



**OPEN MEETING**

**56<sup>th</sup> ANNUAL MEETING OF THE CORPORATE MEMBERS OF THE  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Thursday, November 12, 2020 • 10 a.m. • Board Room  
24351 El Toro Road, Laguna Woods, California**

**NOTICE AND AGENDA**

1. Meeting Called to Order and Establish Quorum – President Carpenter
2. Pledge of Allegiance
3. Acknowledge Press
4. Approval of Agenda
5. Members' Comments
6. Approval of Corporate Members Meeting Minutes:
  - (a) November 13, 2019 – 55<sup>th</sup> Annual Meeting of the Corporate Members
  - (b) June 22, 2020 – Special Meeting of the Corporate Members
  - (c) July 23, 2020 – Special Meeting of the Corporate Members
  - (d) August 31, 2020 – Special Meeting of the Corporate Members
  - (e) October 19, 2020 – Special Meeting of the Corporate Members
7. President's Remarks – Bunny Carpenter
8. Introduction of Inspector of Elections – Catherine Burkhart, UniLect
9. Acknowledgement of Directors Whose Terms Have Expired
  - Joan Milliman
  - Bert Moldow
  - Sue Stephens
  - Judith Troutman
10. Introduction of GRF Board Candidates:

Filling four vacancies on the GRF Board of Directors for a three-year term  
expiring November 2023:

- Mark Greenman
- Joan Milliman
- Berton "Bert" Moldow
- Lyn Stanley
- Sue Stephens

11. Explanation of Voting Procedure – Inspector of Elections
12. Entertain Motion to Commence Balloting – Inspector of Elections
13. Voting on Prepared Ballot Forms
14. Entertain Motion to Cease Balloting – Inspector of Elections
15. Counting of Ballots – Inspector of Elections
16. Certification of Election Executed by Inspector of Elections
17. Adjournment

**GRF'S ORGANIZATIONAL MEETING WILL BE HELD IMMEDIATELY FOLLOWING  
THE ANNUAL MEETING OF CORPORATE MEMBERS IN THE BOARD ROOM**

DECLARATION OF MAILING  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

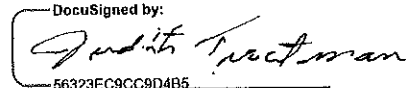
STATE OF CALIFORNIA )  
  ) ss.  
COUNTY OF ORANGE )

I, the undersigned, declare:

1. I am the Secretary of the Golden Rain Foundation of Laguna Woods.
  
2. On August 14, 2020, I caused a notice of the Annual Meeting of the Corporate Members of said corporation (copy of which is attached hereto and made part hereof) to be mailed, addressed to each member of said corporation, at his or her address as appearing in the records of said corporation.

Executed at Laguna Woods, California, on, August 12, 2020.

I declare under penalty of perjury that the foregoing is true and correct.

DocuSigned by:  


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Judith Troutman, Secretary of the Board  
Golden Rain Foundation of Laguna Woods

**NOTICE OF THE 56<sup>th</sup> ANNUAL MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

NOTICE IS HEREBY GIVEN that the annual meeting of the Golden Rain Foundation of Laguna Woods corporate members is:

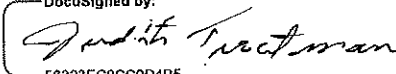
**Thursday, November 12, 2020, at 10 a.m.**

THIS MEETING IS AN OPEN MEETING AND SHALL BE HELD as a virtual meeting of the principal offices of the corporation, hosted from 24351 El Toro Road, Laguna Woods, California 92637.

THE PURPOSE OF THIS MEETING is to:

1. Fill four vacancies on the Board of Directors of the Golden Rain Foundation. All four terms are to conclude at the 2023 annual election;

THIS MEETING WILL BE AN OPEN MEETING.

DocuSigned by:  
  
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Judith Troutman, Secretary of the Board  
The Golden Rain Foundation of Laguna Woods

Dated: August 12, 2020



MINUTES OF THE FIFTY-FIFTH ANNUAL MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**November 13, 2019**

The Annual Meeting of the Corporate Members of the Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, was held on Wednesday, November 13, 2019, at 10:00 a.m. at 24351 El Toro Road, Laguna Woods, California.

The purpose of the meeting was to vote for four (4) GRF Board of Directors.

The following members were present:

United Laguna Woods Mutual:	Sue Margolis Andre Torng Juanita Skillman Cash Archrekar	Carl Randazzo Manuel Armendariz Anthony Liberatore
Third Laguna Hills Mutual:	Steve Parsons Cush Bhada Jon Pearlstone John Frankel	Annie McCary Lynn Jarrett Bunny Carpenter Reza Karimi
Laguna Woods Mutual 50:	Ryna Rothberg (arrived late) John Dalis	
Golden Rain Foundation:	Beth Perak Jim Matson Diane Phelps Ray Gros Don Tibbetts	Annette Sabol Soule Joan Milliman Pat English Bert Moldow Judity Troutman
VMS Board:	Dan Kenney Mary Stone	Lisa Bender Dick Rader
Directors Absent:	GRF Board: Richard Palmer Third Laguna Hills Mutual: Robert Mutchnick, Ralph Engdahl, Craig Wayne United Laguna Woods Mutual: Elsie Addington, Reza Bastani, Brian Gilmore, Neda Ardani Mutual Fifty: Al Amado, John Carter, June Greenwald	
Staff Present:	Jeff Parker, Siobhan Foster, Cheryl Silva, Eileen Paulin	
Others Present:	Inspector of Election: Catherine Burkhart, UniLect	

### **1. CALL TO ORDER**

Beth Perak, President of the Golden Rain Foundation Board of Directors called the meeting to order at 10:00 a.m. and stated that a quorum was present.

The Inspector of Election certified that the Corporate Members were represented in person, and more than 50 percent of the voting power was present constituting a quorum.

### **2. PLEDGE OF ALLEGIANCE**

Third President Parsons led the Membership in the Pledge of Allegiance to the Flag.

### **3. ACKNOWLEDGE PRESS**

The Globe representative and the Village Television Camera Crew, by way of remote cameras, were acknowledged as present.

### **4. APPROVAL OF THE AGENDA**

United President Margolis made a motion to approve the agenda as presented. Third President Parsons seconded the motion and the motion passed by unanimously.

### **5. MEMBER COMMENTS**

There were no Member comments at this time.

### **6. APPROVAL OF MINUTES**

Third Mutual President Parsons made a motion to approve the following minutes of the Corporate Members as presented. United President Margolis seconded the motion.

- January 30, 2018 – Special Meeting of the Corporate Members
- April 9, 2018 – Special Meeting of the Corporate Members
- August 13, 2018 – Special Meeting of the Corporate Members
- November 14, 2018 – 54<sup>rd</sup> Annual Meeting of the Corporate Members
- December 27, 2018 – Special Meeting of the Corporate Members

The motion passed unanimously.

### **7. PRESIDENT'S REMARKS**

GRF President Perak thanked the outgoing directors for bringing their gifts and talents to the Community. She congratulated the new directors and thanked them for accepting challenge of service. The GRF Board begins a new chapter with a new board. She thanked the outgoing board for their colaberation in working together for a common goal and for their confidence in her leadership.

### **8. INTRODUCTION OF INSPECTOR OF ELECTION**

GRF President Perak introduced Catherine Burkhart the Inspector of Election from Unilect.

**9. ACKNOWLEDGEMENT OF DIRECTORS WHOS TERMS HAVE EXPIRED**

GRF President Perak acknowledged the directors whos terms have expired:

Ray Gros  
Joan Milliman  
Richard Palmer  
Diane Phelps

**10. INTRODUCTION OF GRF BOARD CANDIDATES:**

Filling four (4) vacancies on the GRF Board of Directors for a three (3) year term expiring November 2022:

Bunny Carpenter  
W. Joe Fitzekam  
Egon Garthoffner  
Ray Gros  
Yvonne Horton  
Joan Milliman  
R. Gary Morrison  
Lenny Ross

**11. EXPLANATION OF VOTING PROCEDURE**

The Inspector of Election explained the voting procedure to the directors.

**12. ENTERTAIN A MOTION TO COMMENCE BALLOTING**

The Corporate Secretary asked for a motin to commence balloting.  
United President Margolis made a motion to commence balloting. The motion was seconded by Third President Parsons and passed unanimously.

**13. VOTING ON PREPARED BALLOT FORMS**

Board Directors voted by secret ballot on prepared ballot forms.

**14. ENTERTAIN A MOTION TO CEASE BALLOTING**

The Inspector of Elections asked for a motion to cease balloting.  
United President Margolis made a motion to cease balloting. The motion was seconded by GRF President Perak and passed unanimously.

**15. COUNTING OF BALLOTS**

The Inspector of Elections collected the secret ballots. The Inspector of Elections and the Corporate Secretary tallied the votes.

**16. CERTIFICATION OF ELECTION EXECUTED BY INSPECTOR OF ELECTION**

The Inspector of Elections announced the new GRF Board Members in the order of top votes down:

November 13, 2019

W. Joe Fitzekam  
Bunny Carpenter  
Yvonne Horton  
Egon Garthoffner

**17. ADJOURNMENT**

There being no further business to come before the Corporate Members meeting, the meeting was adjourned at 10:45 p.m.

  
Joan Milliman, Secretary  
Golden Rain Foundation



**SPECIAL MEETING OF THE CORPORATE MEMBERS OF THE  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
November 13, 2019**

**Quorum**

	# Manors	# Directors	Individual Weighted Vote*	Directors Present	Weighted Votes Present
United Laguna Woods Mutual	6,323	11	574	10	5,740
Third Laguna Hills Mutual	6,102	11	554	11	6,094
Laguna Woods Mutual Fifty	311	5	62	3	186
<b>TOTAL</b>	<b>12,736</b>	<b>27</b>			<b>12,020</b>

\* Rounded down

**Quorum Requirement: 6,360**

**Majority Vote Requirement: 6,011**

Certification of Quorum

The Inspectors of Election hereby attest that the quorum requirement, of a majority of the voting power of the Corporate Members, were represented at the Corporate Members meeting in accordance with Bylaw 5.8.5. Corporate Members either voted by proxy (absentee ballot) or in person and the responses have been received to elect Board of Directors for the Golden Rain Foundation.



Inspector of Election  
Catherine Burkhart, UniLect Election Services

Dated: November 13, 2019



**GOLDEN RAIN FOUNDATION 2019  
ANNUAL BOARD OF DIRECTORS ELECTION  
DECLARATION OF RESULT OF POLL**

We, the undersigned UniLect Corporation/Inspector of Elections on behalf of Golden Rain Foundation., for their 55<sup>th</sup> Annual Board of Directors Election certify that we received a total of 24 ballots as of the deadline for the close of the polls on November 13, 2019.

This election was for four (4) Golden Rain Foundation Directors.

- 9 Absentee Ballots were received, which were eligible for counting
- 15 Official Ballots were received, which were eligible for counting
- 3 Directors who did not vote by Absentee Ballot and were not present at meeting

UNILECT DOES HEREBY GIVE NOTICE that the number of votes recorded for each Candidate is as follows:

**See attached Election Results.**

**WE DO HEREBY DECLARE** that the said,

Walker J. Fitzekam, Bunny Carpenter, Yvonne Horton + Egon G. Burthoffner having received the most votes, are duly elected to the Board of Directors for Golden Rain Foundation.

X Catherine Burkhart 11/13/19  
 Catherine Burkhart Date  
 Inspector of Elections  
 UniLect Election Services

# CALIFORNIA CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Orange )

On November 13 2019 before me, Joi Lipari  
(here insert name and title of the officer)

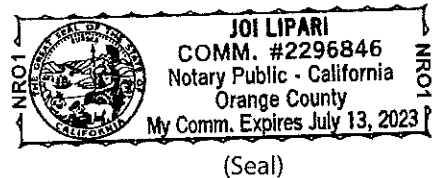
personally appeared Catherine Burkhardt  
Cat Burkhardt

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Joi Lipari



## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

- Individual(s)  
 Attorney-in-Fact  
 Corporate Officer(s) \_\_\_\_\_  
Title(s)

- Guardian/Conservator  
 Partner - Limited/General  
 Trustee(s)  
 Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

Additional Information	
<b>Method of Signer Identification</b>	
Proved to me on the basis of satisfactory evidence: <input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es)	
Notarial event is detailed in notary journal on: Page # _____ Entry # _____	
Notary contact: _____	
<b>Other</b>	
<input type="checkbox"/> Additional Signer(s)	<input type="checkbox"/> Signer(s) Thumbprint(s)
<input type="checkbox"/> _____	

**Agenda Item # 6a**  
**Page 8 of 16**

# UNITED LAGUNA WOODS MUTUAL

Special Corporate Members Meeting

November 13, 2019

Weighted Vote = **574**

VOTE	1	2	3	4	5	6	7	8	9	10	11	Tally	TOTAL
Bunny Carpenter				1		1	1	1			1	5	2,870
W. Joe Fitzekam	1	1				1	1	1	1	1	1	8	4,592
Egon Garthoffner		1		1	1	1	1				1	6	3,444
Ray Gros	1		1									2	1,148
Yvonne Horton		1		1	1	1	1				1	6	3,444
Joan Milliman	1		1		1			1	1	1		6	3,444
R. Gary Morrison			1					1	1	1		5	2,870
Lenny Ross			1	1	1				1	1		5	2,870
Withheld		1										1	574
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>44</b>	<b>25,256</b>

# THIRD LAGUNA HILLS MUTUAL

Special Corporate Members Meeting

November 13, 2019

**Weighted Vote = 554**

VOTE	1	2	3	4	5	6	7	8	9	10	11	Tally	TOTAL
Bunny Carpenter	1	1	1	1	1	1	1	1	1	1		10	5,540
W. Joe Fitzekam	1	1	1	1	1	1	1	1	1	1		10	5,540
Egon Garthoffner			1	1	1	1	1	1	1	1		8	4,432
Ray Gros		1										1	554
Yvonne Horton	1		1	1	1	1	1	1	1			8	4,432
Joan Milliman										1		1	554
R. Gary Morrison		1										1	554
Lenny Ross	1											1	554
Withheld											4	4	2,216
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>44</b>	<b>24,376</b>

# LAGUNA WOODS MUTUAL NO. FIFTY

Special Corporate Members Meeting

November 13, 2019

Weighted Vote = **62**

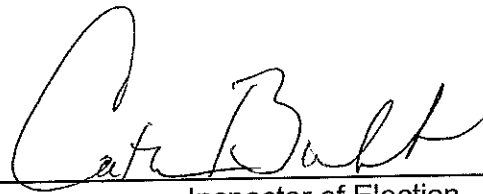
VOTE	1	2	3	4	5									Tally	TOTAL
Bunny Carpenter			1											1	62
W. Joe Fitzekam		1	1											2	124
Egon Garthoffner		1												1	62
Ray Gros		1	1											2	124
Yvonne Horton	1	1												2	124
Joan Milliman	1		1											2	124
R. Gary Morrision	1													1	62
Lenny Ross	1													1	62
Withheld				4	4									8	496
<b>TOTAL</b>	4	4	4	4	4	0	0	0	0	0	0	0	0	20	1,240

**SPECIAL MEETING OF THE CORPORATE MEMBERS OF THE  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
November 13, 2019**

**Certification Report of Inspectors of Election**

VOTE: GRF Board of Director Election

	United	Third	Fifty	TOTAL
Bunny Carpenter	2,870	5,540	62	8,472
W. Joe Fitzekam	4,592	5,540	124	10,256
Egon Garthoffner	3,444	4,432	62	7,938
Ray Gros	1,148	554	124	1,826
Yvonne Horton	3,444	4,432	124	8,000
Joan Milliman	2,870	554	124	3,548
R. Gary Morrison	2,870	554	62	3,486
Lenny Ross	574	554	62	1,190
Withheld	574	2,216	496	3,286
<b>TOTAL</b>	<b>22,386</b>	<b>24,376</b>	<b>1,240</b>	<b>48,002</b>



Inspector of Election





# CALIFORNIA JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

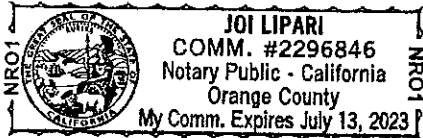
County of Orange )

Subscribed and sworn to (or affirmed) before me on this 13<sup>th</sup> day

of November, 20 19, by Catherine Burkhardt

Cate Burkhardt

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(Seal)

Signature

Jon Lipari

## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this jurat to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

This certificate is attached to a document titled/for the purpose of

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_.

Additional Information	
<b>Method of Affiant Identification</b>	
Proved to me on the basis of satisfactory evidence:	
<input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es)	
Notarial event is detailed in notary journal on:	
Page # _____	Entry # _____
Notary contact: _____	
Other	
<input type="checkbox"/> Affiant(s) Thumbprint(s)	<input type="checkbox"/> Describe: _____

Agenda Item # ba  
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**NOTICE OF THE 55<sup>th</sup> ANNUAL MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**NOTICE IS HEREBY GIVEN** that the Annual meeting of the Golden Rain Foundation of Laguna Woods Corporate Members is:


- **Wednesday, November 13, 2019 at 10:00 AM**

**THIS MEETING IS AN OPEN MEETING AND SHALL BE HELD** in the Board Room of the Principal Offices of the Corporation, 24351 El Toro Road, Laguna Woods, California on:

**THE PURPOSE OF THIS MEETING is:**

1. To fill four (4) vacancies on the Golden Rain Foundation Board. All four (4) terms are to conclude at the 2022 Annual Election;

**THIS MEETING WILL BE AN OPEN MEETING**

  
Joan Milliman, Secretary of the Board  
The Golden Rain Foundation of Laguna Woods

Dated: August 29, 2019



MINUTES OF THE SPECIAL CLOSED MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

June 22, 2020  
24351 El Toro Road, Laguna Woods, California  
On-Line Virtual Meeting

The Special Meeting of the Corporate Members of the Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, met on Monday, June 22, 2020, at 1:30 p.m. at 24351 El Toro Road, Laguna Woods, California, as a virtual meeting.

The following members were present at the meeting:

**United Laguna Woods Mutual:** Sue Margolis                      Carl Randazzo  
Andre Torng    Brian Gilmore  
Juanita Skillman                                      Cash Achrekar  
Manuel Armendariz                                  Reza Bastani  
Elsie Addington                                      Neda Ardani

**Third Laguna Hills Mutual:** Steve Parsons                      Annie McCary  
Cush Bhada    Lynn Jarrett  
Jon Pearlstone    John Frankel  
Craig Wayne    Doug Gibson  
Ralph Engdahl    Robert Mutchnick  
Reza Karimi

**Mutual No. Fifty:** Ryna Rothberg                      John Carter  
Al Amado    Inesa V. Nord-Leth

**Golden Rain Foundation:** Bunny Carpenter                      Egon Garthoffner  
Bert Moldow    Judith Troutman  
Don Tibbetts    Yvonne Horton

**Directors Absent:** **Golden Rain Foundation:** Jim Matson  
**United Laguna Woods Mutual:** Anthony Liberatore  
**Mutual No Fifty:** John Dalis

**Staff Present:** Jeff Parker-CEO, Siobhan Foster-COO, Ernesto Munoz, Brian Gruner, Betty Parker, Chuck Holland, Eileen Paulin, Catherine Laster, Becky Jackson, Cheryl Silva, and Grant Schultz

**Others Present:** Inspector of Election: Catherine Laster;  
Jeff Beaumont, United Corporate Counsel;  
Sandra Gottlieb, Third Corporate Counsel

**1) Call to Order**

Bunny Carpenter, President of the Golden Rain Foundation Board of Directors, chaired the meeting and called the meeting to order at 1:39 p.m.

President Carpenter stated that the purpose of this Corporate Members meeting was to vote "for" or "against" to authorize GRF Board to construct, contract, and otherwise expend funds totally \$500,000 or more in connection with the Performing Arts Center Maintenance Improvement project pursuant to GRF Bylaws Sections 2.1.4, 2.1.6 and 2.1.7.

**2) Pledge of Allegiance**

Director Parsons led the pledge of allegiance.

**3) Approval of the Agenda**

United President Margolis made a motion to approve the agenda as presented. Mutual Fifty President Rothberg seconded the motion. The motion was approved without objection.

**4) Appoint Inspector of Election**

President Carpenter asked for a motion to approve appointing Catherine Laster, Management Analyst, as the Inspector of the Election.

United President Margolis made a motion to have Catherine Laster, Management Analyst, serve as the Inspector of Election. The motion was seconded by United Director Tornig and was approved without objection.

GRF President Carpenter turned the meeting over to United President Margolis.

United President Margolis asked legal counsel Jeff Beaumont, Esq. and Sandra Gottlieb, Esq to address the legality of the meeting.

Jeff Beaumont, Esq. commented that the United Board called a Corporate Members Meeting by Resolution 01-20-28 in accordance with GRF Bylaw 5.3 pursuant to GRF Bylaws 2.1.4, 2.1.6 and 2.1.7.

Sandra Gottlieb, Esq. commented that the use of virtual meeting is a valid way to conduct the meeting for this purpose under the current circumstance.

Siobhan Foster showed a presentation in response to Corporate Members' questions. The presentation included the following points:

- Need of Project
- Recent Actions
- Project Scope of Work
- Specific Equipment
- Construction Contract Review
- Construction Management Services

- Project Management Oversight
- Project Schedule
- Project Budget-Expenses
- Project Budget-Sources of Funds
- Village Communication Plan

**5) Corporate Members' Comments**

The following Directors commented about the Performing Arts Center Maintenance Improvement Project:

- United Director Achrekar asked for a copy of the presentation before the corporate members vote;
- United Director Bastani asked which components in the project are required by OSHA;
- Third Director Jarrett asked about how change orders will be handled;
- GRF Director Moldow asked about the cost of managing the air conditioning at the PAC and if commissioning of the air conditioning was included in the price;
- United Director Randazzo asked who will be reviewing the contract documents and the project specs. He indicated that change orders were addressed in the scope of work documents. He asked about the funding from the project. He indicated that the Architect for this project provided over 300 drawings and other construction documents that are called detailed drawings and commented that the detailed drawing amount to 33% of the project cost; the industry standard is 10%.
- United Director Torng asked how change orders will be handled and about the funding from the project;
- Third Director Karimi asked about the RFP and how the contractor was selected for this project. He would like to see the other bids;
- United Director Armendariz asked about the original cost verses the current cost of the project. He asked about the funding for this project and for a schedule by line item. He question why the project was increased from the original cost;
- Third President Parsons asked what items are driving up the cost from the original price;
- United Director Addington asked about the pictures of how the PAC will look when the project is done;
- GRF Director Troutman asked about the architect, change orders, and the original scope of work;
- Third Director Frankel asked about the project management;
- United Director Achrekar asked if the vote can be postponed for a week to obtain more information about the project expenses;
- Third Director Moldow commented that the board wanted to get the work done this year, but the PAC is currently closed. He asked when the PAC will reopen. Last year, the during the hot months; the PAC was used as a cooling center, what will be done this year;

- United Director Torng would like to see the presentation on the project expenses and asked why the architect was allowed to publishing PAC concept drawings on their website;
- United Director Bastani asked about the cost of two items. He asked if essential items can be separated from non-essential items without effecting the contract;
- United Director Armendariz asked for breakdown of three different positions. He "Called for Orders of the Day."
- United Director Randazzo commented there was a difference in the bids for architectural engineering.

Jeff Parker-CEO, Ernesto Munoz-Director of Maintenance and Construction, Betty Parker-Chief Financial Officer, Brian Gruner-Director of Recreation and Special Events, Chuck Holland-Chief Information Officer, Eileen Paulin-Director of Media and Communication, answered questions from the board members.

Sandra Gottlieb, Esq. wanted to clarify that the board will meet separately with their individual boards and reconvene together in 90 minutes.

**6) Open Balloting**

Third Mutual Laguna Hills, United Mutual Laguna Woods and Mutual Fifty meet virtually to discuss the PAC Project.

**7) Voting by Secret Ballot "FOR" or "AGAINST" the following:**

To Authorize the GRF Board to construct, contract, and otherwise expend funds totaling \$500,000 or more in connection with the Performing Arts Center Maintenance Improvement project pursuant to GRF Bylaw Sections 2.1.4, 2.1.6 and 2.1.7.

**8) Close Balloting**

The Directors of the Corporate Members cast their votes and turned in their ballots to the Inspector of Election at the Community Center.

GRF President Bunny Carpenter reconvened the meeting at 4:56 p.m.

**9) Tabulation of Ballots**

Catherine Laster, Inspector of Election read the ballots aloud from each Mutual and Ms. Silva, Corporate Secretary, recorded the votes.

**10) Announcement of Results of Vote**

Catherine Laster, Inspector of Election read and certified the ballot results as follows:



**SPECIAL MEETING OF THE CORPORATE MEMBERS OF THE  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
June 22, 2020**

**Certification Report of Inspectors of Election**

Purpose: To Authorize the GRF Board to construct, contract, and otherwise expend funds totaling \$500,000 or more in connection with the Performing Arts Center Maintenance Improvement project pursuant to GRF Bylaw Sections 2.1.4, 2.1.6 and 2.1.7

	United	Third	Fifty	TOTAL
PAC Project "For"	574	1,108	124	1,806
PAC Project "Against"	5,740	4,986	186	10,912
	-	-	-	-
	-	-	-	-
	-	-	-	-
Withheld	-	-	-	-
<b>TOTAL</b>	<b>6,314</b>	<b>6,094</b>	<b>310</b>	<b>12,718</b>

  
Inspector of Election  
Catherine Laster

Directors made comments about the vote.

11) Adjournment

There being no further business, GRF President Carpenter adjourned the meeting at 5:08 p.m.

*Judith P Troutman*

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Judith Troutman, Secretary of the Board  
Golden Rain Foundation



MINUTES OF THE SPECIAL MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

July 23, 2020  
24351 El Toro Road, Laguna Woods, California  
On-Line Virtual Meeting

The Special Meeting of the Corporate Members of the Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, met on Thursday, July 23, 2020, at 11:30 a.m. at 24351 El Toro Road, Laguna Woods, California, as a virtual meeting.

The following members were present at the meeting:

<b>United Laguna Woods Mutual:</b>	Sue Margolis Juanita Skillman Manuel Armendariz Neda Ardani	Andre Torng Cash Achrekar Elsie Addington
<b>Third Laguna Hills Mutual:</b>	Steve Parsons Cush Bhada Jon Pearlstone Craig Wayne Ralph Engdahl Reza Karimi	Annie McCary Lynn Jarrett John Frankel Doug Gibson Robert Mutchnick
<b>Mutual No. Fifty:</b>	Ryna Rothberg	Al Amado
<b>Golden Rain Foundation:</b>	Bunny Carpenter Judith Troutman Yvonne Horton	Egon Garthoffner Don Tibbetts Bert Moldow (arrived late)
<b>Directors Absent:</b>	<b>Golden Rain Foundation:</b> Jim Matson <b>United Laguna Woods Mutual:</b> Anthony Liberatore, Carl Randazzo, Brian Gilmore, Reza Bastani <b>Mutual No Fifty:</b> John Carter, John Dalis, Inesa V. Nord-Leth	
<b>Staff Present:</b>	Jeff Parker-CEO, Siobhan Foster-COO, Chuck Holland, Cheryl Silva, and Grant Schultz	
<b>Others Present:</b>	Inspector of Election: Catherine Laster	

**1) Call to Order**

Bunny Carpenter, President of the Golden Rain Foundation Board of Directors, chaired the meeting and called the meeting to order at 11:30 a.m.

President Carpenter stated that the purpose of this Corporate Members meeting was to vote to fill four (4) vacancies on the Golden Rain Foundation Board, (1) term to conclude in 2020, (2) terms to conclude in 2021, (1) term to conclude 2022 at the Annual Election.

**2) Appointment of Inspector of Election**

President Carpenter asked for a motion to approve appointing Catherine Laster, Management Analyst, as the Inspector of the Election.

United Director Achrekar made a motion to have Catherine Laster, Management Analyst, serve as the Inspector of Election. The motion was seconded by Third Director Gibson and was approved without objection.

**3) Approval of the Agenda**

GRF Director Garthoffner made a motion to approve the agenda as presented. GRF Director Troutman seconded the motion.

GRF Director Troutman made an amendment to remove Ming-Lee Chang from the candidate list because the candidate withdrew his candidacy.

The motion to approve the agenda as amended was approved without objection.

**4) Introduction of Candidates**

Director Troutman announced that Ming-Lee Chang withdrew his candidacy for health reasons.

Judith Troutman, Moderator, introduced the candidates:

**Term Ending 2020:**

Joseph Becker  
Jeffrey Carta  
Joan Milliman  
Sue Stephens

**Term Ending 2021:**

Johann Aaron  
Harold Midence  
Gan Mukhopadhyay  
Jon Pearlstone  
Lenny Ross  
James Wang

**Term Ending 2022:**

Timothy Ayres  
Cusrow "Cush" Bhada  
Ming-Lee Chang  
Won Chang  
Alan Dickinson  
James Hopkins

**5) Interview of Candidates** – Judith Troutman, Moderator

Judith Troutman asked the candidates questions. Each candidate was given 3 minutes to answer each question.

**6) Explanation of Voting Procedures for Ballot Measure**

The purpose of this Corporate Members vote is to fill four (4) vacancies on the Golden Rain Foundation Board. Corporate Members should vote for one (1) candidate to fill the term concluding in 2020, two (2) candidates to fill the term concluding in 2021, and one (1) candidate to fill the term concluding in 2022 at the Annual Election

**7) Entertain a Motion to Commence Balloting** – Inspector of Election

Corporate Members will have 30 minute to complete and return the ballot to the Inspector of Elections in front of the Community Center.

GRF President Carpenter made a motion to commence balloting. United Director Skillman seconded the motion and the motion passed without objection.

**8) Recess for the Purpose of Voting on Prepared Ballot Forms**

The meeting was recessed at 1:00 p.m.

**9) Reconvene the Corporate Members Meeting**

The meeting was reconvened at 2:01 p.m.

**10) Entertain a Motion to Cease Balloting** – Inspector of Election

GRF Director Troutman made a motion to cease balloting. United Director Achrekar seconded the motion and the motion passed without objection

**11) Counting and Tabulation of Votes** – Inspector of Election

Catherine Laster, Inspector of Election and Cheryl Silva, Corporate Secretary, recorded the votes.

**12) Certification of Election Executed** -- Inspector of Election

Catherine Laster, Inspector of Election read and certified the ballot results as follows:

**SPECIAL MEETING OF THE CORPORATE MEMBERS OF THE  
 GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
 July 23, 2020  
 Certification Report of Inspectors of Election**

Purpose: To Fill Four (4) Vacancies on the Golden Rain Foundation Board, (1) term to conclude in 2020, (2) terms to conclude in 2021, and (1) term to conclude in 2022 at the Annual Election

	United	United	Fifty	TOTAL
2020				
JOSEPH BECKER	1,148	554	-	1,702
JEFFREY CARTA	-	-	-	-
JOAN MILLIMAN	1,722	554	62	2,338
SUE STEPHENS	3,444	4,432	248	8,124
WITHHELD	-	-	-	-
2021				
JOHANN AARON	1,148	1,108	-	2,256
HAROLD MIDENCE	1,722	-	-	1,722
GAN MUKHOPADHYAY	2,870	2,770	186	5,826
JON PEARLSTONE	2,870	4,986	62	7,918
LENNY ROSS	574	1,108	62	1,744
JAMES WANG	574	554	186	1,314
WITHHELD	2,870	554	124	3,548
2022				
TIMOTHY AYRES	1,148	554	124	1,826
CUSROW "CUSH" BHADA	1,148	2,216	62	3,426
MING-LEE CHANG	-	-	-	-
WON CHANG	574	554	-	1,128
ALAN DICKINSON	-	-	-	-
JAMES HOPKINS	2,296	2,216	124	4,636
WITHHELD	1,148	-	-	1,148
	-	-	-	-
	-	-	-	-
<b>TOTAL</b>	<b>25,266</b>	<b>22,160</b>	<b>1,240</b>	<b>48,656</b>

  
 Inspector of Election  
 Catherine Laster

July 23, 2020

**Term Concluding in 2020:**

Sue Stephens

**Term Concluding in 2021:**

Gan Mukhopadhyay  
Jon Pearlstone

**Term Concluding in 2022:**

James Hopkins

**13) Adjournment**

There being no further business, GRF President Carpenter adjourned the meeting at 2:06 p.m.

*Judith P Troutman*

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Judith Troutman, Secretary of the Board  
Golden Rain Foundation



MINUTES OF THE SPECIAL OPEN MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

August 31, 2020  
24351 El Toro Road, Laguna Woods, California  
On-Line Virtual Meeting

The Special Meeting of the Corporate Members of the Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, met on Monday, August 31, 2020, at 10:30 a.m. at 24351 El Toro Road, Laguna Woods, California, as a virtual meeting.

The following members were present at the meeting:

**United Laguna Woods Mutual:** Sue Margolis Andre Torng  
Juanita Skillman Manuel Armendariz  
Elsie Addington Neda Ardani  
Carl Randazzo Reza Bastani

**Third Laguna Hills Mutual:** Steve Parsons Annie McCary  
Lynn Jarrett John Frankel  
Reza Karimi Ralph Engdahl  
Robert Mutchnick Cush Bhada

**Mutual No. Fifty:** John Dalis

**Golden Rain Foundation:** Bunny Carpenter Egon Garthoffner  
Judith Troutman Don Tibbetts  
Yvonne Horton Bert Moldow  
Gan Mukupdaphyay Jim Hopkins  
Jon Pearlstone Sue Stephens

**Directors Absent:** **United Laguna Woods Mutual:** Cash Achrekar, Anthony Liberatore, Brian Gilmore  
**Third Laguna Hills Mutual:** Doug Gibson, Craig Wayne  
**Mutual No Fifty:** Ryna Rothberg, Al Amado, John Carter, Inesa V. Nord-Leth

**Staff Present:** Jeff Parker-CEO, Siobhan Foster-COO, Chuck Holland, Cheryl Silva, and Grant Schultz

**Others Present:** Inspector of Election: Catherine Laster

**1) Call to Order**



Bunny Carpenter, President of the Golden Rain Foundation Board of Directors, chaired the meeting and called the meeting to order at 10:30 a.m.

President Carpenter stated that the purpose of this Corporate Members meeting was to vote to fill one (1) vacancy on the Golden Rain Foundation Board term to conclude in 2020 at the Annual Election on November 12, 2020

**2) Appointment of Inspector of Election**

President Carpenter asked for a motion to approve appointing Catherine Laster, Management Analyst, as the Inspector of the Election.

United Director Skillman made a motion to have Catherine Laster, Management Analyst, serve as the Inspector of Election. The motion was seconded by United Director Margolis and was approved without objection.

**3) Approval of the Agenda**

Third Director McCary made a motion to approve the agenda as presented. United Director Margolis seconded the motion.

The motion to approve without objection.

**4) Introduction of Candidates**

Judith Troutman, Moderator, introduced the candidates:

**Term Ending 2020:**

Dorothy Dotson  
Jeffrey Grider  
Joan Milliman  
Bradford "Brad" Park  
Ehsan Shakibaie  
Jonah Zerner

**5) Interview of Candidates – Judith Troutman, Moderator**

Judith Troutman asked the candidates questions. Each candidate was given either two (2) minutes or one (1) minute to answer each question depending upon the question asked.

**6) Explanation of Voting Procedures for Ballot Measure – Inspector of Election**

The purpose of this Corporate Members vote is to fill one (1) vacancy on the Golden Rain Foundation Board. Corporate Members should vote for one (1) candidate to fill the term concluding in 2020 at the Annual Election on November 12, 2020

**7) Entertain a Motion to Commence Balloting – Inspector of Election**

Corporate Members will have 30 minute to complete and return the ballot to the Inspector of Elections in front of the Community Center.

United Director Margolis made a motion to commence balloting. Third Director Bhada seconded the motion and the motion passed without objection.

8) **Recess for the Purpose of Voting on Prepared Ballot Forms**

The meeting was recessed at 12:06 p.m.

9) **Reconvene the Corporate Members Meeting**

The meeting was reconvened at 1:00 p.m.

10) **Entertain a Motion to Cease Balloting** – Inspector of Election

United Director Skillman made a motion to cease balloting. GRF Director Horton seconded the motion and the motion passed without objection.

11) **Counting and Tabulation of Votes** – Inspector of Election

Catherine Laster, Inspector of Election and Cheryl Silva, Corporate Secretary, recorded the votes.

12) **Certification of Election Executed** -- Inspector of Election

Catherine Laster, Inspector of Election read and certified the ballot results as follows:

**Term Concluding in 2020:**

Joan Milliman

13) **Adjournment**

There being no further business, GRF President Carpenter adjourned the meeting at 1:02 p.m.

*Judith P. Troutman*

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Judith Troutman, Secretary of the Board  
Golden Rain Foundation



MINUTES OF THE SPECIAL MEETING OF THE CORPORATE MEMBERS  
OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

October 19, 2020  
24351 El Toro Road, Laguna Woods, California  
On-Line Virtual Meeting

The Special Meeting of the Corporate Members of the Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, met on Monday, October 19, 2020, at 9:30 a.m. at 24351 El Toro Road, Laguna Woods, California, as a virtual meeting.

The following members were present at the meeting:

**United Laguna Woods Mutual:** Sue Margolis Andre Torng  
Carl Randazzo Cash Achrekar  
Manuel Armendariz Elsie Addington  
Neda Ardani Reza Bastani  
Anthony Liberatore

**Third Laguna Hills Mutual:** Steve Parsons Annie McCary  
Cush Bhada Lynn Jarrett  
Craig Wayne Doug Gibson  
Robert Mutchnick Reza Karimi

**Mutual No. Fifty:** Ryna Rothberg Al Amado  
John Carter

**Golden Rain Foundation:** Bunny Carpenter Egon Garthoffner  
Gan Mukhopadhyay Don Tibbetts  
Yvonne Horton Bert Moldow  
Joan Milliman James Hopkins  
Sue Stephens

**Directors Absent:** **Golden Rain Foundation:** Judith Troutman, Jon Pearlstone  
**United Laguna Woods Mutual:** Brian Gilmore  
**Third Laguna Hills Mutual:** John Frankel, Ralph Engdahl  
**Mutual No Fifty:** John Dalis, Inesa V. Nord-Leth

**Staff Present:** Jeff Parker-CEO, Siobhan Foster-COO, Catherine Laster, Cheryl Silva, and Grant Schultz

**Others Present:** Steve Roseman, Esq, Laurie Pool, Esq. Sophie Haimof  
Juanita Skillman (VMS), Kristen Orr

**1) Call to Order**

GRF President Carpenter chaired the meeting and called the meeting to order at 9:31 a.m. GRF President Carpenter stated that the purpose of this Corporate Members meeting was to for "FOR" or "AGAINST" the amended GRF Bylaws. She received an email from legal counsel of Mutual 50 requesting to postpone the vote of the GRF Bylaws. She has consulted with legal counsel and does not feel GRF has violated any rules; therefore, the vote will not be postponed.

**2) Pledge of Allegiance**

GRF President Carpenter asked Director Garthoffner to lead the pledge of allegiance.

**3) Approval of the Agenda**

GRF President Carpenter asked is any director opposed the agenda hearing none, the agenda was approved without objection.

**4) Vote of the Corporate Members on the Amended GRF Bylaws dated 10-19-20**

United Director Margolis made a motion to approve the amended GRF Bylaws dated 10-19-20. GRF Director Horton seconded the motion.

Steve Roseman, Esq. (Mutual 50) received the draft GRF Bylaws late last week and is concerned that many of the directors did not have enough time to review the revisions in the GRF Bylaws. He has not had an opportunity to review the revised GRF Bylaws with his board. He would like more time to allow the attorneys of each board to review the revisions made to the GRF Bylaws.

GRF President Carpenter disagrees and commented that each board president shared the revised GRF Bylaws with their attorney and their board after the GRF Bylaw Ad Hoc Committee made revisions. Members from each board were represented on the GRF Bylaw Ad Hoc Committee.

Discussion ensued among the directors.

Mutual 50 Director Carter made a motion to postpone consideration of the amended GRF Bylaws for 30 days. United Director Armendariz seconded the motion.

Discussion ensued among the directors.

Mutual 50 Director Carter called for Point of Order and asked for the vote on the motion.

GRF President called for a vote by roll call:

**United Laguna Hill Mutual:**

Sue Margolis	NO
Carl Randazzo	NO
Andre Tornig	YES
Elsie Addington	NO

Cash Achrekar	YES
Reza Bastani	YES
Manuel Armendariz	YES
Anthony Liberatore	YES
Neda Ardani	YES

**Third Mutual Laguna Hills:**

Steve Parsons	YES
Annie McCary	YES
Cush Bhada	YES
Lynn Jarrett	YES
Reza Karimi	(could not vote—internet connection problems)
Craig Wayne	YES
Robert Mutchnick	YES
Doug Gibson	YES

**Mutual 50:**

Ryna Rothbert	YES
Al Amado	YES
John Carter	YES

GRF President Carpenter announced that the motion passed by a vote of 16-3-0 (United Directors Margolis Randazzo and Addington opposed)

GRF President Carpenter asked Untied Director Margolis to explain the procedures to review the amended GRF Bylaws in the next 30 days.

United President Margolis commented that the GRF Bylaw Ad Hoc Committee will reconvene to review the changes submitted to the directors. The GRF Bylaw Ad Hoc Committee is made up of representatives from each board: Bunny Carpenter, Joan Milliman, Sue Margolis, Elsie Addington, Steve Parsons, Lynn Jarrett, Ryna Rothberg and Sue Stephens. The Committee will have a meeting on October 26, 2020.

**5) Corporate Member Comments**

- Steve Roseman, Esq. commented that he will work with the legal counsel from each board to review the final draft to make sure the document is consistent with the Trust and current law.
- United Director Tornig commented he agrees that the vote needs to wait 30 days to give the directors more time to review the final draft.
- United Director Achrekar commented he agrees with the postponement and will send his revisions to the appropriate people.
- United President Margolis commented she will make a table of all the comments she received and will send the table to all the Corporate Members.
- Third President Parsons would like clarification on the timeline.
- GRF Director Milliman clarified the vote will be held in 30 days.

- Laurie Pool, Esq. commented if the GRF President would like to recess the meeting instead of adjourning the meeting, then a new notice would not be necessary. She will work with Siobhan Foster to make sure the meeting is noticed properly.

6) **Adjournment**

GRF President Carpenter adjourned the meeting at 10:20 a.m.

*Judith P Troutman*

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Judith Troutman, Secretary of the Board  
Golden Rain Foundation

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**Golden Rain Foundation**  
**AMENDED**  
**BYLAWS**

**October 19, 2020**



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- 9.4 Resignation of Officers**
- 9.5 Vacancies in Offices**
- 9.6 Responsibilities of Officers**
  - 9.6.1 President
  - 9.6.2 Vice presidents
  - 9.6.3 Secretary
    - 9.6.3.1 Keep corporate records
    - 9.6.3.2 Keep corporate membership records
    - 9.6.3.3 Give or cause to be given, notice of all meetings of the corporate members and of the board of directors
  - 9.6.4 Treasurer
    - 9.6.4.1 Keep and maintain books and records of accounts
    - 9.6.4.2 Deposit or cause to be deposited all monies
    - 9.6.4.3 Bonds
  - 9.6.5 Staff vice president

## **ARTICLE 10 Exercise of Powers**

- 10.1 Duties and Liabilities**
  - 10.1.1 Business judgment rule
  - 10.1.2 Authorization of agent
- 10.2 Transactions Involving Director**
- 10.3 Corporate Loans, Guarantees and Advances**
  - 10.3.1 Limitation of loans
    - 10.3.1.1 Not to any director or officer

10.3.1.2 Not to any person upon the security  
of memberships

10.3.2 Advances

**10.4 Endorsement of Documents**

**ARTICLE 11 Indemnification of Directors, Officers, Employees, and Other Agents**

**11.1 Indemnification**

**11.2 Advance of Expenses**

**11.3 Contractual Rights of Non-Directors and Non-Officers**

**11.4 Insurance**

**ARTICLE 12 Records and Reports**

**12.1 Fiscal Year**

**12.2 Books and Accounts**

**12.3 Auditing**

**12.4 Annual Financial Report to Members**

**12.5 Members' Inspection Rights**

**12.6 Maintenance and Inspection of Articles and Bylaws**

**12.7 Inspection by Directors**

**12.8 Annual Statement of Certain Transactions and Indemnification**

**12.9 Annual Budget Report**

**12.10 Annual Policy Statement**

**ARTICLE 13 Hierarchy of Governing Documents**

**13.1 Hierarchy of Governing Documents**

**13.2 Rules of Order**

13.2.1 Applicable federal or state law



- 13.2.2 Trust
- 13.2.3 Articles of incorporation
- 13.2.4 Bylaws
- 13.2.5 Procedure documents
- 13.2.6 Robert's Rules of Order

#### **ARTICLE 14 Amendments**

- 14.1 Amendment by Corporate Members**
- 14.2 No Amendment by Directors**

#### **ARTICLE 15 Liquidation**

- 15.1 Dedication of Assets**
- 15.2 Dissolution**

**BYLAWS  
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION**

**ARTICLE 1: PRINCIPAL OFFICE**

The principal office of the Golden Rain Foundation of Laguna Woods (hereinafter referred to as "this corporation," "GRF corporation" or "GRF") is 24351 El Toro Road, Laguna Woods, Orange County, California. The board of directors may, by resolution, change the principal office from one location to another within Orange County. The mail address is P. O. Box 2220, Laguna Hills, CA, 92654.

**ARTICLE 2 PURPOSES, POWERS, GOVERNANCE AND DEFINITIONS**

**2.1 Purposes of the GRF Corporation**

- 2.1.1 to develop and maintain facilities and services** for the areas shared by the mutuals of Laguna Woods Village, Laguna Woods, exclusive of the common areas of the mutuals, on a mutual basis for the use of the mutual members (other than lessors), qualifying residents, co-occupants, tenants, and their guests; and
- 2.1.2 to operate the community facilities** to provide various community-wide services as an integral portion of Laguna Woods Village, Laguna Woods "Senior Citizens Housing Development" in conformance with Civil Code Section 51.3 of the Unruh Civil Rights Act and the Golden Rain Foundation of Laguna Hills Trust.
- 2.1.3 to operate as a Common Interest Development** in accordance with the Davis - Stirling Common Interest Development Act and Golden Rain Foundation of Laguna Hills Trust in providing community facilities for authorized users.
- 2.1.4 to engage in any business or activity** now or hereafter permitted by law, the articles of incorporation of this Corporation, and these bylaws, subject to the terms of the Golden Rain Foundation of Laguna Hills Trust, and subject to the limitations as follows:
- (1) As to any sale and/or conveyance (but excluding any license or easement) of Golden Rain Foundation or Golden Rain Foundation of Laguna Hills Trust real estate and/or improvements, where the value of the real estate or improvement is valued at least \$500,000, except maintenance;
  - (2) As to any lease of real estate or improvement in excess of one year;

(3) As to any acquisition of real estate, where the total amount to be paid is at least \$500,000;

(4) As to any expansion of facilities or construction of new facilities, either the construction of a new facility or an addition to an existing facility of at least 1,000 new or additional square feet or an addition, improvement, or modification to any entity, building or facility for a minimum cost of \$500,000. For the purposes of this section, the following shall apply:

a) Facilities is as defined in the Golden Rain Foundation of Laguna Hills Trust Section VII(M)(4) to mean a single structure or addition to a structure (of the minimum cost or the minimum square feet as stated above) and intended for office, residential, recreational or commercial use, or any combination thereof;

(i) Structure, as referenced above, shall mean something that is constructed or arranged in a definite pattern of organization, including, but not limited to, a building, facility (e.g., pickleball, bocci ball and tennis courts, lawn bowling, etc.), solar energy system, seating area, covered shade structure, etc.

(ii) Addition, as referenced above, shall mean any part, structural or nonstructural (including equipment), that is added to a facility.

b) A minimum cost of \$500,000, as referenced above, shall mean all aggregate expenses associated with the construction of or addition to a facility (referred to herein as total project cost), including, but not limited to, the following:

(i) Preconstruction costs (such as, but not limited to, costs associated with preliminary designs, concepts, appraisals, engineering, permits, etc.);

(ii) Contingency costs, no more than 10% above the actual estimated total project cost, for cost overruns;

(iii) Demolition costs;

(iv) Consultants, construction management, etc.;

(v) New equipment and refurbishments associated with such construction;

(vi) Improvement, if repair or like-for-like replacement is not applicable, it is an Improvement. Examples include adding required Americans With Disabilities Act (ADA) components to an existing building that were not part of the original plans; construction that requires drawings and permits; and upgrades to existing equipment to replace with new technology;

(vii) Maintenance

Maintenance: Maintenance conducted to maintain the operating condition of the asset and slow asset deterioration through cost-effective actions. Maintenance is performed while the equipment is still working condition, so that it does not break down unexpectedly. Like for like replacement is considered maintenance.

For purposes of this Section 2.1.4(4)(b), the costs may be incurred in the development of preliminary designs and cost estimates before presented to, and approved by, the corporate members only if necessary to develop a meaningful understanding of the cost and scope of the project, but all such costs shall be included in the calculated total project cost.

(5) As to any borrowing, an amount in excess of \$1,000,000.

**2.1.5 to act as trustee of the Golden Rain Foundation** of Laguna Hills Trust, that certain trust created by a trust agreement recorded on March 6, 1964, as Document 6217, Book 6953, Page 519 in the Recorder's Office, County of Orange, California, and all recorded amendments thereto.

**2.1.6 GRF shall obtain approval of the corporate members** prior to engaging in any business or activity specified in the trust agreement or in Section 2.1.4 as requiring such approval. The vote shall be by ballot pursuant to Section 5.8.2.

**2.1.7 For purposes of GRF obtaining the corporate member approval** required in Section 2.1.6, above, the following shall apply:

(1) A special meeting of the corporate members shall be held in or about July or August of each year, at which time GRF shall present any proposed business, activity or projects that require approval by the corporate members, and the corporate members shall vote at such meeting either personally or by written ballot in the same manner that votes are solicited and cast at each annual meeting of

the corporate members, and that the GRF board shall appoint a member of management to serve as the inspector of election for all such special meetings of the corporate members;

(2) The corporate members may also vote on such matters at the annual meeting, or at a special meeting of the corporate members called at any time, consistent with the governing documents and applicable law; and

(3) The corporate members may notify GRF that a vote of the corporate members is required pursuant to Paragraph 2.1.4 c when, by way of resolution pursuant to Corporations Code Section 7211(b) or affirmative vote of the corporate members pursuant to Section 5.8.2, the corporate members determine that such a vote is needed.

## **2.2 Powers of This Corporation**

2.2.1 to take actions permitted by the governing documents.

2.2.2 to do any other act or engage in any other business or activity that is consistent with the governing documents and is now or hereafter permitted under Nonprofit Corporation Law - General Provisions and Definitions, Nonprofit Mutual Benefit Law, the Davis - Stirling Common Interest Development Act or other applicable law.

2.2.3 to adopt rules and regulations to carry out the purposes of this corporation through its board of directors, including disciplinary procedures with regard to the mutual members, qualifying residents, co-occupants, tenants, sublessees and their guests.

**2.3 Governance.** The authority to establish policy and perform various administrative responsibilities and activities herein described is vested in a duly elected board of directors.

**2.4 Definitions.** Throughout these bylaws, the following terms shall have the meanings as set forth below, unless the context otherwise requires:

2.4.1 Annual GRF assessment: The annual assessment imposed by GRF against the mutuals. As authorized in the trust agreement the annual GRF assessment is imposed upon each mutual in proportion to the number of memberships in each mutual.

2.4.2 Assessment/Monthly assessment: The monthly charges that a mutual may levy upon its members or a special assessment that a mutual may levy upon its members, pursuant to the mutual's governing documents.

- 2.4.3 Board/Board of directors: The board of directors of GRF.
- 2.4.4 Co-occupant: A person who is a resident of a manor other than a qualifying resident and who satisfies the standards set forth in the applicable mutual's governing documents.
- 2.4.5 Common Interest Development Act: Civil Code Section 4000, et seq., and cited as the Davis - Stirling Common Interest Development Act.
- 2.4.6 Community area: The common areas of the community, exclusive of the common areas of the mutuals, also known as "trust property" pursuant to the trust agreement.
- 2.4.7 Community facilities: The facilities and services operated under GRF direction, which include facilities managed by GRF, and facilities held as trustee for the Golden Rain Foundation of Laguna Hills Trust.
- 2.4.8 Corporate member: The mutual corporations at Laguna Woods Village Laguna Woods, as represented by the directors of their respective boards. As of the date of these bylaws, the corporate members are: United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty.
- 2.4.9 Corporation/GRF: Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation.
- 2.4.10 Governing documents: Bylaws, articles of incorporation, trust agreement, rules and any other documents that govern the operation of GRF, as the same may be amended from time to time.
- 2.4.11 GRF trust: That certain trust created by a trust agreement recorded in the Recorder's Office, County of Orange, California, and all recorded amendments thereto.
- 2.4.12 Management agent: An agent under contract with GRF to carry out the policies and activities in the management agreement.
- 2.4.13 Membership: As applied to GRF - The rights a mutual member has pursuant to these bylaws. As applied to a mutual, the rights a mutual member has pursuant to the governing documents of the mutual. There is one GRF membership per separate interest.
- 2.4.14 Mutual member: A member of a mutual and an owner of a separate interest in a mutual, as defined in the governing documents of the mutual, who thereby has an appurtenant right of membership in GRF.

- 2.4.15 Mutual(s): The housing mutual corporations which are corporate members of this corporation.
- 2.4.16 Nonprofit corporation law: The Nonprofit Corporation Law (NCL) - General Provisions and Definitions, as found in California Corporations Code Section 5002, et seq.
- 2.4.17 Nonprofit mutual benefit law: The Nonprofit Mutual Benefit (NMB) Corporation Law of the State of California, as found in California Corporations Code Section 7710, et seq.
- 2.4.18 Open Meeting Act: Section 4900, et seq., of the Common Interest Development Act and cited as the Open Meeting Act.
- 2.4.19 Owner: The owner of a separate interest in a mutual.
- 2.4.20 Qualifying resident/Qualified resident: Any person so designated by their respective mutual as a qualifying resident or qualified resident.
- 2.4.21 Rules/Rules and regulations: Rules adopted by the board pursuant to these bylaws.
- 2.4.22 Separate interest: Has the same meaning as set forth in Civil Code Section 4185. In a condominium mutual, the separate interest is the separately owned unit. In the stock cooperative mutual, the separate interest is the exclusive right to occupy a portion of the real property.
- 2.4.23 Tenant: Those persons who leases a separate Interest from a mutual member.
- 2.4.24 Trust agreement: That certain trust agreement recorded on March 6, 1964, as Document 6217, Book 6953, Page 519 in the Recorder's Office, County of Orange, California, as amended by Amendment to Agreement recorded on August 31, 2018, as Document No. 2018000321311 in the Recorder's Office, County of Orange, California, and any other recorded amendments thereto.
- 2.4.25 Trustee: The Golden Rain Foundation of Laguna Woods, pursuant to the trust agreement.
- 2.4.26 Trustor: The corporate members - United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty under the trust agreement.

2.4.27 Unruh Civil Rights Act: Civil Code 51, et seq., and cited as the Unruh Civil Rights Act.

### **ARTICLE 3 USE OF COMMUNITY FACILITIES**

- 3.1 Use of Community Facilities.** The use of the community facilities of GRF corporation shall be available to all mutual members (other than a mutual member whose separate interest has been leased or subleased to a tenant), qualifying residents, co-occupants, tenants, and their guests on the terms, conditions and at the fees established, and from time to time amended by the board of directors of GRF corporation. No person shall be entitled to receive more than one identification card and one pass for the use of the Community Facilities.
- 3.2 Status of Member/Owner.** A mutual member who leases their separate interest transfers their rights to use of community facilities to the tenant, and the mutual member may not use the community facilities during the tenure of the tenant. The mutual member must surrender the mutual member's gate pass, and may be issued a restricted pass which does not include a right to the use of community facilities or access to community area. The mutual member is responsible for the ultimate payment of fees charged to a leased separate interest by GRF.
- 3.3 Status of Tenant.** A tenant receives the rights to the use of community facilities, subject to compliance with the governing documents during the tenancy, and shall be issued an appropriate gate pass.
- 3.4 Status of Care Provider.** A person who has qualified and has been approved by a mutual on the basis of being a provider of primary physical support to the qualifying resident is authorized to use the community facilities only as necessarily incidental to providing primary physical support to the qualifying resident.

### **ARTICLE 4 MEMBERSHIP**

- 4.1 Classification.** The two classes of membership are:
- 4.1.1 Corporate members are the directors of the mutuals and are entitled to vote on behalf of their respective mutuals.
- 4.1.2 Mutual members who hold nonvoting memberships.
- 4.2 Transfer of GRF Membership.** Membership shall be transferred concurrent with the transfer of the membership in the mutual to which it is appurtenant, and only to the same transferee. Any transfer other than as permitted herein is void and shall not be recorded in the books of the corporation. If a mutual



exercise an option to purchase a separate interest, or if a mutual or lender forecloses or exercises a power of sale under a lien, mortgage or deed of trust, the appurtenant GRF membership shall be transferred to the transferee of said mutual membership.

**4.3 Termination of GRF Membership Rights.** A membership in this corporation shall be terminated for any one of the following reasons.

4.4.1 The termination of the mutual member's membership in a mutual.

4.4.2 The purchase by a mutual of a mutual member's separate interest.

4.4.3 The exercise, by a mutual or by a lender, of a power of sale under a lien, mortgage or deed of trust, or a foreclosure of the mutual member's rights under any such instrument.

**4.4 Discipline or Suspension**

4.4.1 Grounds for discipline or suspension. The board may discipline or suspend the membership rights of a mutual member for the failure of the mutual member to observe or perform the obligations of a mutual member as set forth in the governing documents. Suspension of a membership by the mutual member's mutual shall also constitute a suspension of the membership rights in this corporation. The discipline or suspension may include the restriction of the right to use any community facility managed by this corporation for a period not to exceed 90 days for each violation. The board shall make a determination in each case of a discipline or suspension as to which community facilities may be denied to the mutual member. The board may also suspend or restrict the use of community facilities by all other persons claiming or exercising rights derived from the mutual member, such as qualifying resident, co-occupant, tenant, and guests.

4.4.2 Disciplinary action by board. The board may take disciplinary or suspension action against any mutual member, qualifying resident, co-occupant, tenant, and their guests for breach of the governing documents, or of the mutual of such mutual member, qualifying member, co-occupant, tenant, and their guests. Any disciplinary or suspension action authorized hereunder shall not act as a bar to the exercise of any other right or remedy.

4.4.3 Disciplinary or suspension action authorized. Disciplinary or suspension action authorized hereunder may consist of any or all of the following: (1) a fine for each breach, not to exceed the maximum established in the adopted schedule of monetary penalties; (2) suspension as defined in Section 4.5.1 of these bylaws; and (3) a recommendation that the

appropriate mutual take disciplinary action against the mutual member to the extent permissible under its governing documents. This corporation may also make an application to a court of competent jurisdiction for legal or equitable relief.

- 4.4.4 Right to hearing. Before any disciplinary action is taken, the party charged with a violation shall be entitled to a hearing pursuant to the provisions of Section 4.6, except for traffic violations governed by this Section 4.4.7.
- 4.4.5 Additional remedies. If this corporation is the prevailing party in any action seeking compliance with the governing documents, in addition to the remedies specified herein, a mutual member shall be liable to this corporation for costs of suit and a reasonable sum for attorney's fees incurred in enforcing the governing documents.
- 4.4.6 Authority to adopt rules. The board is hereby authorized to adopt rules and regulations to carry out the purpose of the governing documents.
- 4.4.7 Responsibility for traffic enforcement. The corporation's security department is responsible for traffic enforcement within the Laguna Woods Village community, and may issue citations for violations of the traffic rules adopted by this corporation and/or the mutuals. A mutual member, qualifying resident, co-occupant, tenant, or guest may be cited for a traffic violation of any type occurring on GRF property in accordance with the corporation's governing documents and the governing documents of the mutuals.

**4.5 Procedure for Suspension or Discipline.** A membership may be suspended or a mutual member disciplined according to the procedure set forth below. The term mutual member in this section shall include persons claiming or exercising rights under the mutual member, including qualifying resident, co-occupant, tenant or guest or invitee of mutual member.

- 4.5.1 Notice to mutual member. Written notice shall be provided to the mutual member not less than 10 days prior to the effective date of the proposed suspension or proposed discipline, by either personal delivery or individual delivery (as set forth in the Common Interest Development Act), to the most recent address of the mutual member shown on the mutual's records. Such notice shall set forth the proposed action to be taken against the mutual member or the membership, the reasons therefor, the right to be heard, orally or in writing, at a time which is not less than five days before the effective date of the suspension or discipline, and the date, time and place of the hearing on the proposed suspension or discipline.

- 4.5.2 Opportunity to be heard and present evidence. The mutual member shall be given an opportunity to be heard and present evidence either in person or in writing, at a hearing before the GRF board of directors to be held not less than five days before the effective date of the proposed suspension or discipline.
- 4.5.3 Decision, communication. Following the hearing, the board of directors shall decide in good faith and in a fair and reasonable manner whether the mutual member should be suspended and/or disciplined and the terms and period of the suspension and/or discipline. The decision of a majority of the board of directors shall be final and binding upon the mutual member, and shall be communicated to the mutual member by personal delivery or individual delivery (Civil Code Section 4040) within 15 days of the action.
- 4.5.4 Limitation on challenge. Any action challenging a suspension, or other disciplinary action taken against a mutual member, including a claim of defective notice, must be commenced within one year after the effective date of the suspension or other disciplinary action.
- 4.5.5 No relief from obligations. The suspension of a membership in this corporation or disciplinary action against a mutual member shall not relieve the mutual member from any obligation for charges incurred, services or benefits actually rendered, or dues, assessments or fees relating thereto, or from any obligation arising from contract, a condition of ownership, or otherwise.

#### **4.6 Assessments, Fees, Charges and Liens**

- 4.6.1 Assessments. This corporation shall annually prepare an operating budget of anticipated revenues and expenses, including provisions for appropriate additions to this corporation's reserves and refunds (if any) to the mutual members for the following year. The net of these amounts, prorated equally among all the separate interests, shall become the GRF expenses and reserves contribution to be assessed against the mutuals as the annual GRF assessment. Prior to the adoption of the final draft of the proposed GRF budgets and annual GRF assessment, a meeting shall be held with representatives of this corporation and the corporate members to review together the budget needs of each corporation for the purpose of reaching, in a cooperative manner, the final GRF budgets.
- 4.6.2 Fees and charges. The board of directors, from time to time, shall fix and determine the amount to be paid as fees and charges for use of facilities and for services rendered by this corporation, and shall

designate the method by which such fees and charges shall be collected.

4.6.3 Special assessments. The board of directors may levy special assessments upon the mutuals pursuant to Civil Code Section 5605.

4.6.4 Delinquencies, collections, late charges, and interest assessed. All mutual members' delinquencies and collections, and associated costs and actions, are the responsibility of the mutuals.

**4.7 Dispute Resolution.** It is the intent of this corporation to resolve disagreements and misunderstandings with mutual members, qualifying resident, co-occupants, tenants, and their guests by conferences, hearings, and discussions in a nonadversarial, cooperative environment. If this is not possible, applicable disputes may be addressed using internal dispute resolution and/or alternative dispute resolution in conformance with Civil Code Sections 5900 et. seq. and 5930 et. seq. GRF shall distribute a summary of its internal dispute resolution and alternative dispute resolution policy to mutual members in the annual policy statement prepared pursuant to Civil Code Section 5310.

## **ARTICLE 5 MEETINGS OF CORPORATE MEMBERS**

**5.1 Place of Meeting.** All meetings of the corporate members shall be held at the principal office of this corporation or at any other place in Orange County, State of California, as designated by the board of directors. Notwithstanding the foregoing, in the event any meeting(s) of the corporate members cannot be held in person due to emergency circumstances, the meeting may be held by electronic methods, including videoconference.

**5.2 Annual Meeting of Corporate Members.** The annual meeting of the corporate members shall be held on the second Wednesday of November of each year at 10 a.m. unless the board of directors fixes another time and date and so notifies the corporate members pursuant to Section 5.4 of these bylaws. If the scheduled date falls upon a legal holiday, the meeting shall be held the next business day at the same time and place.

**5.3 Calling Special Meeting of Corporate Members.** A special meeting of corporate members may be called by the president, or by any two GRF officers, or by a resolution approved by a majority of the board of this corporation; or by a written resolution approved by a majority of the directors of any mutual board.

**5.4 Notice of Corporate Members' Meeting**

- 5.4.1 General notice contents. All notices of meetings of corporate members shall be provided in accordance with Sections 5.4.2 or 5.4.3, not less than 10 nor more than 90 days before the date of the meeting, provided that the date of any meeting called by corporate members shall be governed by Section 5.3. The notice shall specify the place, date, and hour of the meeting, and comply with Sections 5.4.2 or 5.4.3.
- 5.4.2 Notice of annual meeting of corporate members. Notice of the annual meeting shall set forth those matters which the board of directors, at the time of giving notice, intends to present for consideration or action by the corporate members, but any other agenda item may be presented at the meeting with a two-thirds vote of those attending.
- 5.4.3 Notice of special meeting of corporate members. Notice of a special meeting of corporate members shall set forth the general nature of the business to be transacted, and no other business may be transacted.
- 5.4.4 Notice of certain agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Corporate member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):
- 5.4.4.1 Removing a director without cause;
  - 5.4.4.2 Filling vacancies on the board of directors by directors of the corporate members;
  - 5.4.4.3 Amending the articles of incorporation, and/or these bylaws;
  - 5.4.4.4 Approving a contract or transaction in which a director has a material financial interest;
  - 5.4.4.5 Approving a plan of distribution of assets, other than cash, in liquidation when this corporation has more than one class of membership outstanding;
  - 5.4.4.6 Approving a plan to wind up and dissolve; and
  - 5.4.4.7 Termination of the GRF trust and/or the distribution of its assets.
- 5.4.5 Manner of giving notice. Notice of any meeting of corporate members shall be given either personally or by first-class mail, electronic mail or other electronic means, or other written communication, charges prepaid, addressed to each corporate member and to each director of a corporate member, either at the address of that director appearing on

the books of this corporation or the address given by that director to this corporation for the purpose of notice. Notice of any corporate member meeting must also be provided to directors of this corporation. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or other means of written communication.

- 5.4.6 Affidavit of mailing notice. An affidavit of the mailing or other means of giving any notice of any corporate members' meeting shall be executed by the secretary, any assistant secretary, or any agent of this corporation giving the notice, and shall be filed and maintained in the official record of this corporation.

## **5.5 Quorum at Meeting of Corporate Members**

- 5.5.1 Percentage required. The presence in person or by ballot of directors of the corporate members entitled to exercise more than one half of the voting power of this corporation shall constitute a quorum for the transaction of business at a meeting of the corporate members.

- 5.5.2 Loss of quorum. The corporate members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors of corporate members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the voting power required to constitute a quorum.

- 5.6 Adjourned corporate members' meeting.** Any corporate members' meeting, annual or special, whether or not a quorum is present, may be adjourned without assigning a date for a further meeting or to a date not more than 45 days thereafter by the vote of a majority of the voting power of the corporate members represented at the meeting; but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in this article. If the time and place of the adjourned meeting are announced at the meeting at which adjournment is taken, additional notice is not required. If after the adjournment a new record date is fixed for notice or voting, notice shall be given per Section 5.4 of this article.

- 5.7 Order of business.** The order of business at all meetings of corporate members shall be determined by the board of directors of this corporation.

## **5.8 Voting**

- 5.8.1 Eligibility to vote. Only corporate members shall be entitled to vote at a meeting of corporate members.

- 5.8.2 Manner of casting votes. Voting shall be by ballot. All of the directors of the corporate members, present in person or by ballot at any meeting of corporate members shall be the elected representatives of the respective corporate members for the purpose of voting on all matters submitted to a vote of the corporate members. The number of votes each director of a corporate member shall be entitled to cast shall be equal to that number determined by dividing the number of separate interests of a corporate member so represented by the number of directors of the corporate member, as authorized by such mutual's articles of incorporation or bylaws, provided that fractional votes shall be disregarded.
- 5.8.3 Candidates elected. The candidates who receive the highest number of votes, not to exceed the number of available director positions, are elected. In the event of a tie, all other newly elected directors will immediately begin serving their terms. An incumbent director whose seat was tied will continue in office until a runoff election determines the winner for his/her seat. Only those candidates who tied for the seat must be in the runoff. In lieu of a runoff and if the tied candidates agree, the winner may be decided by a coin toss or the drawing of names by the inspector of election.
- 5.8.4 No cumulative voting. Cumulative voting shall not be permitted at any vote or election of this corporation.
- 5.8.5 Majority of voting power required. If a quorum is present, the affirmative vote of the majority of the voting power of the corporate members represented at the meeting, and voting on any matter shall be the act of the corporate members, unless the vote of a greater number is required by the Nonprofit Mutual Benefit Law, the articles of incorporation, these bylaws, or the trust agreement.
- 5.8.6 Publication of results. As soon as the report of the inspectors of elections has been received, the winning candidates will be announced; and as soon thereafter as practical, the number of votes for each candidate will be published.

## **5.9 Waiver of Notice or Consent by Absent Directors of Corporate Members**

- 5.9.1 Written waiver or consent. The transactions of any meeting of corporate members, either annual or special, however called or noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum be present in person, and if, either before or after the meeting, each person entitled to vote, who was not present in person, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver

of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of corporate members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 5.4.4, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

- 5.9.2 Waiver by attendance. Attendance by a person authorized to vote at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting, if that objection is expressly made at the meeting.

## **5.10 Action by Corporate Members Without a Meeting**

- 5.10.1 General. Any action that may be taken at any annual or special meeting of corporate members, except election of directors, may be taken without a meeting and without prior notice upon compliance with the provisions of this section.
- 5.10.2 Solicitation of ballots. The corporation shall distribute one ballot to each director of each corporate member entitled to vote such ballots shall be mailed or delivered in the manner required by Section 5.4 for giving notice of special meetings. All solicitations of vote by ballot shall: (1) indicate the number of responses needed to meet the quorum requirement; (2) state the percentage of approvals necessary to pass the measure(s); and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall: (1) set forth the proposed action; and (2) provide the directors of the corporate members an opportunity to specify approval, disapproval or withhold for each proposal.
- 5.10.3 Quorum. Approval by ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- 5.10.4 Revocation. No ballot may be revoked after delivery to this corporation or deposit in the mails, whichever first occurs.



5.10.5 Filing. All such ballots shall be filed with the secretary of this corporation and maintained in the corporate records for a minimum period of three years.

**5.11 Record Date for Corporate Member Notice, Voting, and Other Actions.**  
Record dates for purposes of corporate members entitled to notice, to vote, to give consents, or take other action, as the case may be, shall be governed by Section 7611 of the Nonprofit Mutual Benefit Law.

## **ARTICLE 6 DIRECTORS**

### **6.1 Powers**

6.1.1 General corporate powers. Subject to the provisions of law and any limitations in the articles of incorporation, trust agreement, and these bylaws relating to action required to be approved by the corporate members, the business and affairs of this corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the board of directors. The powers of the board of directors shall include but not be limited to:

6.1.1.1 Establishing fees for the maintenance, improvement, alteration and repair of this corporation's and GRF trust's property; providing services to the corporate members and mutual members and fees for the use of community facilities by mutual members, qualifying residents, co-occupants, tenants, and their guests, all of which shall be based upon the operating budget of this corporation;

6.1.1.2 Engaging persons or entities for the management of this corporation's and GRF trust's property under such terms as the board of directors may determine;

6.1.1.3 Disciplining mutual members, qualifying residents, co-occupants, tenants, and their guests as provided in the governing documents of this corporation; and

6.1.1.4 Promulgating such rules and regulations pertaining to the use of the community area and community facilities, including property of this corporation and GRF trust as the board of directors deems best and which are consistent with the governing documents, and applicable law.

6.1.1.5 Whenever new or amended rules or regulations are promulgated, notice shall be given to corporate members,

mutual members and qualifying residents in accordance with law.

6.1.2 Delegation. The board may delegate the management of the activities of this corporation to any person or persons, or management company, provided that the policies, activities and affairs of this corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board.

**6.2 Number and Qualification of Directors.** The authorized number of directors shall be 11 all of whom shall be mutual members.

- a. In addition to the 11 GRF director seats, one seat shall be reserved for a member of Laguna Woods Mutual Fifty (Mutual Fifty), who is a mutual member in good standing and a resident in a mutual as set forth in these bylaws (hereinafter referred to as the ex-officio Mutual Fifty GRF director).
- b. The Mutual Fifty GRF director shall be an ex-officio GRF director, with no voting rights, with the term voting rights as it is used in Section 6.2(b) to include the right to vote, to make motions or to second motions; however he/she shall be afforded the right to attend meetings of GRF, including those held in executive session, the right to engage in discussion before the board and shall receive all documents distributed to other GRF directors.
- c. The ex-officio Mutual Fifty GRF director shall be appointed to a three-year term.
- d. The board of directors for Mutual Fifty shall be responsible for appointing an eligible member of Mutual Fifty to serve as the ex-officio Mutual Fifty GRF director for each term.
- e. Notwithstanding any language to the contrary in Article 14, Section 14.1 of these bylaws, this Section 6.2(a) through (e) may not be amended or repealed without the consent of Mutual Fifty. For the purpose of this Section 6.2(e) only, consent of Mutual Fifty means a vote of the corporate members regarding the amendment or repeal of Section 6.2(a) through (e) in which both of the following occurs: (a) the amendment or repeal is approved by the affirmative vote or written assent of the corporate members entitled to exercise a majority of the voting power of this corporation, and (b) Mutual Fifty casts the majority of its votes in favor of approving such amendment or repeal.

6.2.1 Ineligible if delinquent. No mutual member shall be eligible to be elected to the board of directors who is shown on the books of account of his or her mutual as of the record date for voting to be more than 30 days delinquent in payment of any assessments due to the mutual.

**6.3 Election and Term of Office for Directors.** Directors sufficient to fill expiring terms of office shall be elected at each annual meeting for a term of three years. Terms shall commence at the close of the annual meeting, and shall continue until the expiration of the term for which elected and until a successor is elected and qualified.

6.3.1 Director returning to the board. A director who resigns or is removed, may not again be a director until the expiration of 12 months after ceasing to be a director.

6.3.2 Fill out board. If the authorized number of directors are not elected as specified above, directors sufficient to fill the authorized number may be elected at any special meeting of corporate members, called for that purpose.

6.3.3 Expiration of term. Each director shall hold office until expiration of the term for which elected and until a qualified successor has been elected.

#### **6.4 Vacancies**

6.4.1 Events causing vacancy. A vacancy or vacancies in the board of directors shall exist on the occurrence of any of the following:

6.4.1.1 the death, resignation, or removal of any director;

6.4.1.2 the declaration by resolution of the board of directors of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the Nonprofit Mutual Benefit Law;

6.4.1.3 a vote to remove a director by a majority of a quorum of the voting power of the corporate members.

6.4.1.4 a declaration by resolution of the board of directors that a director no longer meets the qualifications set forth in these bylaws or the Nonprofit Mutual Benefit Law, Corporations Code Section 7221(b).

6.4.1.5 the increase of the authorized number of directors;

- 6.4.1.6 the failure of corporate members to elect the number of directors to be elected.
- 6.4.1.7 a declaration by resolution of the board of directors, upon adequate evidence, that a director is not a mutual member; or that a director is more than 30 days delinquent on assessments due to their mutual.
- 6.4.2 Resignations. A director may resign by giving written notice to the president, the secretary, or the board of directors. Unless a later time is specified, the resignation is effective upon receipt. If the resignation is effective at a future time, the successor may be elected to take office when the resignation becomes effective.
- 6.4.3 Removal of directors by corporate members. Any director may be removed without cause at any meeting of corporate members, providing:
  - 6.4.3.1 Notice of the meeting is given not less than 30 days before the meeting, and the notice states the intention to vote on the matter of possible removal, and specifies the director(s) subject to possible removal; and
  - 6.4.3.2 Provision is made for any director to be heard at the meeting prior to the vote; and
  - 6.4.3.3 A majority of a quorum of the corporate members votes to remove the director.
  - 6.4.3.4 The corporate members shall not have the ability to remove the ex-officio Mutual Fifty GRF director.
- 6.4.4 Replacement of removed director(s).
  - 6.4.4.1 Election to fill a vacancy created by removal of a director shall conform to Section 8.4.
- 6.4.5 Automatic vacancy. Any director who misses three regular monthly meetings within any 12-month period may be removed from the board of directors if it is approved by the board, with such removal to be effective upon mailing notice to such director from the president.
- 6.4.6 Vacancies not to be filled by board of directors. Vacancies on the board of directors of this corporation may not be filled by a vote of the board of directors of this corporation.

- 6.4.6.1 A vacancy for a term with less than 100 days remaining, shall be left vacant until filled at the annual election.
- 6.4.6.2 All other vacancies shall be filled by a special election held in accordance with Section 8.4.
- 6.4.7 Vacancy of ex-officio Mutual Fifty GRF director. Should the ex-officio Mutual Fifty GRF director seat become vacant, the Mutual Fifty board shall have the authority and discretion to appoint a qualified member of Mutual Fifty to fill the vacant seat.
- 6.4.8 Term of successor director. The term of any director elected to fill a vacancy, as provided herein, shall be the unexpired term of the predecessor.
- 6.4.9 No vacancy on reduction of number of directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.
- 6.4.10 Officer vacancy. If an officer vacancy is created when a director resigns, the board shall fill that officer vacancy by a vote of the board as set forth in Section 9.2.

## **6.5 Meetings of Board of Directors**

- 6.5.1 Open meeting requirements. Regular, special, and organizational meetings of the board of directors shall be open to all mutual members of this corporation during such portion of the meeting that is not designated as executive session in conformance with the open meeting act section of the Common Interest Development Act. Mutual members shall be permitted to speak at the open portion of Board, meetings, subject to reasonable time limits and rules established by the Board.
- 6.5.2 Location of meetings. Meetings of the board of directors may be held at any time and place within Orange County, California, that has been designated from time to time by resolution of the board. In the absence of such designation, meetings shall be held at the principal office of this corporation. Notwithstanding the foregoing, in the event any board meetings cannot be held in person due to emergency circumstances, board meetings may be held by electronic means, including videoconference.
- 6.5.3 Regular meetings. Regular meetings of the board of directors shall be held on the first Tuesday of each month, at 9:30 a.m., unless otherwise scheduled by an adopted resolution. No notice of a regular meeting is

required, but the agenda must be posted and any supporting documents must be available for pickup by directors no later than 3 p.m. the preceding Friday, or delivered by messenger before noon Saturday.

6.5.4 Organizational meetings. Within three days following each annual meeting of corporate members, the board of directors shall hold an organizational meeting for the purpose of organization, election of officers, and the transaction of other business.

6.5.5 Special meetings of board - authority to call. Special meetings of the board of directors for any purpose may be called at any time by the president, any two GRF officers or a quorum of GRF directors. Special meetings shall not be scheduled at the same time as other mutual committee or board meetings are being held.

6.5.6 Notice of special board meetings.

6.5.6.1 Notice of the time and place of any special board meeting shall be given to each director by one of the following methods: (a) by personal delivery; telephone communication; telegram, charges prepaid; facsimile; electronic mail or other electronic means; or, (b) by first-class mail, postage prepaid, either directly to the director or to a person who would reasonably be expected to communicate such notice promptly to the director. All such notices shall be given or sent to the director's address or telephone number or facsimile number or electronic mail number as shown on the records of this corporation. Notice shall be deemed to have been given at the time when notice is delivered, deposited in the mail, sent by telegram, sent by facsimile, or sent by electronic mail, as the case may be.

6.5.6.2 Notices given by personal delivery, telephone communication, telegram, facsimile, or electronic mail shall be given at least 48 hours prior to the meeting, but notices given by first-class mail shall be given at least four days prior to the meeting.

6.5.6.3 The notice shall state the time and place for the meeting, and the general nature of the business to be transacted, but any business may be transacted. The notice shall contain an agenda of the meeting.

6.5.7 Notice of board meetings to corporate members. Corporate members must be given an agenda and notice of the time and place of open session board meetings at least four calendar days prior to the meeting and of executive session board meetings at least two calendar days

prior to the meeting. The notice and agenda may be given by posting the notice in a prominent place or places accessible to all corporate members and which have been designated for the posting of notices by the association in the annual policy statement, by mail or delivery of the notice, by newsletter, inclusion in a billing statement or other properly delivered document, by broadcast television programming, or as otherwise permitted in the Common Interest Development Act. An emergency meeting of the board may be called if there are circumstances that could not have been reasonably foreseen which require immediate attention by the board. In such instances, the board must give notice, as may be reasonable and practical.

- 6.5.8 Meetings by conferencing equipment. Any regular or special board meeting may be held with some or all of the directors using conferencing technology, providing the conditions stated in the Common Interest Development Act and Nonprofit Mutual Benefit Law Section 7211 (a)(6) are satisfied.
- 6.5.9 Adjourned meetings of board. A majority of the directors present may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice shall be given prior to the time of the adjourned meeting, to any directors who were not present at the time of the adjournment. Any business which might have been transacted at the meeting as originally called may be transacted at the adjourned meeting.
- 6.5.10 Corporate member attendance in executive session board meetings. Two directors each from United Laguna Woods Mutual and Third Laguna Hills Mutual, and one ex-officio director from Laguna Woods Mutual Fifty shall be provided notice of and be allowed to attend all GRF executive session board meetings as an observer, not participant. The president has the right to excuse the observers for personnel and certain legal matters.
- 6.6 Quorum and Action by Directors.** A majority of the authorized number of Directors shall constitute a quorum for the transaction of business except to adjourn as provided in 6.5.8. Unless a greater number is required by law, by the articles of incorporation, or by these bylaws, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board of directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.
- 6.7 Waiver of Notice.** The transactions of any meeting of the board of directors, however called and noticed or wherever held, shall be as valid as though

taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

**6.8 Emergency Meeting.** In accordance with Civil Code Section 4923 any emergency action required or permitted to be taken by the board of directors may be taken without a meeting if all members of the board, individually or collectively, consent in writing to that action, including by electronic mail. Such action by written consent shall have the same force and effect as a unanimous vote of the board of directors. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

**6.9 Fees and Compensation of Directors.** Directors and members of committees may not receive compensation for their services as directors or members of committees, but any director or member of a committee may receive such reimbursement of expenses as may be determined by resolution of the board of directors to be just and reasonable. No remuneration shall be paid to a director for services performed for this corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the board of directors before the services are undertaken.

**6.10 Designated Ex-officio Representative.** If any corporate member has fewer than two directors elected to GRF board, it may appoint a designated ex-officio representative who: (a) shall attend all meetings of this corporation's board of directors including those held in executive session and shall receive all documents distributed to directors; (b) shall be entitled to engage in any discussion before the board; (c) shall be entitled to act as a member of any committee; (d) shall not have the power to vote or bring a formal motion before the board; and (e) shall serve until he or she resigns or is removed or replaced, or until the corporate member has more than two directors elected to GRF board.

## ARTICLE 7 COMMITTEES

### 7.1 Committees

7.1.1 Standing committees. The board of directors may establish standing committees to serve at the pleasure of the board. The duties and powers of these committees shall be determined by the board, provided that the



authority of each committee is limited to advising the board and all final action is subject to the specific approval of the board. Each committee, designated by the board as a standing committee shall include three members of this corporation's board of directors (one of whom shall be appointed by the president as the chairperson, another as the vice chairperson) and two directors each from United and Third Mutuals. One mutual member may be appointed by Mutual Fifty.

7.1.2 Other committees or research groups. The board of directors or standing committees may establish ad hoc advisory or other committees to perform special functions. The membership, duties and powers shall be appropriate to the special function to be performed, but the authority of each committee is limited to advising the board or standing committee as appropriate and all action is subject to the specific approval of the board (or mutual boards, if a joint committee).

7.1.3 Advisors. Chairpersons of committees may appoint advisors none of whom shall have voting privileges. Appointment of advisors requires the consent of the board. The number of advisors can be equal to or fewer than the number of committee members.

**7.2 Appointment of GRF Members to Committees.** The president, subject to the approval of the board, shall appoint members of the board of directors to the committees of GRF.

**7.3 Appointment of Mutual Members to Committees.** The presidents of each mutual board, subject to approval of their board shall appoint members of their board of directors to GRF committees. Members so appointed shall begin service at the committee meeting following their confirmation by their mutual's board.

**7.4 Committee Member Substitutes.** Any substitute committee member temporarily assigned to a GRF committee meeting shall have full voting rights on all GRF committees to which the substitute committee member is assigned.

**7.5 Charters and Mission Statements.** All GRF standing committees will have a written charter that was voted on by the board. All other types of committees should have a written mission statement that the participants develop.

## **ARTICLE 8 NOMINATION FOR AND ELECTION OF DIRECTORS**

### **8.1 Nominating Procedure**

8.1.1 Nomination. Any mutual member may apply 60 days before each annual meeting of the corporate members. Candidates must meet the qualifications and be willing and able to serve as directors of this

corporation. Candidates shall submit their applications to the secretary or assistant secretary of this corporation, and shall arrange for notification, by hand delivery within 24 hours, to each candidate who has been nominated, or has not been nominated.

8.1.2 Close of nominations. Nominations shall close at 5 p.m., 50 days before the annual meeting.

8.1.3 Candidate's qualification statement. Every candidate shall submit a statement of background and qualifications not to exceed 300 words to the corporation secretary or an assistant secretary, not later than the time of close of nominations. It is specifically understood by each candidate that the statement may be published with the election materials. The corporation secretary shall submit to each person entitled to receive notice of the annual meeting a copy of each statement with the notice of meeting required by Section 5.4.

8.1.4 Time of election. The election shall be held at the corporation's annual meeting. Voting shall conform to Section 5.8.

## **8.2 Nominating Procedure for Special Election to Fill Vacancy**

8.2.1 Nomination, special meeting for election. The effective date of a vacancy, or the effective date of a proposed vacancy to be created by removal of a director, shall establish the close of nominations to fill that vacancy 15 days later, and shall cause the calling of a properly noticed special meeting of corporate members not less than 20 nor more than 35 days, after the effective date of the vacancy, for the purpose of conducting a special election.

8.2.2 Accelerated timing. The provisions of Section 8.1 shall apply, except that the accelerated timing required in this section shall apply.

8.2.3 Election. The election shall be held at the special meeting, and voting shall conform to Section 5.8.

## **8.3 Election Procedure**

8.3.1 Solicitation of votes. If more people are nominated for the board than can be elected, the election shall take place by means of a procedure that allows all nominees a reasonable opportunity to solicit votes and all directors of all corporate members a reasonable opportunity to choose among nominees.

- 8.3.2 Equal or fewer candidates. If after the close of nominations, the number of nominees is equal to or less than the vacancies, those nominated and qualified shall be declared elected.
- 8.3.3 Publication and mailing election material shall conform to Nonprofit Mutual Benefit Law, Section 7523-7525.
- 8.3.4 Refusal to publish or mail material. The corporation may not decline to publish or mail material that it is otherwise required to publish or mail on behalf of any nominee, on the basis of the content of the material, except that this corporation or any of its agents, officers, directors, or employees may seek and comply with an order of the superior court or arbitrator allowing them to delete material that the court or arbitrator finds will expose the party bringing the action to liability.
- 8.3.5 No use of corporate funds to support nominee. No funds of this corporation may be expended, either directly or indirectly, to support a nominee for director.
- 8.3.6 Election of directors. Directors shall be elected as provided in Section 5.8. The inspectors of elections shall be appointed in conformance with Nonprofit Mutual Benefit Corporation Law, Section 7614.

## ARTICLE 9 OFFICERS

- 9.1 **Officers.** The officers of this corporation shall be a president, a first vice president, a second vice president, a secretary, and a treasurer, all of whom shall be directors. This corporation may have such other vice presidents, assistant secretaries, and assistant treasurers as may be provided in these bylaws or as are appointed by the board of directors, or both. The Mutual Fifty ex-officio GRF director shall not serve as an officer.
- 9.2 **Election of Officers.** The officers shall be elected by the board of directors at the organizational meeting, and each shall serve at the pleasure of the board for a one-year term and until their successors are elected, subject to the rights, if any, of an officer under any contract of employment. An officer elected to fill a vacancy shall serve for the remainder of the term.
- 9.3 **Removal of Officers.** Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the board of directors, at any regular or special meeting of the board.
- 9.4 **Resignation of Officers.** Any officer may resign at any time by giving written notice to this corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not

be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

**9.5 Vacancies in Offices.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in Section 9.2 for regular election to that office.

**9.6 Responsibilities of Officers**

9.6.1 President. The president shall generally supervise and direct the business and the officers of this corporation; shall preside at meetings of the corporate members and at meetings of the board of directors; and shall have such other powers and duties as may be prescribed by the board of directors or the governing documents.

9.6.2 Vice presidents. In the absence or disability of the president, the vice presidents, in order of their rank, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as may be prescribed for them respectively by the board of directors. The general manager employed by the managing agent of this corporation shall be a vice president ex officio and, unless excused by the board of directors, shall attend all meetings of the corporate members and of the board of directors.

9.6.3. The secretary, or the secretary's designee, shall:

9.6.3.1 Keep the minutes of all meetings of the board and the minutes of all meetings of the corporate members, at the principal office of this corporation or at such other place as the board may order.

9.6.3.2 Shall have charge of such books and papers as the board may direct, and the secretary shall, in general, perform all of the duties incident to the office of secretary of a California nonprofit corporation.

9.6.3.3 Shall give, or cause to be given, notices of meetings of the corporate members and of the board, as required by these bylaws and the Common Interest Development Act.

9.6.3.4 Shall maintain a record book of current mutual members, listing the names, mailing addresses, telephone numbers, email

addresses and other contact information of mutual members, as furnished to the corporation.

9.6.3.5 Shall also maintain a record book of all leased or rented separate interests and the tenants under such lease or rental agreement.

9.6.3.6 Shall have such other powers and duties as from time to time may be prescribed by the board or the governing documents.

The secretary's designee may include, without limitation, the corporation's managing agent.

9.6.4 Treasurer. The treasurer shall:

9.6.4.1 Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of this corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

9.6.4.2 Deposit or cause to be deposited all money and other valuables in the name and to the credit of this corporation with such depositories as may be designated by the board of directors; disburse the funds of this corporation as may be ordered by the board of directors; render to the president and directors, whenever they request it, an account of all transactions as treasurer and of the financial condition of this corporation; and have other powers and perform other duties as may be prescribed by the board of directors or the governing documents. Such responsibilities may be delegated to a member of the staff of the managing agent by this corporation.

9.6.4.3 If required by the board of directors, the treasurer and any other officer, agent or employee of this corporation handling or responsible for corporate funds shall give this corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of his office and for restoration to this corporation of all its books, papers, vouchers, money and other property of every kind in his possession or under his control on his death, resignation, retirement or removal from office. The premiums on such bonds shall be paid by this corporation.

9.6.4.4 Civil Code 5510 requirements

- 9.6.5 Staff vice president, assistant secretary, assistant treasurer: The board of directors may elect additional officers from the general manager's staff, as is desirable and necessary in routine operation of this corporation.

## **ARTICLE 10 EXERCISE OF POWERS**

### **10.1 Duties and Liabilities**

10.1.1 Business judgment rule. Directors and officers of this corporation shall perform their duties, including duties as a member of any committee of the board, in good faith, in a manner such person believes to be in the best interests of this corporation and the GRF trust for which this corporation is trustee, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements (including financial statements and other financial data) prepared or presented by (1) officers or employees of this corporation whom the director believes to be reliable and competent; (2) attorneys, independent accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or (3) a committee of the board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as the director acts in good faith and after reasonable inquiry when a need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

10.1.2 Authorization of agent. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of this corporation and such authority may be general or confined to specific instances; and in accordance with governing documents, unless so authorized by the board of directors, no officer, agent or other person shall have any power or authority to bind this corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

**10.2 Transactions Involving Director.** Subject to Section 7233 of the Nonprofit Mutual Benefit Law, all contracts or other transactions between this corporation and one or more of its directors, or between this corporation and any corporation, firm or association in which one or more of its directors has a material financial interest or serves as a director, shall be authorized, approved or ratified by the board of directors. The interested or common

director or directors: (1) shall not be present during the discussion of, nor the vote on such contract or transaction; (2) shall not be counted in determining the presence of a quorum with respect to the approval or ratification of such contract or transaction; (3) shall not be allowed to vote on such contract or transaction, at the meeting of the board which authorizes, approves or ratifies such contract or transaction; and (4) shall have made full disclosure of the material facts as to the transaction and as to such director's (or director's spouse's) interest.

### **10.3 Corporate Loans, Guarantees and Advances**

10.3.1 Limitation on loans. Except as provided in 10.3.2, this corporation shall not make any loan of money or property to or guarantee the obligation of:

10.3.1.1 Any director or officer of this corporation; or

10.3.1.2 Any person upon the security of memberships of this corporation.

10.3.2 Advances. This corporation may advance money to a director or officer of this corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance such director or officer would be entitled to be reimbursed for such expenses by this corporation.

**10.4 Endorsement of Documents.** Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between this corporation and any other person, when signed by the president or any vice president, and the secretary, any assistant secretary, the treasurer or any assistant treasurer of this corporation shall be valid and binding on this corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the board of directors, and, unless so authorized by the board of directors, no officer, agent, or employee shall have any power or authority to bind this corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

## **ARTICLE 11 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS**

**11.1 Indemnification.** This corporation shall indemnify any agent to the extent allowed by Section 7237 of the Nonprofit Mutual Benefit Law. For purposes of

this Article, the term "agent" when used herein shall have the same meaning ascribed thereto in Section 7237.

- 11.2 Advance of Expenses.** Expenses incurred in defending any legal action or proceeding may be advanced by this Corporation before the final disposition of the action or proceeding on receipt of a bond or other undertaking by or on behalf of the agent proceeded against to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article 11.
- 11.3 Contractual Rights of Non-Directors and Non-Officers.** Nothing contained in this article shall affect any right to indemnification to which agents other than directors and officers of this corporation may be entitled by contract or otherwise.
- 11.4 Insurance.** The board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of this corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this Article 11.

## **ARTICLE 12 RECORDS AND REPORTS**

- 12.1 Fiscal Year.** The fiscal year of this corporation shall begin on the first day of January each year and end the 31st day of December next following. The fiscal year herein established may be changed by resolution of the board of directors.
- 12.2 Books and Accounts.** Books and accounts of this corporation and GRF trust shall be kept under the direction of the treasurer or the managing agent. The amount of any special assessment required for corporate purposes shall be credited upon the books of the corporation to the paid-in-surplus account as a capital contribution by the corporate members. The amount of any special assessment required for the Golden Rain Foundation of Laguna Woods Trust purposes shall be credited upon the books of the trust to the paid-in-surplus account as a capital contribution by the corporate members.
- 12.3 Auditing.** In accordance with the Common Interest Development Act, after the close of each fiscal year, the books and records of this corporation shall be audited by an independent certified public accountant, whose report shall be certified.
- 12.4 Annual Financial Report to Members.** This corporation shall cause an audited annual financial report to be prepared containing the information required by Section 3505 of the Common Interest Development Act and



Section 8321 of the Nonprofit Mutual Benefit Law, and to be distributed not later than 120 days after the close of the fiscal year.

This corporation shall annually provide each membership with a summary financial report, and notify each membership of the right to receive a full financial report upon request.

- 12.5 Members' Inspection Rights.** Mutual members shall have inspection rights as specified in the Common Interest Development Act (Civil Code Section 5200 et. seq.) and, to the extent not conflicting, the Nonprofit Mutual Benefit Law Sections 8330 through 8333.
- 12.6 Maintenance and Inspection of Articles and Bylaws.** This corporation shall keep at its principal office the original or a copy of the articles and bylaws as amended to date, which shall be open to inspection by the mutual members at all reasonable times during office hours.
- 12.7 Inspection by Directors.** Every director of this corporation shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of this corporation. The inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.
- 12.8 Annual Statement of Certain Transactions and Indemnifications.** No later than the time this corporation makes available its annual financial report to the mutual members and in any event no later than 120 days after the close of this Corporation's fiscal year, this corporation shall prepare and make available to each mutual member, mutual director and GRF director a statement of the amount and circumstances of any transaction or indemnification required by Section 8322 of the Nonprofit Mutual Benefit Law.
- 12.9 Annual Budget Report.** The board must distribute an annual budget report 30 to 90 days before the end of its fiscal year that includes all of the information required by Section 5300 of the Common Interest Development Act.
- 12.10 Annual Policy Statement.** Within 30 to 90 days before the end of its fiscal year, the board must distribute an annual policy statement that includes all of the information required by Section 5310 of the Common Interest Development Act.

## **ARTICLE 13 PROCESS AUDITING**

The corporation shall, from time to time, authorize audits of processes and functions in order to evaluate management and operation of the corporation's facilities and services. Audits may include, but are not limited to, one or more of the following: evaluation of tools, techniques and procedures used in business processes;

identification of areas of non-compliance; recommendations for corrective/preventive actions; identification of methods and viable solutions to improve the effectiveness and efficiency of processes and functions; and recommendations for scope and timing of follow-up audits.

## **ARTICLE 13 HIERACHY OF GOVERNING DOCUMENTS**

**13.1 Hierarchy of Governing Documents.** Unless the context requires otherwise, the general provisions, rules of construction and definitions in the Common Interest Development Act and Nonprofit Mutual Benefit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

**13.2 Rules of Order.** The rules contained in Robert's Rules of Order, current edition shall govern all corporate members meetings and board of directors meetings of this corporation. In the event any conflict, the order of precedence is:

13.2.1 Applicable federal or state law, including the Common Interest Development Law and Nonprofit Mutual Benefit Law

13.2.2 Trust

13.2.3 Articles of Incorporation (**Note: The trust rules the corporation.**)

13.2.4 Bylaws

13.2.5 Procedure Documents

13.2.6 Robert's Rules of Order

## **ARTICLE 14 AMENDMENTS**

**14.1 Amendment by Corporate Members.** New, amended or repeal of bylaws or articles of incorporation may be adopted by the affirmative vote or written assent of the corporate members entitled to exercise a majority of the voting power of this corporation. Where any provision of these bylaws requires the vote of a larger proportion of the corporate members than otherwise required by law, such provision may not be altered, amended or repealed except by vote of such larger number of corporate members.

**14.2 No Amendment by Directors.** The board of directors of this corporation may not adopt, amend or repeal these bylaws.

## **ARTICLE 15 LIQUIDATION**

**15.1 Dedication of Assets.** The properties and assets of this corporation are irrevocably dedicated to fulfillment of the objectives and purposes of this corporation as set forth in Article 2 of these bylaws. This corporation does not contemplate the distribution of assets, gains, profits or dividends to any of its Corporate Members, except in accordance with Chapter 4 of the Nonprofit Mutual Benefit Law and as provided in the GRF Trust and Regulatory Agreement.

**15.2 Dissolution.** In the event of dissolution of this corporation, except as set forth below, the corporate members of record at the time a certificate evidencing this Corporation's election to dissolve is filed with the attorney general or, if no such election is made, at the time an order for winding up and dissolution of this corporation is entered shall receive the assets of this corporation remaining after (a) return of those assets held upon a valid condition requiring return, transfer, or conveyance, which condition has occurred or will occur; (b) disposition of those assets held in a trust in compliance with the provisions of the trust under which such assets are held; (c) payment, or adequate provision for payment, of all taxes, penalties, debts, and liabilities; and (d) other provisions under applicable law. Such remaining assets shall, at the election of the directors in their sole discretion, either be transferred to a successor corporation with similar purposes to those of this corporation, or distributed to the corporate members.

If distribution of assets to the corporate members is chosen, the distribution to corporate members shall be made pro rata by determining an amount equal to the proportion of such assets that the number of separate interests consisting of each of the corporate members bears to the aggregate of all the separate interests of all of the corporate members.

Bylaws adopted \_\_\_\_\_, 2020  
Golden Rain Foundation of Laguna Woods

### CERTIFICATION OF AMENDMENT

I, the undersigned, certify that I am the presently elected and acting Secretary of GOLDEN RAIN FOUNDATION OF LAGUNA WOODS, a California nonprofit mutual benefit corporation, and the above Bylaws, consisting of \_\_\_ pages, are the Bylaws of this Corporation as adopted by majority vote of the Corporate Members in a properly noticed members meeting at which a quorum was certified, on \_\_\_\_\_, 2020.

This Certificate is under penalty of perjury on \_\_\_\_\_, 20\_\_, in \_\_\_\_\_, California.

GOLDEN RAIN FOUNDATION,  
a California corporation

By: \_\_\_\_\_  
Secretary

IN WITNESS WHEREOF, the bylaws are adopted effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**GOLDEN RAIN FOUNDATION  
OF LAGUNA WOODS**

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

**THIRD LAGUNA HILLS MUTUAL**

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

**UNITED LAGUNA WOODS MUTUAL**

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

**LAGUNA WOODS MUTUAL FIFTY**

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_