the lease.

13.2 Restrictions on Storage of Property Other Than Vehicles in Carports

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

When articles are stored in a carport in violation of this rule, Mutual 55 may, after giving 30 days written notice to the owner, remove the articles and store them in public storage at the owner's expense and at the owner's risk.

13.3 Non-Vehicular Uses of Carports

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

13.4 Non-Vehicular Uses of Garages

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

13.5 Flammables

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

14.0 PARKING

14.1 Parking on Named Street (Trust Property)

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

14.2 Parking

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

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

14.3 Parking in Entry Roads – General Rule

Vehicles may be 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 18 feet, or where suitable off-road parking is available. GRF vehicles and contractors' vehicles may be parked at the roadside, but only during working hours.

14.4 Parking in Outdoor Spaces

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

14.5 Unrestricted Parking Spaces

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

14.6 Parking in Driveways

No vehicle may be parked in a driveway where any part of the vehicle protrudes into the entry road, or interferes with opening a garage door, or interferes with access to a garbage enclosure or manor entry. Vehicles that are not wider than 7 feet and not longer than 18 feet may be parked in driveways. No commercial vehicles may be parked in driveways overnight. GRF vehicles and contractors' vehicles that are not wider than 7 feet and not longer than 18 feet may be parked in driveways, but only during working hours.

14.7 Parking in Carports

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

14.8 Parking in Garages

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

14.9 Extended Parking

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

14.10 Violation of Parking Rules

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

14.11 Authority to Tow

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

15.0 COMMERCIAL ACTIVITY RESTRICTIONS

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

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

- Distribution of advertisements giving a Rossmoor address as a place where goods or services may be purchased.

- Automobile or pedestrian traffic in or about the Rossmoor address, apparently from clients other than residents.

- Deliveries of merchandise or office equipment to be used in such activities.

- Presence of signs, posters or other paraphernalia indicating a business name or other business information on or about a manor, or on a vehicle, or elsewhere in the Rossmoor community.

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

16.0 ASSESSMENTS DUE DATE, DELINQUENT PAYMENTS AND REFERRAL FOR COLLECTION

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

16.1 Assessments Included

The assessments referred to in this rule include:

- The monthly carrying charge or regular assessment, as set forth in the CC&RS.

- Any special assessment approved by the Board (and if required approved by the Members) for such costs of common area construction or demolition, costs related to rebuilding the Mutual after damage or other expenses not included as part of the monthly carrying charge for which a special assessment is authorized by California law or the governing documents.

- Any Personal Reimbursement Assessment imposed upon an individual owner for damage to the common area pursuant to these Rules and Procedures.

16.2 Assessments Due Date

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

16.3 Delinquent Payments

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

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

The delinquent assessment, the late fee (plus interest at 10% annual percentage rate beginning 30 days after the due date of the assessment and any other applicable charge will be billed each month, until the account balance is paid in full. It is a Mutual rule not to waive these fees. Civil Code Section 5650, subdivision (b) allows interest to accrue beginning 30 days after the assessment due date, and also sets the maximum interest at 12%, giving an exemption for homeowners' associations from the general usury limit of 10% in the California Constitution. However, inasmuch as Golden Rain Foundation is not an association subject to the Civil Code, the interest limit on Golden Rain's portion of the assessment appears to be limited to 10%. Furthermore, the Mutual CC&Rs limit the interest rate to 10%. For these reasons, the interest rate is set at 10%. Other applicable charges may include, among other things, reasonable collection fees and attorney fees.

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

16.4 Referral for Collection

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

16.5 Owner Billable Receivables

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

17.0 EMERGENCIES – HEALTH AND PROPERTY

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

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

17.1 Health Emergencies

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

17.2 Property Emergencies

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

18.0 GENERAL MAINTENANCE AND REPAIR INFORMATION

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

18.1 Allocation of Maintenance Costs and Certain Upgrading Costs

The Mutual funds pay for,

- All normal and necessary maintenance in the Mutual's common areas including exclusive use common areas, such as entryways, buildings, walkways, patios, decks, carports, steps, bridges, landscaping, and normal tree trimming.

- Certain maintenance work in the unit such as scheduled replacing smoke detector batteries and painting exterior doors and air conditioners.

- Clearing of drain lines that are outside of the unit perimeter unless the stoppage is due to misuse by the owner/resident.

- Upgrades of facilities such as area lighting, sidewalks, building and street signs, and for removing trees to reduce hazards to property or persons.

The Owner pays directly for,

- Most costs of maintaining a Unit.

- The cost of maintaining all alterations including alterations to the common property, except that alterations to the exterior of the building will be maintained by the Mutual starting with the first rehabilitation of the building after an alteration has been made.

- Maintaining an appurtenant owner-maintained garden and the cost of the eventual conversion back to common area.

- Tree trimming or removal requested by the Owner (and authorized in accordance these Rules on owner-maintained gardens) when the Owner's purpose is to preserve or improve the owner's view.

- Cleaning of ducts, vents, and fireplace flues.

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

18.2 Allocation of Initial Visit and Overhead Charges

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

18.3 Limitations on External Repairs and Maintenance by Owners and Residents

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

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

19.0 INSPECTIONS

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

19.1 Reserve Study Inspections

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

19.2 Resale Inspection of Alterations

Beginning March 15, 2021, to evaluate owner alterations to the exterior and interior of buildings, and to grounds, the Mutual shall inspect each property offered for sale. The seller shall pay for the inspection, and for any owner-billable remediation required. The seller is responsible for notifying the Mutual of the intended sale at the time of listing the property for sale with a realtor, or advertising the property for sale, and in any event not later than 21 days before the intended transfer of title. If the seller fails to give timely notice, the Mutual shall conduct the inspection upon being informed of the transfer of title, and the cost of inspection and any owner-billable remediation required shall be borne by the owner of record at the time of inspection.

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

19.3 Additional Inspections

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

20.0 OWNER-INITIATED ALTERATIONS – IN GENERAL

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

20.1 Alteration Approvals Required

Owner-initiated alterations to a condominium property may require approval in advance by the Board, the Alteration Review Committee, and the City of Walnut Creek.

20.2 Board Approval Responsibility and Right to Inspect

The Board is responsible for approving any owner-initiated alteration as to legality, effect on neighbors, and detailed structural design as it affects maintenance costs and building integrity. Effective March 15, 2021, the Mutual requires resale inspections of alterations to Manors. The Mutual also retains a right to inspect as needed for preventive maintenance. If at any time the Mutual discovers an alteration that has not been approved by the Board and the City of Walnut Creek, as required, the Mutual will instruct the Owners to obtain the required approvals or remove the alteration.

20.3 City of Walnut Creek Approval Authority

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

20.4 Alterations within the Boundaries of the Unit

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

20.5 Construction in Exclusive Use Common Areas

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

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

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

Walnut Creek requires permits and will make certain the design meets all applicable building codes.

20.6 Construction in Common Areas

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

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

- The owner issuing written notice to all other owners in the Mutual who might be affected by the proposed alteration, telling them precisely what is proposed, and obtaining their written approval for the alteration.

- The owner submitting a Resident Alteration Agreement to the Architectural Control Committee and the Board for approval.

- The owner obtaining City of Walnut Creek permits.

20.7 Uniform Requirement for As-Built Drawings

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

20.8 Responsibility for Maintenance of Alterations

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

20.9 Unauthorized Alterations

If the Owner of a Manor makes an alteration without obtaining the necessary permits, the alteration may be permitted to remain in place if it was one which would have been allowed had an alteration permit been obtained at the time the alteration was made. The Owner will be required to obtain the proper permits and pay the applicable fees, based

on the current fee schedule. If the alteration would not have been authorized in any case, the manor must be restored to its original condition at the owner's expense.

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

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

20.10 Owner-Initiated Alterations: Balcony and Entryway Floor Coverings

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

- incorporating an architect-approved "waterproof membrane,"
- installed according to architect-approved procedures by installers certified by the covering manufacturer; and
- applied with architect-approved adhesives.

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

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

20.11 Owner-Initiated Alterations: Enclosures

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

20.12 Owner-Initiated Alterations: Hose Bibbs

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

Such previously approved bibbs or systems on above-grade balconies must be removed at the seller's expense within 30 days' notice from the Board.

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

20.13 Owner-Initiated Alterations: Spas

Spas are not allowed.

20.14 Owner-Initiated Alterations: Fences and Walkways

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

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

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

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

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

Walkways required for access to a device attached or adjacent to a building may, with the Directors approval, not be considered an encroachment. Such devices may include hose bibs, electric meters, and heat pumps.

20.15 Owner-Initiated Alterations: Hard Surface Flooring – Upper Units

Hard surface flooring is not allowed in upstairs units except the front entry way, kitchen, laundry room, garage storage areas, and rooms containing a toilet and a bathtub or shower.

Any hard surface beyond the front entry way, kitchen, laundry room, garage storage areas, and rooms containing a toilet and a bathtub or shower shall be removed and replaced with carpet at the owner's expense within 60 days, by direction of the Board, or within 60 days upon discovery of the violation by the Mutual, and no later than before the close of any escrow, refinance, or time of resale or transfer. All sellers of non-permitted hard surface flooring must disclose this policy and incorporate this policy into all sale agreements. Failure to comply with this policy is sanctionable up to $1,000 per month until compliance.

Any such previously approved hard surface flooring must be removed at the owner's expense within 60 days' notice from the Board. Failure to comply with this policy is sanctionable up to $1,000 per month until compliance.

20.16 Owner-Initiated Alterations: Hard Surface Flooring – Lower Units

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

20.17 Owner-Initiated Alterations: Hard Surface Flooring Refinishing

Wood floor refinishing can expose workers, building occupants, homeowners, and residents of the surrounding neighborhood to a variety of health and safety hazards. For this reason, Manor hardwood floor refinishing requires approval of the Board via the Alteration Application. Only water-based non-flammable floor finishing products with flash points at or above 1,000 F are permitted for hardwood floor refinishing in the Mutual Manors. Additionally, if floor sanding is required a dust capture and/or ventilation system will be required as part of the Alteration Application.

20.18 Resale Restrictions

If upon resale inspection a manor is found to have an Owner Maintained 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.

21.0 RESTRICTIONS ON USES OF DECKS, PATIOS, AND ROOFS

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

21.1 Use of Electrical Appliances

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

21.2 Crowding of Decks, Patios, Stairways

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

21.3 Overwatering Plants on Decks

All plant containers on decks must be placed in saucers or the equivalent large enough to prevent excess water from spilling on the deck and lower deck and patio. Over-watering is to be avoided to prevent continual wetting of the deck and runoff to other decks below. To the extent overwatering promotes dry rot, the Owner shall be held liable for repairs.

21.4 Restriction on Use of Roofs

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

22.0 OWNER REQUESTED REMOVAL OR TRIMMING OF TREES

22.1 Responsibility for Costs

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

22.2 Request Procedure

Any owner who wishes to have a tree removed or trimmed shall initiate a request on the form provided.

After signing the request, the owner shall send the form to the Mutual 55 Landscape Supervisor at MOD. The Landscape Supervisor shall evaluate the request and disapprove it, after conference with the Mutual President, or approve it.

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

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

22.3 Appeals

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

23.0 FIREPLACES

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

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

24.0 SMOKE ALARMS

The Uniform Building Code specifies that each Unit have a smoke alarm in every bedroom and one in the connecting hall. Smoke alarms are personal property, and each owner is responsible for their installation. Each Owner shall install additional alarms, as needed, to meet Code. The Mutual recommends that smoke alarms be replaced every ten years. At the time of resale new dual sensor smoke alarms must be installed according to Code.

The Residents of each Unit are responsible to:

1. Push the test button in each alarm at least once a month. If the alarm does not sound notify MOD at 925-988-7650. If a new battery or alarm is needed, it will be replaced at owner expense. If an alarm beeps intermittently call MOD to have the battery replaced.
2. Vacuum the outside of each alarm at least once each year.
3. Not disconnect the battery in an alarm.
4. Replace smoke alarms every ten years.

The Mutual is not responsible for inoperative alarms as the resident is responsible for the monthly tests; cleaning the alarm exterior; and having inoperative alarms or batteries replaced. Alarms replaced by MOD will be the dual sensor type.

25.0 PETS

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

25.1 Number of Pets

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

25.2 Leash Rule

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

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

25.3 Sanitation Rules

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

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

25.4 Dogs

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

26.5 Fines and Penalties

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

26.0 BIRD FEEDERS AND WILDLIFE

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

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

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

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

27.0 OWNER ACCESS TO MEMBERSHIP LISTS

27.1 Conditions for Access

Any Member of the Mutual who wishes to inspect or obtain a copy of the list of names and addresses of the Members of the Mutual, should submit a written request to the Board of Directors at 1001 Golden Rain Road, Walnut Creek, California 94595, stating the purpose for which the membership list is requested. The purpose must be related to the Owner's interest as a Member. If the Board reasonably believes the information will be used for business or solicitation purposes, or where the Board provides a reasonable alternative, the Board may deny the Member access to the list. Members should allow the Board five business days to meet the request for inspection, and 10 business days (or ten business days after any later list compilation date specified in the request) to produce a copy of the list. Given this time constraint, the Board has delegated its authority to determine relevance of the demand to the requester's interest as a Member to the Secretary of the Mutual, who shall consult with the President or a Vice President before making the determination. All such determinations shall be reported promptly to the Board. If the Secretary is not available when the demand is received, the Secretary's authority shall be assumed by a presidential officer. The Mutual may charge a reasonable fee to cover copying and mailing costs. The Mutual may instead deliver a written offer to the requester, within 10 business days after receiving the request, of an alternative method of achieving the purpose of the request without providing access to or a copy of the membership list.

27.2 Member's Right to "Opt-Out"

Any member who does not want their name, property address, and mailing address revealed to any requester may "opt out" of sharing this information, by submitting a written request to opt out to the Secretary of the Mutual. The Mutual is required to provide the requesters with an alternative way to reach the opters-out. If the purpose is to mail written material to the members, we will provide the requester with the names, property addresses, and mailing addresses from the membership list requested, except the names, property addresses, and mailing addresses of the opters-out. The list may be a machine-readable file, a printout of such a file, or mailing labels. We will mail a copy of the written material to each opter-out on the membership list requested, and include a note identifying the requester. These copies shall be sent by US mail in envelopes bearing the Mutual return address. The requester shall pay a reasonable charge for all costs of producing the membership list and sending copies of the written material to the opters-out. In no event shall we copy, stuff, address, or provide postage for the material that the requester is mailing directly.

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

28.0 OWNER ACCESS TO BOARD MINUTES

Owners have access to minutes of the meetings of the Mutual Board in accordance with the California Civil Code and the California Corporations Code. Owners should address requests for copies of the meeting minutes to the Board of Directors Mutual 55 at 1001 Golden Rain Road, Walnut Creek, California 94595.

29.0 RESOLUTION OF LOCAL CONFLICTS

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

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

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

30.0 ADR / ALTERNATE DISPUTE RESOLUTION

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

Civil Code Section1354 requires that the Owners shall be provided each year with a summary of the provisions of the section, specifically referencing the section. The summary must include the following language:

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

31.0 SIGNAGE

31.1 Commercial Signs

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

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

Commercial Signs cannot obscure the view of any Resident.

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

31.2 Noncommercial Signs

Unlike commercial signage, a Noncommercial Sign (usually political signage) may be posted or displayed within a Unit or Exclusive Use Common Area (but not in the general Common Area)

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

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

Restricted Material. Noncommercial Signs cannot contain obscenities or fighting words.

Noncommercial Signs cannot obscure the view of any Resident.

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

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

31.3 Real Estate Signs

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

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

32.0 SPORTS APPARATUS

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

33.0 STORAGE CONTAINERS

Storage containers are such that are dropped off for packing or unpacking of household goods, after which the storage container is removed. This rule is developed to assure the safety of residents and to maintain adequate parking for visitors and guests. Storage containers may to be parked on Mutual property for no more than 72 hours in accordance with this rule. This rule aims to balance between the needs of the resident desiring to use a storage container and the rights of the other residents to have adequate parking in the Mutual.

33.1 Procedural for Approval by Director

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

1) The Resident shall contact the Mutual President in writing indicating their desire placement of a storage container within a specified entry in the Mutual. The Resident must provide the following details in this written request:
    a) The proposed delivery and removal dates for the storage container,
    b) The SC company name and the proposed size of the storage container,
    c) The Rossmoor address pertaining to the proposed storage container, and
    d) The phone numbers of the Resident seeking approval.

2) If approved, the Mutual President 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 72 hours.

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

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

33.2 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 storage container. No early admission of the storage container by Securitas will be allowed. Any holding over beyond the agreed upon removal date shall incur a daily fee of $100.00 charged to the Resident until the storage container is removed.

34.0 POWER SOURCES FOR ELECTRICAL AUTOMOBILES

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

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

34.1 Section Definitions

For purposes of this section,

1) “Electric Vehicle” means a plug-in electric or hybrid automobile, sports utility vehicle (SUV), van or truck.

2) “Electric Vehicle Charging Station” or “EVCS” means as set forth in California Civil Code section 4745(d) which defines Electric Vehicle Charging Station as “a station that is designed in compliance with the California Building Standards Code and delivers electricity from a source outside an electric vehicle into one or more electric vehicles. An electric vehicle charging station may include several charge points simultaneously connecting several electric vehicles to the station and any related equipment needed to facilitate charging plug-in electric vehicles.”

3) “LOW-Speed Vehicle” or “LSV” means as set forth in California Vehicle Code section 385.5 which states as follows:
    a. A "low-speed vehicle" is a motor vehicle that meets all of the following requirements:
        i. Has four wheels.
        ii. Can attain a speed, in one mile, of more than 20 miles per hour and not more than 25 miles per hour, on a paved level surface.
        iii. Has a gross vehicle weight rating of less than 3,000 pounds.
    b. For the purposes of this section, a “low-speed vehicle” is not a golf cart, except when operated pursuant to Section 21115 or 21115.1.
    c. A “low-speed vehicle” is also known as GI “neighborhood electric vehicle.”

4) “Neighborhood Electric Vehicle” or “NEV” means set forth in California Vehicle Code section 385.5(b)(2).

5) “Golf Cart” means as set forth in California Vehicle Code section 345 which states as follows: A "golf cart" is a motor vehicle having not less than three wheels in contact with the ground, having an unladen weight less than 1,600, which is designed to be and is operated at not more than 25 miles per hour

and designed to carry golf equipment and not more than two persons, including the driver.

34.2 Electric Vehicles and Charging Stations

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

34.3 Requirements

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

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

In addition to the submittals required by the applicable procedures governing “alterations” set forth in Rule 51 (entitled “Owner-Initiated Alterations Generally”), the following must accompany the fully filled out and executed Alteration Agreement for installation of an EVCS:

a) Plans and specifications clearly indicating where the EVCS is to be located, the brand or manufacturer, technical specifications and dimensions (i.e., height, width, weight, etc.). as well as structural requirements,
b) An acknowledgment satisfactory to the Mutual that the Applicant will procure a homeowner liability insurance policy providing $1 million in coverage and will provide satisfactory evidence to the Mutual, within fourteen (14) days of the Mutual's approval of the EVCS, that the Mutual has in fact been named as an additional insured under the Applicant's homeowner liability insurance policy providing $1 million in coverage with a right of notice of cancellation; provided, however, that the Applicant shall not be required to maintain a $1 million homeowner liability coverage policy for an EVCS utilizing an existing National Electrical Manufacturers Association standard alternating current power plug, and
c) A fully executed recordable EVCS Installation and Maintenance Agreement substantially in the form attached hereto, approved by the Mutual, binding Applicant and his or her successors to:

a. indemnify and hold harmless the Mutual,
b. if applicable, continue the $1 million liability insurance and additional insured endorsement in effect,
c. pay for the electricity usage associated with the EVCS,
d. be responsible for costs of damage to the EVCS and related property from the installation, maintenance, repair, removal or replacement of the EVCS,
e. be responsible for costs of maintenance, repair and replacement of the EVCS, and
f. disclose to prospective buyers the existence of the EVCS and the related responsibilities of the Applicant.

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

An EVCS may only be installed by the Applicant in Common Area for the exclusive use of such Applicant if installation in the Applicant's assigned carport or garage is impossible or unreasonably expensive. In such cases, the Mutual shall enter into a license agreement with the Applicant for the use of the space in the Common Area.

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

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

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

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

Applicant shall comply with all applicable governmental laws and regulations and procure all required City of Walnut Creek and governmental permits and authorizations

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

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

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

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

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

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

If, at the time of sale of the Unit, the new owner (i.e., buyer) does not accept responsibility for the EVCS and separate electrical circuit by signing a recordable EVCS Installation and Maintenance Agreement substantially in the form attached hereto and

approved by the Mutual, the EVCS and electrical circuit will be dismantled and the electrical circuit capped at the seller's expense.

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

The prevailing party in any dispute arising out of the interpretation, violation or enforcement of the provisions of this Section 64A relating to Electric Vehicle Charging Stations or documents created as called for under Section 64A.2.0 shall be awarded their reasonable attorneys' fees and costs.

34.4 Illegal Usage

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

34.5 General Conditions for Power Use

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

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

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

34.6 Stand-Alone Garages and Stand-Alone Carports

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

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

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

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

If, after an electrical inspection by the Mutual, the stand-alone garage or stand-alone carport is proven to not have sufficient electrical capacity to safely charge a 13 amp/1600 watts or less Golf Cart charger, the Mutual shall, upon request of an owner who has an assigned parking space in a stand-alone garage or stand-alone carport, install, at Mutual expense, a suitably designed electrical panel on the wall of or adjacent to the structure. Any owner desiring to use electric service from such electrical panel to charge his or her Golf Cart charger rated less than 13 amps, or 1600 watts may apply for permission to install, at such owner's sole cost and expense, a suitably designed electric circuit from the Mutual-installed electric panel to his or her assigned parking space. Such owner shall, prior to installing an electric circuit, satisfy the following requirements: (i) submit an Alteration Agreement, (ii) follow the applicable procedures governing "alterations" set forth in Rule 51 (entitled "Owner- Initiated Alterations Generally"), (iii) obtain Board approval and an Alteration Permit, (iv) satisfy all applicable requirements, including but not limited to those imposed by PG&E, governmental authorities, and the manufacturer of the major electrical appliance or Golf Cart charger, as applicable, (v) comply with all requirements imposed by the Board, and (vi) procure a City of Walnut Creek permit. Since the cost of electricity will be billed to the Mutual, the Mutual shall establish an annual, non-refundable fee that will be payable by any owner using the Mutual-installed electric panel. Such fee shall cover such owner's share of: (i) the cost of electricity (if different from the Mutual's fee determination), (ii) administration of billing by MOD, and (iii) the Mutual's annualized capital cost to construct the electrical improvements to provide the electric service.

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

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

A Mutual shall not be required to install an upgraded electrical panel upon the request of an owner who has an assigned parking space in a stand-alone garage or stand- alone carport if such owner also has an attached garage or an attached carport. In such case

the owner must, subject to compliance with Section 64C.2.3 above, use his or her stand-alone garage or stand-alone carport to charge his or her Golf Cart charger rated less than 13 amps or 1600 watts.

Mutual metered circuits charged to the Mutual may never be used to power Electric Vehicles, LSVs, NEVs or Golf Cart chargers rated more than 13 amps/1600 watts; such vehicles and devices may only be powered using metered circuits billed to the owner. Each illegal use of a convenience electric outlet is a violation of this Section 64C and shall be subject to a monetary penalty in accordance these Rules.

Mutual 55 – EVCS Installation
MAINTENANCE AND INDEMNITY AGREEMENT

I/We, _____
Owner(s) of the condominium unit at _____
_____, Walnut Creek, CA 94595 (collectively, the "Undersigned") in consideration of the approval of the Mutual), a California nonprofit mutual benefit corporation, of my/our application to allow the installation of an EVCS in the Exclusive Use Common Area of the building located at _____
_____, in Mutual 55.

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

1) The proposed EVCS shall be installed and maintained in full compliance the Mutual Rules and Alteration Permit #_____ that has been issued by the Mutual for this installation and the Undersigned agree to comply with all terms and conditions set forth these Rules and Alteration Permit #_____.

2) I/we shall indemnify and hold harmless Mutual 55, Golden Rain Foundation of Walnut Creek, and their respective officers, directors, employees, agents, and members, and their respective successors and assigns (hereinafter "Indemnitees," from and against any and all claims, liability, loss, or damage arising from suits, losses, costs, liabilities, interest, attorney's fees, including but not limited to any such fees and expenses incurred in enforcing this Indemnity Agreement (collectively "Damages") resulting from, arising out of or in any connected with the installation, maintenance, operation or removal of the EVCS described in Alteration Permit #_____.

3) The planned EVCS under Alteration Permit #_____ shall be installed in the exclusive use common area at _____, Walnut Creek, CA 94595 in the manner and location approved by the Mutual, which is defined under the Declaration of Covenants, Conditions and Restrictions ("CC&Rs") of Mutual to be part of the Mutual's Exclusive Use Common Area.

4) If I/we, the Undersigned, sell the Unit, the transferee shall accept in writing the obligations under this agreement or the Undersigned agrees to remove the installation at its own cost and restore the Exclusive Use Common Area to its original condition and in compliance the Mutual Rules.

5) If I/we, the 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, 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.

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

Dated: _____

_____
Owner's Signature

_____
Owner's Printed Name

_____
Owner's Address

Dated: _____

_____
Owner's Signature

_____
Owner's Printed Name

_____
Owner's Address

Dated: _____

_____
Owner's Signature

_____
Owner's Printed Name

_____
Owner's Address

Mutual 55 – EVCS Installation
CHECKLIST

1. Plans and specifications clearly indicating where the EVCS is to be located, the brand or manufacturer, technical specifications and dimensions (i.e., height, width, weight, etc.), as well as structural requirements.

2. Proof of Liability Insurance coverage to be renewed annually.

3. Fully executed EVCs Installation

35.0 OWNER-INITIATED SOLAR ENERGY SYSTEMS

Solar Energy Systems as defined in these Rules may only be installed by Owners of a unit in the Mutual on the roof top of the condominium building in which the Unit is located and or adjacent carport or garage roof. No other Common Areas in the Mutual 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. This Rule shall be effective for all new installations on the date adopted and shall supersede all prior Mutual polices and rules pertaining to Solar Energy System installations.

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

35.1 Availability of Common Area Space

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

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

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

35.2 Application and Approval Process

The installation of a Solar Energy System on a condominium building roof top results in the exclusive use of a portion of the Common Area by a member. The same review and approval process as for other proposed physical changes to Units or Common Area shall be followed, except for mutual owners' vote of approval and other certain

modifications as set forth herein. Alteration permit procedures are more fully set forth in these Rules.

(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.

(B) Notification to Neighbors. As required by Civil Code 714.1 and 4746, the Owner/Applicant shall notify each Owner of a Unit in the building on which the installation will be located (i.e., those under the same common roof) and the Owner/Applicant shall certify in the application the names and addresses of those notified and the date of the notification. This will be done by the attached form to this Rule or copies of certified return letter receipts from the Post Office.

(C) Mutual President's Review. The application will be prepared with the assistance of the MOD Alterations Department and then submitted to the Mutual President for preliminary review. The Director may suggest reasonable restrictions on the installation but may not disapprove the installation.

(D) 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 which includes the Mutual named as additionally insured under the Applicant's homeowner liability insurance policy providing $1 million in coverage with a right of notice of cancellation. The Applicant must renew this liability insurance annually and provide evidence of annual renewal to MOD.

(E) Permit Review and Approval. The Board shall review the application for installation of a Solar Energy System to determine whether or not all of the items required on the Solar Installation Checklist Addendum have been included and may offer recommendations, if any, for additional reasonable restrictions within limits prescribed in Civil Code Section 714. The application for installation of a Solar Energy System may be approved or denied by the Board alone.

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

(G) 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.

35.3 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.

36.4 Installation by Commercial Installers

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

35.5 Safety

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

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

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

To ensure the safety of individuals and allow safe access to the physical plant of the Mutual, Solar Energy Systems shall not obstruct access to or from any Unit, walkway, or ingress or egress into any area of the Mutual.

In approving the installation of any Solar Energy System, the Board is entitled to rely upon the representation of the Owner/Applicant or his or her contractor that the system fully complies with the safety criteria set forth in this 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.

35.6 Maintenance

Owner/Applicant of a Solar Energy System is solely responsible for all associated costs, including but not limited to: replacement, repair, maintenance, moving and/or removal of the Solar Energy System or any of its components; repair and/or replacement of any property damaged by the installation, maintenance and/or use of the Solar Energy System; payment of any medical expenses incurred by persons injured by the installation, maintenance and/or use of the Solar Energy System; and/or restoration of Solar Energy System sites to their original condition after removal.

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

Owner/Applicant shall be responsible for any increased costs incurred by the Mutual in maintaining or repairing the Common Area or those portions of a Unit or Exclusive Use Common Area which the Mutual is responsible under the Governing Documents for maintaining or repairing which are caused by the presence of a Solar Energy System on the Common Area.

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

35.7 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 and shall execute an additional Maintenance and Indemnity Agreement prior to close of escrow.

35.8 Removal of Solar Energy System

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

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

I/We (name) _____ Owner(s) of the condominium unit at (address) _____ Walnut Creek, CA 94595 (collectively, the "Undersigned") in consideration of the approval of Mutual 55 (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 55, I/we acknowledge that I/we have read Walnut Creek Mutual Fifty-Five'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 the Mutual's Rules and Procedures and Alteration Permit #_____ that has been issued by the Mutual for this installation and the Undersigned agree to comply with all terms and conditions set forth in these Rules, and Alteration Permit #_____.

2. I/we shall indemnify and hold harmless Mutual 55, 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 55 to be part of the Mutual's common area.

4. Should the Undersigned sell the unit; the transferee shall accept in writing the obligations under this agreement or the Undersigned agrees to remove the installation at its own cost and restore the common area to its original condition and in compliance with these Rules.

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, 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.

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

Dated: _____ _____
Owner's Signature

_____
Owner's Printed Name

Dated: _____ _____
Owner's Signature

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Owner's Printed Name

Dated: _____ _____
Owner's Signature

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Owner's Printed Name

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Owner's Printed Name

Dated: _____ _____
Owner's Signature

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Owner's Printed Name

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

Documents required to be attached to application:

A. Manufacturer's spec sheet of solar panels (similar to Sun Power X20- 250-BLK BC); only non- glare panels will be approved

B. Survey of usable solar roof area showing dimensions and placement of installation

C. Engineering drawings of proposed installation with placement of panels flush to roof as high as practical to roof ridge

D. Dimensioned plans showing location of the following

   a. Solar panels
   b. Routing of electrical/plumbing lines
   c. Placement of sub-panels within Unit

E. Detailed engineering drawings showing roof penetrations for the following:
   a. Electrical/plumbing lines and flashing
   b. Attachment of panels
   c. Method of affixing panel brackets and flashing to roof

F. Proof of liability insurance coverage, to be renewed annually

G. Solar installation warranty; minimum 10-year warranty on installation workmanship

H. For roofs that have an existing warranty, written approval by Mutual's roofing contractor or rooting consultant of roof penetrations.

I. Final inspection checklist:
   a. Visible ancillary components, such as conduits, plumbing and supports painted to match exterior of adjacent structures (unless such painting would void a manufacturer's warranty).
   b. Solar panels mounted flush with roof surface, with all rooftop installations blending into the roof color as much as possible.

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

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

When it is necessary to remove solar energy systems from Mutual 55 roof tops, the building structure should be returned to its pre-solar installation condition, as follows:

A. Owner of installation shall obtain an alteration permit for removal. This assures that the work is done by a licensed contractor with appropriate insurance, and in accordance with all permits and legal requirements.

B. Obtain Walnut Creek city permit (if required).

C. After removal of the solar energy system, remove roofing and plywood in areas previously covered by the panels, if required by Mutual 55's Building Maintenance Manager.

D. If deemed necessary by Mutual 55, install new roofing system matching the pre-existing roofing design, although color match may not be possible.

E. Patch all holes in the interior ceiling, if deemed necessary by the Mutual, and other penetrations where solar panel appurtenances were installed.

F. Inspect exterior of structure, utility/meter closets and electrical panels for penetrations and repair them.

G. Properly dispose of all materials outside Rossmoor.

H. All work shall be done to the satisfaction of Mutual 55

I. Satisfy all other requirements imposed by Mutual 55

Walnut Creek Mutual Fifty-Five – Solar Energy Systems
OWNER NOTIFICATION FORM

Name of Applicant: _____

Date of Request: _____

Notification of each owner of condo in building at _____

Dated: _____ _____
Owner's Signature

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Owner's Printed Name

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Owner's Address

Dated: _____ _____
Owner's Signature

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Owner's Printed Name

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