WALNUT CREEK MUTUAL SEVENTY

OPERATING RULES

(Referred to as "Policies and Procedures" in Section 1.38 of the CC&Rs)

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

Adopted: 3/20/14

Revised 9/16/14, 10/15/15, 3/17/16, 4/20/17, 5/17/18

INTRODUCTION

This document contains a complete restatement of the former Policies and Procedures, now titled "Operating Rules", adopted by the Mutual Seventy Board of Directors in accordance with its authority under Article IV, Section 4.7 (a) (2) (v) of the CC&Rs. This restatement effective date is March 20, 2014, but amendments may be adopted by the Board from time to time. Each page shows the latest effective date of the wording on that on page. Please discard earlier versions.

These rules are intended to enhance the enjoyment and safety of all residents of our Mutual, and to be in compliance with applicable state laws.

Each owner is legally obligated to abide by all of the governing documents including these rules and to insure that their guests and any renters do so also.

These rules are not all-inclusive and if they conflict with the Articles of Incorporation, Declaration of Covenants, Conditions and Restrictions (CC&Rs), Bylaws or any current laws or legislation, the latter take precedence.

Please keep this copy of the Operating Rules with the other legal documents mentioned above, and give them to your successor.

DEFINITIONS

Alteration: Any change made by an owner to a component in the common area, exclusive use common area, or the individual unit. Alterations include Improvements as defined in Article I, Section 1.23 of the CC&Rs. As outlined in Section 1.0 of these Rules, Alterations must be approved by the Alterations Committee or by the Mutual Seventy Board of Directors.

Alterations and Building Committee (AC): The Mutual's AC members are appointed by the Board of Directors. The AC reviews proposed alterations to ensure they conform to Mutual standards.

Common Area: All of the property comprising the Project that is owned by all of the Owners in Common, but excluding the Units.

Coupon: The monthly homeowner assessments by the Mutual and the Golden Rain Foundation.

Declaration of Covenants, Conditions and Restrictions (CC&Rs): Creates a Common Interest Development (CID), which couples a separate interest with an interest in the common area. The Declaration, a condominium plan and a parcel map are recorded with Contra Costa County.

Exclusive Use Common Area: A portion of the Common Area that is set aside for the exclusive use of one or more, but fewer than all, of the owners, and is appurtenant to the unit(s), including balconies, patios, garages, carports and some storage spaces that are assigned to a unit. Drawings of these spaces are attached to the recorded CC&Rs.

Governing Documents: The CC&Rs and any other documents, such as Bylaws, Articles of Incorporation, and these Operating Rules which govern the operation of the Mutual.

Mutual Manager: The person or entity employed by the Mutual to manage its affairs. The Mutual Manager currently used by Mutual Seventy is the "Mutual Operations Division" (MOD) of the Golden Rain Foundation, which is the Trust agent for all the Mutuals.

Public Safety: The service is provided 24 hours a day, seven days a week and is the responsibility of the Golden Rain Foundation (GRF). The current vendor is Securitas.

Unit: An individual unit, which is the interior space contained within the interior surface of the perimeter walls, floors, and ceilings; windows and window frames, doors, door frames and trim, and includes the utility installations, fixtures, and appliances within its boundaries; the heating and air conditioning equipment; lighting and plumbing. Please see the CC&Rs, Article I, Section 1.43 for a complete description.

WALNUT CREEK MUTUAL SEVENTY

OPERATING RULES

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1.1 ALTERATIONS TO MUTUAL COMMON AREAS INCLUDING THE EXTERIOR OF A UNIT, AND WITHIN A UNIT, AND OTHER STRUCTURAL CHANGES

Without submitting an alteration application and obtaining the approval of the Alterations Committee (AC), no owner may make any alteration to

- The common area or a common area component
- An exclusive use common area or an exclusive use common area component if it is maintained by the Mutual
- The interior of a unit except for cosmetic changes

All costs for owner alterations are the owner's responsibility, including any repair or reconstruction costs to the unit and common or exclusive use common area that arise because of the alteration.

Owners are responsible for the maintenance costs to the Mutual resulting from the alteration and for the repairs and replacement costs of the alteration itself.

If the alteration interferes with the Mutual's ability to maintain Mutual property, the owner will be responsible for all maintenance, repair and replacement of the affected Mutual property, without any offset for the standard maintenance that will no longer be performed by the Mutual for that unit.

1.2 ALTERATIONS TO A UNIT

Cosmetic alterations to the interior of a unit such as carpet, paint, wallpaper, toilets and other fixtures generally do not require the Board's or the Mutual AC's approval. Residents are advised to check with MOD whether an alteration is cosmetic. Interior alterations that affect the structural integrity or safety of the building, such as plumbing alterations or hard-wired appliances (including water heaters, air conditioning units and heat pumps), require the approval of the Alterations Committee (AC). Even if such changes do not require AC approval, they may require a City of Walnut Creek permit. It would be prudent for owners to consult with MOD before proceeding with any interior changes. The Mutual is not responsible for maintenance, replacement or repair of interior alterations.

Alterations that require the Alterations Committee/Board approval include:

- Installation of hard surfaced flooring, including hardwood, laminates, plastic or vinyl, tile, and surfaces that transmit sound and/or vibration. The application must include noise reduction proposals that are equivalent to carpeting with padding per Section 1.12.
- Balcony shades and awnings

- Doors
- Hose bibs
- Electrical rewiring

1.3 ALTERATION APPROVAL PROCEDURE:

- 1.3.1 It is suggested that the documents "Alterations: A Step-By-Step Guide" and "What Seniors Should Know Before Hiring a Contractor" be obtained from MOD.
- 1.3.2 Obtain an Alteration Agreement form from Golden Rain Foundation's (GRF's) Mutual Operations Division (MOD).
- 1.3.3 Submit plans and specifications to MOD and sign the Alteration Agreement, which will then be sent to the Alterations Committee for approval by at least two Board members. Interior inspections may be required. The owners must pay the appropriate fee when the application is approved.
- 1.3.4 If the alteration requires a building permit from the City of Walnut Creek Building Department, the owner is responsible for obtaining the permit and paying the city's fees.

1.4 ALTERATIONS THAT WILL NOT BE APPROVED

- 1.4.1 Tile decking and attached coverings such as indoor-outdoor coverings for balconies, patios or landings will not be approved.
- 1.4.2 Wall-mounted air conditioning units will not be approved.

1.5 ALTERATIONS THAT HAVE NOT BEEN APPROVED

When an alteration is discovered that has not been approved, the owner has the option of:

- Removing the alteration and returning the area to its original configuration to the Mutual's satisfaction, including any upgrades necessary to meet the City of Walnut Creek's building code. The owner is responsible for all costs associated with the removal and restoration.
- Submitting an alteration application to the Board for approval (see Alteration Approval Procedure). The owner is responsible for all costs associated with getting the alteration approved. If the application is not approved, the owner must return the area to the original configuration per the paragraph above.

The Board will establish a reasonable time limit for the owner to complete this process. If the owner does not comply, the Board will hold a hearing and may, at its discretion, allow the alteration to remain until the unit is sold. When the unit is Revised 9/16/14

sold, the alteration must be removed as part of the resale, or the owner must employ a contractor to complete one of the other of the foregoing options at the owner's expense.

The Board may also impose a fine on any owner who undertakes an alteration without first obtaining an approved alteration application. See Policy 5.4.1.4.

1.6 ALTERATIONS COMMITTEE (AC)

At its Organizational Meeting following the Annual Meeting, the President will appoint a chairman and no less than two additional members.

The AC will meet at least once a month or as necessary in order to review submitted Alteration Applications and approve or deny them.

The AC will report at each regular meeting of the Board of Directors on its activities.

If the AC denies an Alteration Application, the applicant will be notified of his/her right to appeal the denial to the Board of Directors at its next regular meeting.

1.7 MUTUAL RESPONSIBILITY FOR COSMETIC ALTERATIONS

Residents who make cosmetic alterations to the exterior of their unit must be aware that in the event that the Mutual damages these cosmetic alterations while making repairs to their unit, the Mutual's only responsibility shall be to replace the affected cosmetic alteration with similar or equal materials.

1.8 FRONT DOORS

1.8.1 FRONT DOOR STYLES

Owners may retain the original or install a new four- or six-panel solid door stained medium walnut with a satin weather-resistant finish. The finish on the sidelight trim will match the finish on the door. Doors with glass inserts in keeping with architectural Mediterranean style may be allowed as determined by the Alterations Committee which has established a selection of acceptable styles from which to choose. If the original style four or six panel door is replaced, future maintenance and repair will be the responsibility of the owner.

1.8.2 GLASS ON SIDELIGHT

Frosted or opaque glass is the standard. However, etched, beveled or clear glass may be installed with approved design specifications. Revised 9/16/14

1.8.3 DOOR SCREENS

Front door screens including the retractable variety are allowed. The frame and screen must be dark bronze or flat black finish. Screen doors do not require a permit if they are in conformance with these standards.

1.8.4 DOOR HARDWARE

Hardware and hinges must have a metal finish.

1.9 EXTERIOR WINDOW COVERINGS AND AWNINGS

Exterior window coverings, awnings and balcony shades require an alteration permit.

1.10 WINDOWS

Window replacement requires an alterations permit and AC approval. Exterior color must be anodized bronze or black.

1.11 GARAGE DOORS

All owners may change the tilt-up solid wood panel doors with a sectional metal roll-up door without an alteration permit as long as the owner uses the approved door brand and color. The owner must pay for the door and any equipment changes. All new wood trim must be primed and painted by the contractor or MOD (billable service). Once installed, the door will be maintained by the Mutual for normal wear and tear.

Door specifications:

- a. Manufacturer: Cloplay
- b. Premium series without windows or vents
- c. Color: Chocolate

The Mutual has a Reserve Spending Plan which currently calls for the replacement of all then existing tilt-up doors with new roll-up doors in 2019. However, that date is subject to change by the Board.

Regardless of whether the owner or the Mutual installs the garage door, the Mutual is responsible for all maintenance, repairs, painting, restoration and replacement. However, the opener and related hardware are the responsibility of the owner. Revised 4/20/17

1.12 FLOOR COVERINGS

All units may have linoleum, vinyl or ceramic tile in bathroom, kitchen, laundry and inside front entry only. All other floors must be covered with carpet with padding or other material designed to reduce sound transmission. Material other than carpet will require a permit. Applicants must present information along with the permit application that demonstrates that the noise reduction properties of the proposed installation are equivalent to carpet with padding. Revised 9/16/14; Revised 10/15/15

1.12.1 HARD SURFACE FLOORING IN LIEU OF CARPETING ON FIRST, SECOND AND THIRD FLOORS

In lieu of carpeting, hard surface flooring on second and third floors requires an alteration application that includes but is not limited to a floater floor with no fasteners within 1/8 inch of a wall and equal to or greater than an IIC rating of 74 as verified on application by installer/vendor/architect. On first floor, the IIC rating of 50 is required for hard surface flooring and requires an alterations permit.

1.12.2 DISPOSITION OF HARD SURFACED FLOORING INSTALLED BEFORE MAY 20, 2013 WITHOUT A PERMIT

Any hard surfaced replacement flooring that was installed before May 20, 2013 without the required permit shall be replaced at the owner's expense, by direction of the Board of Directors, upon receipt of a credible written complaint by an affected neighbor, and in any event not later than the time of resale or transfer, with flooring that meets the above requirements of this Section 1.12.

1.12.3 HARD SURFACE FLOORING FOR ENTRIES, KITCHENS, BATHS AND LAUNDRY AREAS

These surfaces on second and third floors must meet the IIC rating of 50.

1.13 MAILBOXES

Mailboxes shall comply with all applicable postal regulations and AC rules.

1.14 OUTBUILDINGS

No outbuilding, tent, shack, trailer, shed, or temporary building of any kind shall be located within the Mutual except as approved by the Board and/or the AC. In no event shall any such structure be used as a residence, either temporarily or permanently.

1.15 ANTENNAS AND SATELLITE DISHES

Revised 9/16/14; Revised 10/15/15

This section sets forth Mutual Seventy's rules for installation and maintenance of satellite dishes and antennas, pursuant to Section 207 of the Federal Telecommunications Act of 1996 and the Declaration of Covenants, Conditions and Restrictions of Mutual Seventy, as amended. ANTENNA TYPE AND SIZE

For the purposes of these guidelines, the term "antenna" means any direct broadcast system (DBS) satellite dish, wireless cable antenna system (MDS or MMDS), fixed wireless device (voice/data), television broadcast antenna system (TVBS, including any high definition television antenna (HDTV)), and any component of or addition to such antenna, including, without limitation, poles, masts, tripods, brackets, cables, and wiring.

These guidelines apply to DBS MDS and MMDS antennas designed primarily for video reception and fixed wireless devices that are one (1) meter or less in diameter or diagonal measurement, and to TVBS antennas sufficient in dimension to receive an acceptable quality signal in the local viewing area. Larger antennas or antennas used for purposes other than for video, voice or data signals are not permitted.

1.15.1 NOTIFICATION

At least fourteen (14) days in advance of the proposed installation, owner must notify MOD indicating the type of installation and the location proposed.

1.15.2 INSTALLATION

Antennas may be installed only on owners' balconies or patios and must be placed in the least obtrusive location possible that does not unreasonably delay the antenna's installation, or unreasonably interfere with the user's ability to obtain an acceptable quality signal. Depending on the orientation of a particular balcony or patio, the Mutual's preferred location might be below the level of the balcony or patio railing, to the rear of the balconies or patios, or screened by a balcony overhang. No part of the antenna (including brackets, tripods

or masts) may extend upwards, downwards or sideways into the common area air space located beyond the vertical and horizontal planes of the balcony or patio area(s).

To the maximum extent reasonably possible, wiring or cabling shall be installed to be minimally visible and blend into the wall, balcony, or patio. It will be painted to blend into the background to which it is mounted or placed, and any tripod or mast must be painted to match the antenna mounted on it. No antenna may be installed in a manner that penetrates the surface of a balcony, patio or adjacent exterior wall.

The Mutual may require the owner to screen the antenna, at the owner's expense, if doing so does not unreasonably delay the antenna's installation, unreasonably increase the cost of its installation, maintenance or use, or unreasonably interfere with the user's receipt of an acceptable quality signal.

All antenna installations shall be made in accordance with applicable building, fire, electrical and related codes. No antenna shall be permitted that unreasonably interferes with the reception or transmission of video, voice, data or radio signals for another unit or, if applicable, the common area.

Fixed wireless devices must be professionally installed and labeled in accordance with federal law. The installation or use of any fixed wireless device in a location or manner that exceeds federal health and safety standards is prohibited.

1.15.3 INSPECTION OF ANTENNAS

The Mutual may, following 24-hour notice to the owner, enter the owner's unit, balcony, or patio to inspect the antenna to ensure that it was installed in the least obtrusive location and manner possible and in accordance with these guidelines. If the Mutual determines that the antenna could have been installed in a preferable location, the Mutual may require the owner to move the antenna to that location or to change the manner of its installation at the owner's expense.

1.15.4 MAINTENANCE, REPAIR AND REMOVAL

The owner shall be financially responsible for the maintenance and repair of any antenna and for any damage that result from the installation, relocation or removal of any antenna.

It shall be the owner's responsibility to remove the antenna if, in the sole discretion of the Mutual, the owner fails to maintain the antenna to the Mutual's minimum architectural standards, if the antenna creates a safety hazard or if for any reason the Mutual must maintain, repair, or replace the area where the antenna is installed. Except in emergency situations, the Mutual shall notify the owner at least 72 hours in advance of the need to remove the antenna. The cost of removing and, if applicable, replacing the antenna shall be the responsibility of the owner. The owner shall permanently remove any prohibited antenna.

Should an owner fail to remove the antenna upon the Mutual's request, the Mutual may, to the extent and in the manner permitted in the governing documents, enter the owner's unit and balcony, veranda, deck and/or patio and remove the antenna. The Mutual shall not be responsible for any damage to the antenna or loss of signal incurred in removing the antenna. The owner shall be responsible for any expense the Mutual incurs in removing the antenna, and the Mutual may recover such expenses in any manner allowed by law or the governing documents. If the Mutual must remove the antenna, the Mutual shall not be responsible for replacing it.

Revised 9/16/14

1.16 INSPECTIONS OF ALTERATIONS

Mutual Seventy has general authority to conduct inspections in the Mutual in order to manage, operate, and maintain the properties. Pursuant to Article III of the CC&Rs, Mutual Seventy 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. The Mutual does not conduct periodic interior inspections.

1.16.1 Upon completion of alterations requiring a permit, MOD must inspect, approve or disapprove the alteration to see that the alteration has been completed as approved and performed in accordance with all city and state building code. Each owner must notify MOD when construction is completed and arrange for the final inspection.

1.16.2 REQUESTED INSPECTIONS

Owners not intending to sell may initiate building inspections any time. Such inspections may include areas that are the responsibility of the owner of the unit, such as the interior of the unit and owner alterations. Inspections may include areas that are not only the responsibility of the owners but also areas that are the responsibility of Mutual Seventy.

If such an inspection reveals problems that are Mutual Seventy's responsibility, they will be corrected in accordance with policy.

Revised 9/16/14

DEFINITIONS

Solar Energy System (SES): Any photovoltaic solar system providing collection, storage, and distribution of solar energy into the structural and electrical systems of the unit. Included in the solar module are solar panels, mounting systems, and wiring systems (disconnects for the dc and ac sides of the inverter, ground-fault protection, and overcurrent protection).

Exclusive Use Common Area: A portion of the Common Area that is set aside for the exclusive use of one or more, but fewer than all, of the owners, and is appurtenant to the unit(s), including balconies, patios, garages, carports and some storage spaces that are assigned to a unit. Drawings of these spaces are attached to the recorded CC&Rs.

Additionally, the rooftop of a building in which the owner resides, or a garage or carport immediately adjacent to the building may be assigned for exclusive use to the owner for the installation of a roof-top solar energy system (SES).

1.17 SOLAR ENERGY SYSTEMS (SES)

This section sets forth Mutual Seventy's rules for the installation and maintenance of Solar Energy Systems (SES) pursuant to Public Resource Code Section 25982 and Civil Code Sections 714, 714.1, as amended, and 4746.

An SES (as defined) may be installed within the Common Areas of Mutual Seventy, only as permitted under this policy. Any systems installed in violation of this policy will be removed, and the surrounding areas and electrical connections will be restored to their previous condition at the owner's expense.

Because the Project is a "condominium project," as that term is defined in Civil Code section 4125, each Owner has fee simple title to his or her individual Unit as well as an undivided fractional interest in all of the Common Area of the Mutual. The Mutual is required to maintain, repair and replace Common Area roof systems. It is the intent of this Policy to recognize the respective ownership rights of the Owners and to enable the Mutual to perform its exterior maintenance, repair and replacement obligations.

1.17.1 SELECTION OF AN SES PROVIDER

The selection of an SES Provider is the complete responsibility of the M70 Owner who wishes to explore becoming an SES Owner. All requirements and responsibilities regarding solar policies must be agreed to and met by the owner before the solar application will be approved by M70. If the SES Owner chooses to lease any or all of the SES components, the Mutual will not be a party to the lease agreement and will not be responsible for maintaining or reinstalling the system in the event that an Owner's contract with a provider requires such things.

- 1. Prior to approval, the installer must have insurance coverage that meets the following minimums:
 - a) Worker's Compensation with minimum coverage required by California law, and
 - b) Contractor's General Liability (including completed operations) with policy limits of at least \$1,000,000.00. Policy cannot exclude work done at multi-unit projects or condominium projects.
 - c) The installer must provide copies of certificates of insurance for the above policies which name the Owner and Mutual Seventy as insureds.
- 2. The SES Provider must utilize only the components agreed upon by the Board for all installations to maintain uniformity of all installations within the Mutual. These include:
 - a) Only non-glare, black solar panels and black frames will be approved.
 - b) Adherence to the distributive solar generating allotment of roof space for the project as plotted in the solar site survey.
 - c) Duration of installation project must be specified and adhered to.
 - d) The installed SES must operate at less than 50 decibels.

1.17.2 ALLOCATION OF AVAILABLE SOLAR SPACE

The installation of an SES will be limited to the roof of the building in which the owner resides, or to a garage or carport that has been assigned to the owner for exclusive use and is immediately adjacent to the building. SES installations on a building will be initially limited to the flat portions of the roof unless the solar site survey indicates there is insufficient solar space on the flat portion.

- Installation of all SES's on the Common Area of rooftops will be based on equitable apportionment of available solar space for current and future SES applicants within a building. The Board's goal will be to assure fair distribution of usable solar space for all SES Owners when the first Solar application is submitted for each building, based on:
 - The availability of usable solar space as determined by a solar site survey, and
 - The roof plan.
- 2. The solar site survey and the roof plan of the resident's roof, prepared by a licensed contractor or the contractor's registered salesperson knowledgeable in the installation of an SES, must be performed and submitted to Mutual 70 Building Committee for determination of the usable solar space available to all residents of the building. The roof plan must be to scale showing the physical plant and locations of existing roof vents,

skylights, etc. These documents will identify the available and usable solar space on the roof.

- 3. Based on the solar site survey, usable solar space for a building will be reasonably apportioned by the Mutual taking into consideration the following constraints:
 - a) Walkways for the maintenance of existing roof equipment, vents, skylights, and gutters,
 - b) Walkways deemed necessary by the Fire Department,
 - c) A number of plots (with the same square footage) equal to the number of units in the building, and
 - d) Any other constraints outlined in the solar site survey.
 - NOTE: The resulting allocation of roof space may not be able to *fully* accommodate the solar generation needs of an SES applicant.
- 4. On a first-come, first-served basis, an SES applicant will identify one unused plot for the installation of their SES.
- 5. This same roof plan will be used to identify a plot for future SES Owners in the same building.

1.17.3 APPROVAL PROCESS

No SES may be installed or maintained within the Common Area of Mutual 70 without the written consent of the Mutual Board. The Board will generally utilize the same review and approval process used for other proposed physical changes to Units or Common Area. Alteration permits, will be required as delineated in Mutual 70 Operating Rule 1.0.

1. SES applicants must notify each owner of a unit in the building on which the installation will be located of their intentions to install an SES and attach to the application a completed Neighbor Contact Form (attached).

No application may be denied because of objections by a neighbor, but comments may be used by the Mutual in establishing any reasonable restriction on the installation.

- The M70 Building Committee will review the application for reasonable restrictions on the installation within limits prescribed in Civil Code Section 714. Any application that complies with all of Mutual 70s Solar Policies will not be denied by the Board.
- 3. The applicant must provide satisfactory evidence of compliance with all requirements of the City of Walnut Creek by obtaining applicable permits and approvals through the City of Walnut Creek.

4. Before approving installation of any SES within the Mutual confines, the Board requires every applicant to execute a separate agreement acknowledging the SES Owner has read and understands all related M70 Solar Energy Systems (SES) rules and agrees to comply with all of them.

Furthermore, in this agreement, the applicant agrees to indemnify and hold harmless the Mutual, Golden Rain Foundation and their officers, directors, employees and members from and against all claims, allegations, litigation, arbitration or judgments resulting in whole or in part from the installation or maintenance of the SES. (See Addendum Agreement.)

- 5. The SES Owner is financially responsible for any damage to the Common Area, including Exclusive Use Common Area, and any Unit, caused by the Owner's SES. The SES Owner must maintain liability insurance coverage for any damages to the SES or related to the SES. Before MOD issues final approval of the installation to allow operational use of the SES, the SES Owner must provide MOD with the corresponding written certificate of liability insurance
- 6. The SES Owner who installs the system and each successive owner must maintain a homeowner liability coverage policy throughout the entire life of the SES.

1.17.4 SES INSTALLATION REQUIREMENTS

- SES' visible ancillary components such as conduits and supports must be painted to match the exterior of adjacent structures, unless such painting would void a manufacturer's warranty, result in an increase of more than \$1,000 for an SES or reduce the efficiency of the system by more than 10%.
- 2. All installations of the SES components must not materially harm or damage the Mutual's common elements, any other individual's Unit, nor any of the Unit's Exclusive Use Common Area, nor void any warranties held by the Mutual or other Owners and/or impair the integrity of a building or structure.
- 3. All portions of an SES will 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.
- 4. There will not be any SES penetrations into building structures, including but 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 of more than \$1,000, or an unreasonable decrease of more than 10% in the SES' efficiency as originally specified and proposed in an SES application.

- a) Any penetrations for wiring, piping or anchoring of an SES must be properly sealed and waterproofed in accordance with industry standards and building codes in order to prevent moisture penetration, resulting structural damage, or loss of warranty.
- b) For installations on Durolast surfaces, a Durolast certified roofing company, preferably the company that installed the current roof, must contracted with to reseal the penetrations and the Durolast manufacturer must recertify the warranty. A new certificate of warranty must be provided to MOD prior to project completion.
- 5. The SES Owner is responsible for any damage to building elements, unit interiors or personal property caused by such penetrations through the existing rooftop, even if the Mutual has primary maintenance responsibility for such elements, such as roofing, under the Mutual's governing documents.

1.17.5 SAFETY

Each SES must be installed and secured in compliance with manufacturer's instructions and all city, state and federal ordinances, regulations and laws.

- 1. Each SES must meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronic Engineers and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.
- 2. An SES must not obstruct access to or from any Unit, walkway, or ingress or egress into any area of the Mutual in order to ensure the safety of individuals and allow safe access to the Mutual's physical plant.

In approving the installation of any SES, the Board is entitled to rely upon the representation of the designated contractor that the system fully complies with the safety criteria set forth in this policy. Should the Board later determine that the equipment is not in conformance, the Board may require the SES Owner(s) to remove or modify the SES to bring it into compliance, and assume all associated costs.

1.17.6 MAINTENANCE

- 1. SES Owners are responsible for all associated costs including, but not limited to:
 - a) Replacement, repair, maintenance, moving or removal of the SES and any of its components.

- b) Repair or replacement of any property damaged by the installation, maintenance and/or use of the SES.
- c) Restoration of SES installation sites to their original condition after removal.
- d) Correction of any SES safety hazards.
- e) Painting or replacing visible SES components, such as conduits and supports when deterioration occurs.
- f) Any increased costs incurred by the Mutual for maintenance or repair caused by the presence of an SES on the Common Area or those portions of a Unit or Exclusive Use Common Area (for which the Association is responsible under M70 Governing Documents).
- g) Temporary removal and reinstallation of an SES or any of its affected system components so that the Mutual may perform required maintenance, repairs, and replacement (under M70 Governing Documents), to the adjacent Common Area, or portions of a Unit, along with all their associated costs after the required Mutual maintenance or repair is completed. When the SES Owner does not respond to a request in a reasonable time:
 - The Mutual may remove the system or components and charge the responsible SES Owner(s) all the associated costs.
 - As long as reasonable care is used to remove the SES and any of its components, the Mutual will not be responsible for any damage caused to the system.
- h) When an SES is moved or removed for any reason, the roof warranty must be recertified (refer to section 1.17.4 #4, (b)).
- 2. The Board of Directors must take into account the effect on SES's resulting from shade created by trees or shrubs within the boundaries of the Mutual. The Mutual will be guided by the principal of "first in time is first in right."
 - a) If a tree or shrub was planted before the SES was installed, the tree or shrub may grow without regard to its effect on the SES. The Mutual will not be required to prune, or allow pruning, of trees and/or shrubs which were planted before the SES was installed. However,
 - b) Trees or shrubs planted after installation of the SES may not be allowed to grow to cast a shadow greater than 10% of the collector absorption area of the SES at any one time between the hours of 10:00 a.m. and 2:00 p.m. local time (Public Resources Code Section 25982). Pruning needs will be dictated and determined by the Mutual's landscape or tree experts.

1.17.7 RESALE OR TRANSFER OF THE OWNER'S UNIT

Upon resale or transfer of any SES Owner's interest in his or her condominium unit which has a permitted SES, the Buyer or Transferee (as the case may be) must assume in writing all of the SES Owner's duties and responsibilities as outlined in this Mutual 70's Rule 1.17. The new SES Owner's (or Transferee's) written assumption of duties and responsibilities must be executed by all of the parties before escrow can close and the transfer of the ownership can be legally completed.

1.17.8 REMOVAL OF SOLAR ENERGY SYSTEM

- 1. The sale or removal of an SES must be approved by Mutual 70 and all costs relating to the sale or removal of the SES and restoration of the Common Area shall be the sole responsibility of the SES Owner.
- 2. When a future Unit buyer or a transferee does not agree in writing to assume complete responsibility for the Unit Owner's SES:
 - a) The current Unit SES Owner may either sell the SES to another Owner or Owners within the same building, or
 - b) Remove the SES and all its components and restore the areas where they were located or attached to original condition by completing the following:
 - i. Obtain a Mutual Alteration Permit and a Walnut Creek city permit.
 - ii. Seal any penetration points with paintable sealant, then paint to match adjacent surfaces.
 - iii. Patch all holes in interior Units and all other exterior penetrations where solar panel appurtenances were installed.
 - iv. If deemed necessary by Mutual 70s Building Maintenance Manager, the SES Owner may be required to remove roofing and plywood in areas previously covered by the SES, and install a new roofing system matching the pre-existing roofing design.
 - v. If an SES is removed from a Durolast surface, the Durolast manufacturer must recertify the warranty (refer to section 1.17.4 #4, (b)).

* * * * *

WALNUT CREEK MUTUAL SEVENTY OPERATING RULES

MUTUAL 70 NEIGHBOR CONTACT FORM

	<i>CRTAKEN BY:</i> me(s):		
Add	dress:		Unit #
		California 94595	
Alte	eration Permit Numb	er:	
a Solar on whic	Energy System (SES) or	n their building must n located of their inten	Energy Systems, owners wishing to install notify each owner of a unit in the building tions to install an SES. Please document tion.
Date of Contact	t Owner Name	Address	Comments provided by this owner

4		
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12		
12		

No application may be denied because of objections by a neighbor, but comments may be used by the Mutual in establishing any reasonable restriction on the installation.

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MUTUAL 70 SOLAR ENERGY SYSTEMS MAINTENANCE AND INDEMNITY AGREEMENT

UNDERTAI Name(s)	KEN BY: :	
Address:		Unit #
	Walnut Creek, California 94595	
Alteratio	n Permit Number:	

I/we, as the Owner(s) and as the Undersigned, of the above condominium Unit in Mutual 70 of Rossmoor, a California nonprofit mutual benefit corporation, and in consideration of the approval of my/our application to allow the installation of a Solar Energy System (SES) in the Common Area of the building at the above address, have read Mutual 70's Policies on Solar Energy Systems, understand the contents, and agree to all of the following:

- 1. The proposed solar energy system will be installed and maintained in full compliance with the Policies and the Alteration Permit that has been issued by the Mutual for this installation and agree to comply with all the terms and conditions set forth in the Policies and the Alteration Permit.
- 2. I/We indemnify and hold harmless Mutual 70, Golden Rain Foundation of Walnut Creek, and their respective officers, directors, employees, agents, members, and their respective successors, and assigns (hereinafter "Indemnitees"), from damages resulting from suits, losses, costs, liabilities, interest, attorneys' fees, including, but not limited to, any such fees and expenses incurred in enforcing this Indemnity Agreement, resulting from, arising out of or in any way connected with the installation, maintenance, operation or removal of the solar energy system described in our/my above Alteration Permit.
- 3. The planned SES under the above Alteration Permit will be installed on the Common Area roof of the building at the above address in the manner and location approved by the Mutual, which roof is defined under the Declaration of Covenants, Conditions and Restrictions (CC&R's) of Mutual 70 to be part of the Mutual's Common Area.

MUTUAL 70 SES, MAINTENANCE AND INDEMNITY AGREEMENT, Page 2 of 2

Alteration Permit Number:

- 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 Policies before close of Escrow.
- 5. Should the Undersigned fail to meet any obligations to defend and/or indemnify and save harmless in accordance with this agreement, then in such cases all Indemnitees shall have full right to defend, pay or settle said claim on their own behalf with or without notice to the Undersigned for all fees, costs and payments made or agreed to be paid to discharge said claim.
- 6. In the event of enforcement of said maintenance and indemnification obligations as set forth herein, the Undersigned agrees to pay all reasonable attorneys' fees necessary to enforce said maintenance and indemnification obligations.

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

SIGNED BELOW BY ALL OWNERS of the condominium Unit making application for the installation of a solar energy system, on Day _____ Month_____ Year 20___.

Name of Owner (Print):_____

Signature of Owner:

Name of Owner	(Print):		

Signature of Owner:

2.0 COMMERCIAL ACTIVITIES

2.1 COMMERCIAL ACTIVITIES BY RESIDENTS

No commercial activities may be conducted in the common area.

If commercial activities are conducted in a unit, there may be no external evidence, activity, including signage or traffic. Refer to CC&Rs Article III, Section 3.1(b).

It is the owner's responsibility to ensure that commercial activities comply with applicable zoning laws or governmental regulations and, if required, proper permits, licenses or other governmental authorizations.

2.2 WORK SITE RULES

It is the owner's responsibility to make his/her contractor aware of these work site rules before any work begins. The following rules apply to residents, contractors, owner-contractors and other service providers employed by residents.

- 1. No portion of the Mutual shall be used for the storage of building materials other than in connection with approved construction. All construction debris shall be picked up and deposited daily in an appropriate container, not in the Mutual trash containers. Surrounding areas must be swept clean daily.
- 2. Except as approved by the Board, no machinery or equipment of any kind shall be stored, maintained or operated within the Mutual except as is customary and necessary in connection with approved alterations.
- 3. Work hours are from 8 a.m. to 5 p.m., Monday through Friday, excluding holidays. Operating noisy equipment or doing other work that disturbs neighbors outside these hours is not permitted.
- 4. Except in the case of emergencies, building utilities may not be interrupted without notification of at least 24 hours in advance to affected unit owners listing the times when the utilities will be interrupted. Utilities may not be interrupted for more than 4 hours in any 24-hour period.
- 5. Walkways and stairways must be kept clear.
- 6. Contractor's vehicles may be parked in the Mutual only from 8 a.m. to 5 p.m. and not blocking garage doors, carports, dumpsters or other parking spaces. Vehicles may not be parked opposite a garage or carport. Vehicles must be insured and never parked in a fire lane (red curb area) or left in Mutual Seventy overnight. All such vehicles must carry liability and accident insurance.

2.0 COMMERCIAL ACTIVITIES

- 7. Landscaping and paint finishes must be protected from all work activities. Any damage must be reported by the owner to a Mutual Director or MOD.
- 8. Workers may not operate radios and other audio devices if they can be heard outside a unit.
- 9. Contractor license (pocket copy okay) and current copy of a liability insurance policy must be filed with MOD for every job.
- 10. Noise or jarring to ceilings, walls and air space of adjacent units is strictly prohibited except when all residents in the unit(s) affected are informed as to time and duration. This information is good for one day only. For a new occurrence, repeat the procedure. Any damage to other units or exterior surfaces is strictly the contractor's liability.
- 11. Costs incurred by the Mutual for enforcement and/or corrections efforts arising from contractor failure to fully comply with all requirements may be referred to Small Claims Court and may block the next permit request/s from that contractor.

3.0 COMMITTEES

STANDING COMMITTEES

The following are the Mutual's Standing Committees:

Alterations/Building Finance Landscape

Within one month after the annual meeting, the President will appoint, subject to Board approval, chairpersons of the Standing Committees to one-year terms. The committee chairpersons will recommend and the Board will approve additional candidates to serve on their committees as required. Any additional Committee may be established by the Board.

Unless otherwise indicated by a board resolution, all committees serve in an advisory capacity to the Board.

4.0 EMERGENCIES

Help is available for residents in health and fire emergencies by calling 911. Property emergencies other than fire should be directed to Public Safety/Securitas at 939-0693 currently provided by GRF contract with Securitas.

Residents should take the initiative for reporting non-emergency problems such as outdoor lights burned out or broken sprinkler heads to MOD at 988-7650. Staff is available Monday through Friday from 8 a.m. to 5 p.m., and a voice mail message can be left after hours and on weekends and holidays at 988-7650. An email message can be sent at any time to **workorder@rossmoor.com**. Broken sprinkler heads with running water should be reported to Securitas if occurring on weekends or evenings at 939-0693.

4.1 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 from the 911 telephone call and may also respond.

4.2 FIRE AND PROPERTY EMERGENCIES

Call 911 for a prompt response from the fire department in case of fire.

Call 988-7600 during regular hours for help with other property emergencies; including, a power failure, broken water pipe, inoperative elevator, or potentially hazardous conditions. After regular hours, call Securitas at 939-0693 to report property emergencies.

5.1 DELINQUENCIES

5.1.1 DELINQUENT ASSESSMENTS

Payment of the coupon is due on the first day of each month. Payment may be made by automatic bank direct deposit, or by mailing the payment in the envelope provided with the monthly coupon, or putting it in the drop box at the Administration Office in the Gateway Complex. The Mutual mails statements only to accounts that are delinquent. Statements are not mailed to accounts that are current or have a credit balance.

All regular and special assessments that have not been processed and posted to accounts by 5 p.m. on the 15th day of the month, or on the next working day if the 15th falls on a Saturday, Sunday, or holiday, are delinquent and will incur a late fee in the amount of \$10 or 10% of the amount of the delinquent assessment, whichever is greater. Assessments not paid by 5:00 pm on the 30th day of the month or the next working day if the 30th day falls on a Saturday, Sunday or holiday, will begin accruing interest at the rate of 12% per annum until paid in full.

It is the owner's responsibility to allow sufficient time to drop off or mail the monthly coupon, have it processed and posted to the accounts by the 15th day of the month.

Accounts more than 90 days past due are considered in default. Per Civil Code §5660, the Mutual will notify the owner, in writing, via certified mail of the Mutual's

- Fee and penalty procedures
- Collection policy
- An itemized statement of the charges owed by the owner, including the method used to calculate the charges that have to be paid to bring the account current

If payment is not received within 30 days after the notice described above is mailed, a "Notice of Delinquent Assessment" may be recorded with the Contra Costa County Recorder as a lien against the property. In accordance with California Civil Code §5700, this lien may be enforced in any manner permitted by law, including the sale of the unit by the court.

Notices will be sent as required by law under foreclosure proceedings. It is the owner's responsibility to be aware of and understand these procedures and to pay all assessments when due. The Mutual accepts no responsibility for notices not received by the owner.

Owners and former owners are personally liable for delinquent assessments that accrue during their ownership. The Board may proceed against these individuals in any way available under the law to collect any and all delinquent amounts.

5.1.2 DISPUTES INVOLVING COLLECTION OF ASSESSMENTS

If an owner disputes an assessment, fee and/or cost the owner may protest and seek resolution via the Internal Dispute Resolution set forth in Civil Code §5900 *et. seq.* or the Alternative Dispute Resolution Procedure set forth in Civil Code §5925 *et. seq.*

Before the Mutual may be served with a request for ADR, the owner has to pay the Mutual, "under protest", the following costs that may have accrued

- The full amount of the assessment
- Any late charges
- Collection costs
- Attorney fees for preparation and recordation of a lien

5.2 EXPENDITURES AND FUNDS

5.2.1 AUTHORIZATION FOR EXPENDITURE OF FUNDS

The Board's approval of an annual operating budget includes authorization for MOD to commit Mutual Seventy funds for budgeted activities, except as noted

- Contracts and orders over \$5,000 must be submitted to the Board for approval. MOD will use competitive bidding when prudent business dictates and when awarding contracts or orders for amounts estimated to exceed \$5,000.
- All billings for legal services must be presented to the Treasurer for approval before payment is made.
- Unless specifically exempted in writing to MOD, non-emergency, Mutual-billable building maintenance expenses must be pre-approved by a Board member. Items approved between Board meetings will be brought to the attention of the Board at the next meeting.

In the absence of a Board member the Director of Mutual Operations is authorized to expend Mutual funds in the event of an emergency. This must be reported by MOD to the Board at its next scheduled meeting.

5.2.2 SOCIAL FUND ACCOUNT

In order to accept and disburse money for Mutual social activities, the Treasurer is authorized to open and maintain a Social Fund account with a local financial institution in accordance with its signature card and account agreement. Any other Director of the Mutual will be the alternate signature authority for the Social Fund account.

5.2.3 OPERATING FUND

In order to accept and disburse money for Mutual operating activities, the Mutual will open an Operating Fund account with a local financial institution in accordance with its signature card and account agreement. The Treasurer and/or Assistant Treasurer via original, facsimile or electronic signature will be the signature authority on this account. All monthly assessment payments and other receipts will be deposited into this account and all checks written by the Mutual to pay the Mutual's bills to third parties will be made from this account.

5.2.4 REPLACEMENT RESERVE FUND

The Board approves a monthly assessment to maintain a Replacement Reserve Fund based upon a reserve study prepared in accordance with the requirements of the California Civil Code.

The Reserve Fund is used to rehabilitate and replace major components which are defined in the Reserve Study, and to meet most emergencies.

To the extent feasible, it is the Mutual's policy to maintain a balance in the Reserve Fund that will permit it to meet anticipated funding needs without having to levy special assessments. Interest earned on Reserve Fund investments will be deposited in the Reserve Fund.

The Board must approve expenditures from the Reserve Fund. Checks written on the reserve account require two authorized signatures, at least one of which must be by a member of the Board. Any director may cosign the check transferring money from the Reserve Fund to the Operating Fund, after the reserve expenditure has been approved by the Board.

5.2.5 FINANCIAL REPORT

The Mutual contracts with a CPA to conduct an annual audit of the Mutual's financial records and submit an audited financial report to the Board. A copy of the annual, audited financial report is sent to each owner.

5.3 INVESTMENTS

Separate bank/investment accounts will be maintained for operating and reserve funds. All Mutual funds will be deposited in accounts insured by the Federal Deposit Insurance Corporation (FDIC) up to the current legal limit. Excess operating or reserve funds may be invested only in instruments backed by the full faith and obligation of the United States Government: U.S. Treasury Bills or U.S. Treasury Notes that mature no more than three years from the purchase date.

Proceeds from reserve investments that mature or are liquidated will be deposited into the reserve fund. The re-designation of funds or funds transferred to purchase new investments requires one signature only.

The Mutual delegates authority to the Treasurer or Assistant Treasurer to make investments based upon the timing of expected cash expenditure needs and in accordance with the above-stated guidelines.

5.4 SCHEDULE OF FINES

It is every owner's responsibility to be aware of the Mutual's CC&Rs, Bylaws and Policies. Fines may be imposed when a violation is observed, reported and confirmed. The following procedure will be followed:

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

- The responsible owner will be notified in person, by phone, or a letter of warning. The responsible owner will be notified of the amount of time allowed to correct the violation.
- If the responsible owner does not correct the violation within the time allowed, then a letter stating the Board's intent to impose a fine, including the amount of the fine, will be sent to the owner. This letter will include notice of the date, time and place of the hearing at which the board will decide whether to impose the fine. The responsible owner may appear at the hearing and present testimony or provide documentary evidence as to the fine being considered.

- Failure of the responsible owner to appear before the Board without reasonable excuse shall not deprive the Board of being able to act on the violation.
- The responsible owner will be notified of the Board's decision by certified mail within 15 days of the Board's taking action.

Any fines imposed by the Board are due and payable 30 days after assessment. Payment of a fine which is overdue will be assessed a late charge of \$20 per month until paid. This amount will be separate and in addition to any late charges for unpaid assessments that may be on record.

When any fine is more than three months past due the Mutual may seek legal action. This may include Alternative Dispute Resolution, or Small Claims Court or referral to a collection agency. All court fees or dispute resolution fees or collection fees will be charged to the responsible owner.

5.4.1 FINES

5.4.1.1 RENTAL OR LEASE OF UNIT WITHOUT BOARD APPROVAL

From the date the Board becomes aware of violation: \$50/day until corrected. See also Sections 8.1 and 13.4.

5.4.1.2 UNAUTHORIZED ALTERATIONS

As soon as the Board of Directors of the Mutual becomes aware of alterations to a unit that have been undertaken without an approved Alteration Application Permit, the Board may fine the owner of that unit an amount up to but not to exceed three (3) times the current amount of the required Alteration Application Permit. Additionally, the Board may require the owner of the unit to restore the unit to its original condition or obtain an approved Alteration Permit and payment of the fee and fine as part of the Alteration Application approval process. See also Section 1.0

5.4.1.3 PARKING AND OTHER VIOLATION FINES

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

First offense	Warning Notice from the Mutua	I or Public Safety
Second offense		\$ 50
Third offense		\$100
Subsequent offe	enses, same violation	\$200

6.0 INSURANCE

6.1 INSURANCE POLICIES MAINTAINED BY THE MUTUAL

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

6.2 DEDUCTIBLE ON BLANKET PROPERTY INSURANCE

Mutual Seventy contracts with other Mutuals to participate in a deductibleallocation agreement on a blanket property insurance policy, excluding the deductible related to earthquake damage. The Mutual is responsible for the first \$10,000 of the deductible for damage from a covered occurrence in the Mutual. The Mutual will contribute a pro-rata share based on number of units of the deductible for a covered loss in any other of the participating Mutuals, toward the deductible amount up to \$100,000.

The Director of Mutual Operations of the Golden Rain Foundation is authorized to withdraw funds from the Mutual's operating account to fulfill the Mutual's share of this contribution in the event of a loss covered under this agreement without the Board's approval. Notice of a withdrawal under this provision will be made to the Board as soon as possible after an occurrence.

The contribution for the deductible is limited to the items more clearly defined in the Agreement to Share the Deductible. The Agreement will be void if less than 85% of the units managed by MOD are not signatories to the Agreement, and the Agreement requires each Mutual's Board to ratify the agreement annually.

Items within a unit that are insured under the Mutual's blanket property insurance policy are described in Section 9.1(a)(1) of the CC&Rs. Coverage includes fire, flood, wind, and wind-driven rain. If damaged by covered peril, these items are covered at replacement value.

6.3 LOSSES TO PERSONAL PROPERTY IN A UNIT CAUSED BY A DEFECT IN THE BUILDING STRUCTURE

Owners are responsible for repair or replacement of all personal property damaged by water leaks or water infiltration from any source within or outside the unit which are not covered by the Mutual's insurance, and for payment of any deductible to such insurance.
6.0 INSURANCE

6.4 OWNER'S PERSONAL INSURANCE

The Mutual is not responsible for nor insures the contents of the units except as described in Section 6.2 above. Owners are responsible for insuring their personal property against loss of use, liability, worker's compensation, etc. Each owner is encouraged to consult with an insurance professional regarding appropriate insurance coverage. Damage to or destruction of the contents of the unit from a property or casualty loss is the sole responsibility of the owner.

7.0 LANDSCAPING

7.1 LANDSCAPING

Landscaping is done by the Mutual as part of its maintenance responsibility. No owner may change the landscaping in any way. Owners are responsible for plants in their Exclusive Use Common Areas. See Sections 9.4 and 9.5.

An owner may propose to the Landscape Committee a plan to plant a particular tree or other enhancement in the Common Area at his/her expense. The plan must be approved by the Landscape Committee. See Appendix A.

7.2 TREE, PLANT AND SHRUB REMOVAL AND TRIMMING

Residents may not top, prune, thin, or cut any tree or shrub. The Board may approve a resident's request to have a tree or shrub removed or pruned if it is

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

Requests to have such work done by the Mutual must be submitted to the Landscape Committee in writing. The Committee will make its recommendation to the Board. The request must include separate statements from owners in the line of sight of the proposed pruning or removal indicating they do not object to the proposed action. See form in Appendix A.

The Board will not approve the topping of any tree. The Board will not approve an application for the removal or pruning of any tree/shrub unless all the owners who are affected approve. Exceptions can be made by the Board if owners are absent for extended periods of time.

7.3 PERSONAL GARDENS

No personal gardens or furniture will be allowed in the common area within the Mutual.

7.4 WALKWAYS

No private walkways or stepping stones are allowed within the common area of the Mutual.

8.0 LEASING

8.1 OCCUPANCY OTHER THAN BY OWNER

Units are intended to be owner-occupied. A unit may be rented or leased for a period of up to one year when the owner is away and the unit would be unoccupied. Requests to rent or lease must be approved by the Board of Directors. Purchase of a unit for the purpose of rental will not be allowed. Consecutive one year leases to the same or different renters will not be allowed unless specific Board approval is obtained.

Any request to rent or lease for a period exceeding twelve consecutive months shall be brought to the Board for approval. The Board may approve a longer occupancy period if the owner can prove hardship. It is not the intent of the Board to approve leases indiscriminately for a period of occupancy beyond the customary one-year period.

8.2 PROCEDURE FOR PROCESSING LEASES

Owners must obtain written approval from the Mutual Board before executing a Rental or Lease Agreement. Approval may be requested by submitting a Request to Lease to the Board, including any other information and documentation the Board may request.

If the lease request is approved by the Board, the owner will submit the Lease Agreement and the approved Request to Lease form to the Member Services Department of MOD.

A copy of Mutual Seventy's Policies and Procedures and the governing documents will be provided to the lessee for a fee, who will sign for their receipt. Renters will be required to adhere to all policies and procedures and other governing documents of Mutual Seventy during their occupancy of the unit they are leasing.

8.3 SHORT-TERM LEASING

Repetitive short-term leases alternating with owner occupancy and totaling not more than six (6) months in any twelve (12) month period may be approved.

8.4 CONTACT INFORMATION

Every owner of a unit shall keep his/her contact information current by notifying the Member Services Department of changes.

8.0 LEASING

8.5 UNAUTHORIZED RENTAL OR LEASES

Unauthorized rental or leases may make the unit owner subject to fines in accordance with Section 5.4.1.1.

9.0 MAINTENANCE

9.1 MAINTENANCE RESPONSIBILITY

Certain repair and maintenance activities are the responsibility of the Mutual and others are the responsibility of the unit owner. A portion of the monthly assessment pays for maintenance of the Common Area including landscaping and building exteriors, which are the responsibility of the Mutual. The maintenance and repair of the interior of a unit is the responsibility of the unit owner. Questions regarding owner/Mutual responsibility will be referred to the Alterations Committee which will make recommendations to the Board.

To clarify whether the unit owner or the Mutual is responsible for the maintenance and repair of an item, Appendix A lists different types of maintenance repairs that frequently occur in units and indicates whether the Mutual or the unit owner is responsible for them.

If the problem involves exterior lighting such as in breezeways or carports, sprinklers, ants, bees, termites, or other pests, residents may notify MOD directly. Correcting these problems does not need the prior approval of a director.

9.2 PAINTING

Residents may not paint the exterior surfaces of any buildings. An exterior door may be refinished by an owner with the Alterations Committee approval. The exterior doors may not be changed without Alteration Committee approval. The Mutual may refinish or paint these items when the buildings are scheduled for painting.

Residents may paint the interior of their units without the Mutual's approval.

9.3 SMOKE AND CARBON MONOXIDE DETECTORS

Owners of units having attached garages or containing fossil-fuel burning heaters, appliances or fireplaces are responsible for installing Carbon Monoxide Detectors. These are in addition to existing smoke detectors.

The Mutual contracts for periodic inspections of the smoke and carbon monoxide detectors and intends to replace the batteries annually. The Mutual will not be responsible if access to the unit is not available, or access is denied when the inspection is conducted or if otherwise not replaced by the contractor.

9.4 EXCLUSIVE USE COMMON AREAS

The residents are responsible for the cleaning and maintenance of their exclusive use common areas: carports, patios, balconies and balcony-level gutters. Failure

9.0 MAINTENANCE

to maintain these areas properly can affect the building structure. Should residents fail to properly clean and maintain their exclusive use common area or if the unit is vacant for an extended period, the Mutual may, in its discretion, enter to clean and maintain the area and charge the owner for the cost of this work.

9.5 PLANT CONTAINERS AND POTTED PLANTS

Because runoff from plant containers has fertilizer salts and other substances that can etch and stain exterior surfaces, plant containers and potted plants must have *elevated* water-tight catch basins of sufficient size under plants to prevent water overflow or leakage. Drainage from plants in containers may result in the homeowner being held financially responsible for cleaning or repairing the damaged surfaces.

9.6 WOODPECKER HOLES

Woodpecker holes will be repaired by the Mutual only when the building is being painted, unless

- The work is approved by the Alterations Committee and the Board
- The unit is listed for sale
- The hole is over a door, thus preventing the owner from opening the door without danger of being soiled from above
- The repairs can be made without using scaffolding

9.7 INSPECTION

The Mutual has the right to enter any unit or Exclusive Use Common Area whenever necessary at the Board's discretion in order to inspect and ascertain the need for maintenance, repair, construction, or replacements in areas for which the Mutual is responsible. This includes preventing hoarding, unapproved storage and other circumstances that endanger the Mutual's property. See Article II Section 2.6(h) and Article IV Section 4.6(b) of the CC&Rs.

10.0 MEETINGS

10.1 MEETINGS

The Board welcomes comments by Mutual Seventy unit owners during the forum session at the start of any regular meeting, special owners' meeting or special Board meeting. Owners may not attend executive Board meetings as defined in Section 6.7 of the Bylaws unless specifically invited.

The Board may establish a time limit for each owner requesting to speak.

Comments that are slanderous, offensive, threatening, or delivered in a belligerent manner will not be allowed.

10.2 OWNER ACCESS TO MUTUAL RECORDS

Owners presenting a written request for Mutual records must pay for them before they are duplicated and delivered. In addition to the actual cost of copying and delivering the documents, the Mutual may charge the requesting owner an amount not to exceed ten dollars (\$10) per hour and not to exceed two-hundred dollars (\$200) per written request, for the time actually and reasonably involved in redacting Mutual records.

Minutes from all Mutual Board meetings and special ownership meetings are posted on the Rossmoor.com website after they are approved by the Board at the next month's meeting.

Parking in Mutual Seventy is subject to general rules governing what kinds of vehicles may be parked, where they may be parked, and times of the day they may be parked. The Mutual has parking spaces for owners and guests. Each owner has one or two parking spaces in the garage that is appurtenant to that unit and is designated in the unit's deed. Some owners have second parking spaces in a carport.

11.1 VEHICLES

11.1.1

Only two-axle passenger vehicles of a type customarily used for personal transportation and golf carts are permitted in the Mutual. Trailers, campers, mobile homes, recreational vehicles and trucks larger than standard size pickups are not permitted. However, commercial vehicles may be temporarily parked when a unit's occupant moves in or out, and for deliveries, repairs and approved alterations. No commercial vehicles may be parked overnight.

- 11.1.2 Vehicles which do not fit entirely within the boundaries of the parking space may not be kept within the Mutual.
- 11.1.3 The term "commercial vehicles" shall not include two-axle passenger vehicles or standard size pickup trucks which are used for both business and personal uses, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board.
- 11.1.4 No unreasonably noisy vehicles and no vehicles (including, without limitation, scooters, motorcycles or other motorized devices) or those emitting foul-smelling or offensive exhaust fumes shall be operated within the Mutual.
- 11.1.5 No dilapidated, inoperable or abandoned vehicles, nor vehicles not displaying current registration tags, shall be parked in any outdoor space within the Mutual. Such vehicles may be towed away at the discretion of the Board and the owner be held responsible for the towing and storage costs.
- 11.1.6 No maintenance or repairs of any kind may be made to vehicles within the Mutual except emergency repair as is necessary to move the vehicle.

11.1.7 Drip pans may be used under vehicles. Any vehicle leaking fluids must be repaired and the garage or carport floor cleaned. It is the responsibility of each resident to keep his/her garage and carport swept clean of debris. If the carport floor is not cleaned of oil and other fluids, it will be cleaned out and, if necessary, repaired at the owner's expense.

11.2 GENERAL RULES FOR CARPORTS

11.2.1 Open carports may not be used as storage areas or workshops. No posters, art, wall decorations or hanging items are permitted. An auxiliary storage cabinet, approved by the Board under an Alteration Agreement, may be placed in a carport stall as long as it does not prevent the vehicle from pulling all the way into the space. Auxiliary cabinets already in place must be removed if requested by the Board. Neatly stacked firewood may be permitted if not in contact with any wall.

In addition, one or two containers for the sole purpose of storing disaster recovery supplies are permitted if they are made of plastic or resin, and are no more than four feet tall, subject to the approval of the Alterations Committee. Submissions to the Committee must include pictures and measurements.

The containers must be placed in a location that allows a vehicle to be contained completely within the carport

Amendment to 11.2.1 Adopted 3/17/16

- 11.2.2 No other flammable material or liquids may be stored in a carport area, storage cabinets or closets.
- 11.2.3 Vehicles parked in carports must be contained wholly within the carport structure, not protruding into the driveway or the entry road. Owners/residents and their guests and visitors may park their vehicles in the carports at any time. GRF and contractors' vehicles may not be parked in carports.
- 11.2.4 Owners are responsible for any and all damage to structures done by their vehicles and those of their guests.

11.3 RULES FOR PARKING

11.3.1 PARKING IN GARAGES AND CARPORTS

Vehicles parked in garages must fit within the 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. Garages and carports must be used for vehicle parking before any other Mutual approved space is used.

11.3.2 NONVEHICULAR USES OF GARAGES

The parking space in each garage must be used for the parking of vehicles, except during the first six months after the beginning of occupancy. However, if an owner also has a carport but only one vehicle, it may be parked in the carport instead of the garage.

11.3.3 PARKING IN DRIVEWAYS

All driveways and parking spaces other than garages and carports are general common areas of the mutual.

If a garage is not being used to store a vehicle, the owner may not use the driveway to the garage as a parking space other than for brief periods of time.

Otherwise, vehicles may be parked in a driveway unless it

- Protrudes into the entry road
- Interferes with opening a garage door
- Interferes with access to a garbage enclosure
- Interferes with an entrance to a unit
- Obstructs the vision of a driver on the entry road or leaving an adjacent garage or driveway

No commercial vehicles may be parked in driveways overnight.

11.3.4 PARKING IN OUTDOOR MARKED SPACES

Marked outdoor parking spaces are the property of condominium owners as tenants in common. The use of parking spaces may be restricted by the Board by posting a sign in front of the restricted spaces.

Each owner/resident must use his/her garage/carport as the primary parking space for his/her vehicles. His/her garage/carport must be kept in such condition as to allow his/her vehicles to fit entirely within the garage/carport.

If an owner/resident has more than one vehicle and only one garage space, one extra vehicle may be parked in other Mutual parking areas not specifically reserved for visitor/handicapped. If there are more vehicles than deeded or rented parking spaces, a resident may park only one (1) vehicle per unit in unrestricted parking spaces if available. Parking in the extra vehicle parking spaces within the Mutual is reserved for residents/owners, guests, visitors and contractors.

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.

11.3.5 PARKING SPACES POSTED "VISITOR ONLY"

Parking near the trailhead on Entry 5, Terra Granada is for guest parking only.

Parking spaces posted with a sign stating "Visitor Only" are reserved for vehicles that are not owned by an owner/resident of a condominium unit but for persons visiting an owner/resident for less than one week. Contractor vehicles may be parked in these spaces during work hours.

11.3.6 PARKING ON ENTRY ROADS

Vehicles may be *temporarily* parked at the side of the entry roads except where

- The curb is painted red or "No Parking" signs are posted
- It is opposite a garage, limiting the ability of an owner to back out
- It is opposite driveways
- It is opposite an intersection
- It is in a marked turnaround area

- It is opposite other parked vehicles
- It is anywhere that the total width of the road, curb to curb, is less than 25 feet
- Suitable off-road parking is available

Subject to the restrictions, GRF vehicles and contractors' vehicles may be parked at the roadside but only during working hours.

11.4 RESTRICTIONS AND VIOLATIONS

11.4.1 RESTRICTIONS ON SALE OR LEASE OF PARKING SPACES

A carport or garage 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 or garage but only to another Rossmoor resident.

11.4.2 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 and neatly stacked firewood except specified cabinets authorized and permitted by the Board.

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

11.4.3 EXTENDED PARKING

Vehicles parked on entry roads or outdoor spaces or driveways continuously for more than seven (7) consecutive days may be considered abandoned and subject to removal.

11.4.4 VIOLATION OF PARKING POLICY

Owners may be subject to a monetary penalty and/or towing and storage expense in addition to fines listed in Section 5.4 of these Operating Rules for any violation of a parking policy by an owner, owner's family, lessee, visitor, contractor, or agent.

11.4.5 REPORTING OF PARKING VIOLATIONS Residents observing parking violations may report them to a Board member.

11.4.6 BATTERY CHARGING AND EXTENSION CORDS

If a battery charger is used to recharge a golf cart, it must be placed on a secure non-flammable surface at least one foot from other objects. Chargers must be equipped with an overload fuse or circuit breaker.

Extension cords must be Underwriters Laboratories (UL) approved and must meet the specifications of the manufacturer of the equipment on which it is used.

11.5 ELECTRIC VEHICLE BATTERY CHARGING

This policy defines resident responsibilities when recharging electric vehicles within Mutual Seventy, excluding golf carts.

- 1. Because recharging the batteries of an electric vehicle can cause overload and possible damage to the circuit and possibly a fire, this policy prohibits charging electric vehicles using any standard electrical outlet in Mutual Seventy entries.
- 2. Residents who wish to charge an electric passenger vehicle must have an approved dedicated circuit with an electrical outlet within their private garage. All recharging expenses shall be billed directly to the resident. No charges shall be incurred by the Mutual for any of these modifications. Plans for the electrical alteration must be approved by the City of Walnut Creek and the Mutual before installation.
- 3. No resident or visitor shall use any Mutual electrical outlet for vehicle recharging, except in an emergency with written permission of the Mutual Board. Unauthorized recharging of electrical vehicles at any Mutual electrical outlet shall be subject to a \$50 fine per day plus any cost of making repairs to Mutual property.
- 4. Civil Code Section 4745(f) requires owners installing such devices to carry at least \$1,000,000 in homeowner liability insurance coverage naming the Mutual as an additional insured.

As electric vehicles become more prevalent, it may become necessary for the Mutual to consider the need for recharging stations to provide recharged capabilities for guests.

12.0 PETS AND WILDLIFE

12.1 PETS

No animals shall be kept, bred, or raised within the Mutual for any commercial purposes.

No animals except domestic dogs and cats, fish, and caged animals such as birds, reptiles, and rodents, may be kept. Not more than two four-legged pets may be kept in a unit.

Pet owners are responsible for immediately removing and disposing of any waste introduced anywhere in the Mutual by their pet. Each owner, resident, and any person bringing or keeping an animal within the Mutual shall be absolutely liable to the Mutual and all other persons for any injury or damage to persons or property caused by the animal brought into or kept within the Mutual by such person or by owners of his/her family, tenants, guests. The owner shall indemnify the Mutual and its officers, directors, and agents against any and all claims, damages, losses, demands, liabilities, and expenses, including but not limited to attorney's fees arising out of or resulting from the presence or conduct of any animal brought into or kept in the Mutual by the owner, owners of his/her family, guests, or tenants.

The Mutual has the right to prohibit the keeping of any animal which constitutes, in the sole and exclusive opinion of the Board, a nuisance or danger to another person. Pets that are determined by the Board to be noisy, obnoxious, or dangerous are subject to removal from the Mutual.

While in the Common Area, each pet must be on a leash held by a responsible person capable of controlling it.

12.2 FEEDING OF WILDLIFE

Feeding all wild, feral or domesticated animals outside is not permitted because it attracts rodents. If bird feeders are discovered, the owner will be required to remove the feeder immediately upon notification. However, hummingbird feeders are allowed.

13.1 PERSONAL PROPERTY

No personal property may be kept in the common area except as provided in these Operating Rules.

13.2 EXCLUSIVE USE COMMON AREAS Garages, carports, patios, and balconies

Each owner and/or resident shall keep his/her assigned exclusive use common area in a neat, orderly, sanitary, and safe condition. Garage and storage unit doors shall remain closed except during the exiting or entering or when necessary to provide ventilation for individuals working in the garage/storage area.

If the Board of Directors determines that an exclusive use common area is not being kept in a neat, orderly, sanitary, and/or safe condition, the Board may require the owner and/or resident to correct conditions to its satisfaction. See also Section 9.4. The Mutual may clean the area and bill the unit owner for the cost.

13.3 LANDINGS, STAIRS, AND ENTRANCES

Buildings have landings and stairs immediately outside front doors. These are not part of exclusive use common areas. However, a few personal articles of a decorative nature may be placed on them as long as they do not interfere with access by emergency personnel. But personal articles may not be left on walkways, landings or stairs shared with other residents.

If the Board determines that this rule has been abused, it may require the owner to remove some or all of the items.

13.4 OCCUPANCY

The Mutual's CC&Rs define who may occupy a unit. If a resident wants to hire a "live-in" employee, he/she should first contact the Member Services Department for a copy of the approved procedure and arrange for a pass to be issued. If the second or third occupant in a unit is a live-in employee including nurses, housekeepers, caregivers, etc., they are exempt from payment of the monthly GRF fee for occupants, because live-in employees may not use the community's facilities.

Information about qualified permanent residents and care providers is available from Member Services. The Mutual requires that all owners/occupants provide the requested information about those residing in units.

13.5 BARBECUES

Only electric and propane-fired barbecues without lava rock are permitted. Charcoal and wood-fired barbecues are not allowed. Barbecues must be used and maintained safely and must not be a nuisance to other residents.

13.6 NOISE RULES

At all times noise should be kept at a level that will not unreasonably interfere with or discomfort our neighbors. This noise may come from many sources, such as stereos, television, musical instruments, animals, or talking loudly on phones.

In particular, between 11p.m. and 7 a.m. extras care should be taken to be quiet. This means that washers, dryers, vacuum cleaners, and especially televisions and stereos should either not be used at all or used only at such a low noise level as not to unreasonably inconvenience any neighbor.

Should noise be a problem, the first step should be to contact your neighbor and try to reach an accommodation.

13.7 SIGNS AND ADVERTISING

No sign or advertising of any kind shall be displayed in the common area of the Mutual except that this limitation shall not apply to

- Signs required by legal proceedings
- Signs which by law cannot be prohibited
- An approved identification sign located on a unit identifying the number or address and/or the names of the occupants
- Signs approved by the Board located at or near any entrance to the Mutual identifying the Mutual
- Signs for traffic control and regulation of streets or open areas within the Mutual
- Signs on the common area as approved by the Board for a purpose reasonably related to the affairs of the Mutual

13.8 DISPLAY OF REAL ESTATE SIGNS, NON-COMMERCIAL SIGNS AND FLAGS

"For Sale" and "For Rent" signs, non-commercial signs, flags and banners may be displayed by owners from within their units or patios, balconies, and garages unless:

- Fasteners are used that pierce the surface of an exterior wall of a building
- They are made from materials other than paper, cardboard, cloth, plastic or fabric
- They are larger than nine square feet for signs, or 15 square feet for flags and banners
- They violate local, state or federal law

Residents who post signs, flags or banners are responsible for maintaining them in a neat and clean condition and shall promptly replace or restore any that are damaged or fallen.

The Mutual may remove any sign, flag or banner that is larger than the size limit described above, is posted in an unsafe manner or poses an unreasonable risk of harm to any person or property. Unless the sign poses an imminent threat as determined by the Board, the unit owner shall be given notice and opportunity for a hearing before the Mutual removes the item.

Any expenses incurred by the Mutual in removing a sign, flag, banner or advertising may be recovered from the unit owner.

13.9 TRASH

Trash, garbage, plant materials, or other waste and refuse shall be deposited only in covered sanitary containers. No owner or resident may place any garbage, trash, or other waste or refuse outside of a container.

The trash containers provided by the Mutual cannot be used by any contractor or owner for disposal of construction materials.

The trash containers provided by the Mutual for the convenience of the residents may be used only for the disposal of normal weekly trash and garbage. Trash and garbage that results from the cleaning of a unit, such as in preparation for the sale of the unit or when the residents of a unit move, must be hauled away and may not be deposited in the trash containers provided by the Mutual. Cardboard boxes must be flattened before being deposited into recycle or trash containers. Large and/or bulky items (chairs, sofas, appliances, etc.) must be disposed of at the Recycle Yard at Rockview Drive and may not be disposed of in the trash containers provided by the Mutual. See posted signage at garbage enclosure.

Household hazardous waste including paint may not be deposited in the trash containers. Rossmoor has a hazardous waste disposal program. Owners may telephone and have this waste picked up at their door. Information on this program is available from Mutual Operations.

Owners may not accumulate an excessive amount of newspapers or trash, because this is a hazard to all others in the Mutual. The Mutual may inspect and take such steps as are necessary to prevent hoarding and other dangerous activities and charge the owner for any related expense.

13.10 GUESTS

Any guest of a resident who stays for more than 21 consecutive days must register at the Member Services Department in Gateway. MOD will acknowledge each registration.

No guest may stay for more than 75 days in any consecutive twelve-month period without Board approval.

13.11 ESTATE AND GARAGE SALES

Advertisements for estate and garage sales within the Mutual are **not** to include the Rossmoor address. They may show only a telephone number.

Estate or garage sales cannot begin before 9 a.m. and must end by 5 p.m. The person conducting the sale must schedule hourly appointments for all shoppers, residents and non-residents and is required to complete the Estate Sale Entry form listing the name of each shopper in a time slot. A maximum of ten shoppers per hour may be scheduled. Non-Rossmoor residents will be allowed to enter Rossmoor **only** if their names are listed and **only** during their authorized time slots.

The completed Estate Sale Entry form must be signed by the representative or resident who has the legal authority to approve access to Rossmoor. The entry form must be delivered to the Securitas office or the Gate at least one day prior to the sale. If this form is not submitted, non-resident shoppers will be denied entry.

Estate Sale Entry forms are available at the Gate, the Securitas office and the Rossmoor News office.

There are commercial companies available to assist with estate sales. While the use of a commercial company is permitted, they may not bring in other items that

are not part of the original Rossmoor estate. This prohibition extends to the resident and the family of the resident.

13.12 DRYING AND LAUNDERING

No outside clothesline or other outside washing, drying, or airing facilities shall be maintained anywhere in the Mutual.

14.0 ENFORCEMENT

Any resident may bring apparent violations to the attention of any director or the Board office, or at any regular Board meeting.

When the Mutual becomes aware of an architectural or property infraction, the owner responsible for the violation will receive written notice and given reasonable opportunity to comply. See CC&Rs Article III, Section 3.13.

At the discretion of the Board, subject to the CC&Rs, the Mutual may retain a collection agency and charge the resulting expenses to the owner. The Mutual may also seek enforcement and damages through legal proceedings.

Also see Appendix C.

15.0 RESALES

15.1 INSPECTIONS

Mutual Seventy requires inspections by MOD when properties are listed for sale and before closing. The purpose of these inspections is to evaluate authorized alterations and identify unauthorized alterations to determine Mutual and owner responsibility for repairs. The seller shall pay for the inspection and for any owner-billable remediation required. The seller is responsible for notifying the Alterations and Permits Dept. of MOD at the time of the listing. The seller must make the unit available for inspection by MOD within 48 hours of the listing. If the seller fails to give timely notice, Mutual Seventy will conduct the inspections upon being informed of the opening of escrow or the transfer of title. The cost of inspections and any owner-billable remediation required shall be borne by the owner of record before the close of escrow and at the time of inspections.

The resale inspection does not constitute any assurance or representation concerning the quality of any alteration and does not constitute a warranty or guarantee that the alterations conform to all building codes and construction standards.

Upon inspection, the Mutual may require the owner of a unit with unapproved alterations to return the unit to its original condition or obtain an alteration permit prior to its sale. All such expenses will be the seller's sole responsibility.

15.1 (a) Water Supply Lines

Prior to sale, owner is required to install braided stainless steel water supply lines and accompanying angle-stop valves everywhere supply lines exist in the condo, including toilets, sinks, refrigerators, ice makers, washing machines, dishwashers and water heaters.

These items will be inspected by the Resale Department prior to close of escrow.

Revised 4/20/17

15.2 BUYERS' ORIENTATION ABOUT (MUTUAL 70's) "OPERATING RULES"

It is the goal of Mutual 70 that before the close of escrow, every home buyer attend a meeting with representatives of Mutual 70's Board of Directors and the Mutual Operations Division to be made aware of the Operating Rules governing the residents of Rossmoor and the Mutual. If a conflict exists regarding attendance, a telephone conference to discuss the Operating Rules that apply to the buyers is required.

15.0 RESALES

The buyers' real estate representative should attend the meeting which, whenever possible, will be held at the Mutual operations office.

No alterations permit will be granted to the new owner until such a meeting or conference has taken place.

Revised 6/19/14

16.0 PAINTING OF EXTERNAL SURFACES

The Alterations Committee will recommend building color schemes to the Board of Directors for approval. Selection of colors will affect all areas outside the unit proper, carports, and all structural modifications. In addition, the Alterations Committee will recommend building color schemes for Board approval.

Concrete slabs on-grade and concrete steps are not to be painted and/or coated except by special authorization from the Board.

17.0 HARASSMENT

Harassment: Annoying, alarming or abusing another resident or owner through words, gestures or actions. This includes disturbing, irritating or causing discomfort to another resident or owner through insulting, hurtful or offensive acts.

Residents, owners, guests, occupants and lessees shall not engage in any abusive or harassing behavior, either verbal or physical, or any form of intimidation or aggression directed at other owners, residents, guests, occupants or lessees. Nor shall residents, owners, guests, occupants and lessees direct such abusive or harassing behavior toward management, its agents, its employees, vendors or the Board.

Fines for continued harassment shall be in accordance with Section 5.4.

Residents may appeal to the Board to resolve a dispute with a neighbor. The Board will conduct a hearing in executive session and invite all parties to discuss the dispute and possible solutions. The Board will then present its findings to all parties. Continued harassment by either party after the Board's findings are announced may result in fines or legal action being issued by the Board.

18.0 ELECTIONS

VOTING PROCEDURES

See Sections 4.5 and 5.4 of the Bylaws for complete rules regarding elections.