

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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**SEAL BEACH MUTUAL NO. FOURTEEN
RULES AND REGULATIONS**

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January 16, 2024

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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

TABLE OF CONTENTS

20

21

22 [ARTICLE I – GOVERNANCE AND CORPORATE STRUCTURE](#).....10

23 [Section 1.1 – Governance](#).....10

24 [Section 1.2 – Senior Housing Development](#)10

25 [Section 1.3 – Governing Documents](#).....10

26 [Section 1.4 – Golden Rain Foundation](#).....10

27 [Section 1.5 – Additional Definitions](#).....10

28 [ARTICLE II – RESIDENT REGULATIONS](#).....11

29 [Section 2.1 – Co-Occupant](#)11

30 [Section 2.2 – Personal Property Liability Insurance](#).....12

31 [Section 2.3 – Inspection of Vacant Units](#).....12

32 [Section 2.4 – Smoking](#)13

33 [Section 2.5 – Internal Dispute Resolution](#)13

34 [Section 2.6 – Health Care Providers \(Permitted Health Care Residents/Caregivers\)](#)14

35 [Section 2.7 – Listing Inspections & Withdrawal Fee](#)18

36 [Section 2.8 – Escape Tax Deposit](#)19

37 [Section 2.9 – Shareholder Changes](#).....19

38 [Section 2.10 – Lock Resolution](#).....20

39 [Section 2.11 – Plumbing Stoppages](#).....20

40 [Section 2.12 – Pest Control](#)20

41 [Section 2.13 – Service Maintenance Requests](#)21

42 [ARTICLE III – ARCHITECTURAL GUIDELINES](#).....21

43 [Section 3.1 – Contractor’s License](#)21

44 [Section 3.2 – GRF Permit for Building Alterations/Additions](#).....21

45 [Section 3.3 – Mutual Not Responsible for Damage](#)22

46 [Section 3.4 – Installation of Showers/Bathtubs](#).....22

47 [Section 3.5 – Skylights](#).....23

48 [Section 3.6 – Microwave Ovens](#).....23

49 [Section 3.7 – Ceiling Fans](#)23

50 [Section 3.8 – Washers and Dryers in Unit](#)23

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

51 [Section 3.9 – Walk-In Therapeutic/Jacuzzi-Type Bathtubs.](#).....24

52 [Section 3.10 – Contractor Notification/Pre-Demolition.](#)25

53 [Section 3.11 – Demolition.](#)25

54 [Section 3.12 – Concrete.](#).....25

55 [Section 3.13 – Framing.](#)26

56 [Section 3.14 – Drywall.](#).....26

57 [Section 3.15 – Plumbing.](#)26

58 [Section 3.16 – Electrical.](#).....26

59 [Section 3.17 – Insulation/Sound Proofing/Fireproofing.](#).....27

60 [Section 3.18 – Carpet and Flooring.](#).....27

61 [Section 3.19 – Dishwashers.](#).....27

62 [Section 3.20 – Appliances.](#).....27

63 [Section 3.21 – Mutual Warranty on Standard Appliances.](#).....28

64 [Section 3.22 – Seller Warranty on Non-Standard Appliances.](#)28

65 [Section 3.23 – Exterior Coverings, Awnings and Blinds.](#)28

66 [Section 3.24 – Gutters.](#).....28

67 [Section 3.25 – Equipment Standards.](#).....28

68 [Section 3.26 – Smoke Detectors.](#)29

69 [Section 3.27 – Performance Bonds for Construction Work over Ten Thousand Dollars.](#)29

70 [Section 3.28 – Roof Leaks.](#).....29

71 [Section 3.29 – Roof and Attic Access.](#)29

72 [Section 3.30 – Filled Concrete Block and Footings.](#).....30

73 [Section 3.31 – Liners for Decorative Block Walls.](#)30

74 [Section 3.32 – Bay Windows.](#)30

75 [Section 3.33 – Common Entry Walkways.](#)30

76 [Section 3.34 – HVAC.](#)31

77 [Section 3.35 – Unsanitary Premises and Fire Loading Conditions.](#).....31

78 [Section 3.36 – Unit Fire Inspections and Special Unit Inspections.](#)32

79 [Section 3.37 – Temporary Relocation During Repair and Maintenance.](#)33

80 [ARTICLE IV – PORCHES/PATIOS/GOLF CART PADS.](#).....33

81 [Section 4.1 – Porches.](#).....33

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

82 Section 4.2 – Stipulations for Existing Patios.35

83 Section 4.3 – Golf Cart Pads.37

84 **ARTICLE V – LANDSCAPE MAINTENANCE MANUAL.**38

85 Section 5.1 – Purpose of Landscape Maintenance Manual.38

86 Section 5.2 – Resident Garden Areas.38

87 Section 5.3 – Trees within Garden Areas.38

88 Section 5.4 – Plants within Garden Areas.39

89 Section 5.5 – Pest Control and Fertilization within Garden Areas.39

90 Section 5.6 – Potted Plants.39

91 Section 5.7 – Maintenance of Garden Areas.39

92 Section 5.8 – Flower Bed in Garden Area.40

93 Section 5.9 – Prohibited Uses of Garden Area.40

94 Section 5.10 – Plants may not Touch any Structure.40

95 Section 5.11 – Entrance Walkways.40

96 Section 5.12 – Stackable Gardens.41

97 Section 5.13 – Overgrown Flower Bed.41

98 Section 5.14 – Approved Plants.41

99 Section 5.15 – Approved Drought Tolerant Plants and Succulents; Non-Approved Plants.41

100 Section 5.16 – Fruits and Vegetables.42

101 Section 5.17 – Donating Trees.42

102 Section 5.18 – Turf Areas.42

103 Section 5.19 – Lamp Posts.43

104 Section 5.20 – Flag Poles.43

105 **ARTICLE VI – TRAFFIC, VEHICLE OPERATION AND PARKING.**44

106 Section 6.1 – Applicability.44

107 Section 6.2 – Enforcement of California Vehicle Code.44

108 Section 6.3 – Definitions Applicable to this Article.44

109 Section 6.4 – Prohibited Vehicles.46

110 Section 6.5 – Parking Permits.46

111 Section 6.6 – General Parking Rules.46

112 Section 6.7 – Parking Zones.47

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

113 [Section 6.8 – Qualifying Resident Parking](#).....49

114 [Section 6.9 – Non-Qualifying Resident Parking](#).....49

115 [Section 6.10 – Caregiver Parking](#).....49

116 [Section 6.11 – Contractor and Service Vehicle Parking](#).....49

117 [Section 6.12 – Overnight Parking Permits](#).....49

118 [Section 6.13 – Recreational Vehicles \(RV\) or Vehicle Used for Recreation \(VUFR\) Restrictions](#).....50

119 [Section 6.14 – Repairs](#).....50

120 [Section 6.15 – Washing](#).....50

121 [Section 6.16 – Trust Property Parking Areas](#).....50

122 [Section 6.17 – Amphitheater](#).....53

123 [Section 6.18 – Bicycles/Tricycles/Mobility Scooters](#).....53

124 [Section 6.19 – Carport Use](#).....53

125 [Section 6.20 – Carport Assignments](#).....54

126 [Section 6.21 – Secondary Carport Storage Cabinets](#).....54

127 [Section 6.22 – Electric Carts, Golf Carts, and Cars](#).....55

128 [Section 6.23 – Sidewalk Traffic Restriction](#).....55

129 [Section 6.24 – Towing](#).....56

130 **[ARTICLE VII – USE OF LAUNDRY ROOMS](#)**.....58

131 [Section 7.1 – Use of Facilities](#).....58

132 [Section 7.2 – Dying/Tinting Fabrics Prohibited](#).....58

133 [Section 7.3 – Items with Metal Buttons/Clips](#).....58

134 [Section 7.4 – Out of Order Machines](#).....58

135 [Section 7.5 – Hours of Operation](#).....58

136 [Section 7.6 – Prohibited Items](#).....58

137 [Section 7.7 – Safety](#).....59

138 **[ARTICLE VIII –SECURITY CAMERAS/DRONES/SATELLITE DISH](#)**.....59

139 [Section 8.1 – Installation of Security Cameras](#).....61

140 [Section 8.2 – Unmanned Aerial Flights Vehicles \(Drones\)](#).....61

141 [Section 8.3 –Satellite Dish](#).....61

142 **[ARTICLE IX – WILDLIFE](#)**.....63

143 [Section 9.1 – Prohibition on Feeding Non-Domesticated Wildlife](#).....63

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

144 Section 9.2 – Pet Food and Standing Water.64

145 Section 9.3 – Bird Feeders.64

146 **ARTICLE X – BARBECUES.**.....64

147 Section 10.1 – Use of Barbecues.64

148 Section 10.2 – Prohibited Use of Barbecues......64

149 Section 10.3 – Storage of Barbecues......64

150 **ARTICLE XI – PETS.**65

151 Section 11.1 – Definition of Pet.65

152 Section 11.2 – Number of Quadruped Pets......65

153 Section 11.3 – Number of Birds.65

154 Section 11.4 – Prohibited Animals.65

155 Section 11.5 – Weight Restrictions......65

156 Section 11.6 – Pets Prohibited in Common Area......65

157 Section 11.7 – Pet Waste......66

158 Section 11.8 – Requirements.66

159 Section 11.9 – License Requirements.66

160 Section 11.10 – Non-Resident Animals......67

161 Section 11.11 – Cat Litter.67

162 Section 11.12 – Insurance Requirement......68

163 Section 11.13 – Pet Ownership Decal......68

164 Section 11.14 – Move Out Cleaning Requirements......68

165 Section 11.15 – Mutual’s Right to Remove Pets.68

166 Section 11.16 – Pet Owner Liability.69

167 Section 11.17 – Violation of this Article IX.69

168 Section 11.18 – Service Pets......69

169 **ARTICLE XII - ELECTION AND VOTING RULES AND REGULATIONS.**70

170 Section 12.1 – Qualification of Candidates and Directors/Elected Positions......70

171 Section 12.2 – Nomination Process.71

172 Section 12.3 – Voting Qualifications of Shareholders......72

173 Section 12.4 – Inspector of Election......73

174 Section 12.5 – Access to Association Media......75

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

175 [Section 12.6 – Access to Common Area Meeting Space.](#)75

176 [Section 12.7 – Mutual Funds.](#)76

177 [Section 12.8 – Proxies.](#)76

178 [Section 12.9 – Voting Period.](#)76

179 [Section 12.10 – Secret Balloting Procedures.](#)77

180 [Section 12.11 – Vote Tabulation.](#)78

181 [Section 12.12 – Election Results.](#)78

182 [Section 12.13 – Custody, Storage and Retention of Ballots.](#)78

183 [ARTICLE XIII – ESTATE/PATIO SALES.](#)79

184 [Section 13.1 – Shareholder Estate/Porch Sales.](#)79

185 [ARTICLE XIV – VISITORS.](#)79

186 [Section 14. 1 – Visitors.](#)79

187 [Section 14.2 – Visitors Permitted.](#)79

188 [Section 14.3 – Immediate/Collateral Family of Qualified Permanent Residents.](#)80

189 [ARTICLE XV – MISCELLANEOUS.](#)80

190 [Section 15.1 – Commercial Signs.](#)80

191 [Section 15.2 – Noncommercial Signs.](#)80

192 [Section 15.3 – Trash.](#)81

193 [Section 15.4 – Unit Pre-Sale Cleanup.](#)81

194 [Section 15.5 – Lockout Procedures.](#)82

195 [ARTICLE XVI – PENALTIES, FINES & FEES.](#)83

196 [Section 16.1 – General Violations.](#)83

197 [Section 16.2 – Parking Violations.](#)86

198 [Section 16.3 – Reporting Violations.](#)88

199 [Section 16.4 – Enforcement Procedures.](#)89

200 [Section 16.5 – Shareholder Rules of Conduct.](#)89

201 [ARTICLE XVII – COLLECTION POLICY.](#)90

202 [Section 17.1 – Regular and Special Assessments.](#)90

203 [Section 17.2 – Late Charges.](#)90

204 [Section 17.3 – Interest.](#)91

205 [Section 17.4 – Additional Charges, Costs and Attorney’s Fees.](#)91

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

206 [Section 17.5 – Application of Payments on Delinquent Assessments](#).....91

207 [Section 17.6 –Special Assessment](#)91

208 [Section 17.7 – Unlawful Detainer](#)91

209 [Section 17.8 – Partial Payments](#).....91

210 [Section 17.9 – Lawsuit](#).....92

211 [Section 17.10 – Attorney’s Fees](#).....92

212 [Section 17.11 – Suspend Privileges and Voting Rights](#).....92

213 [Section 17.12 – Secondary Address](#)92

214 [Section 17.13 – No Right of Offset](#).....92

215 [Section 17.14 – Charges and Fees Subject to Change](#)92

216 [Section 17.15 – Dismissal of Action Upon Payment](#).....93

217 [Section 17.16 – Right to Receipt](#).....93

218 [Section 17.17 – Overnight Payments](#).....93

219 **[ARTICLE XVIII – LEASING RULES & REGULATIONS](#)**93

220 [Section 18.1 – Leasing of Units](#)94

221 [Section 18.2 – Residential Purpose](#).....94

222 [Section 18.3 – Addendum to Occupancy Agreement](#).....94

223 [Section 18.4 – Restriction on Number of Units Leased](#).....94

224 [Section 18.5 – Lease Requirements](#)96

225 [Section 18.6 – Exemptions; Enforcement](#).....97

226 [Section 18.7 – Unlawful Detainer](#)98

227 [Section 18.8 – Shareholder Liability](#)98

228 [Section 18.9 – Mutual Not a Landlord](#)99

229 [Section 18.10 – Shareholder Insurance Requirements](#)99

230 [Section 18.11 – Tenant Eligibility](#).....100

231 [Section 18.12 – Board’s Right to Impose Additional Rules and Regulations](#)100

232 [Section 18.13 – Inspection of Unit Upon Termination of Lease](#)101

233 [Section 18.14 – Tenant Not Entitled to Take Over Rights of Shareholders](#).....101

234 [Section 18.15 – Forfeiture of Shareholder Rights](#)102

235 [Section 18.16 – Background and Credit Checks](#)102

236 [Section 18.17 – Documents of Mutual](#)102

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

237 [Section 18.18 – Fine Policy of the Mutual](#) 102

238 [Exhibit “A”](#) 102

239 [EXHIBIT “A-2”](#) 104

240 [Exhibit “B”](#) 106

241 [Exhibit “C”](#) 107

242 [Exhibit “D”](#) 108

243 [Fine Schedule](#) 108

244 [Exhibit “E”](#) 109

245 [Rules on Electric Vehicle Charging Stations](#) 109

246 [Exhibit “F”](#) 113

247 [Electric Vehicle Charging Station Release and Indemnity Agreement](#) 113

248 [Agreement](#) 114

249 [Document History](#) 118

250

251

252

253

254

255

256

257

258

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260

261

262

263

264

265

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267

268

269

270

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272

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

273

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1. ARTICLE I – GOVERNANCE AND CORPORATE STRUCTURE**1.1. Section 1.1 – Governance.**

Seal Beach Mutual No. Fourteen (14) is a stock cooperative housing corporation organized under the California Corporation Law (“Mutual”) and is a General California Corporation providing housing on a non-profit basis. The Mutual is comprised of 328 shares of stock. The Golden Rain Foundation is not a housing corporation, but a corporation that manages the shared community facilities. Each owner of a share of stock in the Mutual (hereinafter “Shareholder”) is a shareholder of the mutual as well as a member of the Golden Rain Foundation. The Mutual has its own set of governing documents, filed with the Secretary of State and transferred to each shareholder through escrow.

1.2. Section 1.2 – Senior Housing Development.

According to California Civil Code Section 51.3, in order to reside in a senior housing development at least one occupant must be 55 years of age or older; all other persons who reside must be at least 55 years of age, unless the other occupant is: (1) a spouse or registered domestic partner; or (2) a primary provider of physical health care. Any person wishing to reside in the community must meet the above qualifications and obtain prior approval from the Board of Directors.

1.3. Section 1.3 – Governing Documents.

The Mutual’s governing documents include these Rules and Regulations, the Articles of Incorporation, Bylaws, and an Occupancy Agreement between the Mutual and each Qualifying Resident (hereinafter collectively the “Governing Documents”). The Mutual leadership consists of a seven (7) member Board of Directors (hereinafter “Mutual Board”), elected by the shareholders of the Mutual.

1.4. Section 1.4 – Golden Rain Foundation.

The purpose of the Golden Rain Foundation (“GRF”) is to develop and maintain facilities and services, acting as Trustee of the Golden Rain Foundation. This includes recreational facilities, security gates, bus transportation system, and community center. One shareholder from the Mutual is elected to serve on the Board of Directors of the GRF.

1.5. Section 1.5 – Additional Definitions.

As used herein, the following terms shall have the meanings prescribed below.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 316 **1.5.1.** Qualifying Resident – “Qualifying Resident” shall mean any person
- 317 who: (1) meets the age requirements as set forth in California Civil
- 318 Code Section 51.3 et seq.; (2) has been approved by the Mutual
- 319 Board for occupancy of a Unit, pursuant to the terms of the
- 320 Governing Documents; (3) is a Shareholder of the Mutual; and (4)
- 321 resides in a Unit.
- 322 **1.5.2.** Unit – “Unit” shall mean a dwelling unit owned by the Mutual, which
- 323 a Qualifying Resident has the exclusive right to occupy pursuant to
- 324 the Occupancy Agreement between the Mutual and Qualifying
- 325 Resident.
- 326 **1.5.3.** Qualified Permanent Resident: Any person who meets the
- 327 requirements as set forth in California Civil Code Section 51.3, et.
- 328 seq.
- 329

2. ARTICLE II – RESIDENT REGULATIONS

2.1. Section 2.1 – Co-Occupant.

The community facilities of the GRF are maintained for the use of members of GRF and Qualifying Residents of the Mutual(s), subject to the following exceptions:

2.1.1. Co-Occupants.

Co-occupants must vacate the unit within 90 days of the qualifying resident’s death.

2.1.1.1. Senior citizens, as defined in California Civil Code Section 51.3 (b)(1), who are not Shareholders of the Mutual, but are approved by the Mutual to reside with a Qualifying Resident, shall be entitled to use all of the community facilities upon payment of a fee equal to the Amenities Fee.

2.1.1.2. In order to comply with section 51.3 of the California Civil Code, the following people may reside in the Mutual: (i) a person who is 55 years of age or older; (ii) a person who has completed the Co-Occupant Application; (iii) a person who has written authorization from the Mutual President, or any Mutual Officer so designated by the Mutual President, to reside in the Unit; (iv) a person who has paid the required Amenities Fee to the GRF.

2.1.2. Qualified Permanent Residents.

Qualified Permanent Residents are persons who are not senior citizens as defined in Civil Code Section 51.3(b)(1), who can present proof that they are eligible to be classified as Qualified Permanent Residents under Civil Code Section 51.3(b)(2). Such Qualified Permanent Residents shall be entitled to use all of the

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

community facilities upon payment of a fee equal to the Amenities Fee.

2.2. Section 2.2 – Personal Property Liability Insurance.

All Shareholders (whether residing in the Unit or not) must carry general liability insurance (either in the form of an HO6 policy or a renter’s policy) with proper liability coverage. The general liability insurance policy shall cover the entirety of the contents within the Unit, any damage to the interior of the Unit, any damage to property owned by third parties, and any personal injury occurring in the Shareholder’s Unit or adjacent property, for which the Shareholder is responsible. The general liability insurance policy requirements are set out below. The Shareholder shall: (1) Obtain and maintain a general liability insurance policy, at his/her/its sole expense; (2) Be liable for the cost of any deductible their policy has with respect to any claim for which a Shareholder is insured and is liable; and (3) Obtain general liability insurance in an amount sufficient to cover personal injury to other persons who may be injured in their Unit or on other property for which the Shareholder is responsible, but in no event less than \$300,000.00.

The Shareholder and/or Qualifying Resident must provide the Mutual with proof of insurance within thirty (30) days from the date the Qualifying Resident executes the Occupancy Agreement. The Shareholder is not relieved of any liability due to the Shareholder’s failure to insure their property.

Notwithstanding any other provision in the Governing Documents, each Shareholder shall be liable for his/her/its own negligent or intentional actions resulting in damage to property or personal injury, including the cost of any Mutual insurance deductible that Shareholder causes the Mutual to incur. The Shareholder is solely responsible for the cost of any damage caused by his/her/its own negligent or intentional actions, including repairing or replacing any damage he/she/it causes to any personal property in the unit, including without limitation, furnishings, interior improvements, floor and wall coverings, appliances, fixtures and any damage to the unit, any other unit, or the building caused by water intrusion from whatever source, fire, or any other cause.

The Mutual shall only be responsible for the routine maintenance, repair, or replacement of Common Areas or facilities and for its own or its agents’ and employees’ negligent or intentional acts. Shareholder is responsible for any damage caused by the failure of Shareholder’s standard fixtures, appliances and plumbing systems.

Although a Shareholder may be unable to occupy the Unit while repairs are being made, the Shareholder shall, nonetheless, be responsible for any living expenses incurred during repairs and the monthly assessment on the

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

402 Shareholder's Unit regardless of who caused the damage. The Shareholder,
 403 may, however, be indemnified by any and all individuals and entities who are
 404 liable for the damage making the Unit inhabitable. (See Form 14-7586-4).
 405

2.3. Section 2.3 – Inspection of Vacant Units.

406 Any vacant, unoccupied, or seasonal-use unit in Mutual Fourteen shall be
 407 inspected every ninety (90) days by a GRF Building Inspector and the
 408 Mutual director assigned to the respective building. Inspections shall be
 409 conducted during the months of January, April, July, and October. The
 410 inspection in October may be waived during the years that the Fire/Safety
 411 Inspection is conducted.
 412

413 The inspection of vacant units for sale will not be posted. The inspection for
 414 unoccupied and seasonal-use units will be posted at least twenty-four (24)
 415 hours in advance of the inspection.
 416

2.4. Section 2.4 – Smoking.

417 The Mutual No. Fourteen Occupancy Agreement (“Occupancy Agreement”)
 418 provides that Shareholders shall not interfere with the rights of other
 419 residents and that Shareholders shall not commit or permit any nuisance
 420 within the Mutual.
 421

422 The emission of secondhand smoke from devices including, but not limited
 423 to cigarettes, cigars, pipes, hookahs, or similar items, may create conditions
 424 that interfere with the use and enjoyment of other Shareholders and
 425 Qualifying Resident’s units, thereby constituting a nuisance. Thus, all
 426 Shareholders, Qualifying Residents, guests, and invitees must comply with
 427 the following, regarding secondhand smoke within the Mutual:

428 **2.4.1.** Any Shareholder and/or a Qualifying Resident/occupant/guest
 429 within the Mutual who wishes to smoke any substance (such as
 430 cigarettes, cigars, pipes, and/or hookahs or similar items) outside
 431 of a Unit may not do so within twenty (20) feet of any residential
 432 buildings in Mutual 14. This includes all exterior patios, but not
 433 porches.

434 **2.4.2.** Any damages and/or liability arising from the emission of
 435 secondhand smoke in violation of this rule by a Shareholder
 436 and/or a Qualifying Resident/occupant/guest, will be borne by the
 437 Shareholder and/or Qualifying Resident of the offending Unit.

438 **2.4.3.** If any Shareholder or Qualifying Resident believes that s/he is
 439 entitled to an exception to any of these rules as a reasonable
 440 accommodation of a disability, s/he may submit such a request.
 441 All requests will be considered on a case-by-case basis.
 442

2.5. Section 2.5 – Internal Dispute Resolution.

443 California Civil Code §5910 and §5915 provides that the Mutual Boards shall
 444

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

445 provide a “fair, reasonable and expeditious” procedure for resolving disputes
 446 between the Mutual and its members without charging a fee to the member
 447 participating in the process. The process is referred to as “Internal Dispute
 448 Resolution” (IDR) or “Meet and Confer.”

449 **2.5.1.** The Shareholder may request the Mutual Board to meet and
 450 confer in an effort to resolve a dispute. The request shall be in
 451 writing.

452 **2.5.2.** A Shareholder may refuse a request to meet and confer with the
 453 Board of Directors.

454 **2.5.3.** The Board of Directors shall designate a minimum of two (2) Board
 455 Directors to meet and confer with the Shareholder. The
 456 Shareholder may bring another person and/or legal representative
 457 to the meet and confer. The Shareholder must notify the Mutual if
 458 he/she is planning to bring another person and/or legal
 459 representative to the IDR. Should Shareholder fail to notify the
 460 Mutual of the attendance of another person and/or legal counsel,
 461 then the Mutual shall be entitled to reschedule the meeting time
 462 and date or such IDR.

463 **2.5.4.** The parties shall meet promptly at a mutually convenient time and
 464 place to explain their positions to each other in an effort to resolve
 465 any dispute.

466 **2.5.5.** Any proposed resolution of the dispute shall be memorialized in
 467 writing and brought to the next Mutual Monthly Meeting for the
 468 Board’s consideration and final approval.

469 **2.5.6.** All such IDRs are considered to be confidential and may only be
 470 discussed in Executive Session.

471 **2.5.7.** Any final agreement between the Board of Directors and the
 472 Shareholder shall be in writing and signed by all parties.

473
 474 **2.6. Section 2.6 – Health Care Providers (Permitted Health Care Residents/
 475 Caregivers).**

476 Pursuant to California Civil Code Section 51.3, a Qualifying Resident shall
 477 be entitled to have a Permitted Health Care Resident, if the qualifications
 478 set forth in Civil Code Section 51.3 are met. The Mutual also allows
 479 Qualifying Resident’s to have a Caregiver, if the qualifications set forth in
 480 the Mutual’s Governing Documents are met. The following are the
 481 requirements that must be met by a Permitted Health Care Resident and/or
 482 a Caregiver to provide services to a Qualifying Resident.

483
 484 **2.6.1. Permitted Health Care Residents.**

485 **2.6.1.1. Definition.** Pursuant to Civil Code Section 51.3, a
 486 Permitted Health Care Resident means a person hired
 487 to provide, or a family member of the Qualifying

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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Resident providing, live-in, long-term, or terminal health care to a Qualifying Resident. The care provided by a Permitted Health Care Resident must be substantial in nature and must provide either assistance with necessary daily activities or medial treatment, or both. This person must be registered with GRF Stock Transfer.

2.6.1.2. Business License. The Mutual recommends that all Permitted Health Care Residents have a valid business license, issued by the City of Seal Beach and/or work for an agency with a valid business license, issued by the City of Seal Beach.

2.6.1.2.1 Exceptions to 2.6.1.2. A family member of a Qualifying Resident, who is acting in the capacity of a Permitted Health Care Resident is exempt from possessing a business license but must apply and receive a Permitted Health Care Resident pass and badge.

2.6.1.3. Driver’s License. Any Permitted Health Care Residents providing health care to a Qualifying Resident in Mutual Fourteen must have a valid driver’s license if driving a vehicle into Leisure World..

2.6.1.4. Pass and Badge Requirements. All Permitted Health Care Residents (including family members without a business license) as an individual, or through an agency, must apply and receive a Permitted Health Care Resident pass and clear badge holder through the GRF Stock Transfer Office. The Pass must: (1) be renewed every six (6) months; (2) be worn in clear sight at all times; and (3) may not be transferred or lent to anyone.

2.6.1.5. Permitted Health Care Resident’s Use of Laundry Facilities.

2.6.1.5.1. Permitted Health Care Residents who serve as 24- hour caregivers, and live within the Qualifying Resident’s Unit, may use washers and dryers for their personal use, but may not use the washers and dryers for other family members or friends.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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2.6.1.5.2. Permitted Health Care Residents who do not live within the Qualifying Resident’s Unit shall not use the washers and dryers for personal use and may only use laundry facilities for Qualifying Resident’s laundry. Permitted Health Care Residents who do not live within the Qualifying Resident’s Unit who use Mutual laundry facilities for their personal or family use will be permanently banned from the Mutual.

2.6.1.6. Qualifying Resident’s Requirements. In order to establish that a Qualifying Resident requires live-in, long-term or terminal health care that is substantial in nature, providing either assistance with necessary daily activities, medical treatment or both, as set forth in Civil Code Section 51.3, the Qualifying Resident must present written documentation from a physician, stating that the care described herein, as set forth in Civil Code Section 51.3, is necessary. The written documentation must be on the physician’s original letterhead and must be an original document.

2.6.1.7. Permitted Health Care Resident Actions. A Permitted Health Care Resident, as an invitee of the Qualifying Resident, must act in compliance with the Governing Documents of the Mutual, including without limitation, the Occupancy Agreement, the Bylaws, the Rules and Regulations and Policies of the Mutual at all times. Specifically, a Permitted Health Care Resident must cease any noise that could be considered disruptive (i.e. no loud televisions, radios, or talking, so as not to disturb the quiet enjoyment of other Qualifying Residents and Shareholders), between the hours of 10:00 p.m. and 8:00 a.m. Permitted Health Care Residents are not allowed to have guests or invitees, including without limitation, family members or friends, to the Unit or anywhere within the Mutual. Permitted Health Care Residents shall not bring any pets into the Mutual and/or Leisure World. Permitted Health Care Residents shall not utilize any Mutual and/or GRF community facilities

2.6.1.8. Permitted Health Care Resident Parking. If a

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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Qualifying Resident does not own a vehicle, the Qualifying Resident's Permitted Health Care Resident may use the carport space associated with the Qualifying Resident's Unit, for purposes of parking their own vehicle, only after obtaining a temporary parking permit through the GRF Stock Transfer Office. Such temporary parking permit must always be clearly displayed on dashboard of the Permitted Health Care Resident's vehicle.

2.6.2. Caregivers.

2.6.2.1. Definition. A Caregiver shall mean a non-shareholder hired or identified by a Qualifying Resident as providing part-time or full-time support or care for the Qualifying Resident. This person must be registered with GRF Stock Transfer. Caregivers are not permitted to reside in the Mutual unless they qualify as a Permitted Health Care Resident pursuant to Civil Code Section 51.3 or are otherwise qualified as Co-Occupant or Qualified Permanent Resident pursuant to the Mutual Governing Documents.

2.6.2.2. Business License. The Mutual recommends that all Caregivers have a valid business license, issued by the City of Seal Beach and/or work for an agency with a valid business license, issued by the City of Seal Beach.

2.6.2.3. Driver's License. Any Caregiver providing support or care to a Qualifying Resident in Mutual Fourteen must have a valid driver's license if driving a vehicle into Leisure World.

2.6.2.4. Pass and Badge Requirements. All Caregivers, as an individual, or through an agency, must apply and receive a Caregiver's pass and clear badge holder through the GRF Stock Transfer Office. The Pass must: (1) be renewed every six (6) months; (2) be worn in clear sight at all times; and (3) may not be transferred or lent to anyone.

2.6.2.5. Caregiver's Prohibited from using Laundry Facilities. Caregivers shall not use the washers and dryers for personal use and may only use laundry facilities for Qualifying Resident's laundry. Caregivers who use Mutual laundry facilities for their personal or family use will be permanently banned from the Mutual.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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2.6.2.6. Caregiver Actions. Caregivers, as an invitee or the Qualifying Resident, must act in compliance with the Governing Documents of the Mutual, including without limitation, the Occupancy Agreement, the Bylaws, the Rules and Regulations and Policies of the Mutual at all times. Specifically, a Caregiver must cease any noise that could be considered disruptive (i.e. no loud televisions, radios, or talking, so as not to disturb the quiet enjoyment of other Qualifying Residents and Shareholders), between the hours of 10:00 p.m. and 8:00 a.m. Caregivers are not allowed to have guests or invitees, including without limitation, family members or friends, to the Unit or anywhere within the Mutual. Caregivers shall not bring any pets into the Mutual and/or Leisure World. Caregivers shall not utilize any Mutual and/or GRF community facilities.

2.6.2.7. Caregiver Parking. If a Qualifying Resident does not own a vehicle, the Qualifying Resident’s Caregiver may use the carport space associated with the Qualifying Resident’s Unit, for purposes of parking their own vehicle, only after obtaining a temporary parking permit through the GRF Stock Transfer Office. Such temporary parking permit must always be clearly displayed on dashboard of the Caregiver’s vehicle.

2.7. Section 2.7 – Listing Inspections & Withdrawal Fee.

If a unit is removed from sale and relisted after 6 months, the inspection fee will again apply.

The Mutual shall charge a fee of one thousand five hundred dollars (\$1,500.00) for the inspection process when a Share of Stock is listed for sale.

A shareholder wishing to sell a unit “Selling As is”: “Selling As is” must be included in the real estate listing description. The buyer must meet with the Director and the Physical Properties Inspector at the unit to receive and sign a required inspection report and confirm that they acknowledge that the apartment must be brought up to code before it can be occupied. The report is required to close escrow. If the buyer doesn’t follow through with the planned remodel, the upgrades needed to bring the apartment up to minimum standards will be the responsibility of the buyer.

All Shareholder who wishes to sell his/her Mutual Stock must first obtain Board waiver of option before the Stock is listed for sale. The Board of the Mutual requires that any Broker who accepts a listing of Stock must complete the following steps before this listing is executed: (1) Deliver to the

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

659 Stock owner, requesting the listing, a copy of the Mutual Waiver of Option
 660 form. Notify the Shareholder that this form must be executed by the Mutual
 661 before the listing can be taken; (2) Explain to selling Shareholder that a
 662 listing inspection will be made. Give the Shareholder a blank copy of the
 663 inspection form; (3) Upon completion of the inspection, a copy of the
 664 completed inspection form will be sent to the selling Shareholder; and (4)
 665 When the selling Shareholder receives the completed inspection form,
 666 he/she should contact the Sales Representative that initially made contact
 667 and supplied the listing form.

2.8. Section 2.8 – Escape Tax Deposit.

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 670 In order to avoid escaped property tax due to the County Assessor's Office
 671 upon the death of a Shareholder, funds of five thousand dollars (\$5,000.00)
 672 will be withheld in escrow or transfer to cover the escaped property tax
 673 whenever a sale of a certificate is by an estate or heir of the deceased
 674 Shareholder or co- owner of the Stock. These funds will be held in a
 675 separate account from the Withdrawal Inspection Deposit.

2.9. Section 2.9 – Shareholder Changes.

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 678 When applying to become a Qualifying Resident in the Mutual, outside the
 679 parameters of the usual escrow closing procedure as established by the
 680 GRF and/or Mutual, and/or whenever an additional person is added to the
 681 Stock as a Qualifying Resident, that person shall be notified by the Stock
 682 Transfer Office that the following procedures must be followed before such
 683 person may become a Qualifying Resident and occupy the Unit.

684 A request to waive this fee can be made, at the discretion of the Board, if
 685 the inspection is not more than six (6) months old. The inspection must be
 686 on file with the Physical Property Department. This does not pertain to fire
 687 inspections or any life-safety inspection. The request can be made in the
 688 Stock Transfer Office.

689 An inspection must be performed by the Physical Property Department at
 690 the established fee of five hundred dollars (\$500.00) and the cost of any
 691 required maintenance or corrective work is to be determined in accordance
 692 with the Qualifying Resident's Occupancy Agreement and Mutual Rules.
 693 Any needed work that is the responsibility of the Mutual shall be performed
 694 by the GRF Service Maintenance Department.

695 Non-standard items needing repair are to be accomplished by the
 696 prospective Qualifying Resident. Whenever any corrective work (which
 697 would be applicable if there was an escrow involved) is needed to bring a
 698 unit into compliance with Mutual regulations, and the corrective work is the
 699 responsibility of a Qualifying Resident, the corrective work shall be
 700 completed by the Qualifying Resident and/or the prospective Qualifying
 701 Resident prior to the prospective resident shareholder being added to the

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

702 stock.
 703 Prospective Qualifying Resident will be informed by the Stock Transfer
 704 Office of any monies owed on the Unit. This information will be supplied by
 705 the Accounting Department and the Physical Property Department.
 706 The Stock Transfer Office will ensure that all standard procedures and
 707 documents are completed and verified in accordance with Mutual and GRF
 708 requirements. Also, ensure that a new buyer orientation will be performed
 709 by member(s) of the Board.
 710

2.10. Section 2.10 – Lock Resolution.

711 All locking devices on any original entrance door of a Unit must be master-
 712 keyed to the original keying system for the Mutual. Locking devices
 713 installed on the entrance door of a Unit that do not comply must be removed
 714 at the expense of the Qualifying Resident or, in the alternative, a GRF
 715 lockbox, with an approved red reflector strip attached, containing the key to
 716 the front door of the Unit, may be attached to a conspicuous location near
 717 the entry door of the Unit (“Lockbox”). Such Lockbox cannot be located at a
 718 distance of higher than six (6) feet off the ground. In the event that a locking
 719 device does not meet the standards of the Mutual set forth in this Section,
 720 and the nature of an emergency requires the Mutual to enter the Unit, the
 721 agents and employees of this Mutual are authorized to gain entry by any
 722 reasonable means and the expense of repair, if any, shall be the cost of the
 723 Qualifying Resident and/or Shareholder.
 724
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2.11. Section 2.11 – Plumbing Stoppages.

726 Mutual Fourteen shall not pay for any single stoppages of a unit’s kitchen
 727 sink, bathroom sink, toilet, or shower. All back-to-back side to side or
 728 building stoppages will be paid for by the mutual.
 729
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2.12. Section 2.12 – Pest Control.

731 The Mutual shall be responsible for annual termite inspections, setting
 732 rodent bait stations throughout the Mutual, mole, gopher and skunk control,
 733 and the removal of bee(s) (includes carpenter bees), wasps’ nests and
 734 yellow jacket hives, and fleas infesting a Common Area.
 735 The Shareholder is responsible for the treatment of ants, roaches, silverfish,
 736 mites, gnats, mosquitoes, flies, vinegar flies, pantry pests, weevils, spiders,
 737 earwigs, crickets, lizards, bed bugs, fleas, and any other indoor pest, within
 738 the interior of the Unit. The Mutual shall be responsible for exterior
 739 treatments required for attics, patios, and garden areas. Shareholders
 740 requesting pest control services must contact a Mutual Director who will
 741 pass the request on to Service Maintenance. Pest control services are
 742 provided weekly. The Mutual Director will inform the Shareholder of any
 743 monetary responsibility for such pest control and schedule the Shareholder
 744

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

745 request for the next weekly visit.
 746 Any request regarding bed bug treatment will be reported immediately to the
 747 pest control company and will involve an additional charge to the
 748 Shareholder for a special service call. If the Shareholder requests
 749 immediate service, a “service charge” will be added to their bill.
 750

2.13. Section 2.13 – Service Maintenance Requests.

752 All services listed as a standard service in the “Welcome to Leisure World”
 753 brochure is performed at the expense of the Mutual, so long as such
 754 requirement for maintenance is not a result of negligence on the part of the
 755 Shareholder. Any request for service must be made to the building director
 756 responsible for that building within the Mutual; however, if a Shareholder,
 757 requires Service Maintenance services during After Hours (4:30 p.m. – 8:00
 758 a.m.), or on the weekend (Saturday and Sunday), a request for Service
 759 Maintenance services made be made directly by the Shareholder and the
 760 cost of such services will be billed to the Shareholder. Any request for
 761 emergency services during After Hours or weekends can be made by the
 762 Shareholder, through Security, and charged to the Mutual.
 763 Service Maintenance personnel are normally dispatched the day following
 764 the request, except that for emergency services, which are responded to as
 765 soon as personnel is available. Examples of emergency services are: (1)
 766 plumbing stoppages; (2) water line breaks; (3) and electrical outages.
 767 Service Maintenance personnel are bonded and entry into an apartment
 768 with a passkey can result in quicker and less costly service. Shareholders
 769 should authorize passkey entry into their Unit for maximum service.
 770 The Mutual requests that Shareholders do not make arrangements directly
 771 with the individual servicemen with whom they come into contact with. The
 772 Mutual requests that Shareholders do not contact the Service Maintenance
 773 Superior directly, unless it is absolutely necessary; thus, ensuring the most
 774 efficient and effective service.
 775 Should the Shareholder request an appointment for repair from the Service
 776 Maintenance department and cancel or fail to use such appointment, the
 777 Shareholder will be charged the current hourly charge for such cancelled or
 778 unused appointments.
 779

3. ARTICLE III – ARCHITECTURAL GUIDELINES

3.1. Section 3.1 – Contractor’s License.

782 No Shareholder shall hire any unlicensed individual to perform repairs,
 783 alterations and/or other such work in or to the Shareholder’s Unit.
 784

3.2. Section 3.2 – GRF Permit for Building Alterations/Additions.

786 In order to conduct any construction for the alterations and/or additions in the
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

788 Shareholder’s Unit within the Mutual buildings, the Shareholder or contractor
789 shall submit an application for issuance of a building permit to the Physical
790 Property Department and obtain a GRF Permit for the alterations and/or
791 additions. The Shareholder must provide the Physical Property Department
792 with a written, signed proposal and contract between the Shareholder and
793 the contractor performing the work, which describes the work to be done by
794 the contractor, the fees to be paid, and the commencement and completion
795 dates of the work. Such contract must be in the form of the appropriate
796 Standard Form Contract provided by GRF and must be properly completed
797 and signed by the Shareholder and contractor proposing to do the work.
798 The Standard Form Contract will contain a per day penalty for every calendar
799 day that exceeds the completion date set forth in the Contract. Said penalty
800 to be paid by the Contractor to the Shareholder. The Mutual Board, or its
801 designee, may make an exception to the completion date and award an
802 extension to the contractor without penalty due to unforeseen delays or
803 problems. Should the shareholder commence work without the permits, the
804 shareholder will be fined and any alterations that are not approved may be
805 removed at the shareholders expense.

806
807 Mutual requires the signature of the Mutual President or any designated
808 Director on any building permit, building plans, and change orders issued for
809 Unit remodeling and approved by GRF.

810
811 No Shareholder shall make any structural alterations in the Unit or Mutual
812 premises, or in the water, electrical conduits, plumbing or other fixtures
813 connected therewith, or remove any additions, improvements or fixtures from
814 the Unit or Mutual premises, without the prior written consent of the Mutual
815 and GRF. Detailed plans for a patio must be submitted to the GRF Building
816 Inspector at least three (3) weeks prior to a Board meeting and a building
817 permit must be obtained.

818
819 Contractors engaged in performing interior or exterior remodeling or installing
820 or removing appliances associated with such work will be permitted to do so
821 only between the hours of 8 a.m. and 5 p.m. Work will be permitted on
822 Saturday if the work does not create noise. Work will not be permitted on
823 Sunday or holidays.

3.3. Section 3.3 – Mutual not Responsible for Damage.

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826 The Mutual is not responsible to any Shareholder, or any successor
827 Shareholder, for any damage to any Unit with permitted upgrades,
828 regardless of date of installation or cause of damage or failure.

3.4. Section 3.4 – Installation of Showers/Bathtubs.

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830

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

831 Shareholders may install a bathtub within the Shareholder’s Unit at the
 832 Shareholder’s own expense, so long as the bathtub meets the requirements
 833 set forth in this section. The bathtub must have a minimum inside width of
 834 nineteen (19) inches. A Shareholder may install a shower door (piano hinge)
 835 within the Shareholder’s Unit, when shower cut downs are performed in the
 836 Shareholder’s Unit, at the Shareholder’s own expense.
 837

3.5. Section 3.5 – Skylights.

839 Subject to the approval requirements contained herein, a Shareholder may
 840 install a skylight over specified locations in the existing roof structure of the
 841 Shareholder’s Unit, at the expense of the Shareholder. The Shareholder and
 842 contractor must utilize the Standard Form Contract prepared by the Physical
 843 Property Department. The construction must conform to the plans and
 844 specifications approved by the GRF and Mutual Board. The Shareholder
 845 must obtain a building permit from the City of Seal Beach, California and the
 846 GRF. All skylights must be maintained by the Shareholder. Installation or
 847 replacement must observe all current roofing specifications.
 848

3.6. Section 3.6 – Microwave Ovens.

849 A Shareholder may install a microwave in the kitchen of the Shareholder’s
 850 Unit, at the Shareholder’s own expense, in place of the stove hood. The
 851 installed microwave will be a permanent installation to be maintained by the
 852 Shareholder and on resale of the Mutual Share related to the Unit, the new
 853 Shareholder will assume responsibility for the maintenance.
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3.7. Section 3.7 – Ceiling Fans.

856 Ceiling fans may be installed in any location/ the kitchen provided that they
 857 meet the City of Seal Beach’s specifications of six (6) feet, eight (8) inches
 858 clearance from blades to floor. Ceiling fans are permitted in any location in a
 859 Unit provided ceiling heat in said room has been disabled and an approved
 860 alternate heat source has been installed and is operational.
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3.8. Section 3.8 – Washers and Dryers in Unit.

863 Any washer and dryer in a Shareholder’s Unit, of any make or model,
 864 whether side by side or stackable, shall be cleaned every two (2) years, so
 865 that all dryer vent areas are thoroughly cleaned and free of lint for clear
 866 passage of air flow from machine to roof top areas. A sticker with the date of
 867 cleaning must be affixed on or close to the cleanout cover every time a
 868 cleaning is performed by Service Maintenance or an outside vendor.
 869
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871 In addition, all washing machine hoses and fittings must be checked every
 872 year during fire inspections for any leakage or hardening and/or cracking of
 873 the hoses. Moving the washer/dryer is not a requirement. If any of these

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

874 conditions are found, the hoses are to be replaced with a follow- up by the
875 GRF Building Inspector to verify completion. In all closes of escrow and
876 changes of stock, all hoses must be changed prior to closing. The
877 maintenance fee for this work shall be borne by the Shareholder/Seller.
878 Further, during the fire inspections conducted every year, the GRF Building
879 Inspector will compile a list of all units containing a washer and dryer.
880 New washers and dryer installations shall be submitted to the Physical
881 Property Department with a plan describing the proposed connection to the
882 sewer. All washers shall be installed with a battery powered water alarm
883 behind the washing machine unit at the floor. Only braided metal supply
884 hoses are allowed for the appliance. Dryer vents must go to the roof and
885 have a clean out accessible within the Unit. All venting must be galvanized
886 pipe with a short flex line used for the connection to the appliance. This
887 ensures that the appliance may be pulled out and serviced without breaking
888 the vent seal. The contractor may cut a hole for the vent from within the attic
889 but may not have access to the roof of the Mutual building. The contractor
890 must then contact the Mutual roofer to have it flashed with the approved
891 damper cap. An insulation inspection must occur to verify the presence of the
892 soundproofing (if on common walls) before the GRF Building Inspector will
893 sign off on the project. The Shareholder and/or Qualifying Resident assumes
894 full responsibility for any damage incurred as a result of the installation
895 and/or use of a personal washer and/or dryer in their Unit.

3.9. Section 3.9 – Walk-In Therapeutic/Jacuzzi-Type Bathtubs.

897 A Shareholder may install a walk-in therapeutic bathtub or Jacuzzi and the
898 related equipment/ appurtenances, at the Shareholder’s expense, within the
899 Shareholder’s ’s Unit. The Shareholder shall assume financial responsibility
900 in case the licensed installation company fails to comply with all provisions of
901 the permit and all GRF and Mutual Rules and Regulations and agrees to
902 return the Mutual property to its original condition or satisfactorily complete
903 the installation upon demand by the Mutual.

904 The Mutual has the authority and authorization to remove the
905 bathtub/Jacuzzi and related equipment/appurtenances and return the
906 shower/tub area to its original condition at the Shareholder’s expense if the
907 installation does not comply with the provisions of this Section.

908 The walk-in therapeutic bathtub/Jacuzzi shall have: (i) a Sound insulation
909 board applied to all surrounding walls, floor to ceiling, with drywall mud and
910 tape; (ii) the shower trap shall be replaced using an all-glue ABS trap and a
911 2” trap with accessible clean out shall be maintained; (ii) all new water piping
912 shall be copper pipe type L; (iv) A 20” x 30” attic access shall be provided in
913 the bathroom for access to the shut off valves. The attic access cover shall
914 be a combination of plywood laminated to a 5/8- inch type X drywall with the
915 drywall facing the attic side; (v) The bathtub/Jacuzzi faucets shall have

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

917 quarter turn shut offs that are accessible. The discharge of water shall be by
 918 gravity drain. A pump may only be used if the discharge rate does not
 919 exceed 7 gpm. Air injection jets may only be installed if they do not exceed a
 920 44-decibel sound level. If they are an integral part of the bathtub/Jacuzzi,
 921 they must be disabled if they do not meet this sound level; (vi) A non-
 922 standard 50-gallon water heater shall be installed with a re-circulating pump
 923 for the bathtub/Jacuzzi unless an alternate source for maintaining adequate
 924 hot water temperature at the bathtub/Jacuzzi is provided such as a tank-less
 925 booster water heater at the bathtub/Jacuzzi. The installation and
 926 maintenance shall be at Shareholder’s expense; and (vii) The main electrical
 927 panel must be upgraded to a 125-amp square D electrical panel with a 100-
 928 amp main breaker, if necessary, to provide sufficient circuit breakers. A sub-
 929 panel is not permitted.
 930

931 **3.10. Section 3.10 – Contractor Notification/Pre-Demolition.**

932 The Shareholder’s Contractor shall notify all surrounding units four (4) days
 933 prior to demolition of any kind. Contractor may petition the GRF Building
 934 Inspector to designate one parking space to be coned off overnight Monday
 935 through Thursday, only during the initial phases of construction. The Mutual
 936 reserves the right to revoke any such designated parking space at any time.
 937 Contractors shall block off their site with an approved orange netting at all
 938 times until final inspection occurs. They may use the grass areas in front of
 939 the unit during the day when marked off by the orange netting. All work tools
 940 must be removed from the grass area overnight and on weekends. The
 941 Mutual is not responsible for any damage, loss and/or theft of the
 942 contractor’s tools.
 943

944 **3.11. Section 3.11 – Demolition.**

945 The contractor must, at all times, have an approved, fully charged and visible
 946 fire extinguisher on-site. Demolition must be tarped off so that no dust can
 947 enter the common attic space or affect neighboring units. If possible, the
 948 contractor is to lightly spray the demo area to keep dust down. Contractors
 949 may not use Mutual trash dumpsters to dispose of material. All trash must be
 950 hauled off site daily. The contractor must ensure that the work area is visibly
 951 blocked off from any access. The Shareholder and contractor will be
 952 responsible for any damage or injury caused to any Shareholder, Qualifying
 953 Resident, guest, or invitee who is injured due to the contractor’s failure to
 954 safely secure the work area.
 955

956 **3.12. Section 3.12 – Concrete.**

957 All new concrete defined as patios, aprons, and walkways shall be doweled
 958 into existing slabs a minimum of 24-inch on center with a #3 rebar and at
 959 least a 6-inch embedment. Refer to: CBC, City of Seal Beach, Mutual’s

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

960 requirements, Exhibit A2. Foundations/remodels shall refer to an engineered
 961 set of drawings, approved by the City of Seal Beach.

3.13. Section 3.13 – Framing.

964 At framing inspection, the contractor shall treat the exposed framing for
 965 termite resistance with a product such as Tim-bor. Tim-bor must be applied
 966 by brush or spray as follows: two applications of a 10% solution when drier
 967 than normal; one application of 15% solution when normal moisture.

968 When a Unit is remodeled, the architect, engineer, and/or contractor shall
 969 design and construct all the ceiling systems in such a way that allows for a
 970 minimum of 1” unobstructed flow of air from the eave vents up to the ridge
 971 vent. No framing material or insulation shall obstruct this air flow. If the
 972 insulation is going to close this 1” space, then a plastic baffle shall be
 973 installed to maintain it. No wood trim or coverings will be allowed on the
 974 exterior. Only termite resistant products shall be allowed on the exterior
 975 finish. Cement fiber trim and hard panel siding are standard. However,
 976 composites may be reviewed by the Mutual Board for approval. The only
 977 wood to remain for an exterior remodel is the original roof overhang that
 978 includes vent blocks, rafters, fascia, and plywood. If these are damaged or
 979 repaired by the contractor, the contractor shall replace wood to match
 980 existing and paint to match. Wood must be primed and painted with the
 981 approved paint. The Mutual will maintain the maintenance responsibility for
 982 the exterior wood members upon completion and approval of the work.

3.14. Section 3.14 – Drywall.

984 All drywall at common walls, ceilings, skylight shafts shall be type x 5/8.

3.15. Section 3.15 – Plumbing.

988 The Shareholder shall ensure that if any work is to be done on exposed
 989 original plumbing, (water/sewer) that the plumbing shall be changed to
 990 copper (type L) with sweat joints or ABS pipe and cast iron in some
 991 instances. Full remodels shall have a brass ball valve main shut off installed
 992 for the cold water entering the unit.

993 All valves shall be easily accessible. The shut off valve for the hot water shall
 994 be at the cold-water supply to the water heater and easily accessible through
 995 a panel. The water heater shall be easily accessible for service and have a
 996 drip pan and a dual Sonin (manufacturer) water alarm installed by the
 997 contractor for any plumbing remodel. Only metal braided supply lines with ¼
 998 turn metal angle stops are allowed for all plumbing fixtures. All supply lines
 999 shall have metal nuts.

3.16. Section 3.16 – Electrical.

1000 If a new circuit is required and space cannot be found within the existing
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1003 panel, then a new panel will be necessary and shall only be Square D
 1004 Q0124L125 24 spaces/24 circuits with 100 amp main shut off. No sub panels
 1005 when remodeling. All electrical boxes in the common walls shall be metal, not
 1006 plastic. All remodels shall require high efficiency lighting such as LED, Gu24,
 1007 or fluorescent tube. No screw in bulbs will be permitted.
 1008

3.17. Section 3.17 – Insulation/Sound Proofing/Fireproofing.

1009 All common walls shall be insulated for soundproofing and fireproofing. The
 1010 common walls, when open in a remodel, shall be upgraded to include
 1011 soundboard or other means to control sound transference through common
 1012 walls. Any penetrations for plumbing or electrical shall be sealed with
 1013 approved fireproof sealant or approved spray foam.
 1014

3.18. Section 3.18 – Carpet and Flooring.

1015 Shareholders may replace flooring and carpet within their Units with a permit
 1016 from Physical Properties. Any replaced flooring or carpet must be tested or
 1017 disposed of properly at Shareholder’s expense. Patio flooring transition to
 1018 entry walks are Shareholder’s responsibility and must be made flush by
 1019 raising concrete entry walks.
 1020

3.19. Section 3.19 – Dishwashers.

1021 Shareholders may have any make or model built-in dishwasher installed in
 1022 their Units at their own expense by a licensed contractor approved by the
 1023 GRF Physical Property Department and the City of Seal beach after securing
 1024 the necessary permits from the GRF Physical Property Department prior to
 1025 beginning work. The dishwasher requires a separate electrical circuit. The
 1026 Shareholder assumes full responsibility for any damage incurred as a result
 1027 of a dishwasher, whether built-in or portable in their unit.
 1028

3.20. Section 3.20 – Appliances.

1029 A Qualifying Resident that has lived in his/her Unit for six (6) months or less,
 1030 and received new appliances from the Mutual, may not remove the
 1031 appliances/fixtures in a remodel unless they refund the Mutual the full value
 1032 of the appliances at the time of installation.
 1033

1034 No appliance which is Mutual property may be sold, given away, or disposed
 1035 of by the Qualifying Resident and/or the contractor. The Qualifying Resident
 1036 or contractor must notify a director on the Mutual Board or the GRF Building
 1037 Inspector to confirm what options are authorized. This notification must be
 1038 made at least seven (7) days prior to the removal of the appliances. If any
 1039 appliance is stored in the Unit, it must continue to be cleaned and left
 1040 undamaged until the Mutual picks up the appliance. Mutual
 1041 appliances/fixtures are defined as: cooktops, ovens, refrigerators (for all
 1042 Occupancy Agreements executed prior to October 1, 2019), hoods, garbage
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1046 disposals, water heaters, sinks, faucets, lighting fixtures and ceiling
 1047 heater/vent/light units.

1048 All expansions or permanent fixtures and appliances to the unit become
 1049 Mutual property when attached to the building. The Mutual and/or GRF will
 1050 not be responsible for any reimbursement of any expansions or fixtures
 1051 which become Mutual property.

1052
 1053 **3.21. Section 3.21 – Mutual Warranty on Standard Appliances.**

1054 Effective October 1, 2019, the Mutual will warranty all standard refrigerators,
 1055 stove tops, and ovens for a period of one year from the date of sale to the
 1056 buyer of any Unit with these appliances. Effective September 20, 2022, the
 1057 mutual will warranty all garbage disposals for a period of one year from the
 1058 date of sale of the new buyer.

1059
 1060 **3.22. Section 3.22 – Seller Warranty on Non-Standard Appliances.**

1061 The existing Shareholder, upon the sale of a Unit, shall obtain a one (1) year
 1062 warranty on each non-standard appliance and provide all warranties to the
 1063 new Shareholder in the escrow packet.

1064
 1065 **3.23. Section 3.23 – Exterior Coverings, Awnings and Blinds.**

1066 Plans for all exterior awnings, coverings and/or blinds on windows, doors,
 1067 doorways, and entry or exit areas must be submitted to and approved by the
 1068 Mutual Board and meet the standards and approval of the Physical Property
 1069 Department prior to installation. Exterior coverings, including but not limited
 1070 to solar blinds, mini blinds, vertical blinds, or roll- up bamboo blinds, are
 1071 permitted only within the inside of each Qualifying Resident’s porch or Unit,
 1072 and may not be attached to the Mutual’s building outside of the porch, or
 1073 interior window header when the unit has been extended. The Mutual
 1074 prohibits exterior coverings to be attached to the building outside of the porch
 1075 header or attached to rafter tails or building fascia.

1076
 1077 **3.24. Section 3.24 – Gutters.**

1078 A patch to a gutter is not permitted in any remodel which alters the gutter or
 1079 moves a downspout. A contractor may reuse and modify the downspout.
 1080 Full lengths of gutter without patches must be installed by the contractor. A
 1081 contractor must contact the Mutual-approved roofer and have the roofer
 1082 install full lengths of gutter without patches on new roofs that have gutters
 1083 with one seam at the middle of the building. The install will be at least one
 1084 half the entire length of the building without patches. Downspouts may be
 1085 reused but will only be located as per the GRF Building Inspector’s direction.

1086
 1087
 1088 **3.25. Section 3.25 – Equipment Standards.**

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

1089 The Mutual has approved a revised standardization of appliances list. This
 1090 list may be updated by the Purchasing Department from time to time as
 1091 manufacturers improve, modify, or replace models, thereby altering the
 1092 current applicable model numbers. The revised list will be published
 1093 annually. It is attached hereto as Exhibit "A".
 1094

3.26. Section 3.26 – Smoke Detectors.

1095 When all or any remodel work is done to a Unit, ALL smoke detectors/alarms
 1096 must be replaced with a Kidde i9010 Tamperproof 10-Year Sealed Lithium
 1097 Battery-Operated Smoke Alarm and/or Kidde 12010S Worry-Free Hardwired
 1098 Interconnected Smoke Alarm Sealed Lithium Battery Backup, where
 1099 applicable, or an equal and equivalent device approved by the Mutual Board.
 1100
 1101

3.27. Section 3.27 – Performance Bonds for Construction Work over Ten Thousand Dollars.

1102 Permits for any construction work performed in the Mutual valued at more
 1103 than \$10,000 shall require a Performance Bond. The bond shall provide
 1104 sufficient funds in the event the work is not completed on time, in accordance
 1105 to approved plans, and/or to the satisfaction of the Mutual, for any reason.
 1106 Exceptions to this bond requirement are as follows: (1) The contractor is
 1107 listed on the Physical Property list of approved contractors; and, (2) The
 1108 contractor has completed more than one-hundred thousand dollars
 1109 (\$100,000.00) per year in contracts in Leisure World for the last three (3)
 1110 years.
 1111
 1112
 1113

3.28. Section 3.28 – Roof Leaks.

1114 When a roof leak occurs in a Mutual building, and if a roofing contractor fails
 1115 to effect warranty repairs within fifteen (15) working days from notification by
 1116 the Physical Property Department, the Service Maintenance Department will
 1117 make such repairs or hire another roofing contractor.
 1118
 1119

3.29. Section 3.29 – Roof and Attic Access.

1120 No person shall access the roof or attic areas of any building in the Mutual
 1121 without the express permission and approval of the GRF Physical Property
 1122 Department. The only person within this Physical Property Department who
 1123 may give such permission or approval is the GRF Building Inspector or the
 1124 GRF Physical Property Facilities Director, or their specific and assigned
 1125 designees. This prohibition includes: (i) Any Shareholder, even if such
 1126 Shareholder is an occupant of the building whose roof or attic is being
 1127 accessed; (ii) Any other person related to, or associated with, any other
 1128 resident or Shareholder such as a caregiver, a relative, or guest, and
 1129 including any director sitting on the Mutual Board, including any two or more
 1130 such directors in concert; (iii) Any contractor of any sort for whom access had
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1132 been requested or granted for an existing contract, any prior contract, or for
1133 the purpose of bidding on a future contract; and (iv) Any public official such
1134 as an inspector or other legal authority without proper, documented
1135 permission. Emergency circumstance to protect persons or property, of
1136 course, preempt any and all such restrictions and limitations.
1137

3.30. Section 3.30 – Filled Concrete Block and Footings.

1138 A Shareholder may apply to GRF to obtain a permit for the use of the “filled
1139 type” decorative blocks in enclosing patios. A Shareholder must
1140 acknowledge that sufficient footings will be placed under the edge of the slab
1141 where said blocks are to be installed, in order to adequately provide for the
1142 added weight on the slab.
1143

3.31. Section 3.31 – Liners for Decorative Block Walls.

1144 A Shareholder is not permitted to use organic materials, such as plywood, to
1145 line decorative block walls.
1146
1147

3.32. Section 3.32 – Bay Windows.

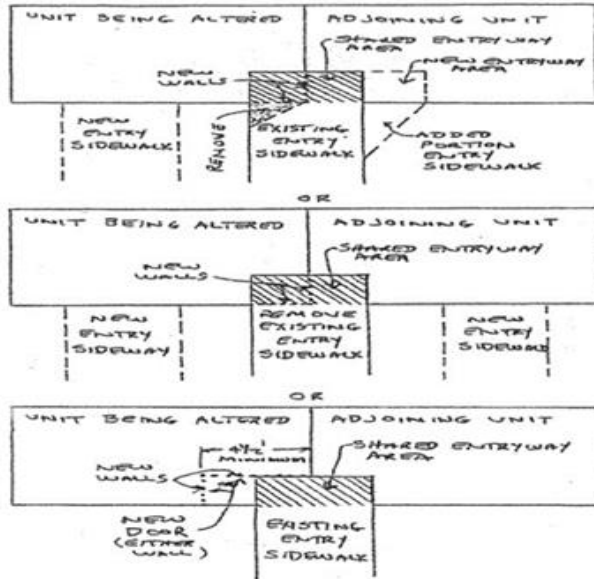
1148 All bay windows presently covered with T-111 plywood, distressed plywood,
1149 or wood siding, and any other wood product that complements the bay
1150 windows such as corbels and decorative trim, shall be removed and replaced
1151 with stucco when the bay window framing, and covering are infested with
1152 termites. All remodels that include bay windows shall be constructed with
1153 stucco as the exterior covering and shall be “bay to grade” construction. The
1154 expense of the entire remodel and “bay to grade” construction shall be the
1155 responsibility of the Shareholder.
1156
1157

3.33. Section 3.33 – Common Entry Walkways.

1158 When two units are side-by-side and share a common entrance walkway and
1159 one Shareholder wants to relocate their entry walkway, that Shareholder
1160 must obtain permission, in writing, from the Shareholder of the other affected
1161 adjacent unit. The entrance for the adjacent unit shall be relocated at the
1162 sole expense of the Shareholder whose unit is being altered to provide the
1163 minimum/maximum four feet six inches (4’, 6”). The total width will include
1164 three-inch (3”) buffers on each side if decorative stone is being used.
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SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations



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3.34. Section 3.34 – HVAC.

A Qualifying Resident shall apply to install an air conditioning system within the Qualifying Resident’s Unit, at the Qualifying Resident’s expense. A licensed HVAC contractor must apply to the Physical Property Department for a permit to install the air conditioning system through the lower windows or wall. A Qualifying Resident’s applying to for approval to install an air conditioning/heating system must comply with the following requirements:

- 3.34.1.** Qualifying Resident shall install a concrete pad and blind when installing any heating and air conditioning units. Units must be masked from view and blind material/design material shall be approved by the Board of Directors on a case-by-case basis. A minimum of fifty percent (50%) air space should be maintained within the material for air circulation.
- 3.34.2.** Qualifying Resident must ensure that any all installed heating and air conditioning units have attic access from inside the Unit. The minimum size for attic access is 22” wide x 30” long. Qualifying Resident should refer to the California Mechanical Code for complete requirements. The condensation line shall terminate at the kitchen or bath sink as set forth in the Mechanical Code.
- 3.34.3.** The City of Seal Beach requires an A-weighted sound calculation prior to the issuance of a building permit, and Physical Property requires this to be submitted prior to approval of said permit (Municipal Code 7.15.035). Exterior sound 55db.
- 3.34.4.** At the time of sale for a unit during escrow, the HVAC system will be tested for proper function of the unit, as well as adding attic access if not one already (22”x30”). A concrete pad shall be installed under the condenser and the condensate drain line shall

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1195 be rerouted to the trap side of a sink if not done.
 1196 **3.34.5.** Permission is granted by the Board to the Physical Property
 1197 Department to issue permits for installation of air conditioners
 1198 through the lower windows. Any other areas considered for
 1199 installation requires Board approval.
 1200 **3.34.6.** Permits are required for wall heaters. In all construction work
 1201 where wall heaters replace the original heating source, metal
 1202 conduit or armored cable shall be used for the last six feet of line
 1203 running from the breaker box to the wall heater(s).
 1204

1205 **3.35. Section 3.35 – Unsanitary Premises and Fire Loading Conditions.**
 1206 Chapter 10 of the 1997 Uniform Housing Code, Section 1001.11, defines in
 1207 part, hazardous or unsanitary premises as the accumulation of weeds,
 1208 vegetation, junk, offal (decaying meat products), dead organic matter, debris,
 1209 garbage, rat harborages, stagnant water, combustible materials, similar
 1210 materials, or conditions on the premises of the unit, or storage inside of the
 1211 oven or on the stovetop or inside a microwave oven, which may constitute
 1212 fire, health, or safety issues.
 1213 For purposes of this Section 3.35, unsanitary or rodent and insect inviting
 1214 conditions or fire-loading conditions are described as the excessive
 1215 acquisition and collection of large amounts of objects. Such collections of
 1216 objects may include, but are not limited to stacked paper goods,
 1217 newspapers, books, magazines, mail, trash, stored cardboard boxes, plastic
 1218 trash bags, food stuffs, cleaning aids, clothing and collectables, pet waste or
 1219 unclean pet cages, and a lack of ingress and egress at windows and doors.
 1220 Qualifying Resident’s shall not create an unsanitary or rodent and insect
 1221 inviting condition or fire-loading conditions, as defined in this Section 2.39 or
 1222 in Section 1001.11 of the 1997 Uniform Housing Code referenced above.
 1223 Further, a Qualifying Resident shall not store within their Unit, or on their
 1224 patio, any incendiary items such as grease, oil, gasoline, paint, or paint
 1225 thinner, or any other liquids or substances noted to be flammable, or any
 1226 large amount of hobby materials. Working on hobbies in Unit or patio/porch
 1227 will be permitted by the Board on a case-by-case basis, considering the
 1228 health, safety, welfare, and aesthetics of all residents affected. Storage of
 1229 construction materials, including but not limited to, stacked wood, siding,
 1230 metal pieces, welding tools, or any items in support of conducting or
 1231 practicing a business upon the premises, is also prohibited.
 1232

1233 **3.36. Section 3.36 – Unit Fire Inspections and Special Unit Inspections.**
 1234 Each Unit will be inspected at the regular annual Mutual fire/safety inspection
 1235 conducted by the Physical Property Department, or any special inspection as
 1236 ordered by the Mutual Board, with a duly posted 72-hour notification to the
 1237 Qualifying Resident. Any infractions will be indicated, and the Qualifying

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1238 Resident will be informed by mail to cure the infraction within thirty-two (32)
1239 days of the date of the letter. A follow-up inspection of the premises will be
1240 conducted to assure compliance. At the time of inspection, the GRF Building
1241 Inspector will verify that the smoke detector(s) are within the ten (10) year
1242 maximum life and in working condition. Shareholders will be required to
1243 provide proof of liability Insurance during Fire Inspections or within 10 days.
1244 If not, shareholders will be fined per Fine Schedule.

3.37. Section 3.37 – Temporary Relocation During Repair and Maintenance.

1246 The Mutual shall not assume responsibility for relocating and/or housing
1247 Shareholders during the repair and maintenance of Common Area.
1248

4. ARTICLE IV – PORCHES/PATIOS/GOLF CART PADS

1249 Definition of Terms:

- 1253 a. A porch is the space under the roof of the structure open to the outside or
1254 enclosed from the weather.
- 1255 b. A porch and a patio can be built as a continuous structure, but the portion outside
1256 the roofline will be considered and maintained as a patio.
- 1257 c. A patio is any surface other than garden material that is attached or adjacent to
1258 the outside wall structure of the Unit’s structure.
- 1259 d. A porch is included in the exclusive use permit of occupancy and is not included
1260 or managed by this Article IV.
- 1261 e. Transfer of title shall have the same meaning as used for determination of when a
1262 California transfer tax on real property is assessed by the State of California.

4.1. Section 4.1 – Porches.

1264 If the Mutual’s Bylaws provide for it, a Shareholder may submit an application
1265 to construct a porch. The Shareholder’s plans and specifications must be in
1266 accordance with the Mutual’s requirements as set forth in these Rules and
1267 Regulations. Pursuant to Section 2.1 of these Rules, all construction work
1268 related to the construction of porches must be done by a contractor licensed
1269 and insured in the State of California.

4.1.1. Use and Maintenance.

1272 The maintenance, repair, and replacement of any components of
1273 the porch will be the responsibility of the Shareholder.

4.1.2. Emergency Egress – Windows and Walkways.

1274 All porch window spaces, both inside and outside, must be kept
1275 clear for emergency exit and entrance. A clear path of at least four
1276 (4) feet must be maintained from the entrance of the porch to the
1277 entry door of the unit. Walkway must have a clean, unobstructed
1278 pathway, free of potted plants or other items.

4.1.3. Emergency Egress – Doors.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1281 No porch addition may have a door that locks. Only doors with
 1282 direct entry into the Unit may have locks (i.e., front door or sliding
 1283 glass door leading directly into the Unit from the porch). A door
 1284 outside in the porch without direct access into the Unit is not
 1285 considered an entry door. To clarify, there can be no door locked
 1286 before arriving to the front door of the Unit. Any lock on a porch
 1287 door must be removed or the Mutual will remove it at the
 1288 Shareholder’s expense. Any object which contributes to
 1289 uncleanliness or impeded passage for emergency personnel and
 1290 equipment, and/or which may lead to unhealthy or dangerous
 1291 conditions to Shareholders, must be corrected by the Shareholder.
 1292 If such items are not removed, the Mutual will do so at the
 1293 Shareholder’s expense. Metal Security Doors are prohibited in
 1294 Mutual 14.

1295 **4.1.4. Inspection.**
 1296 Porches will be periodically inspected by a GRF Building Inspector
 1297 assigned by the GRF Physical Property Department.

1298 **4.1.5. Storage – Open Porches.**
 1299 After the initial 30-day move-in period, the following items may not
 1300 be stored or placed on open porches: (i) Any type of food,
 1301 including birdseed, dog, or cat food except in airtight containers;
 1302 Do not leave pet dishes with food on the porch; (ii) Cardboard
 1303 boxes; (iii) Charcoal or highly flammable items, old newspapers,
 1304 magazines, etc. (unless stored in approved containers). Gasoline-
 1305 operated equipment or gas cans, flammable chemicals; (iv)
 1306 Laundry hung for airing or drying; Clothing or other items may not
 1307 be hung on shareholders’ porches; (v) non-working refrigerators or
 1308 freezers; (vi) On un-gated porches: Unattended pets or pets in
 1309 permanent outdoor kennels or caged (including birds); (vii) Spas or
 1310 hot tubs, indoor upholstered furniture.

1311 **4.1.6. Porch Décor.**
 1312 Screens, panels, or drapes to block the sun must be of outdoor
 1313 fire-retardant fabric and must be maintained. Porch décor must be
 1314 in good taste, and obscene or offensive objects can be prohibited
 1315 in the discretion of the Mutual Board.

1316 **4.1.7. Prohibited Activities.**
 1317 Any workshop causing noise, odor, unsightliness, and/or unhealthy
 1318 conditions is prohibited within the Mutual. Be guided by the
 1319 “occasional hobby-oriented” activity rather than an ongoing
 1320 business or any activity considered to be a nuisance to neighbors.
 1321 Contact the Mutual Board by sending a letter to the Secretary for
 1322 further information and guidance. Converting an open porch into a
 1323 storeroom is prohibited.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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4.1.8. Porch Size.

Mutual building permits are required for any alteration to porches. A porch may be increased by expanding outwards into the garden/common area with Board approval. Porches may be reduced in size by: (i) Constructing porch closets, which requires a GRF building permit; (ii) Adding pre-assembled cabinets/sheds; or (iii) Expanding the interior rooms of the unit outward into the porch space.

4.1.9. Porch Floor.

Outdoor carpeting is permitted. Any permanent resurfacing of the porch floor requires a GRF building permit. Flooring installed without a permit may be removed by the Mutual at the Shareholder’s expense.

4.1.10. Enclosed Porches.

A permit from the Physical Property Department is required for any construction to a porch. An enclosed porch may not function as a bedroom, kitchen, or storage closet. Any item not appropriate to a porch will be removed by the Shareholder or by the Mutual at the Shareholder’s expense.

4.1.11. Enclosed Porches Acceptable Items.

Acceptable items on enclosed porches include: (i) Refrigerator or freezer in working condition plugged directly into wall socket only; or (ii) A washer or a dryer or stacking washer and dryer installed inside a porch storage cabinet. A GRF building permit must be obtained for the installation of these appliances, and all codes relating to electrical and, if applicable, plumbing and ventilation must be adhered to.

4.2. Section 4.2 – Stipulations for Existing Patios.

All currently installed patios will be considered as allowed, subject to the requirement that all currently installed patios must be brought into compliance with the patio standards set forth in the Mutual’s Governing Documents at the seller’s cost, at the time of transfer of title or sale of a Unit with a Patio. At the time of transfer of title or sale of a Unit with a Patio, the buyer must agree to manage, maintain, and ensure the cost of the Patio or it shall be removed at the seller’s cost. The new buyer/transferee must sign the License and Indemnity Agreement provided by the Mutual. Remodels of existing Patios must comply with these Rules.

4.2.1. Patio Approval Process.

All requests for patios whether end or inside units must be submitted to the GRF Physical Property Department at least three (3) weeks prior to a regularly scheduled Board Meeting. The GRF Physical Property Inspector must submit the plans for approval to the Board at least two (2) weeks prior to a regularly scheduled

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1367 Board Meeting. Patio plans must be drawn to be easily understood
 1368 with dimensions and must include the walls, wall caps, fences, and
 1369 gates. All patio requests will be considered by the Board on a site-
 1370 specific basis, taking into consideration, but not limited to the
 1371 following: (1) Aesthetic/financial value to the Mutual; (2)
 1372 Functionality for the shareholder; (3) Utility boxes; (4) Electrical
 1373 enclosures/panels; (5) Sprinkler systems; (6) Sprinkler
 1374 valves/plumbing; (7) Telephone pull boxes/equipment; (8)
 1375 Sidewalks; (9) Laundry rooms; and (10) Landscaping. Any
 1376 changes or deviations from the approved plans must be submitted
 1377 to the Board and approved prior to implementation. A majority
 1378 vote of a quorum of the Board of Directors is necessary for
 1379 approval and the plans must be approved before the start of
 1380 construction.

4.2.2. Patio Requirements.

1381 Patios must slope away from the building with adequate weep
 1382 holes in walls for draining. All patios must include a 4" mow strip.
 1383 Patio top surface material must be non-skid when wet. All patios
 1384 must be enclosed by a wall or a fence. Patio wall with cap/fence
 1385 must be between 18" and 35" high. Awnings, pergolas, and all
 1386 other patio covers are subject to board approval.

4.2.3. Patio Indemnity Agreement.

1388 The Mutual will provide a disclosure to all new Shareholders
 1389 stating that their patios might have been built over sewer, water,
 1390 electrical, or other types of utilities that the potential to require
 1391 access or relocation and that this could require removal of all or a
 1392 portion of the patio at the Shareholder's expense. This disclosure
 1393 must be signed by the selling Shareholder, and it will be provided
 1394 to the purchasing Shareholder with the Licensing and Indemnity
 1395 Agreement.

4.2.4. Patio Maintenance Requirements.

1397 Shareholders shall bear any and all costs of the patio including the
 1398 maintenance of the patio, sprinkler relocation, grass replacement,
 1399 tree replacement, and flower bed repairs. As a condition of patio
 1400 approval, the Shareholder must obtain and maintain liability
 1401 insurance covering any and all lawsuits involving the patio. The
 1402 Shareholder must agree and sign the Licensing and Indemnity
 1403 Agreement provided by the Mutual.

4.2.5. Patio Use Requirements.

1405 Patio items appropriate for patio and outdoor use such as chairs
 1406 and lounges with cushions are allowed. Storage boxes designed
 1407 for patio use may not exceed 2 feet in width by 6 feet in length and
 1408 must not exceed the height of the wall/fence. Patios and areas
 1409

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

1410 around patios must be kept free of clutter. If there is a question
 1411 whether clutter exists, the question will be decided by a vote of the
 1412 Board. Barbeques may be kept on patios and must be used
 1413 according to these Rules. Charcoal barbeques are not permitted.
 1414 Pets must not be left unattended on patios. Pet doors giving pets
 1415 free access to and from patios are not allowed. Potted plants may
 1416 be kept on patios and walls in compliance with these Rules. The
 1417 following items are not permitted on patios overnight: newspapers,
 1418 magazines, paper, plastic bags, and cardboard. Any item in, on,
 1419 built into or onto a patio in conflict with these Rules must be
 1420 removed by the Shareholder after ten (10) days written notification.
 1421 If the item is not removed after the ten (10) day period, the Mutual
 1422 will have the right to remove the item at the Shareholder's
 1423 expense. Patio related items must not block walkways or remain
 1424 on lawns overnight.

4.3. Section 4.3 – Golf Cart Pads.

1427 Shareholders must obtain approval and follow established guidelines for the
 1428 installation and use of any gas/electric cart or scooter and any necessary
 1429 pad used for parking and recharging of carts and scooters. Such pads shall
 1430 not be considered a permanent change to the Unit but shall remain a “non-
 1431 standard” change. Any parking or charging pad shall be removed upon the
 1432 resale or transfer of the applicable share of stock at the seller's expense,
 1433 unless the buyer wants the pad to remain and agrees to such in writing,
 1434 including an agreement that the buyer will have a golf cart within 30 days.
 1435 The Shareholder constructing a golf cart pad must contact the Physical
 1436 Property Department to obtain a permit which must be obtained prior to the
 1437 start of any construction. Minimum width will be five feet (5') and maximum
 1438 width of any cart pad will be six feet (6').

1439 Materials allowed: concrete, decorative pavers, and decorative stone.
 1440 Decorative pavers and stone must have a three-inch (3") concrete buffer on
 1441 each side incorporated into the maximum width of six feet (6') for the cart
 1442 pad.

1443 By obtaining a permit for the cart pad, the Mutual Board is giving the
 1444 Shareholder a temporary easement for the exclusive use of a portion of the
 1445 common area. A cart pad is for parking and charging of gas/electric golf
 1446 carts. The area cannot be utilized for any use other than charging and
 1447 parking a golf cart or scooter. If there is no golf cart, the property is to be
 1448 returned to a grassy area, at the expense of the shareholder. The cart pad
 1449 may not be used as an outdoor porch. There will be no plants, furniture, or
 1450 decorations of any kind on the pad. The exception would be if the cart pad is
 1451 an extension of the garden. If the plants on the cart pad fall within the garden
 1452 area, they will be acceptable, as long as they do not interfere with any space

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1453 required for any golf cart or scooter using the pad. Notices of violations will
 1454 be given for any infraction.
 1455 Before obtaining the permit, the shareholder will sign a recordable
 1456 agreement agreeing to all the terms and conditions required to obtain said
 1457 permit.
 1458 All costs related to this installation shall be borne by the Shareholder,
 1459 including any modifications to the existing sprinkler system which work must
 1460 be performed by the Mutual’s contracted landscaper or other Mutual-
 1461 approved contractor prior to the construction of the pad.
 1462

5. ARTICLE V – LANDSCAPE MAINTENANCE MANUAL

5.1. Section 5.1 – Purpose of Landscape Maintenance Manual.

1463 This Article III is included to enhance the enjoyment of the Mutual living style
 1464 by setting and enforcing standards for Mutual landscaping. This Article V
 1465 outlines the shared responsibilities of the Mutual and its Shareholders. The
 1466 Landscape Committee is entrusted with the management of landscaping
 1467 including the responsibility for inspections and enforcement of this Article V.
 1468 If all Shareholders follow the policy as outlined below, the landscape areas
 1469 will display what most Shareholders would consider an appealing
 1470 appearance of the Mutual, a benefit for all as an attractive place to live and
 1471 an enhancement of property values in the event of resale.
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5.2. Section 5.2 – Resident Garden Areas.

1476 The area extending from the exterior wall of the Unit to the mow strip is set
 1477 aside for the Shareholder’s Garden. Free-standing objects are permitted in
 1478 the garden area only. Board approval may be granted for other areas.
 1479
 1480

5.3. Section 5.3 – Trees within Garden Areas.

1481 Trees may not be planted in garden areas, except in tubs, and they must be
 1482 kept eighteen (18) inches below the eaves. Dwarf Citrus Trees are an
 1483 exception, and maybe planted in the ground but must and will be trimmed,
 1484 cared for, and treated the same as all garden area. Plants must be cut back
 1485 so as not to extend over the garden line, in all cases. Removal of any
 1486 offending growth will be done by the Mutual at the Shareholder’s expense.
 1487 Trees may not be cut down until a certified arborist provides a report to the
 1488 Landscape Chair and Mutual Board, for approval, on those showing signs of
 1489 stress, disease, or invasive roots, or which could possibly cause property
 1490 damage. Older, larger trees should be checked on-site by an arborist yearly.
 1491 When called for, second opinions must be obtained from an outside,
 1492 independent California certified arborist. All arborist’s reports advising the
 1493 Mutual Board that the tree is diseased, or the roots are invasive to buildings
 1494 and cannot be cut back without killing the tree must be in writing. Trees may
 1495

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1496 not be cut down until a certified arborist provides a report to the Landscape
 1497 Chair and Mutual Board and the removal is approved in writing by the
 1498 Mutual.
 1499

5.4. Section 5.4 – Plants within Garden Areas.

1500 Shareholders may plant greenery of their choice from the list of Mutual-
 1501 approved plants, set forth in Exhibit B within the Shareholder Garden area.
 1502 Shareholders shall not plant any greenery from the list of Mutual non-
 1503 approved plants, set forth in Exhibit C. Plants with invasive root growth that
 1504 could potentially damage the Mutual structures and walkways are prohibited.
 1505 Vines are not permitted to climb on any structures. If a trellis is used, it must
 1506 be free-standing and be kept eighteen (18) inches below the eaves and
 1507 twelve (12) inches from the building. All plants must be trimmed back twelve
 1508 (12) inches from building walls. Shrubs shall not block windows, electric
 1509 meters, or neighbors' views.
 1510

5.5. Section 5.5 – Pest Control and Fertilization within Garden Areas.

1511 Fertilization and plant pest control within the garden area are the
 1512 responsibility of the Shareholder. Watering the garden area is also the
 1513 responsibility of the Shareholder. At the Shareholder's expense, sprinklers
 1514 may be added within the garden area. Maintenance of sprinklers will be at
 1515 the Shareholder's expense. All fertilization and plant pest control within the
 1516 flower bed are the responsibility of Shareholders at their expense. Pesticide
 1517 application requires careful attention to prevent endangerment to other
 1518 shareholders and their pets, as well as to beneficial insects.
 1519

5.6. Section 5.6 – Potted Plants.

1520 Potted plants are not permitted on entrance walkways; nor can they inhibit
 1521 the 36-inch entry requirement. Further, potted plants are not permitted on top
 1522 of, or hung from Pad mount transformers, nor on telephone vaults or walk
 1523 lights. Cement pavers must be under all pots containing trees or large plants.
 1524

5.7. Section 5.7 – Maintenance of Garden Areas.

1525 After cleaning garden areas or raking leaves, Shareholders should place the
 1526 leaves or debris in the proper trash bins. At the time of escrow or transfer of
 1527 stock to a new Shareholder, the Mutual Inspector and the Mutual Board will
 1528 signify any plants, shrubs or trees that need to be removed. The cost of such
 1529 removal will be the expense of the seller or transferee of ownership. Planting
 1530 will be in accordance with the current Mutual Rules and Regulations. If the
 1531 new Shareholder wishes to do the planting, it will be at his/her expense.
 1532 Shareholders may design a garden area with slight curves within 36 to 48
 1533 inches to enhance their garden areas. First, Shareholders must submit a
 1534 plan and drawing of the proposed garden area to the Mutual Board prior to
 1535
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1539 work being performed. If approved, the plan and drawing will go into a file for
 1540 that Unit and be grandfathered in, so that the garden area does not have to
 1541 be returned to its original configuration if the Shareholder sells his or her
 1542 share of stock. Shareholders are expected to maintain their flower bed areas
 1543 to enhance the Mutual and be aesthetically appealing to the appearance of
 1544 the Mutual. Shareholders should have a minimum of approved decorative
 1545 stones or chips over an approved weed barrier at the shareholder’s expense.
 1546 If a Shareholder does not adhere to the requirements of this Article V of the
 1547 Rules, the Mutual will advise the Shareholder, in writing, of the problem to be
 1548 corrected and may take disciplinary action.
 1549

5.8. Section 5.8 – Flower Bed in Garden Area.

1550 Every Shareholder is allowed the privilege of a flower bed area in front of
 1551 his/her Unit. Flower beds are cultivated, weeded, and trimmed by contracted
 1552 landscapers every five (5) weeks. Shareholders who desire to do the work
 1553 themselves may alert the landscapers by placing red flags within the flower
 1554 bed. Flags are available from gardeners. Landscapers are instructed to
 1555 remove weeds from all flower bed areas, including wild mint, ivies, and plants
 1556 of the spiderwort family. These plants can spread onto the lawns or invading
 1557 neighboring gardens.
 1558
 1559

5.9. Section 5.9 – Prohibited Uses of Garden Area.

1560 Front and side gardens may not be used as storage areas. Items such as
 1561 garden soil, empty pots, garden tools, potting tables, cabinets, scaffolding,
 1562 shelving, bikes, kayaks and/or surf boards are prohibited in front and side
 1563 gardens and may not block Unit windows. However, a box with earthquake
 1564 material is allowed.
 1565
 1566

5.10. Section 5.10 – Plants may not Touch any Structure.

1567 In no instance are plants of any sort permitted to become entwined, lay upon,
 1568 or in any manner touch a roof, an exposed beam, or any portion of a
 1569 structure, including gutters, as these conditions invite termites, rats, and
 1570 mice. Any plant materials in the flowerbed whose roots are damaging the
 1571 building structure, walkways, lawn area, or retaining wall must be removed at
 1572 the expense of the Shareholder and the damages repaired at the
 1573 Shareholder’s expense. Plants not already trimmed to acceptable standards
 1574 of one foot (12 inches) from the building and decorative blocks, eighteen (18)
 1575 inches from the eaves, will be cut back at Shareholder’s expense.
 1576
 1577

5.11. Section 5.11 – Entrance Walkways.

1578 Entrance walkways, from the sidewalk to the structure/porch, must be kept
 1579 free always of potted plants and all other impediments, including electric
 1580 carts. Nothing that will in any way impede the full use of the 36” wide
 1581

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1582 walkway and entry from the sidewalk to the entrance onto the porch is
 1583 permitted to remain on the walkway. Plant materials must not extend outside
 1584 the flower bed limits over scallop borders, walkways, turf areas, or into
 1585 neighboring flower beds.
 1586

5.12. Section 5.12 – Stackable Gardens.

1587 Shareholders are allowed to have “stackable gardens.” However, the garden
 1588 must have approved plants and must be kept twelve (12) inches from the
 1589 building wall and may not go above the decorative fence or be twenty-four
 1590 (24) inches high from the ground. Plants may not be stacked on the block
 1591 walls.
 1592

5.13. Section 5.13 – Overgrown Flower Bed.

1593
 1594 If a flower bed is deemed to be an eyesore by the Landscape Committee and
 1595 provides hiding places for spiders and rodents, then the Shareholder will be
 1596 asked, in writing, to clean it out. If the Shareholder does not clean out the
 1597 “overgrown” flower bed and/or overabundance of potted plants, then the
 1598 Mutual will do it. The Shareholder will not be reimbursed for any plants,
 1599 pottery, containers, or non-authorized “items” in the flower bed.
 1600

5.14. Section 5.14 – Approved Plants.

1601
 1602 The list of approved plants attached to these Rules as Exhibit “B”. If a
 1603 Shareholder has a question about a plant that does not appear on the
 1604 approved list, the Shareholder needs to contact the Landscape/Garden
 1605 Director for clarification and to obtain written approval from the Director prior
 1606 to planting. If planted without prior written approval, the Mutual will remove,
 1607 at its discretion, the offending plant(s) at the Shareholder’s expense. All
 1608 vegetables and fruit may be grown in pots within the Shareholder’s
 1609 designated porch ONLY. Pots may not be placed on walkways, sidewalks, or
 1610 anywhere that will impede emergency access. Pots containing vegetables
 1611 and trees may be placed on Shareholder’s porch. If placed in the flowerbed,
 1612 pot must be on a paver large enough to prevent roots from going into the
 1613 ground. No fruits or vegetables shall be planted or placed within the
 1614 flowerbed area. Dwarf Citrus trees are an exception and may be planted in
 1615 the ground and trimmed to conform to all rules in the Article. The common
 1616 name of the Approved Plants will be listed first, and the botanical or Latin
 1617 names will follow in parentheses, as set forth in Exhibit “B”.
 1618

5.15. Section 5.15 – Approved Drought Tolerant Plants and Succulents; Non-Approved Plants.

1619
 1620 The flowers, plants or trees listed on Exhibit “C” hereto may not be planted in
 1621 garden areas effective as of the date of adoption of these Rules. However,
 1622 they may be planted in pots and placed on the porch or in the garden on
 1623
 1624

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1625 pavers. Additional prohibited flowers or plants may, in the future, be added to
1626 this list by the Board of Directors. Any tree or plant will be removed if
1627 deemed by the gardener or GRF Building Inspector to have roots that will
1628 cause damage to the sewers or infrastructure. The common name of the
1629 Non-Approved Plants will be listed first, and the botanical or Latin names will
1630 follow in parentheses as set forth in Exhibit "C".
1631

1632
1633 **5.16. Section 5.16 – Fruits and Vegetables.**
1634 Land in the 1.8-acre Mini Farms is set aside in Leisure World for vegetable
1635 planting. Call Community Facilities (ext. 398) for information and to be put on
1636 a waiting list.
1637

1638 **5.17. Section 5.17 – Donating Trees.**
1639 The Garden Committee wants Shareholders to know that donations of trees
1640 to enhance our Mutual’s appearance are greatly appreciated. Trees are one
1641 thing that all Shareholder’s enjoy and want to maintain. They provide shade
1642 and improve and enrich our living spaces in the Mutual. The Garden
1643 Committee welcomes all tree donations. If you would like to donate a tree,
1644 the procedure is very simple: Present a proposal to the Garden Committee of
1645 what type of tree you want to donate, it’s size and where you would like it
1646 planted. If your request meets the criteria set forth by the Garden Committee,
1647 the proposal will be presented to the Mutual Board, and a vote will be taken
1648 at the monthly Board Meeting. Once approved by the Mutual Board, the tree
1649 can be ordered then planted by the Mutual.
1650

1651 **5.18. Section 5.18 – Turf Areas.**
1652 Turf areas are described as the ground areas located outside the Unit’s
1653 flowerbed area. The Mutual is responsible for the maintenance of this area.
1654 Shareholders are not permitted to install, maintain, remove, or relocate
1655 plants or any other landscaping materials, in the turf areas, around trees,
1656 irrigation corners on green belts, or around light poles. Any plants or other
1657 landscaping material that is placed in a turf area by a Shareholder may be
1658 removed at Shareholder’s expense. The Mutual Board has the authority to
1659 authorize such removal. Shareholders are not permitted to install, relocate,
1660 or adjust turf area sprinklers. Shareholders are not permitted to hand-water
1661 turf areas except for areas inadequately irrigated by the sprinkler systems.
1662 The Mutual will not plant or replace trees in the Mutual turf areas unless
1663 there is an eight (8) foot clearance from the entrance walkway and an eight
1664 (8) foot clearance from the sidewalk, or an eight (8) foot radius. Temporary
1665 use of turf areas by Qualifying Residents requires prior written approval by a
1666 Director on the Mutual Board (examples could be a picnic, party, moving,
1667 construction material storage, holiday decorations, etc.).

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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5.19. Section 5.19 – Lamp Posts.

Lamp posts may not be decorated or have anything attached to them, without Board approval.

5.20. Section 5.20 – Flag Poles.

All Shareholders must obtain a permit from the Physical Property Department of the GRF prior to installing a flagpole. All Shareholders that wish to install a flagpole must comply with the following requirements:

5.20.1. Must install the flagpole in the Shareholder’s authorized garden area only at a maximum height of twenty (20) feet. The minimum height varies, but it must be high enough so that the flag does not touch the building or roof of the Unit when whipped by wind gusts.

5.20.2. Components of the flagpole must be standard aluminum tubing with proper rope cable, flag clamps and a pulley system. The rope cable must have a means to be stretched and tied down so as to not flap in the wind.

5.20.3. Flagpole must be erected on a concrete base within the Shareholder’s authorized garden area.

5.20.3.1. The dimensions of the concrete mounting base are:

a. 24-inch square or round base with a standard shoe base imbedded in the concrete to attach the flagpole. The depth of the concrete base must be a minimum of 2 feet embedded in the earth of the authorized garden area.

b. The standard shoe base must be installed and leveled to allow the flagpole to be parallel to the building structure and vertical to earth’s gravity from the ground.

c. The flagpole may not be attached to the structure of the building by any method.

5.20.4. The flagpole must be maintained in good condition by the Shareholder. If it is not maintained in good condition by the Shareholder, the flagpole will be removed at the Shareholder’s expense.

5.20.5. To remove the flagpole upon the sale or transfer of Unit, at Shareholder’s expense, unless the buyer signs an indemnity and release agreement with the Mutual.

5.20.6. Shareholder must lower their American Flag at sunset unless it is lit with a flagpole light.

6. ARTICLE VI – TRAFFIC, VEHICLE OPERATION AND PARKING

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 1711 **6.1. Section 6.1 – Applicability.**
- 1712 The following Traffic, Vehicle Operation and Parking Rules are strictly
- 1713 enforced and are applicable to all persons controlling or operating vehicles
- 1714 on any property owned and/or regulated by the Mutual. This also refers to
- 1715 the streets, sidewalks, parking areas, clubhouses, grounds, and other
- 1716 amenities overseen by GRF. Per the Occupancy Agreement, all Qualifying
- 1717 Residents are solely responsible for the actions of their guests and invitees;
- 1718 therefore, they are solely responsible for any fines and penalties incurred by
- 1719 their guests and invitees. GRF vehicles, such as maintenance vehicles, or
- 1720 security vehicles assisting first responders or providing emergency services
- 1721 to a Shareholders Unit, are exempt from these rules when appropriate.
- 1722
- 1723 **6.2. Section 6.2 – Enforcement of California Vehicle Code.**
- 1724 In order to promote safety, all drivers and pedestrians shall follow the
- 1725 California Vehicle Code, except as specified otherwise herein.
- 1726
- 1727 **6.3. Section 6.3 – Definitions Applicable to this Article.**
- 1728 **6.3.1.** Alternative Dispute Resolution (ADR): A method of resolving
- 1729 disputed other than by litigation involving a neutral third party
- 1730 pursuant to Civil Code Sections 5925-5965.
- 1731 **6.3.2.** Assigned Parking: A defined parking location that has been
- 1732 designated for the use of a specific individual or group by the GRF.
- 1733 **6.3.3.** Bicycle/Tricycle: A device with 2 or 3 wheels, respectively, upon
- 1734 which any person can ride propelled exclusively by human power
- 1735 through a belt, chain, or gears.
- 1736 **6.3.4.** Caregiver: A non-shareholder hired or identified by a Shareholder
- 1737 as providing part-time or full-time care. This person must be
- 1738 registered with Stock Transfer.
- 1739 **6.3.5.** Commercial Vehicles: A motor vehicle of a type required to be
- 1740 registered and used or maintained for the transportation of persons
- 1741 for hire, compensation, or profit or designed, used, or maintained
- 1742 primarily for the transportation of property. A Commercial Vehicle
- 1743 shall also mean any type of vehicle, which includes without
- 1744 limitation, a truck, van, or trailer that has one or more of the
- 1745 following traits: (i) Larger than one (1) ton carry weight; (ii) Bares a
- 1746 prominent business name or advertisement. If the graphic medium
- 1747 is removable, such as a magnetically attached sign, this element
- 1748 does not apply when all such signage is removed and stored out of
- 1749 view; (iii) Normally employed or designed for commercial business
- 1750 use, whether or not a business name or advertisement is
- 1751 displayed; (iv) Racks, materials, ladders, tool boxes and/or tools
- 1752 are visible on the exterior of the vehicle; (v) Used to haul any
- 1753 hazardous materials; and/or (vi) Designed to carry more than 15

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 1754 (fifteen) passengers.
- 1755 **6.3.6.** Due Process: An established course for judicial proceedings or
- 1756 other governmental activities designed to safeguard the legal
- 1757 rights of the individual.
- 1758 **6.3.7.** Electric Bicycle: Two-wheeled vehicle supplemented with an
- 1759 electric motor. It may not be driven on sidewalks.
- 1760 **6.3.8.** Golf Cart: A motor vehicle having not less than three wheels in
- 1761 contact with the ground, having an unloaded weight of less than
- 1762 1,300 pounds, which is designated to be and is operated at no
- 1763 more than 20 mph, and has a maximum width of 48".
- 1764 **6.3.9.** Internal Dispute Resolution (IDR): An internal due process
- 1765 procedure offering an opportunity for both sides to meet and confer
- 1766 in good faith in an effort to resolve a dispute and reach a resolution
- 1767 of alleged violations of community rules.
- 1768 **6.3.10.** Low-Speed Vehicle (LSV): A motor vehicle which is designed to
- 1769 travel in excess of 20 MPH with a maximum speed of 25 MPH.
- 1770 LSV's less than 48" in width shall be driven in accordance with the
- 1771 rules and regulations established for Golf Carts. LSV's that are
- 1772 more than 48" in width are prohibited from all walkways and
- 1773 sidewalks.
- 1774 **6.3.11.** Mobility Scooter: A vehicle that is propelled by an electric motor
- 1775 with a battery pack on the vehicle. This vehicle is self-propelled.
- 1776 **6.3.12.** Motorcycle: A motorcycle has more than a 150cc engine size, and
- 1777 no more than three wheels and has to be registered with the
- 1778 Department of Motor Vehicles (DMV).
- 1779 **6.3.13.** Motor-Driven Cycle: A motor-driven cycle has 149cc or less engine
- 1780 size (CVC Section 405) and has to be registered.
- 1781 **6.3.14.** Non-Resident: A person without the right under the governing
- 1782 documents and applicable law to occupy a dwelling within a
- 1783 Mutual.
- 1784 **6.3.15.** Parking Permit Binder: A register maintained by the Security
- 1785 Department to document vehicles granted a limited exception to
- 1786 certain parking rules. (Examples of exceptions noted in Parking
- 1787 Permit Binder: Extended Qualifying Resident's absence, overnight
- 1788 RV parking, late night calls for overnight guests without a parking
- 1789 permit.)
- 1790 **6.3.16.** Parking Rules Violation (PRV) Panel: The Mutual Board has
- 1791 established a committee consisting of a facilitator, three (3) Mutual
- 1792 directors and an alternate as may be designated from time to time
- 1793 by the Board and assigned to meet on a rotating schedule to hear
- 1794 Shareholder disputes regarding Parking Rules Violation notices
- 1795 issued by Security Department.
- 1796 **6.3.17.** Pedestrian: Any person who is afoot or who is using a means of

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 1797 conveyance propelled by human power other than a bicycle. This
 1798 also includes any person operating a self-propelled wheelchair,
 1799 motorized scooter, tricycle, or quadricycle.
- 1800 **6.3.18. Prohibited Vehicles:**
- 1801 **6.3.18.1. Aircraft.**
- 1802 **6.3.18.2. Boats, personal watercraft, and their trailers, except as**
 1803 **specifically allowed by these Rules in limited**
 1804 **circumstances.**
- 1805 **6.3.18.3. Inoperable Vehicle: A vehicle that lacks a functioning**
 1806 **engine or transmission, or non-functioning wheels, tires,**
 1807 **doors, windshield, or any other major part or equipment**
 1808 **necessary to operate safely on the highways.**
- 1809 **6.3.18.4. Off-road vehicle (not street licensed) other than a Golf**
 1810 **Cart or Golf Car.**
- 1811 **6.3.18.5. Unregistered Vehicle: no current valid State registration.**
- 1812 **6.3.18.6. Vehicle designed to carry 12 (twelve) or more**
 1813 **passengers, except any buses or limousines to load or**
 1814 **offload passengers with approval from the Security**
 1815 **Department or Recreation Departments.**
- 1816 **6.3.19. Recreational Vehicle (RV): A motor vehicle or trailer for**
 1817 **recreational dwelling purposes; a motor home or other vehicle with**
 1818 **a motor home body style which has its own motor power or is**
 1819 **towed by another vehicle. Recreational Vehicle shall not include**
 1820 **van camper conversions, which are permitted within the Mutual.**
- 1821 **6.3.20. Reserved Parking: A parking location that is marked as such by a**
 1822 **sign, or curb or pavement marking and is set-aside for use only by**
 1823 **the designated user(s).**
- 1824 **6.3.21. Rules Violation Notice (Citation): A written notification of a violation**
 1825 **of GRF parking policies placed on the violating vehicle. Citation**
 1826 **information is forwarded to the Mutual President.**
- 1827 **6.3.22. Trust Property: All land operated by GRF on behalf of the Mutuels.**
- 1828 **6.3.23. Trust Streets: Streets with names.**
- 1829 **6.3.24. Unassigned Parking: Not an Assigned Parking space.**
- 1830 **6.3.25. Unauthorized Vehicle: A vehicle not permitted to be on Mutual or**
 1831 **Trust Property.**
- 1832 **6.3.26. Vehicle Used for Recreation (VUFR): Boats, boat trailers, all-**
 1833 **terrain vehicles (ATVs), trailers used to transport ATVs.**
- 1834
- 1835 **6.4. Section 6.4 – Prohibited Vehicles.**
- 1836 No Prohibited Vehicle shall be parked on Mutual or Trust Property. At no
 1837 time, shall any vehicle be parked on Mutual Property if it is leaking any fluids
 1838 other than clear water. Any Prohibited Vehicle parked within the Mutual is
 1839 subject to immediate towing at the owner’s expense.

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

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6.5. Section 6.5 – Parking Permits.

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6.6. Section 6.6 – General Parking Rules.

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Security shall not issue a Leisure World parking permit to any Qualifying Resident of Seal Beach Leisure World unless and until said Qualifying Resident shall have furnished the Security Office with the following: (1) California State car license number (or other State, if not in conflict with California requirements); (2) A valid State Operator's license number (California or other state) with the expiration date for each driver of the vehicle; and (3) Satisfactory proof of liability insurance coverage in the minimum limit pertaining to the operation of motor vehicles upon the roads of the state of California.

6.5.1. Temporary Parking Permits. All parking permits must be visibly displayed on the dashboard of a vehicle or on the king pin of a fifth wheel or the tongue of a trailer. The following parking permits are issued by Security Department: (i) Shareholders for use on rental or new vehicle; (ii) Guest of Shareholders; (iii) Overnight parking permit at request of Shareholder for guest.

6.6.1. All Shareholders, Qualifying Residents, guests, and invitees shall park safely. At no time may a vehicle be parked in a manner creating a traffic hazard.

6.6.2. No animal or child is allowed to be left alone in any parked vehicle on Mutual Property. Animal Control or Seal Beach Police will be called immediately in either circumstance.

6.6.3. Fire Hydrant – At no time may a vehicle be parked within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense.

6.6.4. Sidewalk – No vehicle may be parked with any portion of it on a sidewalk.

6.6.5. Off Pavement – At no time may a vehicle be parked with any portion of it off pavement.

6.6.6. Curb or Parking Stall – Vehicles may park in a designated parking stall or along a curb or sidewalk, unless otherwise provided herein.

6.6.7. Vehicles on a two-way travel roadway must be parked with the passenger side wheels within 18 (eighteen) inches of the curb or sidewalk.

6.6.8. Vehicle must be parked completely within the marked boundaries of a parking space.

6.6.9. A vehicle may be parked in a location that is not a marked stall; however, at no time may it be parked in a manner that creates a traffic hazard, interferes with other vehicle access, Pedestrian traffic, or access to facilities or equipment.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 1883 **6.6.10.** Any vehicle without proof of current valid State registration may not
- 1884 be parked on Mutual Property at any time.
- 1885 **6.6.11.** Any vehicles without a GRF decal on windshield or pass displayed
- 1886 on the dash may not be parked on Mutual Property.
- 1887 **6.6.12.** Trailers not connected to a vehicle are not permitted to be parked
- 1888 on Mutual Property. Such trailers may be parked in the Permit
- 1889 section at Clubhouse 4 (four) only with a permit issued by the
- 1890 Security Department.
- 1891 **6.6.13.** Pods, moving trailers or similar portable storage units are not
- 1892 permitted on Mutual Property without Security Department
- 1893 authorization.
- 1894 **6.6.14.** Vehicles in violation are subject to immediate tow away at the
- 1895 vehicle owner’s expense.
- 1896 **6.6.15.** Mutual Fourteen does not allow any Golf Cart/Scooter parking in
- 1897 Automobile Parking Spots, this does not include carport spaces
- 1898 which are assigned to an individual shareholder's use.
- 1899
- 1900 **6.7. Section 6.7 – Parking Zones.**
- 1901 **6.7.1.** Red Zones – Vehicles parked in red zones are subject to
- 1902 immediate tow away at owner’s expense.
- 1903 **6.7.2.** Fire Hydrant or Fire Lane: No person shall park or leave standing
- 1904 any vehicle within 15 (fifteen) feet of a fire hydrant even if the curb
- 1905 is unpainted.
- 1906 **6.7.3.** Non-Fire Lanes: A vehicle may not be left unattended.
- 1907 **6.7.4.** Bus Stops: No person shall park or leave standing any vehicle
- 1908 within 30 (thirty) feet of a bus stop on bus stop side of the street to
- 1909 provide for loading and unloading of buses.
- 1910 **6.7.5.** Drive-Up Mailboxes: No person shall park or leave unattended any
- 1911 vehicle within 15 (fifteen) feet of the mailbox.
- 1912 **6.7.6.** Blue Zone (Handicapped): Vehicles must display a valid,
- 1913 government-issued disabled (handicapped) license plate or
- 1914 placard.
- 1915 **6.7.7.** Green Zone: Parking may not exceed time limit posted by sign or
- 1916 curb marking. Notwithstanding the foregoing, unlimited time
- 1917 parking in a Green Zone is permitted only when the vehicle is
- 1918 displaying a valid government-issued disabled (handicapped)
- 1919 license or placard.
- 1920 **6.7.8.** White Zone: Passenger loading and unloading only. Vehicles may
- 1921 not be parked in white zones in excess of 30 (thirty) minutes.
- 1922 **6.7.9.** Yellow Zone: Commercial vehicle loading and unloading only.
- 1923 Vehicles may not be parked in yellow zones in excess of 30 (thirty)
- 1924 minutes.
- 1925 **6.7.10.** Unpainted: Parking is permitted up to 72 (seventy-two) hours,

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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unless otherwise restricted.

6.8. Section 6.8 – Qualifying Resident Parking.

A Qualifying Mutual 14 shareholder vehicle (except an RV or VUFR) may be parked for no more than 90 days) hours in one location without first notifying the Security Department.

6.9. Section 6.9 – Non-Qualifying Resident Parking.

Non-Qualifying Resident vehicles are not eligible for extended parking privileges without a permit issued by the Security Department. Any violation of this section may result in vehicle being towed at the owner’s expense.

6.10. Section 6.10 – Caregiver Parking.

A Caregiver may park on Mutual or Trust Property only when a Caregiver parking pass is displayed on the dashboard of the vehicle. To obtain Caregiver parking rights, the person must be registered with the GRF Stock Transfer office.

6.11. Section 6.11 – Contractor and Service Vehicle Parking.

Contractors’ vehicles must comply with all rules set forth herein and must not obstruct or park on the sidewalk. Contractor and service vehicles, including personal vehicles driven by workers, shall not be parked on Mutual Property (Trust Streets included) overnight without a permit.

6.12. Section 6.12 – Overnight Parking Permits.

6.12.1. Resident overnight parking is prohibited without a Security Department-issued vehicle decal or Overnight Parking Permit.

6.12.2. Overnight parking by Commercial Vehicles, equipment, and materials utilized in authorized activities conducted for the Mutual or its Qualifying Residents is not permitted without an Overnight Parking Permit issued by the Security Department. This restriction shall not apply to Commercial Vehicles parked in assigned rental spaces in Allen's Alley by Clubhouse 2 (Two).

6.12.3. The Overnight Parking Permit must be displayed face-up on the driver side dashboard of the motor vehicle, or prominently affixed to the front of trailers or equipment.

6.12.4. The following vehicles and equipment are prohibited from parking on Trust or Mutual Streets at any time between the hours of 12:00 a.m. and 7:00 a.m., unless otherwise addressed in these Rules: (i) Vehicles not displaying a valid GRF decal or Overnight Parking Permit; (ii) Recreational Vehicles – except as provided below in Section 6.13, “Recreational Vehicles Restrictions”; and (iii)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

1969 Commercial Vehicles, construction/maintenance equipment,
 1970 storage, and disposal units, building materials.

1971
 1972 **6.13. Section 6.13 – Recreational Vehicles (RV) or Vehicle Use for Recreation**
 1973 **(VUFR) Restrictions.**

1974 An RV or VUFR may be parked on Mutual Property only when meeting all of
 1975 the following conditions:

1976 **6.13.1.** RV parked at any Mutual Property facility MUST have Security
 1977 Department-issued decal or a parking permit.

1978 **6.13.2.** RV or VUFR is parked up to 48 (forty-eight) hours for the purpose
 1979 of loading or unloading.

1980 **6.13.3.** Other activities, such as sleeping or resting in the RV or VUFR,
 1981 and vehicle maintenance are not allowed.

1982 **6.13.4.** RV or VUFR must be parked with engine and accessory
 1983 equipment (e.g., exterior lights, air conditioner, audio, and video
 1984 equipment) shut off. The generator may ONLY be used between
 1985 the hours of 8:00 a.m. and 8:00 p.m. while loading or unloading the
 1986 vehicle.

1987 **6.13.5.** Extensions such as slide-outs, tilt-outs, and awnings must be
 1988 closed. Steps must not block the sidewalk.

1989 **6.13.6.** RV or VUFR may not be attached to any external power supply.

1990 **6.13.7.** Leveling jacks, if used, must include a base plate sufficient to
 1991 prevent damage to pavement.

1992 **6.13.8.** No animals or children are to be left unattended on or within any
 1993 RV or VUFR at any time.

1994
 1995 **6.14. Section 6.14 – Repairs.**

1996 Vehicles may not be rebuilt or rehabilitated, major service may not be
 1997 performed, and fluids may not be changed on any Mutual Property.

1998
 1999 **6.15. Section 6.15 – Washing.**

2000 All washing of vehicles must be done at the car and RV washing areas
 2001 behind Clubhouse 2 (Two). Vehicles must have a GRF decal. Non-Residents
 2002 shall not be permitted to wash their vehicle anywhere on Mutual Property.

2003
 2004 **6.16. Section 6.16 – Trust Property Parking Areas.**

2005 **6.16.1. Clubhouse One.**

2006 Parking next to the Wood Shop is prohibited between 11:00 p.m.
 2007 and 7:00 a.m. Parking is prohibited between 11:00 p.m. and 7:00
 2008 a.m. in the spaces on the west side of the clubhouse (Burning
 2009 Tree). Parking is permitted up to 72 (seventy-two) hours in the lot
 2010 across from the clubhouse next to the golf course.

2011 **6.16.2. Clubhouse Two.**

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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Parking next to the Wood Shop and car wash is prohibited between 11:00 p.m. and 7:00 a.m. Parking is prohibited between 11:00 p.m. and 7:00 a.m. in the spaces on the east side of the clubhouse (El Dorado). Parking is permitted up to 72 (seventy-two) hours in the lot between the clubhouse and the RV lot.

6.16.3. Clubhouse Three & Four.

The three (3) approved locations within the Clubhouse 4 (four) parking lot are for temporary RV and VUFR use, subject to the terms and conditions noted in this Section 4.17.3. Available permit parking is limited. Spaces are allotted on a “first come first served” basis. There is an exception for Radio Club Yellow Emergency Van Innovative Cleaning Service Vehicles.

6.16.3.1. Identification.

All RVs and VUFRs must be registered with the Security Department and display a parking permit in order to park in the noted locations. If the RV or VUFR does not have a windshield, the identification must be placed on the king pin of a fifth wheel or the tongue of a trailer.

6.16.3.2. RVs and VUFRs.

Shareholders, Qualifying Residents, and guests may park a RV or VUFR temporarily in the noted locations for the purpose of loading and unloading and preparing the vehicle for travel or storage, subject to these Rules and Regulations and the Rules and Regulations of GRF. Shareholders, Qualifying Residents and Guests must notify Security Department immediately when entering the community with their RV or VUFR. This notification is required in order to park temporarily for a term as follows: Shareholders may temporarily park one (1) RV (and boat or trailer) or VUFR at a time in the approved location within the Clubhouse Four (4) parking lot for a maximum of twenty-one (21) days at no charge.

A second term will be allowed within twelve calendar months, provided that the RV or VUFR has been out of the community for no less than one hundred eighty (180) days. Guests may park one (1) RV (and boat or trailer) or VUFR at a time temporarily in the approved location within the Clubhouse Four (4) parking lot for a maximum of fourteen (14) days at no charge. An additional seven (7) days are available with a fee. See section below. A second term will be allowed within twelve calendar months provided that the RV or VUFR has been out of

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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the community for no less than one hundred eighty (180) days. In the event of an unexpected medical and or mechanical emergency, the Security Chief, Deputy Security Chief, or Executive Director may grant a limited extension not to exceed seventy-two (72) hours. In the absence of the Security Chief or Executive Director, the Watch Commander or Deputy Chief may grant extensions until return of the Security Chief or Executive Director. The Security Chief must make a monthly report of all permitted vehicles to the Security Bus and Traffic Committee (SBT).

Failure to comply may result in towing of the vehicle at the owner’s expense.

6.16.3.3. Use of an RV or VUFR.

Shareholders, Qualifying Residents, and guests may live in an RV or VUFR parked in the community for a maximum of seven (7) days. This includes sleeping, cooking or any other activities not associated with preparation of the vehicle for travel or storage. No animal or child shall be left alone in a vehicle at any time.

6.16.3.4. Parking Fee for an RV or VUFR.

Shareholders and Qualifying Residents who park one (1) RV or VUFR within the Mutual for twenty-one (21) days or less will not have to pay a fee. Any guest of a Shareholder or Qualifying Resident who park one (1) RV or VUFR within the Mutual for fourteen (14) days or less will not have to pay a fee. Any Guest of a Shareholder or Qualifying Resident who parks one (1) RV or VUFR within the Mutual for more than fourteen (14) days, must pay a rate of twenty dollars (\$20.00) per day for the following seven (7) days. No Guest of a Shareholder or Qualifying Resident may park an RV or VUFR within the Mutual for a period longer than twenty-one (21) days. Payment is to be remitted to the Security Department at the time the Parking Permit is issued. Payment is only accepted in the form of a check. All other types of payments will be made at the Finance Department.

6.16.4. Building Five, Clubhouse Six, Healthcare Center, Administration and Alley.

No overnight parking is permitted, except that Security Vehicles, CARE ambulances, Pharmacy delivery vehicles, and Two (2) Healthcare Vehicles, 24 Hour Nurse, HCC Golf Cart, GRF

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2098 Vehicles, and Innovative cleaning service vehicles may park
2099 overnight.
2100

6.17. Section 6.17 – Amphitheater.

2101 No Shareholder may park in any space marked for "Staff" or HCC between
2102 the hours of 7:00 a.m. to 6:00 p.m., Monday through Friday. The parking
2103 space designated for the HCC 24-Hour Nurse may never be used by anyone
2104 else except that employee and the HCC Golf Cart.
2105

6.18. Section 6.18 – Bicycles/Tricycles/Mobility Scooters.

2106 Bicycles, tricycles, or mobility scooters may not be parked in any manner as
2107 to interfere with foot or vehicle traffic. Bicycles must be parked utilizing
2108 parking racks where provided. The Mutual is not liable for damaged, lost, or
2109 stolen property. Attended bicycles, tricycles or mobility may be parked off
2110 pavement, but only in such a manner as not to damage landscaping.
2111 Parking on a sidewalk is prohibited. Parking in Mutual 14 parking spaces is
2112 prohibited other than in assigned carports. Except for employees working in
2113 Leisure World, visitors residing outside Leisure World may ride bicycles,
2114 tricycles or mobility scooters on Mutual sidewalks or streets only if
2115 accompanied by a Qualifying Resident.
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6.19. Section 6.19 – Carport Use.

2119 When a Shareholder moves in, they are assigned one carport space. If
2120 shareholders have more than one car or have a golf cart or scooter, they
2121 may rent or use another shareholder’s carport space if both agree and they
2122 have signed the Carport Usage/Rental Agreement. The executed agreement
2123 must be recorded at the Stock Transfer Office to be valid. Unauthorized use
2124 of any empty carport space may result in the vehicle/golf cart/scooter being
2125 towed at the expense of the owner of the vehicle.
2126

2127 Carports are to be used for parking of self-propelled land vehicles in
2128 operating condition. All passenger vehicles that can be operated on city
2129 streets MUST have a current DMV registration, license plate tags, and
2130 sufficient insurance as mandated by the State of California Vehicle Code
2131 (CVC) Section 22658. All vehicles, parked in the carport must have a Seal
2132 Beach Leisure World (SBLW) decal issued by the Security Department
2133 affixed and displayed on the lower left windshield; however, the Mutual
2134 Board may waive the requirement to display and affix the SBLW decal ONLY
2135 in unique and rare circumstances (contact the Mutual Board for
2136 consideration). Any vehicle that is not compliant with these rules may be
2137 towed at the owner’s expense and as specified in CVC Section 22658. Any
2138 stored items in the carports must be completely contained in the carport
2139 cabinets, and no items can be hung from the walls or the ceiling of the
2140 carports. Current fire regulations prohibit the storage of fuel or any

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2141 combustible material in the carport areas. When parked in the carports, all
 2142 vehicles must be headed inwards and must not protrude outwards beyond
 2143 the dripline. Mechanical repairs on vehicles are not permitted except for
 2144 minor maintenance such as jumping of a battery, checking, or adding oil or
 2145 water, or changing wiper blades. Changing of oil is not permitted. No person
 2146 shall park any vehicle in any carport not assigned to them without permission
 2147 from the affected shareholder. Any vehicle leaking oil, anti-freeze, or any
 2148 other hazardous material is prohibited from parking in a Mutual carport or on
 2149 a Mutual Street or driveway. It is the shareholder’s responsibility to clean up
 2150 any hazardous material spill or the Mutual will have them cleaned up. In such
 2151 case, the shareholder will be billed for the cost. ALL hazardous waste
 2152 materials, including kitty litter, must be disposed of at any Orange County
 2153 Approved Hazardous Waste Site. The carport floor space may NOT be used
 2154 as a storage area, whether free-standing or in any type of container. Boats or
 2155 trailers of any size or kind may not be parked in the carport. Any damage to
 2156 the carport is the responsibility of the assigned shareholder, not any renter of
 2157 a carport. Only a Bicycle, Tricycle, folding shopping cart, ladder or blue 55-
 2158 gallon water barrels may be stored under the cabinet in the Shareholder’s
 2159 assigned or rented space. At each inspection of the carports by the Mutual
 2160 Board representative, a notice will be given to the shareholder whose carport
 2161 is in violation of this policy. Improperly stored material must be removed
 2162 within ten (10) days, or the material will be removed at the Shareholder’s
 2163 expense. In order to accommodate routine cleaning and property servicing,
 2164 Shareholders may not store an inoperable vehicle in a carport space.
 2165 Shareholders that park an electrical vehicle in Mutual Fourteen Carports,
 2166 with the exception of golf carts, are required to have liability insurance in the
 2167 amount of no less than one million dollars (\$1,000,000).
 2168

6.20. Section 6.20 – Carport Assignments.

2169 Carport assignments are controlled by the share of Stock purchased by the
 2170 Shareholder and a record of such assignments is kept in the Stock Transfer
 2171 Office of GRF. Shareholders desiring to change carport assignments must
 2172 negotiate the new arrangement on their own and obtain approval from the
 2173 other Shareholder and record the temporary exchange in the Stock Transfer
 2174 Office. At transfer/sale, the carport must be returned.
 2175

6.21. Section 6.21 – Secondary Carport Storage Cabinets.

2176 Shareholders are permitted to have a secondary carport storage cabinet
 2177 installed beneath the existing cabinet with approval of the Board of Directors
 2178 and a permit from the GRF Physical Property Department. The cabinet shall
 2179 be built per the dimensions and specifications shown in this policy. The paint
 2180 and hardware must match the existing cabinet. The maintenance and
 2181 damage to carport cabinets is the responsibility of the Shareholder. Carports
 2182
 2183

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2184 that have secondary storage cabinets below the original cabinets may have
 2185 ladders attached to the cabinets or walls. Any other construction which
 2186 involves the Mutual’s carports, walls, floors, beams, or ceilings is not
 2187 permitted.
 2188

6.22. Section 6.22 – Electric Carts, & Golf Carts, and Cars

2189 **6.22.1. Golf Carts and LSV’s.**
 2190
 2191 Shareholders who own oversized golf carts or LSVs (low speed
 2192 vehicles) that are designed to carry more than four people must
 2193 park these vehicles on the street, in the carport or a designated
 2194 parking spot. Any cart damaging a sprinkler will result in the owner
 2195 being responsible for any damage.

2196 **6.22.2. Electrical Car Chargers.**
 2197 Shareholders who wish to install electric car chargers and park
 2198 their vehicle in a Mutual 14 carport must first obtain approval from
 2199 the Mutual. Within 14 days of approval, and annually thereafter,
 2200 they must provide a certificate of insurance that names the Mutual
 2201 as an additional insured under the shareholder’s insurance policy
 2202 in the amount of not less than one million (\$1,000,000.).
 2203 Additionally, they must sign an Indemnity Agreement holding
 2204 Mutual 14 harmless for any damage.
 2205

6.23. Section 6.23 – Sidewalk Traffic Restriction.

2206 **6.23.1. Gasoline-Powered Vehicles.**
 2207
 2208 Two-wheeled gasoline-powered vehicles, are prohibited from using
 2209 sidewalks in the Mutual. Exceptions shall be limited to the
 2210 following: (i) Emergency medical vehicles belonging to the Health
 2211 Care Center; (ii) Service vehicles designated for sidewalk use
 2212 belonging to GRF; (iii) Service vehicles designated for sidewalk
 2213 use belonging to contractors or vendors doing business with
 2214 Qualifying Residents, Shareholders, or corporations (such as
 2215 newspaper carriers). This exception does not include mopeds and
 2216 motor scooters.

2217 **6.23.2. Roller Skates, Rollerblades, Skateboards, Scooters.**
 2218 Due to potential safety hazards, visitors in the Mutual who are the
 2219 responsibility of the Qualifying Residents may not use roller skates,
 2220 roller blades or skateboards or scooters (motorized or other) on
 2221 Mutual sidewalks or streets. Except that employee working in
 2222 Leisure World, and visitors residing outside of Leisure World, may
 2223 ride Bicycles or Tricycles on Mutual sidewalks or streets only if
 2224 accompanied by a Qualifying Resident.

2225 **6.23.3. Golf Carts or LSVs.**
 2226 Shareholders may operate a golf cart or LSV less than 48” in width

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2227 on a sidewalk. Larger golf carts or LSVs are not permitted to be
 2228 operated on sidewalks. Shareholders should never exceed five (5)
 2229 miles per hour on any sidewalk regardless of the time of day.
 2230 Unless an emergency exists, Shareholders driving golf carts,
 2231 LSVs, or any other vehicle may not use a sound device to alert
 2232 pedestrians of their presence. Passing a pedestrian on a sidewalk
 2233 is acceptable ONLY if the pedestrian acknowledges the driver's
 2234 presence and invites them to pass. Only soft-voice alerts such as
 2235 "good morning" are acceptable to alert pedestrians of the vehicle's
 2236 presence. Pedestrians always have the right-of-way on sidewalks,
 2237 followed by, in order of priority, non-powered wheelchairs, power
 2238 wheelchairs, mobility scooters, Tricycles and Bicycles.

6.23.4. Shareholder Responsible for Injury or Damage.

2239 Damage caused by a Shareholder or a Shareholder's caregiver,
 2240 family member, guest, or vendor shall be the responsibility of the
 2241 Shareholder.
 2242

6.23.5. Health Care Center and/or GRF Golf Carts or LSVs.

2243 Golf carts or LSVs that are designed for sidewalk use and belong
 2244 to the Health Care Center (HCC), GRF, or contractors or vendors
 2245 doing business with Shareholders of the Mutual may use Mutual
 2246 sidewalks for business-related purposes. Damage caused by
 2247 contractors or vendors must be reported immediately to the GRF
 2248 Security Department and a Mutual Director or risk being
 2249 permanently banned from the Mutual. Damage caused by
 2250 contractors or vendors shall be their responsibility.
 2251

6.23.6. Newspaper Carrier Golf Carts or LSVs.

2252 Newspaper carriers and the like using golf carts or LSVs shall use
 2253 Trust Streets and carport roadways whenever possible. Carriers
 2254 shall adjust their routes of travel whenever noise complaints are
 2255 lodged against the carrier. The Mutual reserves the right to restrict
 2256 the use of motorized vehicle deliveries or newspapers prior to 8:00
 2257 a.m.
 2258

6.24. Section 6.24 – Towing.

2259 Under the provisions of the California Vehicle Code, Section 22658, the
 2260 Mutual has the authority to have a vehicle towed from its property. In every
 2261 instance of infraction to this Article IV, or any other applicable rules of the
 2262 Mutual, the Mutual will seek an agreed-upon resolution, but with due
 2263 consideration to the overriding interests of the entire Mutual, reserves its
 2264 authority to have a vehicle towed from the premises pursuant to California
 2265 Vehicle Code Section 22658. The Mutual will remove vehicles parked on
 2266 Mutual property that are inoperable, abandoned, blocking a fire lane, or are
 2267 parked in such a manner as to constitute a hazard and/or that are in violation
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2270 of Mutual Rules, and reserves the right to tow any vehicle parked in violation
2271 of these Rules pursuant to the provisions of California Vehicle Code Section
2272 22658

2273 **6.24.1. Towing Signage.**

2274 In conformance with Vehicle Code Section 22658, appropriate
2275 signage will be posted at all entrance gates warning all who enter
2276 Leisure World that it is private property, and unauthorized or
2277 illegally parked vehicles will be towed away at the vehicle owner’s
2278 expense. The towing signage will also contain all information
2279 required by Vehicle Code Section 22658.

2280 **6.24.2. Immediate Towing.**

2281 Security Department will advise the Mutual Board when vehicles
2282 are in violation and may require immediate action/removal: (1)
2283 Violation of Mutual Rules and Regulations related to
2284 safety/access/flammable materials; (2) Violation of the Fire Lane
2285 Regulation CVC 22953(b); (3) Violation of the Fire Hydrant
2286 Regulation. If approval is received from the Mutual, Security
2287 Department will notify the towing company to respond and meet
2288 the designated Mutual representative(s). A private property towing
2289 form will need to be signed by a Mutual representative authorizing
2290 the towing company to remove and store the vehicle.

2291 **6.24.3. Towing Procedure.**

2292 If a parking violation does not require immediate action or removal,
2293 the Security Department will attach a 72-hour warning notice to the
2294 vehicle, informing the vehicle owner of the violation and intent to
2295 tow upon non-compliance. A copy of the 72-hour warning notice
2296 will be provided to the Mutual Administration Department for
2297 processing. After the 72-hour period, Security Department will
2298 check for compliance and report their findings back to the Mutual
2299 Administration Department. If the Mutual approval to remove the
2300 vehicle is received upon confirming non-compliance to the 72-hour
2301 tow notice and/or receipt of the registered letter, a tow truck will be
2302 appointed to remove and store the vehicle. Security Department
2303 will maintain a current log of all towing transactions to direct
2304 vehicle owners to the appropriate towing company. This Section
2305 6.25 applies to all vehicles - automobiles, motorcycles, Vespa-type
2306 scooters, golf carts, scooters – any motor operated vehicle –
2307 whether parked in carports, on Mutual streets and/or in marked
2308 parking areas.

2309 **6.24.4. Violations of Article IV.**

2310 The Board will review the case of any Mutual Qualifying Resident
2311 whose record of violation is referred to the Board, and take one or
2312

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2313 more of the following actions: (1) Direct a letter of warning to the
 2314 offender; (2) Appoint a Director or a Committee to confer with and
 2315 warn the offender; (3) Summon the offender to a regular or special
 2316 Board meeting for a conference/ warning; (4) Take Board action to
 2317 find the offender in violation of the Occupancy Agreement and
 2318 order eviction. Anyone (1) violation can be immediately referred to
 2319 the Board for action. The Security, Bus and Traffic Committee of
 2320 GRF will be informed of action taken and its apparent results in
 2321 each instance cited above.
 2322

7. ARTICLE VII – USE OF LAUNDRY ROOMS

7.1. Section – Use of Facilities.

2323 Laundry room facilities are available for use solely by Shareholders of the
 2324 Mutual, except that a caregiver, hired help, or family member of a
 2325 Shareholder may use the laundry room facilities to do that Shareholder’s
 2326 laundry. Shareholders must oversee and instruct the caregiver, hired help,
 2327 or family member when the Shareholder’s laundry is being done. Caregivers,
 2328 hired help, or family members may not wash their own laundry in the
 2329 Mutual’s laundry room. Shareholders are responsible for any damage to the
 2330 laundry room facilities when Shareholder, their caregiver, their hired help, or
 2331 their family member is doing the shareholder’s laundry. Laundry room
 2332 facilities are to be used for washing and/or drying only.
 2333

7.2. Section 7.2 – Dying/Tinting Fabrics Prohibited.

2334 Clothing or fabrics may not be dyed or tinted in the washers or dried in the
 2335 dryers.
 2336

7.3. Section 7.3 – Items with Metal Buttons/Clips.

2337 Clothing or other items with metal buttons, clips, etc. must be placed in a
 2338 small cloth bag or pinned inside a pillowcase when being washed or dried.
 2339

7.4. Section 7.4 – Out of Order Machines.

2340 When a washer or dryer is out of order, place an “Out of Order” sign on the
 2341 machine, call the posted number for National Wash and report the out of
 2342 order machine.
 2343

7.5. Section 7.5 – Hours of Operation.

2344 Laundry room facilities are available for use between the hours of 7:00 a.m.
 2345 and 9:00 p.m. only.
 2346

7.6. Section 7.6 – Prohibited Items.

2347 The following items may not be washed in the washers or dried in the dryers:
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2356 fiberglass curtains or drapes, sleeping bags, heavy blankets, quilts,
 2357 comforters, car covers, carpet runners, and other oversized items. Athletic
 2358 shoes may be washed in the washers, but not dried in the dryers. Any
 2359 clothing or fabric that has been cleaned in a flammable liquid may not be
 2360 washed in the washers or dried in the dryers. Bathmats or kitchen rugs that
 2361 are 2.5' by 3.5' or smaller may be washed in the washers, but they may not
 2362 be dried in the dryers (these rugs may be hung on the clothesline for drying).
 2363 Hand-washed clothing or other items may not be placed in the dryers due to
 2364 the excessive amount of water contained in them. Use the exterior
 2365 clothesline for hand-washed items, if desired.
 2366

7.7. Section 7.7 – Safety.

2367 The Shareholder is responsible for cleaning up after himself/herself. If the
 2368 Shareholder feels a dangerous situation or safety problem presents itself in a
 2369 laundry room that cannot be corrected by the Shareholder, the Shareholder
 2370 may call their Mutual director. Smoking is prohibited in or around the laundry
 2371 rooms and exterior clothes drying areas. Clean the dryer filter after each use
 2372 and dispose of lint in the trash containers.
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8. ARTICLE VIII – SECURITY CAMERAS/DRONES/SATELLITE DISH

8.1. Section 8.1 – Installation of Security Cameras.

2377 No Shareholder may install a surveillance camera or make any other
 2378 alteration to the Mutual’s property. Accordingly, no cameras may be installed
 2379 on the exterior of a building or anywhere outside the boundaries of a unit.
 2380 Shareholders may place cameras inside their unit windows, subject to the
 2381 following restrictions:
 2382

2383 **8.1.1.** No camera may be trained or focused on the interior of another
 2384 Unit, on another Unit’s front door, or anywhere else other
 2385 Shareholders have a reasonable expectation of privacy. Security
 2386 cameras shall not encroach upon common areas of the Mutual or
 2387 another Shareholder’s Unit.
 2388

2389 **8.1.2.** The use of cameras for surveillance or security proposes is done
 2390 at the installing Shareholder’s own risk and such Shareholders
 2391 understand that cameras may serve as a deterrent but may not
 2392 actually prevent crime.
 2393

2394 **8.1.3.** Allowing Shareholders to install cameras within their own units, in
 2395 no way implies any responsibility whatsoever on the part of the
 2396 Mutual. The Mutual shall not be held liable, or otherwise
 2397 responsible, for damaged property, illegal activity, and/or risk to life
 2398 or limb, or any safety or security problem. All Qualifying Residents

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2399 and their guests are encouraged to provide their own security
 2400 measures and take safety precautions as necessary, subject to the
 2401 limitations set forth in the Mutual’s Governing Documents. Each
 2402 Shareholder is responsible for providing their own insurance
 2403 coverage in the case of criminal activity, property damage, and/or
 2404 liability.

2405 **8.1.4.** Shareholders are responsible for all costs associated with the
 2406 installation, operation, and maintenance of the security cameras.

2407 **8.1.5.** Shareholders may not install security cameras in a manner that
 2408 increases maintenance costs for the Mutual. Shareholders shall
 2409 be responsible for all repairs and maintenance costs incurred due
 2410 to the installation of security cameras wherever located.

2411 **8.1.6.** Shareholders shall indemnify the Mutual and/or its Shareholders
 2412 for loss or damage caused by the installation, maintenance, or use
 2413 of the security cameras, including but not limited to any injuries
 2414 sustained and/or medical costs incurred to any persons installing,
 2415 maintaining and/or removing security cameras.

2416 **8.1.7.** Any Contractor employed by Shareholders to provide security
 2417 camera installation, maintenance or removal services must hold all
 2418 licenses which may be required by state law and/or local
 2419 ordinance, and maintain a current policy of public liability, workers
 2420 compensation, and property damage insurance which does not
 2421 contain any endorsements or exclusions for work performed at
 2422 common interest developments. The Mutual, the Mutual’s
 2423 managing agent, and the installing Shareholder(s) shall be named
 2424 as additional insureds on the installer’s policy of insurance.

2425 **8.1.8.** Any incursion into the structure (roofs, walls, etc.) that results in
 2426 damage or water/moisture penetration and any costs incurred
 2427 related to such damage shall be the sole responsibility of the
 2428 Shareholders to fully reimburse the Mutual to repair and remediate
 2429 such damage.

2430 **8.1.9.** If the security camera is removed for any reason, the Shareholders
 2431 shall remediate any holes and/or penetrations that were made
 2432 relative to the installation of the security camera. Shareholders
 2433 shall be solely responsible for restoring the exterior of the Unit, any
 2434 Mutual property, and/or any common area within the Mutual to its
 2435 original condition, prior to the installation.

2436 **8.1.10.** When a Shareholder sells his/her Unit, the Shareholder shall
 2437 require the new Shareholder to accept responsibility in writing or to
 2438 remove the security camera and its associated components of the
 2439 installation and restore the property as described above. Should
 2440 the new Shareholder fail to accept such responsibility, the
 2441 Shareholder is responsible for removing any security cameras

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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installed.

8.1.11. Any video footage recordings made by the Shareholder’s security cameras are the sole property and responsibility of the Shareholder. The Mutual shall bear no responsibility nor have any liability for the recordings. The Shareholder shall indemnify the Mutual and its managing agents in the event any loss or damage is caused due to any unlawful recording and/or dissemination of video footage obtained by the security camera, by the Shareholder and/or any third party.

8.1.12. Pursuant to California Penal Code section 632, it is unlawful to use a recording device to record the communication between parties, without the consent of all parties to a confidential communication. Individuals may have an expectation of privacy in their conversations and any security camera installed should not record audio.

8.1.13. All installations of security cameras shall be completed so that no damage is sustained to the Mutual property, common area, and/or the property of any Shareholder, or in any way impair the integrity of any buildings, Mutual property, common areas and/or the property of any Shareholders within the Mutual. No installation of any security cameras shall void any Mutual and/or any Shareholder’s warranty and/or insurance policies.

8.2. Section 8.2 – Unmanned Aerial Flights Vehicles (Drones).

The recreational flight of drone aircraft is prohibited over all Mutual property. The only circumstances under which drone aircraft may operate in the air over Mutual property are as follows:

8.2.1. In the event of an emergency declared by local, state, or federal authority, or by an authorized officer of the Golden Rain Foundation, or the Executive Director of the GRF, or an officer of Mutual Board of Directors. Proper documentation of the qualifications of those operating the drone and liability insurance will be required; or

8.2.2. A commercial drone flight, at the invitation of the Mutual Board, for purposes determined to be necessary and beneficial to Mutual shareholders. Proper documentation of the qualifications of those operating the drone and liability insurance will be required. Any violation of this Section 6.3 shall be considered a trespass, and the Leisure World Security staff will be called upon to bring such trespass to an end in a peaceful manner with or without the assistance of the Seal Beach Police Department.

8.3. Section 8.3 – Satellite Dish.

Any Shareholder that wishes to install a satellite dish, must adhere to the

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

2485 following: (1) Shareholder must obtain a permit to install the satellite dish
 2486 from the Physical Property Department of the GRF prior to having a satellite
 2487 dish installed; (2) Shareholder must ensure that the licensed company
 2488 complies with all GRF Physical Property Department and Mutual
 2489 Fourteen's policies, rules and regulations; (3) Shareholder understands that
 2490 the Mutual has the authority to remove the satellite dish at Shareholder's
 2491 expense if a permit is not obtained from the Physical Property Department;
 2492 (4) Any damage which may occur to the building or roof during installation, or
 2493 during the operation of the satellite dish, is the responsibility of the
 2494 Shareholder and will be paid by the Shareholder; (5) Shareholder must
 2495 maintain the satellite dish in good condition, both aesthetically and
 2496 functionally. Should Shareholder fail to maintain the satellite dish in good
 2497 condition, the satellite dish will be removed at the Shareholder's expense; (6)
 2498 Shareholder must remove the satellite dish upon the sale or transfer of Unit,
 2499 at the Shareholder's expense, unless the purchaser of the Unit is willing to
 2500 sign an indemnity and release agreement with the Mutual; (7) Shareholder's
 2501 contractor must install and wire the satellite dish pursuant to the Mutual's
 2502 requirements and conditions for a satellite dish.

8.3.1. Mutual Requirements and Conditions for a Satellite Dish; Mountain Locations; Cable Routings; Groundings.

2503 **8.3.1.1.** Obtain a GRF permit prior to the installation.

2504 **8.3.1.2.** The maximum size of the satellite dish is not to exceed
 2505 thirty-six (36) inches.

2506 **8.3.1.3.** The southern view must not be obstructed at any time.
 2507 There can be no obstructions, such as trees or
 2508 structures, between the dish and the satellite. Seasonal
 2509 foliage, future growth of existing trees, possible
 2510 remodeling or additions to the Shareholder's Unit or
 2511 adjacent units and changes in landscaping must be
 2512 considered when installing the satellite dish.

2513 **8.3.1.4.** All satellite dishes must be stable and secure and must
 2514 be able to withstand winds.

2515 **8.3.1.5.** The installation of the satellite dish shall be done in
 2516 accordance with the current National Electrical Code,
 2517 installed by a licensed television company that meets all
 2518 Foundation and Mutual insurance requirements.

2519 **8.3.1.6.** Direct roof mount is not allowed due to the required roof
 2520 penetration.

2521 **8.3.1.7.** Roof vent mount is allowed. When mounting a satellite
 2522 dish to a roof vent, the top of the satellite shall not be
 2523 higher than four feet (4') above the top of the roof line.

2524 **8.3.1.8.** Routing must not break through any roofing or framing –
 2525 vent pipe flashing only.
 2526
 2527

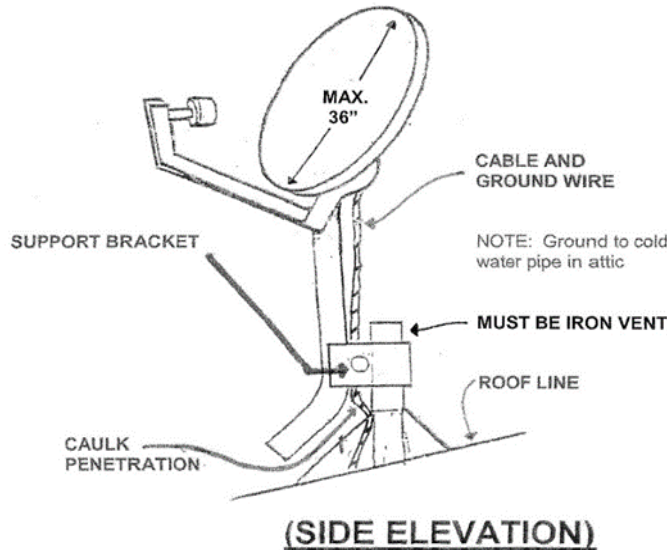
(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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- 8.3.1.9. All entry points into the Unit and any and all test holes must be sealed with approved sealant to prevent water seeping into the Units.
- 8.3.1.10. Fire Wall Penetration – Fire – Resistive Wall Partitions and Floors: Such penetrations shall be completed per the current Uniform Building Code (UBC), Sections 709 and 710.
- 8.3.1.11. All openings made through a ceiling for penetrations such as cables, cable tracks, conduit, pipes or tubing shall be protected with approved through-penetration fire stops.
- 8.3.1.12. Vent mount installations require the cable and ground wire from the dish to follow the vent pipe into the attic area. Approved tar sealant must be applied where cable enters vent pipe flashing. A half- inch slit at the top of the roof jack is allowed to feed the cable alongside of the vent pipe. Approved silicone sealant must be used around this area.
- 8.3.1.13. Local electrical installation codes and the current National Electrical Code require the satellite dish to be grounded.
- 8.3.1.14. Use ground wire to connect the satellite dish to a metal cold water pipe using a grounding clamp and following the guidelines.



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9. ARTICLE IX – WILDLIFE

- 9.1. **Section 9.1 – Prohibition on Feeding Non-Domesticated Wildlife.**
For purposes of this Article, non-domesticated wildlife is described as all

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2557 members of the wild bird family, including but not limited to, hawks, owls,
2558 pigeons, doves, crows, and black birds, as well as other wildlife such as
2559 rabbits, opossums, raccoons, squirrels, rats, coyotes, and feral cats. In
2560 compliance with California Code Section 251.1, no Shareholder shall feed
2561 any non-domesticated wildlife on Mutual property.
2562

9.2. Section 9.2 – Pet Food and Standing Water.

2563 Pet food and standing water sources are prohibited on porches, in carport
2564 areas, and in gardens.
2565

9.3. Section 9.3 – Bird Feeders.

2566 Bird feeders with bird seed of any type are not allowed at the unit or
2567 anywhere on Mutual property including hanging from trees or other support
2568 devices. A hummingbird-type feeder with liquid food is permitted at a Unit,
2569 but not on common area Mutual property, including but not limited to hanging
2570 from trees or other support devices.
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10. ARTICLE X – BARBECUES

10.1. Section 10.1 – Use of Barbecues.

2574 Propane, butane, or electric barbecues shall only be used in an outdoor
2575 location that is at least 10 feet away from all structures. After barbecuing, the
2576 barbecue may be left in place overnight to allow the appliance or electric to
2577 cool down. Charcoal barbecues are not permitted.
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10.2. Section 10.2 – Prohibited Use of Barbecues/Patio Heaters.

2582 Propane, butane, or electric barbecues shall not be used under a porch roof
2583 due to the possibility of large flare-up flames while cooking. Barbecues shall
2584 not be used underneath the eaves. Propane, butane, or electric barbecues
2585 shall never be used inside a Unit for cooking, heating, or storage purposes.
2586 All heaters are allowed and to be used and stored in the same safe manner
2587 as propane or butane. barbecues. Wood patio heaters and/or barbecues are
2588 still not allowed.
2589
2590

10.3. Section 10.3 – Storage of Barbecues.

2591 Propane, butane, or electric barbecues may be stored on the outside, open
2592 porch of a ground floor Unit, but never stored in an enclosed porch. If a Unit
2593 has no porch, the barbecue must be covered and stored in the garden area
2594 adjacent to the main entry walkway. Propane, butane, or electric barbecues
2595 shall not be stored inside a Unit. Propane, butane, or other compressed gas
2596 shall not be stored on an enclosed porch or inside a Unit.
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SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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11. ARTICLE XI – PETS

11.1. Section 11.1 – Definition of Pet.

A pet is any domesticated bird, cat, dog, aquatic animal kept within an aquarium, or other animal as agreed to between the Mutual and the homeowner.

11.2. Section 11.2 – Number of Quadruped Pets.

The number of quadruped pets per Unit shall be restricted to one.

11.3. Section 11.3 – Number of Birds.

The number of birds per Unit shall be restricted to four. Birds brought into the Mutual as pets must be examined by a veterinarian, vaccinated against all infections, and certified to be free of the avian flu virus. Birds shall be kept inside the Shareholder’s Unit at all times and are not allowed in the porch area. The Shareholder is responsible for the safe disposal of cage debris. The debris must be sealed in a plastic bag and placed in the trash bin in order not to attract rodents to the area. Birds must be quiet enough not to disturb the Shareholder’s neighbors. Except for the number limitation, the same general rules shall be applicable for birds as for quadruped animals.

11.4. Section 11.4 – Prohibited Animals.

All members of the reptile, arachnid, and monkey families, as well as any raucous-voiced birds, are prohibited; however, a reptile, such as a small lizard or turtle that is housed in a terrarium or aquarium, is permitted. At no time shall it be appropriate for Shareholders to house or maintain within the confines of the Mutual any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts, or for human consumption, or as may be found in specialty meat markets. Farm animals may include, but are not limited to duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.

11.5. Section 11.5 – Weight Restrictions.

No pet which is expected to weigh in excess of twenty-five (25) pounds and a height limit of 15” at full maturity may be kept within the Mutual.

11.6. Section 11.6 – Pets Prohibited in Common Area.

Pets are prohibited from common area facilities, such as clubhouse facilities, library, Golf course, health care center, amphitheater, swimming pool area, Administration Building, lobbies, and laundry rooms. In all other permitted areas, the pet must be on a leash not longer than six feet and under the

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2643 control of, and accompanied by, a Qualifying Resident and/or adult agent of
2644 the Qualifying Resident pet owner and/or responsible adult.

11.7. Section 11.7 – Pet Waste.

2647 In accordance with Seal Beach City Code, Section 3-10.26 - Maintaining
2648 Sanitary Conditions, persons allowing their dog or cat to defecate on
2649 property other than their own property, shall remove such feces immediately
2650 or be subject to a city fine of \$25. The Qualifying Resident pet owner shall
2651 immediately, and forthwith, remove any pet waste deposited by the pet in all
2652 common areas where said pet is permitted. The Mutual will impose a fine,
2653 per occurrence, on any Qualifying Resident pet owner who fails to
2654 immediately remove any such pet waste deposited by their pet. The imposed
2655 fine shall be \$25, per occurrence or the actual amount charged by the
2656 janitorial services company to have one of its employees remove the pet
2657 waste, if greater than \$25. The imposed fine shall be paid by the Qualifying
2658 Resident pet owner to the Mutual. It shall not be permissible to maintain a
2659 pet in a residence unless sanitary standards are maintained governing the
2660 disposal of pet waste. Qualifying Resident pet owners with properly
2661 registered pets shall be permitted to walk their pet while the pet is on a leash
2662 not longer than six feet for the purpose of exercising and/or depositing pet
2663 waste on any lawn area. At all times, the Qualifying Resident pet owner or
2664 responsible adult must have on their person, in plain view a plastic bag
2665 and/or a poop scoop device for the purpose of immediately removing any pet
2666 waste deposited on any lawn or ground area.

11.8. Section 11.8 – Requirements.

2667
2668 All quadruped pets brought into the Mutual by a Qualifying Resident pet
2669 owner shall have been spayed or neutered. Qualifying Resident pet owners
2670 are required to control noise and odor caused by a pet. Any noise or odor
2671 which adversely affects any other resident is not permitted. No quadruped
2672 pet may be left unattended in any dwelling area for more than four (4) hours.
2673 All pets must be under the Qualifying Resident pet owner’s control in a Unit,
2674 so as not to be a hazard to security officers, maintenance staff, fire
2675 inspectors, paramedics, mail carriers or service providers, or other
2676 employees requiring access to a Unit where there are pets. Qualifying
2677 Resident pet owners who, on a temporary basis, allow a neighbor to assume
2678 responsibility for their pet for a period longer than four (4) consecutive hours
2679 must notify the Security Department of the temporary arrangement and
2680 provide a sign for the neighbor to post on the exterior of the neighbor’s
2681 residence, near the front door, notifying service providers and employees
2682 who require access to the Unit in an emergency that a pet is temporarily
2683 being housed inside the Unit.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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11.9. Section 11.9 – License Requirements.

All pets to be living within the Mutual, before being registered for admittance, shall have been inoculated in accordance with all federal, state and local laws, and shall be licensed by the City of Seal Beach as required, and shall carry a current license tag on their collar. Said licensing shall be pursuant to all applicable local and state laws and regulations. All properly registered pets (cats and dogs) shall also be required to wear a bright- colored Mutual tag on their collar along with the license tag, thereby showing proof of registration with GRF. Pet owners must provide written documentary proof to GRF that the pet to occupy a Qualifying Resident’s Unit is licensed pursuant to all applicable state and local laws and regulations and will carry a licensed tag as described herein. Pet owners must complete and sign a Pet Ownership Registration Form as prepared by GRF and/or the Mutual in which Qualifying Resident resides.

Further, the pet registration information and licensing must be updated on or before December 31 of each year.

The Mutual/GRF Pet Ownership Registration Form will include or be accompanied by: (1) A certificate signed by a licensed veterinarian or a state or local authority empowered to inoculate animals, stating that the quadruped pet has received all inoculations required by applicable state, and local laws; (2) Information sufficient to identify the pet, and to demonstrate that it is a common household pet; (3) The name, address, and telephone number of one or more responsible parties who will care for the pet if the pet owner dies, is incapacitated, or is otherwise unable to care for the pet; (4) A statement signed by the Qualifying Resident pet owner indicating that he/she has read these Pet Ownership Rules and agrees to comply with the contents therein. The Qualifying Resident pet owner shall acknowledge that the pet owner and the pet are subject to exclusion from the Mutual and the Unit if there is not a compliance with these Rules and registration requirements. The Qualifying Resident pet owner shall acknowledge that failure to comply with these Rules and registration requirements shall be grounds for refusing to permit a pet to be kept in a Unit of the Mutual, and continued violations may cause termination of the Qualifying Resident pet owner’s residency.

11.10. Section 11.10 – Non-Resident Animals.

Pets not owned by a Qualifying Resident shall not be brought upon the premises of the Mutual. Qualifying Residents may not, even temporarily, keep a non-registered pet owned by another person in their Unit.

11.11. Section 11.11 – Cat Litter.

Qualifying Resident pet owners owning a cat, or another pet using a litter box, are required to change the litter at least twice each week. Qualifying Resident pet owners are required to separate the pet waste from the litter at

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

2729 least once each day. Pet waste shall be deposited in airtight plastic bags
 2730 before being deposited in the trash or garbage bins. Do not flush kitty litter
 2731 down the toilet, as this will cause a sewer blockage.
 2732

11.12. Section 11.12 – Insurance Requirement.

2733 Qualifying Resident pet owners owning a cat or dog pursuant to these
 2734 regulations shall procure a policy of liability insurance in an amount sufficient
 2735 for the indemnification of other persons who may be injured by the pet of the
 2736 Qualifying Resident with coverage in an amount sufficient to cover their
 2737 personal liability.
 2738
 2739

11.13. Section 11.13 – Pet Ownership Decal.

2740 Resident pet owners must display a pet ownership decal in a prominent
 2741 location near the front door of their residence in order to alert security
 2742 officers, maintenance staff, fire inspectors, mail carriers, or other employees
 2743 requiring access to a Unit where there are pets.
 2744
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11.14. Section 11.14 – Move Out Cleaning Requirements.

2746 Resident pet owners, upon the sale of their Unit shall have the Unit treated
 2747 professionally by a licensed pest control company prior to the close of
 2748 escrow, at the pet owner's expense.
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11.15. Section 11.15 – Mutual's Right to Remove Pets.

2751 In the event of any emergency related to a pet, and in the event, there is no
 2752 state or local authority (or designated agent of such an authority), the Mutual
 2753 reserves the right to remove a pet that becomes vicious, displays symptoms
 2754 of severe illness, or demonstrates other behavior that constitutes an
 2755 immediate threat to the health or safety of other residents of Seal Beach
 2756 Leisure World, and/or their guests. Subject to execution of an agreement by
 2757 the Qualifying Resident pet owner, a representative of the Mutual, along with
 2758 the Security Department, may enter the premises, if necessary, to remove
 2759 the pet only if the Qualifying Resident pet owner refuses to remove the pet at
 2760 the Mutual Corporation's request, or if the Mutual Corporation cannot contact
 2761 the Qualifying Resident pet owner to make a removal request, and may take
 2762 such action with respect to the pet as may be permissible under federal,
 2763 state and local laws, which may include placing the pet in a facility that will
 2764 provide care and shelter for a period not to exceed thirty (30) days. If the
 2765 health or safety of a pet is threatened by the death or incapacity of the
 2766 Qualifying Resident pet owner, or by other factors that render the Qualifying
 2767 Resident pet owner unable to care for the pet, and pursuant to the
 2768 authorization in the Pet Ownership Registration Form, the Mutual may
 2769 contact a responsible party or parties listed on the Pet Ownership
 2770 Registration Form for the purpose of removing and caring for the animal. If
 2771

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2772 the responsible party or parties are unwilling or unable to care for the pet, the
 2773 Mutual may contact the appropriate state or local authority and request the
 2774 removal of the pet. If there is no state or local authority, the Mutual
 2775 Corporation may remove the pet and place it in a facility that will provide care
 2776 and shelter until the responsible party or representative may be contacted, or
 2777 the Qualifying Resident pet owner is able to assume responsibility for the
 2778 pet, but not for longer than thirty (30) days. The cost of the animal care shall
 2779 be borne by the Qualifying Resident pet owner. In the event that no
 2780 resolution, as related to the care of the pet under and pursuant to the above
 2781 is made within thirty (30) days, the Mutual and/or GRF are authorized to
 2782 deliver the pet to any local humane society or association, either private,
 2783 state, federal, or county.

11.16. Section 11.16 – Pet Owner Liability.

2784
 2785 The Qualifying Resident pet owner or Qualifying Resident pet owner’s estate
 2786 shall remain responsible for any and all damages, injuries and related
 2787 expenses caused by the pet, which may include the payment of any legal
 2788 expenses incurred by the Mutual and GRF in the enforcement of these
 2789 Rules.
 2790

11.17. Section 11.17 – Violation of this Article IX.

2791
 2792 In the event of a determination of a violation of these Rules, the Mutual shall
 2793 serve a written notice of the pet rule violation on the Qualifying Resident pet
 2794 owner. The written notice shall contain a statement of the factual basis for
 2795 determining which violation has occurred to constitute alleged violation of
 2796 these pet Rules. The written notice shall state that the Qualifying Resident
 2797 pet owner has ten (10) days from the effective date of service of the notice
 2798 to: (i) Correct the violation (including, in appropriate circumstances, removal
 2799 of the pet); or (ii) Make a written request to hold a meeting with the Mutual
 2800 Board to discuss the alleged violation. The Qualifying Resident pet owner is
 2801 entitled to be accompanied by another person of his/her choice at a meeting
 2802 if a meeting is requested. The Qualifying Resident pet owner’s failure to
 2803 correct the violation, to request a meeting, or to appear at a requested
 2804 meeting, may result in an initiation of procedures to terminate the Qualifying
 2805 Resident pet owner’s occupancy in the Mutual.
 2806

11.18. Section 11.18 – Service Pets.

2807
 2808 These Rules and Regulations concerning pets, including without limitation,
 2809 Section 9.2 and 9.3 related to number of pets, and Section 9.4 related to
 2810 weight restrictions, shall have no application to a Qualifying Resident with a
 2811 bona fide service animal or animal required because of a physical disability
 2812 of the Qualifying Resident, who requires a service animal specifically trained
 2813 to assist the Qualifying Resident or to a Qualifying Resident or QPR who is
 2814

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2815 otherwise entitled to a reasonable accommodation from complying with these
2816 Rules under applicable State or Federal law. Such Qualifying Resident or
2817 QPR may make such request for reasonable accommodation to the Mutual,
2818 which will consider each request on a case-by-case basis.
2819

12. ARTICLE XII – ELECTION AND VOTING RULES AND REGULATIONS

2820 The Board of Directors (“Board”) of Seal Beach Mutual No. Fourteen (“Mutual”) has
2821 adopted these Election and Voting Rules and Regulations (“Election Rules”), in
2822 accordance with Civil Code §5105, et seq., to establish certain procedural rules for
2823 the successful management of meetings of the Mutual’s shareholders
2824 (“Shareholders”) and the implementation of the relevant provisions of the Mutual’s
2825 Bylaws concerning elections and voting. These Election Rules are not intended to
2826 replace or supersede the provisions of the Mutual’s Bylaws. Notwithstanding the
2827 foregoing, these Election Rules were revised and adopted by the Board to comply
2828 with the changes to California Civil Code §§ 5100; 5105; 5110; 5115; 5125; and 5145
2829 which take effect on January 1, 2020, pursuant to California Senate Bill 323. As
2830 such, any inconsistency between these Election Rules and the Bylaws shall be
2831 governed in accordance with the Civil Code.
2832

2833 These Election Rules shall not be amended less than ninety (90) days prior to an
2834 election.
2835

12.1. Section 12.1 – Qualification of Candidates and Directors/Elected Positions.

2836
2837 **12.1.1.** Candidates for election to the Board shall be Shareholders of the
2838 Mutual, and the Board shall be composed of seven (7) persons
2839 who shall, at all times, be Shareholders of the Mutual.
2840

2841 **12.1.2.** In order to be a candidate for election for Director or any other
2842 elected position, such Shareholder, as of the date ballots are
2843 distributed: (a) must be current in the payment of Regular and
2844 Special assessments ; (b) must not have a joint ownership interest,
2845 either directly or indirectly, in the same separate interest as
2846 another candidate or incumbent Director; (c) must have been a
2847 Shareholder of the Mutual for not less than one (1) year; (d) must
2848 not have a past criminal conviction that, if elected, would either
2849 prevent the Mutual from purchasing the fidelity bond coverage
2850 required by Civil Code §5806, or terminate the Association’s
2851 existing fidelity bond coverage. If title to a separate interest is held
2852 by a legal entity that is not a natural person, the governing
2853 authority of that legal entity shall have the power to appoint a
2854 natural person to be a Shareholder for purposes of running for and
2855 serving on the Board. Notwithstanding the foregoing, the
2856 candidate shall not be disqualified for election for Director for
2857

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

2858 failure to be current in payment of Regular and Special
2859 assessments if either of the following circumstances is true:
2860 **12.1.2.1.** The candidate has paid the Regular or Special
2861 assessment under protest pursuant to Civil Code §5658;
2862 **12.1.2.2.** The candidate has entered into a payment plan pursuant
2863 to Civil Code §5665. Furthermore, the Mutual shall not
2864 disqualify the candidate pursuant to this Section 12.1(b)
2865 if he or she has not been provided the opportunity to
2866 engage in Internal Dispute Resolution pursuant to Civil
2867 Code §§5900-5920.

2868 **12.1.3.** In order to remain qualified to serve on the Board, at all times
2869 during such Shareholder’s term as a Director, the Shareholder
2870 must: (a) remain current in the payment of Regular and Special
2871 assessments; (b) not enter into a joint ownership interest, either
2872 directly or indirectly, in the same separate interest as another
2873 Director; (c) must remain a Shareholder of the Mutual; (d) must not
2874 be convicted of a crime that would either prevent the Mutual from
2875 purchasing the fidelity bond coverage required by Civil Code
2876 §5806 or terminate the Mutual’s existing fidelity bond coverage.
2877 Notwithstanding the foregoing, the Director shall not be disqualified
2878 for failure to be current in payment of Regular and Special
2879 assessments if either of the following circumstances is true:
2880 **12.1.3.1.** The Director has paid the Regular or Special
2881 assessment under protest pursuant to Civil Code §5658;
2882 **12.1.3.2.** The Directors has entered into a payment plan pursuant
2883 to Civil Code §5665. Furthermore, the Mutual shall not
2884 disqualify the Director pursuant to this Section 12.1(c) if
2885 he or she has not been provided the opportunity to
2886 engage in Internal Dispute Resolution pursuant to Civil
2887 Code §§5900-5920.

2888 **12.1.4.** The Board may declare vacant the seat of any Director who
2889 ceases to meet the qualifications for a Director set forth in this
2890 Section upon the occurrence of the non-qualifying event, and the
2891 Director’s seat shall then be deemed vacant in accordance with the
2892 Association’s Bylaws and/or the Corporations Code.

2893

2894 **12.2. Section 12.2 – Nomination Process.**

2895 **12.2.1.** The Association shall send to all Shareholders a request-for-
2896 candidates form, seeking nominations for candidates for the Board
2897 and providing general notice of the procedure and deadline for
2898 submitting a nomination for election to the Board at least thirty (30)
2899 days before any deadline for submitting a nomination. Individual
2900 notice shall be delivered pursuant to Civil Code §4040 if individual

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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notice is requested by a Shareholder.
12.2.2. Nominations will be valid so long as the nominee has either nominated himself or herself or provides notice of acceptance of the nomination prior to the close of nominations.
12.2.3. If a person or entity nominated is not qualified to serve on the Board pursuant to Section 1(b) of these Election Rules, and the candidate has been provided the opportunity to engage in Internal Dispute Resolution pursuant to Civil Code §§5900-5920, that candidate’s name shall not appear on the ballot and that person or entity will not be permitted to serve if elected.
12.2.4. The Inspector shall retain, as Mutual election materials, both a candidate registration list and a voter list. The voter list shall include the name, voting power, and either the physical address of the Shareholder’s Unit, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the Shareholder’s Unit or if only the parcel number is used. The Mutual shall permit Shareholders to verify the accuracy of their individual information on both lists at least thirty (30) days before the ballots are distributed. The Mutual or Shareholder shall report any errors or omissions to either list to the Inspector or Inspectors who shall make the corrections within two (2) business days.

12.3. Section 12.3 – Voting Qualifications of Shareholders.

- 12.3.1.** All Shareholders shall be entitled to vote in any Shareholder vote.
- 12.3.2.** These Election Rules expressly:
 - 12.3.2.1.** Prohibit the denial of a ballot to a Shareholder for any reason other than not being a Shareholder at the time when ballots are distributed.
 - 12.3.2.2.** Prohibit the denial of a ballot to a person with general power of attorney for a Shareholder.
 - 12.3.2.3.** Require the ballot of a person with general power of attorney for a Shareholder to be counted if returned in a timely manner; and,
 - 12.3.2.4.** Require the inspector or inspectors of elections to deliver, or cause to be delivered, at least thirty (30) days before an election, to each Shareholder both of the following documents:
 - a. The ballot or ballots.
 - b. A copy of these Election Rules. Delivery of these Election Rules may be accomplished by either of the following methods:
 - Posting these Election Rules to an

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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internet website and including the corresponding internet website address on the ballot together with the phrase, in at least 12-point font: “The rules governing this election may be found here.”

<http://www.lwsbmutual14.com/rules-regulations-2/>

- Individual delivery.

12.3.3. Each Shareholder shall have one (1) vote per stock owned. In no event shall more than one (1) vote be cast with respect to any stock. When more than one (1) person holds a stock, all such persons shall be deemed Shareholders, provided however, that the vote for such stock shall be exercised as a unit, in accordance with the provisions of the Mutual’s governing documents. If two or more ballots are received for any one stock, the first ballot received shall be counted and the additional ballot(s) discarded.

12.4. Section 12.4 – Inspector of Election.

12.4.1. At an open meeting, the Board shall appoint one (1) or three (3) persons to serve as independent Inspector(s) of Election (“Inspector(s)”).

12.4.2. The Inspector must be an independent third party who is not:

12.4.2.1. Currently a member of the Board or a candidate for the Board.

12.4.2.2. Related to a member of the Board or a candidate for the Board; or

12.4.2.3. A person, business entity, or subdivision of a business entity who is currently employed or under contract to the Mutual for any compensable services other than serving as an Inspector of Elections.

12.4.3. The Board may select as the Inspector(s), Mutual Shareholder(s), a volunteer poll worker with the County registrar of voters, a licensee of the California Board of Accountancy, a notary public, or any other independent third-party authorized to serve as Inspector(s) under these Election Rules.

12.4.4. The Board, in its discretion, may remove and replace the Inspector(s) at any time prior to the date of any election.

12.4.5. The Board may pay reasonable compensation to a non-Shareholder third-party Inspector. If the Board determines that it will appoint and pay non-Shareholder third-party Inspector, the following terms must be fulfilled:

12.4.5.1. A formal written contract for the Inspector, stating that

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 2987 the Inspector is an independent contractor.
- 2988 **12.4.5.2.** The Inspector will maintain insurance with at least \$1
- 2989 million CGL coverage, including completed operations
- 2990 coverage, and \$1 million D&O/E&O (naming the Mutual
- 2991 and GRF as additional insureds on both policies); and
- 2992 **12.4.5.3.** The contract shall require the Inspector to indemnify the
- 2993 Mutual for gross negligence and willful and/or malicious
- 2994 misconduct.
- 2995 **12.4.6.** If an Inspector is unwilling, unable, or does not perform his/her
- 2996 duties as stated in these rules or becomes ineligible to be an
- 2997 Inspector at any time after appointment, the Board may remove
- 2998 that Inspector without notice, and may appoint another Inspector in
- 2999 his or her place.
- 3000 **12.4.7.** The Inspector shall perform his/her duties impartially, in good faith,
- 3001 to the best of his or her ability, and as expeditiously as is practical.
- 3002 **12.4.8.** The Inspector shall have the duty to:
- 3003 **12.4.8.1.** Determine the number of Shareholders entitled to vote
- 3004 and the voting power of each.
- 3005 **12.4.8.2.** Determine the authenticity, validity, and effect of proxies,
- 3006 if required by statute.
- 3007 **12.4.8.3.** Receive ballots.
- 3008 **12.4.8.4.** Verify the Shareholder’s information and the presence of
- 3009 a signature on the outer envelope. For mailed ballots,
- 3010 the Inspector(s) may verify the Shareholder’s information
- 3011 and presence of a signature on the outer envelope prior
- 3012 to the election.
- 3013 **12.4.8.5.** Determine the existence of a quorum, if required by
- 3014 statute or the governing documents. For the purposes
- 3015 of determining a quorum, each ballot received by the
- 3016 Inspector(s) shall be treated as a Shareholder present,
- 3017 except in the case of duplicate ballots or multiple ballots
- 3018 from the same stock.
- 3019 **12.4.8.6.** Hear and determine all challenges and questions in any
- 3020 way arising out of or in connection with the right to vote.
- 3021 **12.4.8.7.** Count and tabulate all votes.
- 3022 **12.4.8.8.** Determine when the polls shall close, consistent with the
- 3023 governing documents.
- 3024 **12.4.8.9.** Determine the tabulated results of the election.
- 3025 **12.4.8.10.** Report the tabulated results of the election or balloting
- 3026 promptly to the Board of Directors to ensure that the
- 3027 Board can publicize the results to the Shareholders
- 3028 within fifteen (15) days of the election; and
- 3029 **12.4.8.11.** Perform any acts as may be proper to conduct the

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3030 election with fairness to all Shareholders in accordance
3031 with Civil Code section 5110, the Corporations Code,
3032 and all applicable rules of the Mutual.

3033 **12.4.9.** The Inspector may meet and discuss election issues amongst
3034 themselves and/or with Mutual counsel.

3035 **12.4.10.** If there are three (3) Inspectors, the decision or act of two (2) or
3036 more Inspectors shall be effective in all respects as the decision or
3037 act of all.

3038 **12.4.11.** The Inspector may appoint and oversee additional persons to
3039 verify Shareholders' information and signatures and to count and
3040 tabulate votes as the Inspector deems appropriate.

3041 **12.4.12.** The Inspector's report of the election, once signed to certify the
3042 election, is prima facie evidence of the facts stated in the report.

3043
3044 **12.5. Section 12.5 – Access to Association Media.**

3045 **12.5.1.** No candidate or Shareholder shall be provided access to Mutual
3046 media, newsletters, or internet web sites during the campaign
3047 except with the express consent of the Board, and solely for
3048 purposes that are reasonably related to that election. The Board's
3049 consent may be withheld at its sole discretion and for any reason.

3050 **12.5.2.** In the event access to Mutual media, newsletter or internet web
3051 sites is granted to any candidate or Shareholder advocating a point
3052 of view, during any campaign for purposes that are reasonably
3053 related to that election, then all candidates and Shareholders
3054 advocating a point of view, including those not endorsed by the
3055 Board, shall be provided equal access for purposes reasonably
3056 related to that election.

3057 **12.5.3.** In the event access to Mutual media, newsletter or internet
3058 websites is granted, the Mutual shall not censor, edit or redact any
3059 content from the communications of the candidates and
3060 Shareholders advocating a point of view, but may include a
3061 statement specifying that the candidate or Shareholder, and not
3062 the Association, is responsible for the content of the message.
3063 The following statement may be published by the Mutual: "The
3064 views expressed are those of its author and do not reflect the view
3065 of the Mutual, its directors, managers, employees or agents. The
3066 author is solely responsible for its content. The Mutual was
3067 required by law to publish the communication as written,
3068 regardless of content."

3069
3070 **12.6. Section 12.6 – Access to Common Area Meeting Space.**

3071 If any Common Area meeting space exists within the Mutual, access to such
3072 meeting space shall be made available at no cost to all candidates, including

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

3073 those who are not incumbents, and to all Shareholders advocating a point of
 3074 view, including those not endorsed by the Board, for purposes reasonably
 3075 related to the election or vote, upon reasonable request.
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12.7. Section 12.7 – Mutual Funds.

3077 Mutual funds shall not be used for campaign purposes in connection with any
 3078 election except to the extent necessary to comply with the duties of the
 3079 Mutual imposed by law.
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12.8. Section 12.8 – Proxies.

3081 The Mutual is not required to prepare and distribute proxies. All proxies shall
 3082 be in writing, dated and filed with the Secretary before the appointed time of
 3083 each meeting. Each proxy shall be revocable and shall automatically cease
 3084 upon conveyance by the Shareholder of his or her stock, or upon receipt of
 3085 notice by the Secretary or the Board of the death or judicially declared
 3086 incompetence of a Shareholder, or upon the expiration of three (3) years
 3087 from the date of the proxy. The authenticity, validity and effect of proxies
 3088 submitted by Shareholders shall be determined by the Inspector(s),
 3089 consistent with the Mutual's Governing Documents and any statutory
 3090 requirements. If a Shareholder submits both a proxy and a ballot to the
 3091 Inspector(s), the ballot will supersede the proxy. Proxies may not be used in
 3092 lieu of a ballot. Proxies may not be revoked once a proxyholder has
 3093 submitted a ballot to the Inspector(s). Only a Shareholder may serve as a
 3094 proxyholder.
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12.9. Section 12.9 – Voting Period.

3098 **12.9.1.** The Board shall generally determine the dates upon which polls
 3099 will open and close, consistent with the governing documents and
 3100 applicable law.
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3102 **12.9.2.** The Mutual shall provide general notice of all the following at least
 3103 thirty (30) days before the ballots are distributed:

3104 **12.9.2.1.** The date and time by which, and the physical address
 3105 where, the ballots are to be returned by mail or handed
 3106 to the Inspector or Inspectors of Elections.

3107 **12.9.2.2.** The date, time, and location of the meeting at which
 3108 ballots will be counted.

3109 **12.9.2.3.** The list of all candidates' names that will appear on the
 3110 ballot.

3111 **12.9.2.4.** Individual notice of the above shall be delivered
 3112 pursuant to Civil Code §4040 if individual notice is
 3113 requested by a Shareholder.

3114 **12.9.3.** All candidates shall have a reasonable opportunity to communicate
 3115 their qualifications to Shareholders and to solicit votes.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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12.10. Section 12.10 – Secret Balloting Procedures.

12.10.1. The Mutual shall utilize a secret ballot process pursuant to Civil Code section 5115 for the following matters:

12.10.1.1. A vote of the Shareholders regarding assessments per Civil Code section 5605; (ii) Election of members of the Board; (iii) Amendments to the governing documents; (iv) Grant of Exclusive Use Common Area pursuant to Civil Code section 4600; (v) Removal of Directors; and (vi) Any other Shareholder vote which the law requires to be conducted via the secret ballot process.

12.10.1.2. Notwithstanding Paragraph 10(a) herein, the Mutual may utilize a secret ballot process for any other Shareholder vote, if allowed by law or the governing documents.

12.10.1.3. A ballot and two pre-addressed envelopes (Envelopes # 1 and # 2) with instructions on how to return the ballot shall be mailed by first-class mail or delivered by the Mutual to every Shareholder at least thirty (30) days prior to the deadline for voting.

12.10.1.4. The ballot shall contain the names of any candidates known to the Mutual at the time the ballot is mailed. If no candidates are known or if there are fewer candidates than the number of Directors to be elected, the Mutual will send out a ballot which has the names of the known candidates.

12.10.1.5. Cumulative voting is permitted in all elections.

12.10.1.6. Write-in candidates and nominations from the floor shall not be permitted.

12.10.1.7. A voter may not be identified by name, unit number, or address on the ballot.

12.10.1.8. The ballot itself is not signed by the Shareholder voting, but rather, is to be inserted into Envelope # 1 that is sealed by the Shareholder. Envelope # 1 is then inserted into Envelope # 2, which is then sealed by the Shareholder.

12.10.1.9. Envelope # 2 is addressed to the Inspector(s). In the upper left-hand corner of Envelope # 2, the voter shall sign his or her name, print his or her name, and indicate the address or separate interest identifier that entitles him or her to vote.

12.10.1.10. Envelope # 2 may be mailed or delivered by hand to a location specified by the Inspector(s). The Shareholder may request a receipt for delivery.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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- 12.10.1.11. Once a ballot has been cast, it cannot be revoked.
- 12.10.1.12. Only the Mutual’s ballots and envelopes which are sent out to the Shareholders by the Mutual or are provided by the Mutual at the membership meeting will be accepted by the Inspector(s).

12.11. Section 12.11 – Vote Tabulation.

- 12.11.1. All votes shall be counted and tabulated by the Inspector(s), or the duly authorized persons appointed by the Inspector(s), in public at a properly noticed Shareholder’s meeting.
- 12.11.2. The ballots shall not be opened or otherwise reviewed prior to the time and place which the ballots are counted and tabulated.
- 12.11.3. Any candidate or Shareholder may witness the counting and tabulation of the votes. Shareholders are prohibited from speaking to the Inspector(s) of Elections or their designee(s) during the tabulation process or from interrupting the tabulation process in any way.
- 12.11.4. The Inspector(s), or his or her designee, may verify the Shareholder’s information and signature on Envelope #2 prior to the meeting at which ballots are tabulated.

12.12. Section 12.12 – Election Results.

- 12.12.1. The Inspector(s) shall promptly report the results of the election to the Board. The Board shall record the results of the election in the minutes of the next Board meeting and make them available to the Shareholders for review.
- 12.12.2. Within fifteen (15) days of the election, the Board shall publicize the results of the election in a communication directed to all Shareholders.

12.13. Section 12.13 – Custody, Storage and Retention of Ballots.

- 12.13.1. The sealed ballots, signed voter envelopes, voter list, proxies, and candidate registration list (collectively referred to as “election materials”) shall, at all times be in the custody of the Inspector(s), or at a location designated by the Inspector(s), until after the tabulation of the vote, and until the time allowed by Civil Code §5145 for challenging the election has expired, at which time the ballots shall be transferred to the Mutual.
- 12.13.2. If there is a recount or other challenge to the election process, the Inspector(s) shall, upon written request, make the ballots available for inspection and review by a Shareholder or his or her authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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12.13.3. After the transfer of the ballots to the Mutual, the election materials shall be stored by the Mutual in a secure place for no less than three (3) years following the date of the election.

12.13.4. The Inspector shall retain, as Mutual election materials, both a candidate registration list and a voter list. The voter list shall include the name, voting power, and either the physical address of the voter’s Unit, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter’s Unit or if only the parcel number is used.

13. ARTICLE XIII – ESTATE/PATIO SALES

13.1. Section 13.1 – Shareholder Estate/Porch Sales.

A Shareholder who wishes to conduct an estate or porch sale must comply with the following and submit the following documents to the Board for approval: (i) Complete four (4) copies of the “Request for Permission to Conduct Estate Sale” and three copies of “Estate Sale Inventory” (collectively, the “Forms”); (ii) give one (1) copy of each of the Forms to the Mutual President; (iii) give one (1) copy of “Request for Permission to Conduct Estate Sale” to the Golden Rain News, if advertising the sale in the News; (iv) give one (1) copy of “Request for Permission to Conduct Estate Sale” to the Security Department; (v) post a copy of “Estate Sale Inventory” at the place of sale; (vi) provide one (1) copy of a sales contract or agreement, relating to the sale of the Shareholder’s Unit, to Mutual Representative; (vii) proof of Seal Beach Business License for person conducting sale of the Shareholder’s Unit (business license not required if person conducting sale is an immediate family member). Person conducting sale must be present at sale site at all times during the estate sale; (viii) outside merchandise is not permitted; (ix) provide either of the following: (1) proof that a “Notice of Intention to Withdraw” form has been completed and submitted to the Stock Transfer Office and (2) For a deceased Qualifying Resident, a copy of a death certificate for a deceased Qualifying Resident or for a living resident, a document that certifies that living Qualifying Resident is in an assisted living facility and does not plan on returning to the unit.

14. ARTICLE XIV – VISITORS

14.1. Section 14.1 – Visitors.

Pursuant to California Civil Code Section 51.3, a Qualifying Resident is permitted to have a visitor or visitors in their unit cumulatively for a maximum of up to sixty (60) days per twelve-month period.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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14.2. Section 14.2 – Visitors Permitted.

Visitors are only permitted to visit while the Qualifying Resident is residing and present in the Unit. The Qualifying Resident may not vacate or be absent from the Unit and import others to be in the residence as a guest in the absence of the Qualifying Resident. If the visitor is sleeping in the Unit, both the visitor and Qualifying Resident must be present in the Unit.

However, a visitor may stay overnight in a Unit when the Qualifying Resident is not present if an emergency exists, the number of days needed are short in duration and a waiver is obtained and approved by the Mutual Board.

14.3. Section 14.3 – Immediate/Collateral Family of Qualified Permanent Residents.

Pursuant to California Civil Code Section 51.3, the Mutual is a senior citizen housing development and from time to time, a Qualified Permanent Resident (“QPR”), as defined in said section, may become a resident in one of the Units. However, there is no provision in Civil Code Section 51.3 requiring that the Mutual permit immediate or collateral family of a QPR to also reside with the QPR. No member of any immediate or collateral family in any relationship with a QPR shall live with the QPR while such QPR resides with a Qualifying Resident as permitted under California Civil Code Section 51.3.

15. ARTICLE XV – MISCELLANEOUS

15.1. Section 15.1 – Commercial Signs.

Commercial signs are prohibited in the Mutual, except a Shareholder is permitted to display one (1) “for sale” sign, advertising their Unit for sale, inside a window, as long as the sign has a white background, black or blue lettering, and does not exceed fifteen inches (15”) by eighteen inches (18”) in size.

15.2. Section 15.2 – Noncommercial Signs.

Noncommercial signs, posters, flags, or banners may be displayed on a Shareholder’s Unit, except as required for the protection of public health or safety, or if the posting would violate a local, state, or federal law.

A noncommercial sign, poster, flag, or banner may be made of paper, cardboard, cloth, plastic, or fabric, but may not be made of lights, roofing, siding, paving materials, flora, or balloons, or any other building, landscaping, or decorative component, including the painting of architectural surfaces.

Noncommercial signs or posters may not be larger than nine (9) square feet in size and noncommercial flags or banners may not be larger than fifteen (15) square feet in size.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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- 15.3. Section 15.3 – Trash.**
Trash and garbage, whether contained or not, may not be left outside of the Unit at any time.

- 15.4. Section 15.4 – Unit Pre-Sale Cleanup.**
All Shareholders must comply with the terms of this Section 13.4 upon the sale of the Shareholder’s Unit, whether due to the election of sale and/or the Qualifying Resident’s demise.
 - 15.4.1.** If the Unit is to be sold, a “Notice of Intention to Withdraw” must be filed with the Stock Transfer Office in the Administration Building.
 - 15.4.2.** All trash must be removed from the Unit and patio area and disposed of in the trash bins located at the carports. All trash must be completely contained within these trash bins. Discarded items may not be left outside the trash bins. For large items that cannot be contained within these trash bins, a large dumpster is located in the garden area at the northwest corner of Leisure World on Nassau Street (behind Mutual Nine).
 - 15.4.3.** Televisions, electronics, paint and other combustibles or chemicals may not be placed in any trash dumpster within Leisure World. Items of this type and liquids containing hazardous materials must be disposed of at a hazardous waste facility. Contact: Huntington Beach Hazardous Waste Collection Center at (714) 847-3581 for information (on Nichols Street, west of Beach Boulevard and south of Warner Avenue), or the Orange County Integrated Waste Management Department at (714) 834-6752.
 - 15.4.4.** Refrigerator must be emptied and washed inside and out, be turned off, and the doors propped open to vent and dry the interior. If the refrigerator doors are not propped open, the refrigerator must be left on.
 - 15.4.5.** All food products must be removed from the cupboards and disposed of properly.
 - 15.4.6.** Cook top must be cleaned, and grease or drippings removed. Replacement filters may be obtained through the GRF Purchasing Department located at the West end of Golden Rain Road.
 - 15.4.7.** Oven must be cleaned, and the grates and broiler pan/cover thoroughly washed.
 - 15.4.8.** Kitchen and bathroom countertops, sinks, tub, shower enclosures and toilets must be thoroughly cleaned.
 - 15.4.9.** Interior surfaces in Unit are to be cleaned, and the carpet vacuumed.
 - 15.4.10.** Only porch furniture may be left on the porch during this interim period.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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15.4.11. Electricity must be left on during the sale period to allow the electric smoke detector system to remain operational.

15.4.12. Carport storage locker must be cleaned out and left unlocked.

15.5. Section 15.5 – Lockout Procedures.

In the event of the death of a Qualifying Resident or Shareholder, the Mutual must comply with the following procedures:

15.5.1. Death of Qualifying Resident with Surviving Shareholder/Qualifying Resident Living in the Unit.

If there is a surviving Shareholder/Qualifying Resident occupying the Unit at the time of death of the Qualifying Resident, irrespective of whether the death occurred within the Unit, in Leisure World, or elsewhere, Security will deliver the GRF Bereavement Workbook (“Bereavement Book”) to the Unit.

15.5.2. Death of Sole Shareholder.

15.5.2.1. Unattended Death.

If the death of the sole Qualifying Resident/Shareholder is unattended – i.e., no other individuals are present at the time of death and the Unit is sealed per law enforcement or the coroner order’s, then no one, including without limitation, next of kin, trustees, Shareholders, visitors, guests, or registered caregivers, may access the Unit until otherwise directed by law enforcement or the Coroner. In the event that any individual desires to access the Unit, the Mutual reserves the right to prevent such entry pending further authorization from law enforcement or the coroner. Security will place the Bereavement Book at the front of the Unit and reserve the right to place a knob lock on the door. If the door is unable to accommodate a knob lock, a plywood sheet may be affixed over the door.

15.5.2.2. Attended Death.

If the death of the Qualifying Resident/Shareholder is attended, Security will complete a DOA Report, to identify all individuals present at the time of death. Security will deliver the Bereavement Book to the Unit. Security will instruct all individuals present, who identify themselves as having legal authority over the Unit, to visit the Stock Transfer Office, as soon as reasonably possible, to present evidence of the same. Security may also verify such legal authority. Notwithstanding the foregoing, Security will inform all persons present that no one may stay in the Unit overnight without Mutual

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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permission, unless they are a Qualifying Resident, Qualified Permanent Resident, or registered Co-Occupant. Visitors and guests may request, from the Mutual Board, an emergency waiver to remain in the Unit for a limited period of time. If Security is unable to verify the party with legal authority over the Unit, all person’s present will be asked to leave the Unit until legal authority is established at the Stock Transfer Office. From there, and until otherwise decided by the Stock Transfer Office, Security reserves the right to place a knob lock on, or affix a plywood sheet to, the door of the Unit.

15.5.3. Reporting of Death to Mutual Board.

The Stock Transfer Office will report Qualifying Resident/Shareholder deaths to the Mutual Board within two (2) business days, and will include the following information, without limitation: (1) name of decedent; (2) date and location of death; (3) identification of persons present at Unit (if any); (4) name, relationship and contact information of surviving Qualifying Resident/Shareholder (if any); (5) name, relationship and contact information of decedent’s emergency contacts (if any); (6) if legal authority has been established; (7) if/how the Unit was secured; and (8) if there are any registered Co-Occupants, caregivers or pets in the Unit.

16. ARTICLE XVI – PENALTIES, FINES & FEES

16.1. Section 16.1 – General Violations.

In order to enforce the Governing Documents and Rules and Regulations, the Mutual Board may levy, assess, and collect reasonable fines as established by the Board of Directors pursuant to these Rules and the Fine Schedule attached hereto as Exhibit “D” and incorporated herein. The fines will be assessed against the Shareholder for violations by the Shareholder, members of the Shareholder’s family, or the Shareholder’s guests, invitees, licensee, tenants, or lessees, pursuant to the following policy:

16.1.1. Violations.

If there is a violation of the Governing Documents, including the Occupancy Agreement or these Rules, any Shareholder may contact the Mutual Board or GRF, in order to report the alleged violation to the Mutual Board. Violation reports should be in writing and should describe the violation, identify the alleged violator, and identify the individual making the report. Upon receipt of a violation report, the Mutual Board will commence the enforcement

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3417 process and determine whether a violation has occurred. The
 3418 Mutual Board has complete discretion to decide whether or not to
 3419 take action on a written violation complaint and what action, if any,
 3420 will be taken. The Mutual Board may investigate any reported
 3421 violation in order to determine whether the alleged violation has
 3422 potential merit and, if so, whether the violation warrants action by
 3423 the Board. Violations may also be noted by members of the
 3424 Mutual Board, GRF, and/or staff during regular walkthroughs of the
 3425 Mutual.

16.1.2. Enforcement Procedures.

3426 The Mutual reserves the right to take legal action in order to
 3427 enforce compliance with the Governing Documents at any stage in
 3428 the enforcement process. Serious violations warranting immediate
 3429 action may be forwarded to legal counsel with or without taking the
 3430 steps outlined below. Violations which the Mutual Board decides to
 3431 address internally will be dealt with as follows:

3432 **16.1.2.1.** Upon determination that an alleged violation has
 3433 potential merit, a courtesy notice (warning letter) may, in
 3434 the discretion of the Mutual Board, be sent to the
 3435 allegedly offending Qualifying Resident/Shareholder
 3436 (“Respondent”) identifying the violation and requesting
 3437 compliance within a stated period of time. A courtesy
 3438 notice is not required prior to calling Respondent to
 3439 hearing.

3440 **16.1.2.2.** The Mutual shall send a notice of hearing to the
 3441 Respondent stating the nature of the alleged violation,
 3442 referencing the specific provision of the Governing
 3443 Documents which the Respondent is alleged to have
 3444 violated, and inviting the Respondent to appear at a
 3445 hearing before the Mutual Board to be held no sooner
 3446 than fifteen (15) days from the date of the notice. The
 3447 notice shall further advise the Respondent of his or her
 3448 right to attend the hearing, submit a statement of
 3449 defense to the Mutual Board in advance of the hearing
 3450 or present a statement of defense and supporting
 3451 witnesses at the hearing. If the Respondent does not
 3452 attend the hearing, the Respondent waives these rights.

3453 **16.1.2.3.** The Mutual Board shall conduct the hearing in executive
 3454 session (unless requested otherwise by the
 3455 Respondent) and shall afford the Respondent a
 3456 reasonable opportunity to be heard.

3457 **16.1.2.4.** If the Shareholder is found to be in violation of the
 3458 Governing Documents following the hearing, the Mutual
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SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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Board may do any of the following, as noted in the hearing notice:

- a. Impose a monetary fine against the Shareholder pursuant to the Fine Schedule.
- b. Levy a special reimbursement assessment against the Shareholder pursuant to the Governing Documents.
- c. Declare the Shareholder to be not in good standing as set forth in these Rules.
- d. Suspend the Qualifying Resident/Shareholder’s voting rights and/or rights to use the recreational facilities if and as provided in the Mutual Governing Documents.
- e. Any combination of the above.

16.1.2.5. Any disciplinary action taken should be recorded in the minutes of the meeting at which the disciplinary action was taken by the Mutual Board. No action against the Respondent arising from the alleged violation may take effect before five (5) days after the hearing.

16.1.2.6. The Mutual Board shall provide the Shareholder with written notice of the outcome of the hearing and any disciplinary action taken by the Mutual Board within ten (10) days after the hearing. In the case of a continuing violation, the notice of hearing decision may include a notice of a continuing fine, if authorized by the Fine Schedule, or notice of a subsequent hearing on the same violation to be held no sooner than thirty (30) days from the original hearing date, unless the violation is sooner remedied.

16.1.2.7. Fines imposed by the Mutual Board after a hearing shall be due immediately upon notice of the hearing decision to the Owner. Special Assessments levied by the Mutual Board shall be due thirty (30) days from the date of the notice of hearing decision, or upon such other later date specified therein not to exceed sixty (60) days from the date of the notice.

16.1.3. Fine Schedule.

The schedule of monetary penalties which the Mutual Board may impose for general violations in accordance with the above procedures is attached to these Rules as Exhibit “D”. The Mutual Board reserves the right to revise the Fine Schedule at any time through a rule change procedure and the most recent Fine Schedule shall be distributed to the Shareholders on an annual

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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basis. Fines for parking violations are not included in Exhibit “D” but, rather, are set forth below in Section 14.2.7 of these Rules.

16.2. Section 16.2 – Parking Violations.

Any Shareholder or Qualifying Resident charged with the violation (Violator) can pay the fine or the Violator has the right to contest the "rules violation" in writing to the Parking Rules Violations (PRV) panel within ten (10) business days of the date of the violation. If Shareholder provides written notice that he/she is contesting the violation, a hearing will be scheduled by the PRV of the Mutual. Violator may submit a response in writing within ten (10) business days of the violation to the PRV, if they are unable to attend the hearing. Shareholders will be notified in writing of the results of the hearing within fifteen (15) business days. Except that contractors will be adjudicated by the Facilities Director, Health Care Center (HCC) employees will be adjudicated by HCC management and GRF employees will be adjudicated by GRF Human Resources Department.

16.2.1. The written Rules Violation Notice (“Citation”) serves as written notice of the violation and hearing (Civ. Code Section 5855). The following items will be set forth in the written Citation: (1) Description of violation, including time of violation and location and possible penalties (including possible monetary penalties); and (2) Hearing date, time, and location of Hearing.

16.2.2. The Notice Handout supplements the Citation and must contain the following: (1) The date, time, and place of the hearing; (2) The nature of the alleged violation (including the date/time and location) for which a Shareholder may be disciplined; (3) A statement that the Shareholder has a right to attend the hearing and present evidence.(Civ. Code Section 5855(b); (4) Notification that a failure to respond will acknowledge acceptance of the violation and the corresponding fine may be imposed; and (5) A section to indicate the need for an interpreter and the language requested. The PRV must be notified at least ten (10) business days prior to the hearing if the Shareholder will bring an interpreter.

16.2.3. A Shareholder may request one extension of the panel hearing under these following circumstances: (1) An extension of Hearing date at least 48 (forty-eight) hours prior to the scheduled PRV hearing with no explanation; (2) An extension for medical, health or family issues; (3) The written notification to the PRV panel that the Violator is bringing a lawyer. This will require a minimum 30-day extension to ensure Mutual attorney will be present; or (4) A second extension may be granted by the PRV.

16.2.4. The Shareholder has the right to examine and refute evidence. The photos may be viewed in the Security Office by appointment.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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The Security Department will have a representative present to explain all relevant information and evidence. This may include questions during the hearing. Shareholders also have the right to submit their defense in writing rather than make an appearance before the PRV. The Shareholder may bring an Observer or interpreter. The PRV panel hearing is a closed meeting. Hearings will be held in executive session. The Shareholder may request an open hearing. If the Shareholder does not appear at the scheduled hearing without prior notification to the PRV panel, this will be accepted as agreement by the Shareholder of the validity of the violation and the appropriate fine may be assessed.

16.2.5. The PRV panel shall make "findings" to support the panel's decision regarding the alleged violation. Findings may allow for vacating the citation. Notice of the panel's decision must be given by first-class mail within 15 business days following the PRV's decision. The letter of decision shall include the PRV panel's findings.

16.2.6. The PRV panel will meet on the 4th Monday of each month at 9:00 a.m. in Administration Conference Room A. A second meeting will be scheduled if the volume of hearing requests is too large; in which case the panel will also meet on the 4th Wednesday at 1:00 p.m. in Conference Room B.

16.2.7. All violations of the Parking Rules as set forth in Article IV of these Rules and Regulations, may be assessed a monetary penalty in the following amounts:

16.2.7.1. First Offense. The first offense may result in either a Fix-It citation, a Warning, a Fine or the vehicle being towed. See table below. A Fix-It citation provides the Qualifying Resident with thirty (30) days to correct the issue set forth in the Fix-It citation. The fine may be waived by the PRV panel.

16.2.7.2. Additional citations may be issued after each 24-hour period.

16.2.7.3. After the fourth RV or VUFR violation all RV or VUFR parking privileges are suspended for twelve (12) months beginning with the date of the fourth infraction.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

Violation	1 st Offense	2 nd and each subsequent and/or continuation of offense
Assigned Parking Space or restricted parking Space.	\$25.00	\$25.00
Blocking Crosswalk	\$25.00	\$25.00
Expired or Invalid State Vehicle Registration (Fine will be waived on first offense if sticker and/or paperwork that was current at time of Citation is presented. The Security Services Director has the right to waive the first offence fine if needed paperwork is presented to them.)	\$50.00	\$50.00
Flat Tires	Fix-It	\$25.00
Handicap Parking without Placard or Handicap ID Displayed	\$100.00 (Fine will be waived on first offense if placard and/or paperwork that was current at time of Citation is presented. The Security Services Director has the right to waive the first offence fine if needed paperwork is presented to them.)	\$200.00
Hazardous Materials Leaking	\$50.00	\$50.00
Limited Time Parking	\$20.00	\$20.00
Maintenance or Repair	\$25.00	\$25.00
No Valid GRF Vehicle Decal or Parking Permit Displayed	\$20.00	\$20.00
Parked on Sidewalk or Grass	\$25.00	\$25.00
Parked in RED Zone (Bus Stop)	\$25.00	\$25.00
Parked in RED Zone (Fire Hydrant)	\$100.00	\$200.00
Parked in RED Zone (Mailbox)	\$25.00	\$25.00
RV or VUFR – Generator Running 8pm-8am	\$50.00	\$50.00
RV or VUFR – Jack Support: None or Inadequate	\$50.00	\$50.00
RV or VUFR – Parked over seventy-two (72) hours on Trust Street	\$40.00	\$40.00
Washing any vehicle on Trust Property (except in designated Car Wash areas)	\$20.00	\$20.00
Washing a Non-Qualifying Resident Vehicle at Car Wash	\$20.00	\$20.00

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(Jan 2024)

16.3. Section 16.3 – Reporting Violations.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3587 Any Qualifying Resident or Shareholder, including any director serving on the
3588 Mutual Board, may report violations by contacting Security or the Mutual
3589 Board. Such reports shall constitute a complaint and will be documented in
3590 writing to include the time, date, nature of violation, circumstances, and
3591 location and address of person or persons responsible. The complaint will be
3592 provided to the Mutual Board for review and, if necessary, enforcement
3593 action.

16.4. Section 16.4 – Enforcement Procedures.

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3595 In addition to the procedures and remedies set forth herein, the Mutual may
3596 take an action in law or in equity to recover damages, obtain injunctive relief,
3597 or obtain any other appropriate legal or equitable relief that may be available
3598 to the Mutual.
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16.5. Section 16.5 – Shareholder Rules of Conduct.

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3602 **16.5.1. Purpose.**

3603 The Purpose of the Shareholder Rules of Conduct is to protect
3604 Golden Rain Foundation (GRF) and Mutual 14, including GRF
3605 staff, GRF contracted service providers, GRF members and Mutual
3606 14 contracted service providers. Mutual 14 has a duty and a
3607 fiduciary responsibility to enforce its governing documents and
3608 protect GRF Trust Property, Mutual 14 Property, and assets.
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3610 The Rules of Conduct apply to Mutual 14 shareholders, qualified
3611 permanent residents, co-occupants, renters, caregivers, and their
3612 visitors.

3613 **16.5.2. Rules of Conduct.**

3614 **16.5.2.1.** Mutual 14 shareholders are responsible for the actions
3615 of those associated with their property, including the
3616 following: Qualified Permanent Resident, Co-occupants,
3617 Renters, Caregivers, and their visitors.

3618 **16.5.2.2.** Interactions with others must be respectful and non-
3619 abusive, both verbally and physically.

- 3620 a. Behaviors such as the following are prohibited:
- 3621 • Verbal or physical violence implied or
 - 3622 actual (threats).
 - 3623 • Personal insults and yelling.
 - 3624 • Any form of discrimination.
 - 3625 • Unwanted or offensive touching,
 - 3626 filming, photography, and recording.
 - 3627 • Unwanted sexually aggressive
 - 3628 language.
 - 3629 • Directing objects or substances at

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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another person with intent to harm or intimidate.

- Disruptive behavior, personal attacks or harassment during Mutual 14 meetings.
- Creating a hostile work environment for GRF staff and Mutual 14 contracted service providers.
- Bodily odor or uncleanliness that would be considered offensive and a health and safety hazard to others.
- Willful damage to Mutual 14 property.
- Non-compliance with Mutual 14 Governing Documents.

16.5.3. Non-Compliance.

16.5.3.1. Will result in a penalty (see Exhibit D, Fine Schedule, M14 Rules & Regulations).

16.5.3.2. To protect M14, repeat offenders may be subject to legal action.

16.5.3.3. For offenses that are governed by City, State or Federal Laws, the appropriate authorities will be contacted.

16.5.4. Notification of Violation and Right to Hearing.

16.5.4.1. See Procedure 18.18 of Rules and Regulations, Notification of Violation and Right to Hearing Procedures.

17. ARTICLE XVII – COLLECTION POLICY

17.1. Section 17.1 – Regular and Special Assessments.

Regular assessments are due and payable, in advance, on the first day of each month. If imposed, special assessments and reimbursement assessments shall be due and payable on the due date specified by the Mutual Board. Regular, special and reimbursement assessments (hereinafter collectively referred to as "Assessments"), interest, late charges, collection costs and reasonable attorney’s fees, if any are imposed, are the personal obligation of the person who is the owner of the shares of stock associated with the Unit at the time when the assessment or other charge fell due.

17.2. Section 17.2 – Late Charges.

Assessments are delinquent fifteen (15) days after they become due. A late charge not exceeding ten percent (10%) or ten dollars (\$10.00), whichever is greater, may be applied if payment in full of any Assessment is not received thirty (30) days after the payment is due. A late charge will not be imposed

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3673 more than once per delinquent installment.

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17.3. Section 17.3 – Interest.

3675 An interest charge at a rate not to exceed twelve percent (12%) per annum
 3676 will be assessed against any outstanding balance, including delinquent
 3677 Assessments, late charges, and cost of collection, which may include
 3678 attorney’s fees. Such interest charges shall accrue thirty (30) days after the
 3679 Assessment becomes due and shall continue to be assessed each month
 3680 until the account is brought current.
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17.4. Section 17.4 – Additional Charges, Costs and Attorney’s Fees.

3683 Pursuant to Civil Code Section 5650(b), the Mutual is entitled to recover
 3684 reasonable collection costs. Such collection costs include, without limitation:
 3685 All late charges, interest, attorney’s fees, management costs, mailing costs,
 3686 recording costs, publication costs and service costs. Such collection costs
 3687 will become the liability of the delinquent Shareholder. It is the policy of the
 3688 Mutual not to routinely waive any duly imposed collection costs. Please also
 3689 note that returned checks may be subject to a service fee.
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17.5. Section 17.5 – Application of Payments on Delinquent Assessments.

3692 Payments received on delinquent Assessment accounts will be applied first
 3693 to the Assessments owed, and then applied to collection costs,
 3694 administration fees, attorney’s fees, late charges, interest, and any other
 3695 amount due to the Mutual in connection with collection of delinquent
 3696 Assessments.
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17.6. Section 17.6 – Special Assessment.

3699 If a special Assessment is payable in installments and an installment
 3700 payment of that special Assessment is delinquent for more than thirty (30)
 3701 days, all installments will be accelerated, and the entire unpaid balance of
 3702 the special Assessment shall become immediately due and payable. The
 3703 remaining balance shall be subject to late charges, interest, costs of
 3704 collection, and lien rights as provided herein.
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17.7. Section 17.7 – Unlawful Detainer.

3707 If the delinquent Shareholder does not bring the account current within thirty
 3708 (30) days of notice of the delinquency, the Mutual can seek unlawful detainer
 3709 and eviction pursuant to the terms of the Shareholder’s Occupancy
 3710 Agreement.
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17.8. Section 17.8 – Partial Payments.

3713 Any Assessment payments received from a delinquent Shareholder will be
 3714 applied to that Shareholder’s account. However, absent receipt of payment in
 3715

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

3716 full of all amounts due, the Mutual will proceed with any unlawful detainer
 3717 action initiated against the Shareholder's separate interest, or the delinquent
 3718 Shareholder personally, pursuant to and consistent with the requirements of
 3719 California statutory and case law unless the payments are remitted pursuant
 3720 to a written payment plan approved by the Mutual Board.
 3721

17.9. Section 17.9 – Lawsuit.

3722 The Mutual may, at any time, determine to file a personal lawsuit against the
 3723 delinquent Shareholder to recover all delinquent charges pursuant to
 3724 relevant law. All costs and attorneys fee in connection with the lawsuit, in
 3725 addition to the delinquent charges and other collection costs, will be sought
 3726 from the delinquent Shareholder.
 3727

17.10. Section 17.10 – Attorney’s Fees.

3728 If a lawsuit or unlawful detainer action is initiated by the Mutual to recover
 3729 Assessments, the Mutual is entitled to recover not only the amount in default,
 3730 but also reasonable costs of collection, including title company charges and
 3731 attorney’s fees as provided for by statute, as well as the Mutual’s Bylaws, the
 3732 Shareholder’s Occupancy Agreement, and/or other Governing Documents.
 3733

17.11. Section 17.11 – Suspend Privileges and Voting Rights.

3734 The Board may, having provided the Shareholder with a Notice of Hearing
 3735 pursuant to Civil Code Section 5855, suspend the common area privileges
 3736 and voting rights of any Shareholder who is more than thirty (30) days
 3737 delinquent in paying any Assessment. Common area privileges and voting
 3738 rights will remain suspended until the delinquency, including any
 3739 accumulated penalties, interest, and costs of collection, has been paid in full.
 3740

17.12. Section 17.12 – Secondary Address.

3741 Shareholders have a right to identify in writing to the Mutual a secondary
 3742 address for purposes of, without limitation, collection notices delivered
 3743 pursuant to this Article XV. Upon receipt of a written request from a
 3744 Shareholder identifying a secondary address, the Mutual shall send notices
 3745 to that secondary address.
 3746

17.13. Section 17.13 – No Right of Offset.

3747 There is no right of offset. A Shareholder may not withhold Assessments
 3748 owed to the Mutual on the alleged grounds that the Shareholder would be
 3749 entitled to recover money or damages from the Mutual based on some other
 3750 obligation or some claim of another obligation.
 3751

17.14. Section 17.14 – Charges and Fees Subject to Change.

3752 All charges and fees set forth in this Article XV are subject to change. Upon
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(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3759 rule change notification to the Shareholders.

3760 **17.15. Section 17.15 – Dismissal of Action Upon Payment.**

3761 Within twenty-one (21) days of payment in full of all delinquent Assessments
3762 and charges, the attorney will dismiss the unlawful detainer action, and will
3763 provide the Shareholder with a copy of such dismissal.

3764
3765 **17.16. Section 17.16 – Right to Receipt.**

3766 When a Shareholder makes a payment, the Shareholder may request a
3767 receipt and the Mutual shall provide same which shall indicate the date of
3768 payment and person who received such payment.

3769
3770 **17.17. Section 17.17 – Overnight Payments.**

3771 Payments may be made by overnight mail to the following address:
3772 Leisure World
3773 Attn: Cashier, Finance Office
3774 P.O. Box 2069
3775 Seal Beach, California 90740

3776
3777 **18. ARTICLE XVIII – LEASING RULES AND REGULATIONS**

3778
3779 **INTRODUCTION**

3780 The Board of Directors (“Board”) of Seal Beach Mutual No. Fourteen (“Mutual”) has
3781 adopted the following Leasing Rules and Regulations (“Leasing Rules”) in
3782 accordance with Civil Code §4740, et seq., to establish certain procedural rules for
3783 the rental of Units within the Mutual. To the extent that these Leasing Rules conflict
3784 with the Governing Documents of the Mutual, these Leasing Rules are intended to
3785 replace and supersede the provisions of the Mutual’s Governing Documents,
3786 including without limitation, the Occupancy Agreement, Rules and Regulations and
3787 Policies, that discuss the rental or lease of a Unit. These Leasing Rules were revised
3788 and adopted by the Board to comply with the changes to California Civil Code §§
3789 4740 and 4741 which take effect on January 1, 2021, pursuant to California Assembly
3790 Bill 3182.

3791
3792
3793 **DEFINITIONS**

3794 For the purposes of these Leasing Rules the definitions set forth below shall apply.
3795 To the extent any term is capitalized herein but not defined, the definition set forth in
3796 the Mutual’s Bylaws shall apply.

3797 **Lease:** A lease or rental agreement, whether or not in writing and regardless of
3798 whether any consideration is paid, entered into between a Shareholder and a Tenant
3799 for the Tenant’s occupancy of the Shareholder’s Unit.

3800 **Tenant:** Any person who: (i) meets the age requirements set forth in California Civil
3801

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3802 Code Section 51.3, et. seq., specifically a person who is 55 years of age or older; and
3803 (ii) occupies any portion of a Unit at the Development pursuant to a Lease,
3804 irrespective of any rent paid or compensation given to the Shareholder of the Unit for
3805 such occupancy. All Tenants must sign the Addendum as further described in these
3806 Leasing Rules. Only persons who have signed the Addendum may reside in the Unit.
3807

Rules and Regulations

18.1. Section 18.1 – Leasing of Units.

The rental or leasing of any Unit shall be subject to the provisions set forth herein. When the term “rent” is used herein, it shall be deemed to mean and include the rental and/or leasing of a Unit.

18.2. Section 18.2 – Residential Purpose.

Each residence shall be used only as a residential dwelling for a single household. A Shareholder may rent/lease his or her Unit for such residential purpose under a Lease, pursuant to these Leasing Rules. The number of persons residing in a Residence at any time shall comply with the Shareholder’s Occupancy Agreement and Addendum, all City and County codes, regulations, and ordinances regarding the occupancy of residential dwellings, and may not exceed any occupancy limits established under such codes, regulations, or ordinances. No Tenant or occupant of the Unit may have a pet of any species.

18.3. Section 18.3 – Addendum to Occupancy Agreement.

Any Shareholder approved by the Mutual to lease out his/her Unit is required to execute an addendum to his/her Occupancy Agreement (“Addendum”). Such Addendum will also require the signature of each Tenant. The failure of the Shareholder and/or the Tenant to sign the Addendum shall be deemed a waiver of the Shareholder’s right to rent the Unit.

18.3.1. Cost of Addendum.

Shareholder shall pay the cost incurred by the Mutual for the Mutual’s legal counsel to prepare such Addendum, in addition to the cost to have the Addendum notarized and recorded, promptly upon request.

18.4. Section 18.4 – Restriction on Number of Units Leased.

18.4.1. No more than twenty five percent (25%) of the Units in the Mutual shall be rented at any time (the “Leasing Cap”).

18.4.2. A shareholder desiring to rent his or her Unit may submit to the Board a written request for approval to rent. No Shareholder shall rent his or her Unit prior to receiving written approval from the Board.

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 3845 **18.4.2.1.** The Board shall respond to any Shareholder’s written
3846 request for approval to rent the Shareholder’s Unit within
3847 forty-five (45) days of the Board’s receipt of such
3848 request. If the Board does not respond to the
3849 Shareholder’s written request at the Shareholder’s last
3850 known address of record within this time period,
3851 permission to rent shall be deemed to have been
3852 approved by the Board.
- 3853 **18.4.2.2.** The Board shall deny a Shareholder’s request for
3854 approval to rent the Shareholder’s Unit if the number of
3855 rented Units, plus the number of Units for which other
3856 Shareholders have received Board approval to rent but
3857 which are not yet rented, plus the Shareholder’s Unit
3858 (the “Leased Unit Calculation”) exceeds twenty-five
3859 percent (25%) of the Units in the Mutual. If the Leased
3860 Unit Calculation does not exceed twenty-five percent
3861 (25%) of the Units in the Mutual, the Board shall grant a
3862 Shareholder’s request for rental approval.
- 3863 **18.4.2.3.** In the event a Shareholder’s request for approval to rent
3864 is denied, the Shareholder shall be placed on a waiting
3865 list maintained by the Mutual, and the Shareholder shall
3866 be given an opportunity to rent his or her Unit when such
3867 Shareholder’s name is first on the waiting list and the
3868 Leased Unit Calculation no longer exceeds twenty-five
3869 percent (25%) of the Units in the Development.
- 3870 **18.4.2.4.** If a Shareholder who has been approved to rent his or
3871 her Unit fails to rent his or her Unit within ninety (90)
3872 days of the date of rental approval, the Shareholder’s
3873 written approval to rent from the Board shall expire. In
3874 such event, the Shareholder shall be required to submit
3875 a new written request to rent his or her Unit in
3876 accordance with the foregoing provisions.
- 3877 **18.4.2.5.** If a Lease for an approved rental of a Shareholder’s Unit
3878 expires or terminates and the Shareholder does not
3879 enter into a new Lease for the Shareholder’s Unit within
3880 ninety (90) days of the expiration or termination of the
3881 prior Lease, the Shareholder’s written approval to rent
3882 shall expire. In such event, the Shareholder shall be
3883 required to submit a new written request to rent his or
3884 her Unit in accordance with the foregoing provisions.
- 3885 **18.4.2.6.** At no time may a prospective Shareholder or any non-
3886 Shareholder be added to the Wait List.
- 3887

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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18.5. Section 18.5 – Lease Requirements.

- 18.5.1.** Subject to the Leasing Cap, and the provisions set forth above, a Shareholder may rent his or her Unit pursuant to a Lease that is: (A) in writing; (B) for a term of at least thirty (30) days (the “Minimum Lease Term”); and (C) subject in all respects to the Governing Documents, including, but not limited to, the Occupancy Agreement, provided it does not conflict with the terms contained herein.
- 18.5.2.** The Shareholder is required to provide the Tenant with a copy of all Governing Documents, and any amendments thereto for the duration of the tenancy and Lease and ensure that the Tenant understands and acknowledges and agrees to be bound by the same. The Shareholder must provide the Mutual with written confirmation of the foregoing. The Lease shall include a statement that any failure by the Tenant to comply with the Governing Documents will constitute a default under the Lease. The following paragraph, or a substantially similar paragraph, shall be included in each Lease: “In accepting this Lease, Tenant acknowledges that Tenant has received, read, and understands Occupancy Agreement for Unit __, dated __, and any addendum thereto, and the Bylaws, rules, regulations, and policies of Seal Beach Mutual No. Fourteen (the “Governing Documents”). Tenant agrees to comply with the terms of the Governing Documents, and acknowledges that any failure by Tenant, or Tenant’s family members, social guests, houseguests, servants, employees, or agents, to comply with the terms of the Governing Documents shall constitute a material default under this Lease and may result in the early termination of this Lease.”
- 18.5.3.** No less than the entirety of a Unit may be rented under a Lease, or otherwise. Notwithstanding the foregoing, one (1) roommate paying rent to a Shareholder may reside simultaneously with a Shareholder in the Shareholder’s Unit. Any roommate contemplated herein must meet the age requirements of a Tenant, specifically set forth in California Civil Code Section 51.3, et. seq. The foregoing exemption shall only apply to Units with two (2) bedrooms.
- 18.5.4.** No sub-rental or sub-lease of a Unit shall be permitted, and no Unit may be used for vacation rentals (for example only, listed on Airbnb, VRBO or a similar website) or rented to a corporate housing company.
- 18.5.5.** No Unit may be leased for hotel or transient purposes.
- 18.5.6.** The Lease must provide that upon the notice of intent to transfer Stock, the Lease shall terminate, and the Tenant must vacate the

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3931 premises and remove all personal property within thirty (30) days.
 3932 The transfer of Stock cannot take place unless and until Tenant
 3933 has vacated the Unit.

3934 **18.5.7.** Each Shareholder shall be responsible for any and all violations of
 3935 the Governing Documents committed by any Tenant, or any guest
 3936 or invitee of Tenant, of the Shareholder's Unit.

3937 **18.5.8.** Each Shareholder shall be deemed to have agreed to save, hold
 3938 harmless, indemnify, and defend the Mutual and its Directors,
 3939 officers, agents, representatives, attorneys, and employees from
 3940 and against any and all claims, demands, actions, causes of
 3941 action, liabilities, damages, and expenses arising out of, or
 3942 incurred as a result of, the rental/leasing of the Shareholder's Unit,
 3943 together with all costs, expenses, and actual attorneys' fees
 3944 resulting therefrom.

3945 **18.5.9.** Tenant must acknowledge the Mutual's right to initiate an unlawful
 3946 detainer action against the Shareholder in the event: (1) the
 3947 Tenant fails to abide by the terms of the Mutual's Governing
 3948 Documents and the Shareholder fails to initiate an unlawful
 3949 detainer action within thirty (30) days of notice from the Mutual
 3950 Board of the same; and/or (2) the Shareholder's Share of Stock is
 3951 terminated. Any expenses and attorneys' fees incurred by the
 3952 Mutual, shall be paid as set forth in Section 7.1.2 of these Leasing
 3953 Rules.

3954 **18.5.10.** Tenant must acknowledge the Mutual's right to initiate an unlawful
 3955 detainer action against the Shareholder in the event: (1) the
 3956 Tenant fails to abide by the terms of the Mutual's Governing
 3957 Documents and the Shareholder fails to initiate an unlawful
 3958 detainer action within thirty (30) days of notice from the Mutual
 3959 Board of the same; and/or (2) the Shareholder's Share of Stock is
 3960 terminated. Any expenses and attorneys' fees incurred by the
 3961 Mutual, shall be paid as set forth in Section 7.1.2 of these Leasing
 3962 Rules.

3963

3964 **18.6. Section 18.6 – Exemptions; Enforcement.**

3965 **18.6.1.** If a Shareholder rents his or her Unit without approval from the
 3966 Board, or otherwise in violation of the provisions of these Leasing
 3967 Rules, the Mutual is authorized to pursue all of its available legal
 3968 rights and remedies against the Shareholder to enforce such
 3969 violation and the Shareholder shall be subject to disciplinary
 3970 measures, including, but not limited to: (a) a monetary penalty in
 3971 an amount to be determined by the Board; (b) other disciplinary
 3972 measures; (c) termination of the Occupancy Agreement; (d)
 3973 injunctive relief; and/or (e) a Reimbursement Assessment in an

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

3974 amount equal to the costs incurred by the Mutual related to
3975 addressing such violation, including, without limitation, attorneys'
3976 fees and costs, irrespective of whether the Mutual is able to obtain
3977 a court order to evict the Tenant or otherwise effectuate the legal
3978 eviction of the non-compliant Shareholder and/or Tenant from the
3979 Shareholder's Unit.

3980 **18.6.2.** Notwithstanding anything to the contrary contained in these
3981 Leasing Rules, the Leasing Cap shall not apply to the Mutual.

3982 **18.7. Section 18.7 – Unlawful Detainer.**

3983 **18.7.1.** Failure by a Shareholder to take legal action, including the
3984 institution of unlawful detainer proceedings to evict such
3985 Shareholder’s Tenant, who is in violation of the Mutual’s Governing
3986 Documents, including without limitation, the Articles, Occupancy
3987 Agreement and/or Addendum thereto, Bylaws, Rules and
3988 Regulations, or Policies, within ten (10) days after receipt of written
3989 demand so to do from the Board, shall constitute a default of the
3990 Shareholders Occupancy Agreement and/or Addendum thereto
3991 and entitle the Mutual, through the Board, to take any and all such
3992 action necessary, including without limitation, declaring
3993 forfeiture/termination of the Shareholder’s Occupancy Agreement,
3994 and the institution of unlawful detainer proceedings against the
3995 Shareholder to recover possession of the Unit.

3996 **18.7.2.** In any such unlawful detainer action against the Shareholder, the
3997 Mutual will seek an award of its attorney’s fees and costs incurred
3998 in connection with the same pursuant to the Occupancy
3999 Agreement and/or Addendum thereto. Any other expenses
4000 incurred by the Mutual in connection with the enforcement of these
4001 Leasing Rules, including attorney’s fees, shall be repaid to it by
4002 such Shareholder. Failure by such Shareholder to make such
4003 repayment within (10) days after receipt of a written demand
4004 therefor shall entitle the Board to levy a Special Assessment
4005 against such Shareholder and such Shareholder’s Unit for all such
4006 expenses incurred by the Mutual.

4007 **18.7.3.** The authority granted by this Section 7 shall be cumulative with all
4008 other rights and remedies of the Mutual in enforcing its Governing
4009 Documents.
4010

4011 **18.8. Section 18.8 – Shareholder Liability.**

4012 Shareholder shall be absolutely liable to the Mutual and other Shareholders
4013 and their families, guests, tenants, and invitees for any liability arising from
4014 the acts/or omissions of such Shareholder’s Tenant. Each Shareholder who
4015 chooses to lease such Shareholder’s Unit agrees to be held liable for all acts,
4016 whether negligent or non-negligent of such Shareholder’s Tenant and/or any

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4017 guests or invitees of Tenant.

4018

4019 **18.9. Section 18.9 – Mutual Not a Landlord.**

4020 The exercise and enforcement of the Mutual’s rights under these Leasing
 4021 Rules shall in no way constitute the Mutual as a landlord or lessor under any
 4022 Lease, and the Mutual shall have no such responsibility. Each Shareholder
 4023 hereby agrees to indemnify, defend, and hold harmless the Mutual and its
 4024 Directors, officers, agents, representatives, employees, and attorneys, as
 4025 may be applicable, from and against any and all claims by a Tenant or any
 4026 third party that the Mutual failed to fulfill the duties of landlord or lessor under
 4027 any Lease for the Shareholder’s Unit.

4028

4029 **18.10. Section 18.10 – Shareholder Insurance Requirements.**

4030 **18.10.1. Property Damage and General Liability Insurance.**

4031 Each Shareholder is responsible for insuring his or her personal
 4032 property located within the Mutual. Each Shareholder is also
 4033 responsible for ensuring all buildings, structures, and other
 4034 Improvements contained within or located upon the Shareholder’s
 4035 Unit (including, but not limited to the Shareholders’ Residences)
 4036 against fire and other casualty. Nothing in these Leasing Rules
 4037 precludes any Shareholder from carrying public liability insurance
 4038 as he or she may deem reasonable, however, such insurance
 4039 coverage may not adversely affect or diminish any coverage under
 4040 any of the Mutual’s insurance policies. If any loss intended to be
 4041 covered by insurance carried by or on behalf of the Mutual occurs
 4042 and the proceeds payable are reduced due to insurance carried by
 4043 a Shareholder, such Shareholder shall assign the proceeds of the
 4044 Shareholder’s insurance to the Mutual, to the extent of such
 4045 reduction, for application to the same purposes as the reduced
 4046 proceeds are to be applied.

4047 **18.10.2. Renter’s and Landlord’s Insurance.**

4048 A Shareholder whose Unit is subject to a Lease shall require as a
 4049 term of the Lease that the Tenant is required, at all times during
 4050 the Tenant’s tenancy and occupancy of the Shareholder’s Unit, to
 4051 obtain and maintain “renter’s insurance” of no less than fifty
 4052 thousand dollars (\$50,000.00), insuring, including without
 4053 limitation, the Tenant for general liability, property damage, and the
 4054 replacement value of the Tenant’s personal property and
 4055 belongings located in the Unit from damage and loss. Such
 4056 Shareholder shall also be required to maintain “landlord’s
 4057 insurance” during the period of the Lease, under an insurance
 4058 policy that covers the Shareholder’s Unit from financial losses
 4059 connected with the Unit; such policy shall cover standard perils

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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such as fire, and, to the extent commercially available, include coverage for accidental damage, malicious damage by tenants, and rent guarantee insurance.

18.10.3. Proof of Insurance.

Duplicate copies of the insurance policies required under these Leasing Rules shall be submitted by a Shareholder to the Board at the New Tenant Orientation and upon request thereafter. Notwithstanding the foregoing, the Mutual shall not have the obligation to confirm that any Shareholder or Tenant carries the insurance required under these Leasing Rules and/or confirm the terms of any insurance purchased by a Shareholder or Tenant.

18.10.4. Lack of Insurance.

The Mutual shall not be responsible for any damage or loss to a Shareholder’s Unit, another Unit, or the Common Area for which the Shareholder is responsible, and the Shareholder does not maintain sufficient insurance coverage for the cost of repair and restoration of such damage or loss. Any failure by the Tenant to have renter’s insurance shall be regarded as a material breach of the Lease.

18.11. Section 18.11 – Tenant Eligibility.

18.11.1. No Discrimination.

No Shareholder shall execute or cause to be recorded any instrument that imposes a restriction on the rental or occupancy of the Shareholder’s Unit on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information, nor shall any Shareholder discriminate against or harass any prospective Tenant, or Resident of the Shareholder’s Unit because of such bases. Notwithstanding the foregoing, selection preferences based on age in the rental of a Shareholder’s Unit, imposed in accordance with Section 51 of the Civil Code or a federally approved housing program, as may be applicable, shall not constitute age discrimination.

18.11.2. Criteria for Eligibility.

All Tenants must meet the criteria for membership eligibility set forth in the Mutual’s Governing Documents, specifically the Occupancy Agreement and by the Golden Rain Foundation, as the same may be amended from time to time.

18.12. Section 18.12 – Board’s Right to Impose Additional Rules and Regulations.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4103 As long as Civil Code Section 4741, or similar statutes, is effective and has
4104 not been overturned by the Courts or repealed or otherwise amended by the
4105 state legislature, these Leasing Rules will remain effective. Should Civil Code
4106 Section 4741, or similar statutes, be overturned, repealed, or otherwise
4107 amended, the Board retains the right to revoke and/or revise these Leasing
4108 Rules accordingly. The Board retains the right to establish and enforce
4109 additional Rules and Regulations to implement the leasing restrictions
4110 contained in these Leasing Rules and any other Governing Documents of the
4111 Mutual.

18.13. Section 18.13 – Inspection of Unit Upon Termination of Lease.

4112 The Mutual shall conduct an inspection of any leased Units within the Mutual,
4113 upon the termination of the Lease. The Mutual will provide notice of such
4114 inspection to the Shareholder, if required under to the Occupancy Agreement
4115 or Addendum. The Mutual is entitled to charge a fee for such inspection. The
4116 fee will be as set forth in the Mutual’s Schedule of Fees and is subject to
4117 change at the Board’s sole discretion.
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4120

18.14. Section 18.14 – Tenant Not Entitled to Take Over Rights of Shareholders.

4121 **18.14.1. Mutual Meetings and Events.**
4122 Tenants may not participate in, or attend, meetings of the Mutual,
4123 including without limitation, any townhall meeting, open Board
4124 meeting, or any event intended only for the Shareholders of the
4125 Mutual.
4126
4127

4128 **18.14.2. Tenant and Shareholder Required to Attend Orientation.**
4129 All new Tenants within the Mutual are required to attend a New
4130 Tenant Orientation. All leasing Shareholders will be required to
4131 attend such Orientation with the Tenant. The Mutual is entitled to
4132 charge a fee for such New Tenant Orientation. The current cost for
4133 this orientation to the Shareholder will be \$100.00 and is subject to
4134 change at the sole discretion of the Board.

4135 **18.14.3.** All required documents for orientation must be presented to the
4136 board 3 working days prior to the New Tenant Orientation,
4137 including background and credit checks, proof of insurance for
4138 both the Tenant and the Shareholder, signed Occupancy
4139 Agreement and Addendum, Lease, Tenant contact information and
4140 shareholder contact information.

4141 **18.14.4.** Tenant is not permitted to have overnight guests.

4142 **18.14.5.** Except in case of emergency, Tenant shall not contact the
4143 Directors of the Mutual, or any vendor of the Mutual, including
4144 without limitation any employees or representatives of the GRF, for
4145 any maintenance issues. Tenant must contact the Shareholder-

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 4146 Landlord for any non-emergency maintenance issues.
- 4147 **18.14.6.** Tenant is only permitted to have one (1) car in the Mutual.
- 4148
- 4149 **18.15. Section 18.15 – Forfeiture of Shareholder Rights.**
- 4150 Shareholder cannot utilize any common areas of the Mutual, including
- 4151 without limitation, laundry rooms, use of carport and storage cabinets therein,
- 4152 if a shareholder elects to lease out his/her unit to a tenant.
- 4153
- 4154 **18.16. Section 18.16 – Background and Credit Checks.**
- 4155 Shareholder must conduct a background check and a credit check prior to
- 4156 entering into a lease agreement with a Tenant. Upon demand by the Board,
- 4157 Shareholder must present the Board with a copy of the results of the
- 4158 background check and the credit check within ten (10) days of such request,
- 4159 at the New Tenant Orientation.
- 4160
- 4161 **18.17. Section 18.17 – Documents to Mutual.**
- 4162 Prior to Tenant Occupancy of any unit in the Mutual the Shareholder must
- 4163 provide to the Mutual:
- 4164 **18.17.1. Lease.**
- 4165 The Shareholder shall provide the Mutual with a copy of the
- 4166 executed Lease.
- 4167 **18.17.2. Tenant Contact Information.**
- 4168 The telephone number and e-mail address, if applicable, of the
- 4169 Tenant, and information related to any vehicle of the Tenant,
- 4170 including the make, model, color, and license plate number.
- 4171 **18.17.3. Shareholder Contact Information.**
- 4172 The telephone number and any change in address of the
- 4173 Shareholder.
- 4174
- 4175 **18.18. Section 18.18 – Fine Policy of the Mutual.**
- 4176 Pursuant to the Mutual’s Governing Documents, the Shareholder will be
- 4177 called to a hearing for any Tenant violations of the Governing Documents,
- 4178 and the Mutual Board will determine what disciplinary measures and/or
- 4179 monetary fines to levy against Shareholder. The Mutual’s Fine Policy in
- 4180 effect at the time the violation occurs will be applied.

**Exhibit “A”
Standardized Appliance List**

FOR OCCUPANCY AGREEMENTS EXECUTED PRIOR TO 10/1/2019

REFRIGERATORS	DESCRIPTION
Whirlpool WRT318FZDW	Top Freezer, 18.0-cu ft., White

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

4189		
4190	ELECTRIC OVENS	DESCRIPTION
4191	Frigidaire	White FFEW2726TW
4192		
4193	ELECTRIC COOKTOPS	DESCRIPTION
4194	Whirlpool	White WCC31430AW
4195		
4196	WASTE DISPOSALS	DESCRIPTION
4197	Insinkerator, ¾ H.P., Pro Essential – PRO ES	
4198		
4199	KITCHEN FAUCETS	DESCRIPTION
4200	Delta #100-LF-HDL	Without sprayer
4201	KITCHEN SINKS	DESCRIPTION
4202	Kohler K5950W	White
4203		
4204	BATHROOM FAUCETS	DESCRIPTION
4205	Delta B510LF	
4206		
4207	BATHROOM SHOWER FIXTURES	DESCRIPTION
4208	Delta Shower Head 59462	White
4209		
4210	BATHROOM SINKS	DESCRIPTION
4211	Mansfield 249 4”	Round – White
4212	Mansfield 249 4”	Oval – White
4213		
4214	BATHROOM TOILET BOWLS & TANKS	DESCRIPTION
4215	Toto C715 #01 Bowl	White Standard
4216	Toto C744 #01 Bowl	White Hi-Boy
4217	Toto C744 #01 Bowl	Bone Hi-Boy
4218	Toto ST743 #01	Tank, White, 1.28gpf
4219		
4220	BATHROOM FAN/HEATER	DESCRIPTION
4221	Delta (Heater/Fan/Light)	Model RAD80LED
4222		
4223	ELECTRIC WATER HEATERS	DESCRIPTION
4224	28-Gallon 3000W, Low Boy	American Standard RE30L-2-12
4225		
4226	WATER HEATER ALARMS	DESCRIPTION
4227	Model 00702	Sonin Water Alarm with Dual Sensor
4228		
4229		
4230	SMOKE DETECTORS	DESCRIPTION
4231	Kidde, Wireless, 10-year Battery	Model i9010

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4232 Kidde, Hard-Wired, 10-year Battery Back-up Model i12010S
4233
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EXHIBIT "A-2"

INTERIOR OF UNIT

- 4237 1. All new water piping shall be copper pipe. (Type L)
- 4238 2. All new angle stops, ¼ turn on remodels, countertop replacements and fixture
- 4239 replacements. NO gate valves. (Dhal, eco series angle stops required, supply
- 4240 store on site stocks this item).
- 4241 3. All new wood framing members to be treated with Timbor or like product for
- 4242 termite barrier. (Shareholder shall follow manufacturer’s instructions).
- 4243 4. Reverse Osmosis systems, ice makers, toilet seat bidets shall follow
- 4244 manufactures specifications. (Preferred piping, copper pipe).
- 4245 5. If water heater is replaced, smitty pan and (Sonin alarm) dual sensor alarm is
- 4246 required.
- 4247 6. Sound board required all around washer and dryer, walls, ceilings if located on
- 4248 common party walls.
- 4249 7. Shall have attic access inside unit (22"x30") if kitchen ceiling area is flared.
- 4250 8. Walk in Therapeutic / Jacuzzi tubs shall have sound board applied to all
- 4251 surrounding walls, floor to ceiling with drywall mud and taped using non-absorbent
- 4252 wall finish. (Can use other wet location wall finished). Shower trap shall be
- 4253 replaced using an all-glue ABS trap, maintain 2" trap with an accessible clean out.
- 4254 Tub faucet shall have shut offs that are accessible (angle stops). Shareholder
- 4255 signature is required with insurance (\$300,000) for full liability of Therapeutic /
- 4256 Jacuzzi Tubs.
- 4257 9. Electrical panel replacement shall require a QO124L 125G Square D 125A with a
- 4258 100A main shut off with 24 spaces.
- 4259 10. No plastic nuts or fittings allowed on plumbing fixture supply lines.
- 4260 11. Contractor is responsible for the removal and replacement of the Sonin dual alarm
- 4261 water heater sensor. No excuses, every unit has one.
- 4262 12. Minimum water heater access opening of 8"x8" located between 36" and 52"
- 4263 above the floor for water heater inspections, main water valve unit shut off,
- 4264 refrigerator plug access.
- 4265 13. All sledge or jack hammering of concrete monolithically connected to other units
- 4266 must first be saw-cut to reduce vibration to adjoining units.
- 4267 14. Built in clothes dryers shall have a dryer vent with a readily accessible vent clean
- 4268 out installed, only rigid vent piping allowed in the attic (follow CMC). Shall use
- 4269 Dryer Jack Model #466 for vent cap.
- 4270 15. Fire Averts for all new appliances during a reconstruction project shall be required
- 4271 to be installed by the contractor doing the work (permit holder). Material (Fire
- 4272 Avert) shall be covered by the mutual corporation. (Physical Property Inspector
- 4273 will order).
- 4274

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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EXTERIOR OF UNIT

1. Satellite dish roof mounting shall be at the end of the building only.
2. To maintain on all remodels and replacements a 36" wide hinged swinging entry door.
3. New entry doors or change-outs shall require a hardwired, mechanical, wireless or knocker type doorbell.
4. Entry walk shall be a minimum width of 4' and a maximum of 5', sprinklers adjusted for complete coverage.
5. All skylights shall have a 2"x6" curb, stepped flashed, 6"x14" saddle flashing at the top, (30" and greater in width require a cricket flashing) all metal shall be 26 gauge, no self-flashing skylight kits. (See Physical Property Roofing Requirements).
6. All projects that require sprinkle and grass repair shall be required to hire the Mutual's Landscape Contractor for all grass and sprinkler repairs. All repairs shall be determined by the Landscape Contractor. All grass repairs shall be sod (no seed), garden area sprinklers cannot tie into lawn sprinkler system. Contact Info: Jose Anguiano, 11535 Belcher St. Norwalk CA 90650 / Tel: 562.650.1511
7. Bow and Bay windows shall be to grade.
8. Deco blocks are no longer required for remodels.
9. All window surfaces shall be a minimum of 1" from the back of the fascia.
10. No T-111 is allowed or any wood products for exterior finish. Hardy board or stucco finish only.
11. New 5" gutter and oval dropouts with down spouts (2) for two-bedroom units, (1) for one-bedroom units. Sealed and tested, on all remodels before final approval is given. Do not touch new seamless gutters, contact Physical Property Inspector).
12. All HVAC condensers shall have a 4" concrete base, condensate line shall terminate at the kitchen or bath sink using a wye branch connection. Condenser shall be as close to the center of the unit as possible and meeting City of Seal Beach A-weighted sound rating. All units shall have a blind installed around two side of the condenser to mask view, any other blind material shall require BOD approval. All HVAC systems shall have attic access installed. (min. size 22"x30". 7499.14)
 - a. Qualifying Resident must install a concrete pad and deco block blind when installing a ducted heating and air conditioning unit. Ductless heating and air conditioning units shall have a concrete pad; however, no deco block blind is required. Units must be masked from view and use of bricks or other blind material/design shall be approved by the Board of Directors on a case-by-case basis. A minimum of fifty percent (50%) air space should be maintained within the material for air circulation.
 - b. Qualifying Resident must ensure that any all-installed heating and air conditioning units have attic access from inside the Unit. The minimum size

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 4318 for attic access is 22” wide x 30” long. Qualifying Resident should refer to
- 4319 the California Mechanical Code for complete requirements. The
- 4320 condensation line shall terminate at the kitchen or bath sink as set forth in
- 4321 the Mechanical Code.
- 4322 c. The City of Seal Beach requires an A-weighted sound calculation prior to
- 4323 the issuance of a building permit, and Physical Property requires this to be
- 4324 submitted prior to approval of said permit (Municipal Code 7.15.035).
- 4325 Exterior sound 55db.
- 4326 d. At the time of sale for a unit during escrow, the HVAC system will be tested
- 4327 for proper function of the unit, as well as adding attic access if not one
- 4328 already (22”x30”). A concrete pad shall be installed under the condenser
- 4329 and the condensate drain line shall be rerouted to the trap side of a sink if
- 4330 not done.
- 4331 13. Hose bib riser shall be copper pipe (type L) tie in for the riser shall be outside of
- 4332 new concrete footings, piping shall be sleeved for protection. Location shall be
- 4333 close to entry door, 18” min. to a max. 32” above grade. applies to stack stone or
- 4334 other material covering hose bib.
- 4335 14. All new roofs for the mutual are under warranty. Roofing contractor contact
- 4336 information is listed below; all roof work shall require this roofing company to
- 4337 complete all roof work to maintain our warranty.

4338
 4339 Will Mulcahy
 4340 Roofing Standards, Inc.
 4341 930 Lawrence St. Bldg. A
 4342 Placentia, CA 92870
 4343 Office: 714-993-9715
 4344 Fax: 714-993-9743
 4345 Cell: 562-265-0976
 4346 Email: will@roofingstandards.com
 4347 Web: roofingstandards.com
 4348 Lic#: 741302

EXHIBIT “B”
 Approved Plants

- 4351 1. Daylily (Hemerocallis)
- 4352 2. Mexican Sage (Salvia Leucantha)
- 4353 3. ‘Santa Barbara’ Nandia “Gulfstream” (Nandina domestica ‘Gulfstream’)
- 4354 4. Marjorie Channon Pittosporum (Pittosporum tenuifolium ‘Marjorie Channon’)
- 4355 5. Nandina – Gulfstream (Nandina domestica ‘Gulfstream’)
- 4356 6. Duranta (Duranta spp.)
- 4357 7. Raphiolepis – pink lady (Raphiolepis indica ‘Pink Lady’)
- 4358 8. Heather - Mexican heather (Cuphea hyssopifolia)
- 4359 9. Agapanthus (common) (Agapanthus spp.)
- 4360

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

- 4361 10. Holly Family (Ilex spp.)
 4362 11. Fuchsia (Fuchsia magellanica)
 4363 12. Hydrangea (Hydrangea macrophylla)
 4364 13. Roses (Rosa spp.)
 4365 14. Lily of the Nile (Agapanthus africanus)
 4366 15. Verbena (Verbena spp.)
 4367 16. Heavenly Bamboo (Nandina domestica)
 4368 17. Liriope (Liriope muscari)
 4369 18. Pyracantha (Pyracantha coccinea)
 4370 19. Cape Honeysuckle (Tecomaria capensis)
 4371 20. Hot Lips Sage (Salvia microphylla 'Hot Lips')
 4372 21. Lantana Little Lucky (Lantana camara 'Little Lucky')
 4373 22. Heaven's Breath (Coleonema pulchellum (Pink Breath of Heaven))
 4374 23. Blonde Ambition (Bouteloua gracilis 'Blonde Ambition')
 4375 24. Statice Plant (Limonium perezii)
 4376 25. Carrissa 'Green Carpet' (Carissa macrocarpa)
 4377 26. Echeveria (Echiveria spp.)
 4378 27. Aloe (Aloe spp.)
 4379 28. Kniphofia -Red Hot Poker (Kniphofia uvaria)
 4380 29. Carex (Foothill Sedge)(Carex tumulicola)
 4381 30. Pennisetium Fairy Tails (Pennisetum 'Fairy Tails')
 4382 31. Pink Muhlygrass (Muhlenbergia capillaris)
 4383 32. Euonymus Variegated (Euonymus variegate)
 4384 a. Approved Annual and Perennial Flowering:
 4385 i. Impatiens – New Guinea (Impatiens hawkeri)
 4386 ii. Vinca (Catheranthus roseus)
 4387 33. Dwarf Citrus Trees (Citrus SPP)

EXHIBIT "C"**Non-Approved Plants**

- 4388
 4389
 4390
 4391
 4392 1. Asparagus Fern (Myer's Asparagus) Asparagus densiflorus, 'Myers' Cactus
 4393 (Large) Cactus spp.
 4394 2. Ivy (Hedera helix)
 4395 3. Wild Mint (Mentha arvensis)
 4396 4. Citrus of any kind (Citrus spp.) Except Dwarf Citrus Trees
 4397 5. Spiderwort (Tradescantia virginiana)
 4398 6. Bamboo (Bambusa vulgaris)
 4399 7. Fruit of any kind Trees of any kind vegetables. Except Dwarf Citrus Trees
 4400 8. Ficus (Ficus spp.)
 4401 9. Palms
 4402 10. Elephant Ears Colocasia esculenta
 4403 11. Firestick Plant Euphorbia tirucalli Plastic Plants & Flowers

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

12. Split Leaf Philodendron (Jade)

**EXHIBIT “D”
FINE SCHEDULE**

Including, but not limited to property alterations and/or improvements made without approval, repair and upkeep of property, unauthorized signs, and all other violations of the Mutual’s Governing Documents, except as otherwise set forth herein, may be assessed a monetary penalty in the following amounts:

Violation	1st Offense	2nd and each subsequent and/or continuation of offense
Residency/occupancy violations (e.g. unauthorized occupants, guests residing longer than permitted)	Notice to Comply in 48 hours	Notice and hearing and fine of up to \$500 and up to \$100 per/day for each additional day of non-compliance, for a maximum of 20 days.
Violation of Roof & Attic Access and Non-Permitted Alterations	Notice and hearing and up to \$1,000 and removal of unauthorized installation if non-compliant equipment and alterations, if applicable, at the shareholders expense.	
Violation of Mutual Occupancy Agreement & all other Rules & Regulations	Written warning	Notice and hearing and fine of up to \$100 and up to \$100 per/day for each additional day of non-compliance, for a maximum of 20 days.
Violation of Leasing Rules	Notice and hearing and fine up to \$2,500.00	Notice and hearing and fine up to \$5,000.00
Violation of Leasing Rules – Lease for less than Thirty Days (Short-Term Rental)	Notice and hearing and fine of up to \$5,000.00	Notice and hearing and fine of \$2,500.00 to \$7,500.00

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

**EXHIBIT “E”
RULES ON ELECTRIC VEHICLE CHARGING STATIONS**

1. Introduction

The Seal Beach Mutual No. Fourteen (“Mutual”) recognizes the benefits that electric vehicles have on the environment, promotes, and encourages the use of electric vehicle charging stations (“Charging Stations”) within the Community, and is committed to working with Shareholders¹ interested in installing a Charging Station.

The Mutual’s Board of Directors (“Board”) recognizes that in order to fulfill its responsibilities, it must impose reasonable restrictions on installations of Charging Stations. Therefore, the Mutual has adopted these Rules on Electric Vehicle Charging Stations (“EV Rules”), which places reasonable restrictions that do not significantly increase the cost of the Charging Station or significantly decrease its efficiency or specified performance. In addition, the EV Rules ensures that a uniform and reasonably high standard of attractiveness is maintained within the Community, and that the Mutual is able to continue to meet its obligations for the maintenance, repair, and replacement of the common area, exclusive use common area and other building components.

The Mutual has established these EV Rules, including the guidelines described below, regarding the installation of Charging Stations within the Community. The EV Rules are based on, and designed to comply with, Civil Code sections 4745 and 4745.1, and as they may be amended from time to time. The EV Rules are designed to aid Shareholders in developing their electric vehicle charging station projects within Mutual expectations, thereby minimizing the time for review and approval by the Board. Interpretation, variances, and implementation of the Bylaws and Rules and Regulations of the Mutual (collectively “Governing Documents”) are at the sole determination of the Board. These EV Rules supersedes any and all previous policies and guidelines promulgated by the Mutual, if any.

2. Definitions

A Charging Station is defined as a station designed in compliance with California Building Standards Code and which delivers electricity from a source outside an electric vehicle into one or more electric vehicles. A Charging Station may include several charge points simultaneously connecting several electric vehicles to the station and any related equipment needed to facilitate charging of plug-in electric vehicles.

An EV-dedicated TOU meter (“TOU Meter”) means an electric meter supplied and installed by an electric utility, that is separate from, and in addition to, any other electric meter and is devoted exclusively to the charging of electric vehicles, and

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4457 that tracks the time of use (TOU) when charging occurs. A TOU Meter includes any
4458 wiring or conduit necessary to connect the electric meter to a Charging Station, as
4459 defined in Section 4745, regardless of whether it is supplied or installed by an
4460 electric utility.
4461

3. Guidelines for Charging Stations and TOU Meters

4462 All installations and/or alterations of a Charging Station, a TOU Meter, and any
4463 wiring or conduit necessary to connect the same must be approved in writing by the
4464 Board prior to commencing any construction activities.

4465 Prior to providing its approval, the Mutual requires that the Shareholder provide
4466 evidence that he or she has obtained all necessary governmental permits as well
4467 as a GRF Permit from the Physical Property Department, as set forth in Section 3.2
4468 of the Rules and Regulations.
4469

4470 Any Shareholder who installs or seeks to install a Charging Station and/or TOU
4471 Meter without prior written permission and approval of the Board, shall be
4472 responsible for all costs incurred to remove, relocate, or modify the Charging
4473 Station and/or the TOU Meter, including attorney’s fees and costs.

4474 An application for approval shall be submitted, processed, and approved in the
4475 same manner as an application for approval of an architectural modification to the
4476 property as set forth in the Governing Documents of the Mutual and the following:

- 4477 a. Approval or denial of the application shall be made in writing.
- 4478 b. If the application is not denied within sixty (60) days from the
4479 date of receipt of the application, then the application shall be
4480 deemed approved, unless that delay is due to a reasonable
4481 request by the Mutual for additional information; and
- 4482 c. Approval shall not be unreasonably avoided or delayed.
4483

4484 A Shareholder may install and use a Charging Station and/or a TOU Meter in the
4485 Shareholder’s designated Carport once application is approved. A Shareholder
4486 must meet all applicable health and safety standards and requirements imposed by
4487 state and/or local authorities as well as other applicable zoning, land use, and other
4488 ordinances or land permits.

4489 A Shareholder seeking to install a Charging Station and/or a TOU Meter for the
4490 exclusive use of a Shareholder in a portion of the Common Area that is not the
4491 Shareholder’s designated Carport shall be authorized by the Mutual only if
4492 installation in the Shareholder’s designated Carport is impossible or unreasonably
4493 expensive, as determined in the sole discretion of the Board.

4494 Where any portion of the project impacts Common Area/components and/or or
4495 Exclusive Use Common Area/components, the Mutual will require that the
4496 Shareholder enters into a release and indemnification agreement with the Mutual
4497 for the alteration/use of the space in the Common Area, subject to applicable
4498 provisions of the Davis-Stirling Common Interest Development Act (“Davis-Stirling
4499 Act”) and any reasonable restrictions imposed by the Mutual. The cost for the

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4500 preparation of such an agreement is \$600.00 subject to change (plus the cost of
4501 recordation), to be paid by the Shareholder.

4502 A Shareholder must meet all applicable health and safety standards and
4503 requirements imposed by state and/or local authorities as well as other applicable
4504 zoning, land use, and other ordinances or land permits.

4505 In compliance with the applicable provisions of the Davis-Stirling Act and the
4506 Governing Documents, the following requirements must be met if a Charging
4507 Station and/or a TOU Meter is to be installed:

- 4508
- 4509 a. Shareholder must meet all applicable health and safety standards
- 4510 and requirements imposed by state and/or local authorities as well
- 4511 as other applicable zoning, land use, and other ordinances or land
- 4512 permits.
- 4513 b. Shareholder must obtain prior Board approval and agree in writing
- 4514 to do each of the following: (1) comply with all Mutual architectural
- 4515 standards; (2) utilize a properly licensed and insured contractor to
- 4516 install the Charging Station and/or the TOU Meter; (3) within
- 4517 fourteen (14) days of approval and annually thereafter, provide a
- 4518 certificate of insurance that names the Mutual as an additional
- 4519 insured under the Shareholder’s insurance policy in the amount of
- 4520 not less than one million dollars (\$1,000,000.00); (4) pay for all
- 4521 electricity usage associated with the Charging Station; and (5)
- 4522 enter into a License Agreement and pay for the costs of same.
- 4523 c. Shareholder and each successive owner of the Charging Station
- 4524 and/or the TOU Meter shall be responsible for all of the following:
- 4525 (1) costs for damage to the Charging Station, and/or TOU Meter,
- 4526 Common Area, Exclusive Use Common Area, Units, and any
- 4527 other property resulting from the installation, maintenance, repair,
- 4528 removal, or replacement of the Charging Station and/or the TOU
- 4529 Meter; (2) costs for the maintenance, repair, and replacement of
- 4530 the Charging Station and/or the TOU Meter until it has been
- 4531 removed and for the restoration of the Common Area after
- 4532 removal; (3) costs of electricity associated with the Charging
- 4533 Station; (4) disclosing to prospective shareholders of the
- 4534 existence of any Charging Station and/or the TOU Meter of the
- 4535 Shareholder and the related responsibilities of the Shareholder
- 4536 under this EV Rules and the Davis-Stirling Act, specifically Civil
- 4537 Code sections 4745 and 4745.1, and as it may be amended from
- 4538 time to time; and (5) maintaining a homeowner liability coverage
- 4539 policy in the amount of not less than one million dollars
- 4540 (\$1,000,000.00) and naming the Mutual as a named additional
- 4541 insured under the policy with a right to notice of cancellation.
- 4542

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

4543 The Mutual shall have no obligation to resolve any disputes related to allegations
 4544 or claims that any Shareholder or other person has used another Shareholder's
 4545 Charging Station and/or the TOU Meter without permission, or that any
 4546 Shareholder or other person has damaged another Shareholder's Charging Station
 4547 and/or TOU Meter. A Charging Station and/or TOU Meter installed and/or used by
 4548 a Shareholder at the Mutual, as permitted under these EV Rules, shall be
 4549 considered a Shareholder's personal property for which the Shareholder is solely
 4550 responsible.

4551 If required by the Mutual, Shareholder shall retain and pay for the services of a duly
 4552 licensed structural engineer (as defined in California Business & Professions Code
 4553 § 6736) to make a determination that the structural integrity of the Mutual building
 4554 on which the installation will be located is adequate to support the Charging Station
 4555 to be installed.

4556 The Shareholder-owner of the Charging Station and/or the TOU Meter shall be
 4557 solely responsible for the increase in any costs to maintain, repair, and/or replace
 4558 any building components as a result of the installation of the same. The Charging
 4559 Station and/or the TOU Meter may need to be lifted and/or removed to allow for the
 4560 ongoing maintenance of the Mutual, and the Shareholder-owner of the Charging
 4561 Station and/or the TOU Meter shall be solely liable for such costs. Upon request
 4562 from the Mutual, the Shareholder-owner of the Charging Station and/or the TOU
 4563 Meter shall have the same lifted or removed within fourteen (14) days to
 4564 accommodate repairs and maintenance to any Mutual components. If the
 4565 Shareholder fails to lift or remove the Charging Station and/or the TOU Meter
 4566 within the allotted time, the Mutual shall be authorized to cause the lifting or
 4567 removal of the Charging Station and/or the TOU Meter and charge the actual cost
 4568 of the same to the Shareholder as a special assessment. In no event shall the
 4569 Mutual be responsible for the costs of lifting, removing, and/or reinstalling the
 4570 Charging Station and/or the TOU Meter, or for any increase in the Shareholder's
 4571 expenses during times which the Charging Station and/or the TOU Meter is
 4572 inoperable for any reason.

4573 Prior to the sale or transfer of any Charging Station and/or the TOU Meter
 4574 equipped property, either: (1) the Charging Station and/or the TOU Meter must be
 4575 removed from the Common Area and the same put back into its original condition
 4576 at the Charging Station and/or the TOU Meter Shareholder's sole cost and
 4577 expense; or (2) the transferee of the stock must, within fourteen (14) days of
 4578 purchase, provide a certificate of insurance that names the Mutual as an additional
 4579 insured under the new owner's insurance policy in the amount of not less than one
 4580 million dollars (\$1,000,000.00); and agree to assume, abide by, and be bound by
 4581 all of the terms of these EV Rules.

4582 The Mutual shall retain the right to inspect the Charging Station and/or the TOU
 4583 Meter and verify that installation adheres to all of the provisions of the EV Rules.
 4584 Any and all costs incurred by the Mutual for a professional inspection of the
 4585 Charging Station and/or the TOU Meter and/or its installation shall be the sole

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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obligation of the Shareholder of the same.
In any action resulting from a dispute between the Shareholder(s) of the Charging Station and/or the TOU Meter and other Shareholder(s) of the Charging Station and/or the TOU Meter and the Mutual, related to the installation of the same, or any provisions of this EV Rules, the prevailing party shall be awarded its reasonable attorney’s fees.
All parties will cooperate to take any and all actions and sign all documents reasonably necessary to effectuate the intent, and to carry out the provisions, of this EV Rules, including, but not limited to, the execution and delivery of all documents and performance of all further acts reasonably necessary for this purpose.

**EXHIBIT “F”
ELECTRIC VEHICLE CHARGING STATION RELEASE AND INDEMNITY
AGREEMENT**

This Electric Vehicle Release and Indemnity Agreement (“Agreement”) is by and between Seal Beach Mutual No. Fourteen (“Mutual”) and _____ (“Shareholders”). The Mutual and Shareholders are referred to collectively as the “Parties” and individually as a “Party.”

RECITALS

1. Whereas, the Mutual is a California corporation organized and existing under and by virtue of the laws of the State of California. It is organized for the purpose of providing its common stockholders with housing on a non-profit basis, consistent with the provisions set forth in its Articles of Incorporation, By-Laws, Rules and Regulations, Occupancy Agreement, and other governing documents (“Governing Documents”).
2. Whereas, Shareholders are the record owners of a stock connected to the unit situated within the Mutual, located at _____ (“Property”), and are thus shareholders of the Mutual.
3. The Shareholder’s Unit Number, Carport Number, and Space Number of the Property is as follows: _____.
4. Whereas, all shareholders of the Mutual are bound by the restrictions imposed in the Bylaws, Occupancy Agreement, and Rules and Regulations (“Governing Documents”).
5. Whereas, the Mutual’s Governing Documents provides that the Common Area within the Mutual is composed of the entire Community except the Units, and that the Common Area is owned by the Mutual and includes open spaces, recreational areas and other improvements intended for the general use of the Shareholders. Further, the Mutual shall provide maintenance, repair and replacement of improvements in the

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4629 common area, including but not limited to common area building components,
4630 landscaping, and utility facilities. (See Bylaws, Art. X, Sec.10.1(h), Art. I, Sec. 1.5(c)).
4631

4632 6. Whereas, Shareholders seek to install an electric vehicle charging station (“Charging
4633 Station”) in or around the Carport, within the Common Area of the Mutual, which could
4634 potentially impact the Mutual’s ability to properly maintain, control and manage the
4635 Common Area in a safe condition, pursuant to the Governing Documents.
4636

4637 7. Whereas, Shareholders represent and warrant that they have obtained all other
4638 approvals and/or permits required in order to install the Charging Station, including any
4639 approval and/or permit required from the City, County, and/or the Mutual (as stated in
4640 the Governing Documents), as may be applicable, and, have provided sufficient
4641 evidence of the same to the Mutual.
4642

4643 8. Whereas, the Parties have agreed to be bound by the provisions provided for in this
4644 Agreement and in Civil Code §4745, which will permit Shareholders to install the
4645 Charging Station in exchange for certain maintenance costs and indemnity provided
4646 for herein.
4647

AGREEMENT

4648
4649 NOW THEREFORE, in exchange for the releases, promises and other consideration
4650 described in this Agreement, and by incorporation of the recitals referenced above, the
4651 Parties agree as follows:
4652

4653 1. Permission for Electric Vehicle Charging Station Installation. The Mutual hereby grants
4654 permission to Shareholders for the installation of the Charging Station in the Common
4655 Area of the Property, at a specific location as approved by the Mutual, subject to the
4656 conditions and limitations contained herein. It is expressly understood that
4657 Shareholders are not being granted exclusive use to Common Area, and that it is not
4658 appurtenant to their separate interest in the Unit. It is further understood that
4659 Shareholders are not entitled to utilize the Mutual’s Common Area for any other
4660 purpose, except as granted by the Mutual’s Governing Documents. If at any time
4661 Shareholders shall fail to comply with any of the terms or conditions contained in this
4662 Agreement, such permission shall be immediately revoked and the Mutual’s building
4663 shall be put back into its original condition at Shareholders’ sole cost and expense.
4664 Each of Shareholders’ obligations under this Agreement are a material term, and
4665 breach of any of Shareholders’ obligations shall be considered a material breach of
4666 this Agreement.
4667

4668 2. Indemnity and Release of Mutual. Shareholders, on behalf of himself, herself, and any
4669 heirs, representatives, successors and assigns, hereby indemnifies, holds harmless,
4670 shall defend, and releases the Mutual and its officers, directors, employees, members,
4671 attorneys, and agents, and each of them, from any and all claims, debts, liabilities,
demands, and causes of action, whether known or unknown, now and in the future,

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN**Rules and Regulations**

- 4672 arising from or related to any loss or damage, including, without limitation, water
 4673 damage, and any other damage sustained from or arising from the Charging Station
 4674 and its installation, maintenance, or use, or any claims relating to the legality of the
 4675 installation of the Charging Station and/or any legal challenge concerning the
 4676 installation of the Charging Station by any other member of the Mutual, and shall
 4677 remove the Charging Station in the event of such challenge. Shareholders agree to be
 4678 solely responsible for any water intrusion, mold, and/or other damages caused to the
 4679 Property, the Mutual's common area, or to any other property at the Mutual as a result
 4680 of the installation, maintenance, and/or use of the Charging Station. Shareholders
 4681 further agree to be solely responsible for any costs incurred by Shareholders and/or
 4682 the Mutual, including actual attorney fees, in the defense of any legal or other
 4683 challenge to the installation, maintenance and/or use, of the Charging Station, as
 4684 described herein.
- 4685 3. Future Maintenance and Repair. Shareholders agree to pay to the Mutual the actual
 4686 increase in any costs to maintain, repair, and/or replace any building components as a
 4687 result of the installation, maintenance and/or use of the Charging Station.
 4688 Shareholders specifically acknowledge that the Charging Station may need to be lifted
 4689 and/or removed to allow for the ongoing maintenance of the building, and
 4690 Shareholders agree to be solely liable for such costs. Upon request from the Mutual,
 4691 Shareholders agree to have the Charging Station lifted or removed within fourteen (14)
 4692 days to accommodate repairs and maintenance to any building components. If
 4693 Shareholders fail to lift or remove the Charging Station within the allotted time, the
 4694 Mutual shall be authorized to cause the lifting or removal of the Charging Station and
 4695 charge the actual cost of the same to Shareholders as a special assessment. In no
 4696 event shall the Mutual be responsible for the costs of lifting, removing, and/or
 4697 reinstalling the Charging Station, for any damages caused, or for any increase in
 4698 Shareholders' utilities during times which the Charging Station is inoperable for any
 4699 reason.
- 4700 4. Transfer of the Property. Shareholders agree that prior to the sale or transfer of the
 4701 stock and Property to another, either (i) the Charging Station shall be removed and the
 4702 Shareholder shall reimburse the Mutual for the cost of the building being put back into
 4703 its original condition, or (ii) the transferee of the Property shall sign a counterpart
 4704 addendum to this Agreement whereby the transferee agrees to assume, abide by, and
 4705 be bound by all of the terms herein as the Shareholders. This Agreement, if recorded,
 4706 shall run with the land and shall be binding upon all successor purchasers of the
 4707 Property.
- 4708 5. Compliance with Electric Vehicle Charging Station Policy. Shareholders agree at all
 4709 times to comply with and be bound by the Mutual's Rules on Electric Vehicle Charging
 4710 Stations, a copy of which is attached hereto and incorporated herein by this reference,
 4711 and which is subject to amendment from time to time.
- 4712 6. Governing Law. This Agreement shall be governed by and construed in accordance
 4713 with the laws of the State of California.
- 4714 7. Modifications. This Agreement may not be amended, canceled, revoked, or otherwise

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

- 4715 modified except by written agreement signed by all of the Parties hereto.
- 4716 8. Successors in Interest. This Agreement shall be binding upon and inure to the benefit
- 4717 of the Parties hereto and their respective directors, officers, agents, shareholders,
- 4718 partners, members, servants, employees, affiliates, representatives, heirs, executors,
- 4719 executrix, conservators, successors, beneficiaries, and assigns.
- 4720 9. Further Assurances. The Parties shall timely execute and deliver any and all further
- 4721 documents that may be reasonably necessary to effectuate the provisions of this
- 4722 Agreement, including any documents necessary to allow this Agreement to run with
- 4723 the land. This Agreement may be recorded against the Property in the Mutual's sole
- 4724 discretion.
- 4725 10. Tax Consequences. Each Party is responsible for their own tax consequences, if any,
- 4726 related to this Agreement.
- 4727 11. Attorney's Fees. If any act at law or equity, including an action for declaratory relief, is
- 4728 brought to enforce or interpret the provisions of this Agreement, the prevailing Party
- 4729 shall be entitled to recover actual attorneys' fees, which may be determined by the
- 4730 court in the same action or in a separate action brought for that purpose in addition to
- 4731 any other relief to which that Party may be entitled.
- 4732 12. No Reliance and Advice of Counsel. The Parties have been instructed to and have
- 4733 had the opportunity to have this Agreement reviewed by independent counsel of their
- 4734 own choosing, and by entering into this Agreement neither Party has relied upon the
- 4735 advice of the other Party. Each Party hereto executes this Agreement acting upon its
- 4736 independent judgment and upon the advice of its respective counsel, if applicable,
- 4737 without any representation, express or implied, of any kind or nature, from each to the
- 4738 other, except as only specifically set forth herein.
- 4739 13. Counterparts. This Agreement may be signed and executed in one or more
- 4740 counterparts, each of which shall be deemed an original and shall be effective when all
- 4741 parties have executed a counterpart. Signatures on this Agreement transmitted by
- 4742 facsimile and/or other electronic means shall have the same force and effect as
- 4743 original signatures.
- 4744 14. Captions and Interpretations. The paragraph titles, headings or captions are inserted
- 4745 in this Agreement as a matter of convenience. As such, the paragraph titles, headings,
- 4746 or captions are not intended to define, limit, or describe the scope of any provision,
- 4747 and shall not affect the interpretation of any paragraph hereto.
- 4748 15. Singular, Plural, and Gender Usage. Whenever applicable within this Agreement, the
- 4749 masculine, feminine and/or neutral gender shall be deemed to include the other, and
- 4750 the singular and plural are each deemed to refer to the other.
- 4751 16. Authority to Enter Agreement. This Agreement is the result of arms-length
- 4752 negotiations. Each signatory to this Agreement represents and warrants to the others
- 4753 that he or she has full authority and is duly and fully authorized to execute this
- 4754 Agreement.
- 4755 17. Incorporation of Recitals. Paragraphs A through H, inclusive, of the Recitals hereof are
- 4756 fully incorporated herein and are true and correct. These Recitals are intended and
- 4757 shall be deemed and construed to be a material and integral portion of this Agreement.

(Jan 2024)

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

4758 18. Entire Agreement. This Agreement constitutes the entire agreement and
 4759 understanding between the Parties with respect to the subject matter of this
 4760 Agreement and supersedes and replaces all prior agreements and understandings,
 4761 whether oral or in writing, and may not be modified or amended except by written
 4762 instrument signed by all Parties. Intent of the Parties. It is the intent of this Agreement
 4763 that the Shareholder and each successive Shareholder-owner of the Charging Station
 4764 shall be responsible for all of the following: (1) costs for damage to the Charging
 4765 Station, common area, exclusive use common area, or separate interests resulting
 4766 from the installation, maintenance, repair, removal, or replacement of the Charging
 4767 Station; (2) costs for the maintenance, repair, and replacement of the Charging Station
 4768 until it has been removed and for the restoration of the common area after removal; (3)
 4769 the cost of electricity associated with the Charging Station; (4) disclosing to
 4770 prospective shareholders the existence of any Charging Station of the Shareholder
 4771 and the related responsibilities of the Shareholder under this Section 19. The
 4772 Shareholder-owner of the Charging Station, whether located within a separate unit or
 4773 within the common area or exclusive use common area, shall, at all times, maintain a
 4774 liability coverage policy. The Shareholder that submitted the application to install the
 4775 Charging Station shall provide the Mutual with the corresponding certificate of
 4776 insurance within 14 days of approval of the application. That Shareholder and each
 4777 successor shareholder shall provide the Mutual with the certificate of insurance
 4778 annually thereafter.

**THE UNDERSIGNED EXECUTED THIS AGREEMENT ON THE DATE SHOWN
BELOW.**

SHAREHOLDER(S):

4785 _____
 4786 _____
 4787 _____
 4788 Date _____ NAME _____

4791 _____
 4792 _____
 4793 Date _____ NAME _____

SEAL BEACH MUTUAL NO. FOURTEEN

4797 _____
 4798 _____
 4799 Date _____ Signed: _____

SEAL BEACH MUTUAL NO. FOURTEEN

Rules and Regulations

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Print: _____

Title: _____

Document History

Adopted: 17 Dec 19	Amended: 16 Feb 21	Amended: 26 Mar 21
Amended: 15 June 21	Amended: 20 July 21	Amended: 17 Aug 21
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