

WELCOME TO LEISURE WORLD – SEAL BEACH MUTUAL TWO

We hope that you will be happy with your decision to move to Leisure World and you will soon become acclimated to this great community.

Seal Beach Mutual Two, the housing cooperative in which you are a Shareholder or prospective Shareholder, is a General Law Corporation having elected to operate on a not-for-profit basis. Mutual Two owns, maintains and manages 72 buildings encompassing 864 apartments, 18 carport structures and 28 laundry rooms.

Mutual Two and each individual Shareholder enters into an "Occupancy Agreement" which, in part, grants those qualifying for residency the right to exclusive occupancy of the apartment identified within the Agreement.

Within Leisure World Seal Beach, the Golden Rain Foundation (GRF) is the Corporate, Non Profit Association providing support services to all Mutuels - primarily administrative management support, accounting, recreational, facilities maintenance and general safety and security patrol (by means of their staff), and other continuing contracted services primarily an on-site medical clinic and a pharmacy.

Everyone in full time residency is required to be a member of the Golden Rain Foundation.

DIRECTORS

There are 15 separately incorporated Mutuels and One Condominium complex within Leisure World. (With the permission of the Condominium complex and for simplicity, we speak in terms of 16 "Mutuels").

You and your fellow shareholders elect the directors (all non-paid volunteers) who manage your Mutual. You also elect two of the eighteen directors of the Golden Rain Foundation. Within the broad range of Leisure World facilities and amenities, this permits you the opportunity to contribute to management issues within our community.

As noted above, the Golden Rain Foundation provides management services and operates and maintains all common facilities. These include the club houses, the golf course, the swimming pool, and craft workshops. All qualified residents have access to these amenities.

Mutual Two is administratively divided into eight "Parcels" each having assigned a director as the principal point of contact to the full board and on shareholder concerns generally. Your Parcel Director's name and contact information is indicated on an earlier page of this booklet. If your parcel director is not available when you call and your concern requires immediate attention, you are encouraged to call any other director for assistance. (Over weekends, emergency services can be gained through a call to the GRF Security Dept.).

BUILDING CAPTAINS

Your building captain, also indicated on the title page, can assist you with various requests. The building captains' role is to keep directors informed of pertinent matters regarding their building, such as a resident needing assistance, becoming incapacitated or deceased, or a resident violating rules that impact other residents. Building captains also pass around copies of the monthly board meeting minutes. Please notify your building captain if you will be away more than 3 days so that the minutes or other notifications will not be left at your unit during your absence; also, so that your mail and newspapers will not pile up which might indicate a problem.

MONTHLY BOARD MEETINGS

We encourage you to attend the monthly Mutual Two Board Meetings held on the third Thursday of the month at 9:30 a.m. in the conference room in the Administration Building. These monthly meetings are held to establish rules and regulations, adopt operating budgets, approve expenses for the Corporation and cover residents' use of Mutual-maintained physical property and facilities. These meetings are open to shareholders who are given time to speak if they so desire. If you are unable to attend these meetings, please read the monthly minutes and indicate that you have done so by writing your initials or signature on the back of the minutes. If there is a topic in the minutes that you need to have clarified, contact your director.

CO-OP LIVING

The success of Leisure World is dependent on shareholders having consideration and respect for their neighbors, as demonstrated by their willingness to recognize their responsibilities. Co-op living requires that a person think "globally" as our actions or lack thereof can affect the well-being of our close-by neighbors. We trust you are aware of this need and that we can count on your cooperation.

The following guidelines are designed to address frequently asked questions by new residents. If you have additional questions, we recommend that instead of asking your neighbor, that you seek the information from your parcel director, indicated on the front page of this booklet.

WHAT YOU SHOULD DO IMMEDIATELY AFTER MOVING IN

INSPECT YOUR NEW RESIDENCE WITHIN 10 DAYS OF CLOSE OF ESCROW

- Any repairs or replacements that would be the responsibility of the seller must be acknowledged within 10 days of close of escrow. Funds have been withheld from the seller to repair whatever he/she is responsible for, but these funds are only held temporarily and unexpended funds are returned to the seller after 2-3 weeks. After those funds are returned to the seller they are no longer responsible for any repairs or improvements.

***CLEANING AND PAINTING THE INTERIOR**

- Cleaning and painting the interior of the apartment is the responsibility of the new shareholder. Maintenance will only paint over patched nail holes and tend to repairs and replacements that were ordered by the property inspector during the transfer of stock ownership process. The exterior of your apartment, such as repairs, painting (when scheduled), and roof replacement is maintained by the Mutual.

OBTAIN INSURANCE

- Residents must have their own homeowners' insurance policy – an HO6 policy; not a renters' policy - which will be written according to their own needs. Your own policy will cover any damage to your floors, furniture, and any other personal belongings. If you incur water damage even from another unit, it may be covered under your own personal insurance.
- Your Mutual's Master Policy covers your Mutual's buildings and common areas but it does not cover your personal belongings or property inside the walls of your unit including the non-structural upgrades, alterations and/or interior improvements of your unit, the interior of your unit, or your personal liability in the event you become legally liable for causing bodily injury and/or property damage to another person. Your Mutual's Master Policy does *not* cover earthquake damage either.
- As a co-op shareholder, you are responsible for any non-standard non-structural items in your unit. If you (or the previous owner) expanded your co-op, the expansion is part of the Mutual's buildings and would be rebuilt in case of a covered peril, but you would be responsible for any non-standard items within the expansion or original space such as upgraded doors, bay windows, triple-pane windows, flooring, window treatments, counter tops, appliances, etc.

- If a shareholder is responsible for damage to the building due to accident or neglect and the insurance company will not pay, or if the shareholder has no insurance, the repairs become the shareholder's responsibility. The board of directors will hold a hearing to determine the mode of payment for the cost.
- An HO policy will cover your personal property (furniture, clothing, electronics, medical equipment such as walkers and electric wheelchairs) and upgrades, alterations and/or interior improvements (anything non-standard) for the co-op shareholder. It's important that you advise your insurance agent if your unit contains additions and alterations such as wood flooring, specialized counter tops, air conditioning, or other upgrades or improvements so they can be insured and replaced in the event of a covered loss.
- If your co-op becomes uninhabitable due to a covered loss, such as a fire or water damage, your insurance can cover the additional living costs for you to live elsewhere until your co-op is habitable again.
- Personal Liability protection is standard on all HO-6 policies. This will protect you against lawsuit awards and insure your defense costs if you are sued by someone who is injured inside or outside of your home (shopping, traveling, golf cart accident, animal bites).
- Many of the more expensive items that a resident may own can have limited coverage under a standard condo owner policy. Most insurance companies offer "Personal Article Floater" insurance to cover scheduled jewelry, furs, cameras, golf equipment, fine arts, collections, and computer equipment.

DISPOSE OF BOXES PROPERLY

- PLEASE break down all boxes before putting them in the recycling bin. The trash bins are located at the end of the carport buildings. There are two types of trash containers: GREEN BINS with lids for general trash and WHITE BINS with lids for RECYCLING MATERIALS.
- GRF participates in a recycling program, which generates income benefiting all shareholders in Leisure World, so please do your part to help the program work. Please refer to the recycling guide attached to this booklet which describes the recycling program in detail. *See attachment for a list of items to be recycled.*
- Old electronics, TVs, computers, etc. must be disposed at the Service Maintenance area.

OVERSIZE ITEMS/HAZARDOUS MATERIALS

- Hazardous materials such as motor oil, pesticides, paint thinners or strippers are not to be disposed of in the trash bins. Please call the Orange County Integrated Waste Management Department at 714-834-3502 for the nearest drop-off for these materials. Please review Attachment regarding this subject.
- Please do not deposit oversize items beside the trash bins – the mutual must pay a service man to take it away. Take these items to huge trash bins next to the mini farms (see map). When large items are left by the trash bins our maintenance department must pick them up and take them to the large trash bins at a cost to the mutual.

WASTE DISPOSAL

- Trash, both recyclable and regular, is picked up twice weekly. We ask that regular trash be wrapped in plastic bags before placing it in the bin. Once again, be sure to break down all boxes before putting them in the bin. Please see waste disposal attachment in back of this book.
- Use only cold water when using your garbage disposal and run the water for one minute after use. Do not put coffee grounds, egg shells, small bones, rhubarb, celery stalks, cornhusks, potato peels and carrot peels in the disposal.
- Do not leave large items by the carport trash bins! We have huge disposal bins available for this purpose at the mini farms located in the northeast section of Leisure World.

REPLACEMENT ITEMS

- If you wish to replace a sink, faucet, toilet, etc. that is in working condition but for cosmetic reasons you would like them replaced, you can contact the Maintenance Department and make your request. The item and the labor will be subsequently billed to you.
- The Mutual will only replace appliances/faucets that cannot be repaired. If you replace any item with other than our standard issue, the maintenance of the item will become your responsibility.
- If you choose to bring in your own refrigerator, you must get approval of the Mutual president, and then you will pay the labor cost of transporting the existing refrigerator to our Maintenance yard. Later, if you sell your apartment (share of stock) you will be responsible for removing your refrigerator and purchasing new one through the Purchasing Department unless the new owner accepts the refrigerator as a “nonstandard item.”

Please remember to

Reduce, Re-use & Recycle

DECORATING OR MODIFYING THE APARTMENT

- Residents may decorate apartment interiors such as painting/wallpaper, carpets, vinyl floor covering, and window coverings. Exteriors must remain as they are painted.
- Alterations to the structure of an apartment or patio may be made with the approval of the Mutual Board of Directors and the Physical Property Department. Such work may be performed only by contractors holding operating authorities from both the Leisure World Physical Property Department and the City of Seal Beach. If you plan to remodel before or soon after you move in, immediately notify the Physical Property Department, Property Inspector at 431-6586, extension 352/353. The cost of the repairing and maintaining said structural changes shall become the responsibility of the shareholder/resident and subsequent shareholders and residents of said apartment.
- Permanent roofing over the approved remodeling or expansion will be maintained by the Mutual. The Mutual will maintain only the flashing around skylights; the dome is the responsibility of the resident.
- Contractors making structural changes are permitted to work only from 8:00 a.m. to 5:00 p.m. and are not permitted to work on weekends or holidays. Painters, carpet and linoleum layers and others doing work not requiring city or Golden Rain inspection may work on Saturdays with the approval of the Mutual President.
- TV Dish Installation You must get a permit from Physical Property Department for installation of a TV dish and the installation must be according to the specification issued by them.

MAINTENANCE AND REPAIR PROBLEMS

- Report any problems or need for repairs to you director so that a request for service from the Maintenance Department can be initiated. Please do not call your director before 8:00 a.m., after 4:30 p.m., or on weekends. The resident can directly report any emergency situation, such as a plumbing stoppage. Any maintenance or repair problems occurring when Maintenance personnel are off-duty should be reports to Gate & Patrol (562-594-4754).
- The resident is responsible, and if necessary pays, for periodic spraying of their unit to prevent bug infestation. If the resident has an active infestation that they cannot control, they should call their director so that an appointment can be arranged to have the unit sprayed by the pest control firm contracted by the Mutual. The pest control firm is on duty only on Wednesday mornings. The requests for service must be received by the Service Maintenance Department by noon the previous Monday.

GENERAL LAUNDRY FACILITIES

- The laundry facilities are for the convenience of the occupant and co-occupant ONLY. Please cooperate with your neighbors in keeping the laundry rooms presentable and the dryers free of lint. Do not wash items that will break apart and clog the machines, such as foam-backed rugs. No dyes are allowed in the washers.
- The laundry rooms are open from 7:00 a.m. till 9:00 p.m. Washers and dryers are coin-operated – there is a charge to wash and drying is free.
- Malfunctions of laundry room equipment are to be reported to your director. Please be sure to place an “Out-of-Order” tag on the broken laundry room equipment, and make note of the number on the washer or dryer and have it handy when calling your director.
- Please do not use more than two washers or two dryers at a time in consideration of other residents.
- DO NOT wash rubber backed rugs in the machines and DO NOT put them in the dryer.
- Remove lint from dryers after use.
- Dyes and Tints are NOT allowed in washers.
- Do not wash diapers or clothing soiled with bodily fecal waste.
- No animal bedding.
- Do NOT use foreign coins.
- Use of these washers and dryers is restricted to residents or full time care givers.
- Items left in a machine 15 minutes after the cycle is complete may be removed and placed on top of the machine so that the shareholder waiting to use that machine can begin.

WASHERS AND DRYERS IN UNITS

- A washer and dryer in a shareholder's unit of any make or model, whether side by side or stackable, must be cleaned every two years. During fire inspections that are done every two years, the inspector will order that your vent areas be cleaned for clear passage of air flow from machine to roof top areas. You can either hire service maintenance or an outside vendor who will bill for this service. A sticker with the date of cleaning will be affixed to the cleanout cover every time a cleaning is performed.

- All washing machine hoses and fittings must be checked every two years for any leakage or hardening and/or cracking of the hoses. The resident shareholder assumes full responsibility for any damage incurred as a result of a personal washer and/or dryer in their unit. (Policy 7407.2)

CAR PORTS

- You parcel director has told you your assigned carport space. Please avoid using guest parking, as this should be available for visitors.
- The carports are cleaned monthly, and residents need to remove their car for cleaning on the designated day as posted on the carport cabinets.
- Carport space may not be rented, used or exchanged to anyone who is not a verified Leisure World resident shareholder. If you plan to rent your carport, the proper forms must be obtained from the Stock Transfer Office and signed by your director.
- A bicycle, tricycle, ladder or folding grocery cart are the only items that may be stored in front of the car or electric car in the carport. Your carport cabinet should be locked at all times.
- Any damage to carports is the responsibility of the resident.
- Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet with the approval of the Board of Directors and a permit from the GRF Physical Property Department. Outside contractors shall build the cabinet per the dimensions and specifications permitted. (Policy 7502.2)

ELECTRIC CARTS

- Permission must be obtained to have a charging pad installed adjacent to the apartment at the shareholder's expense. The charging pad must be removed at the shareholder's expense upon the resale of the unit.
- Electric carts, while being charged, cannot be parked on a walkway, or across the walkway or in such a way as to interfere with entry into an apartment.
- Carts must be registered at security and have a Leisure World decal.
- The electric cart must have sufficient liability and property damage insurance in case of accident. (Policy 7502.2)

PATIOS

- Patios should be kept clean, uncluttered, and a place to enjoy. Please do not hang clothes in your patio, as there are clotheslines in the laundry rooms for that purpose.
- No more than one patio/estate sale per year is permitted. A patio/estate form must be obtained and submitted to the Board of Directors for all types of sales.

BARBEQUES

- Barbeques that use briquettes are absolutely not allowed. Those that are electric or use bottle gas may be used at least 10 feet away from all structures, as long as the smoke does not bother your neighbors.
- Propane, butane shall not be used under a patio roof due to large flare up flames while cooking. Fire Code Section 1103.3.2.6
- Propane and butane barbecues shall be stored on the outside open patio of ground floor apartments, but never stored in an enclosed patio.
- Propane or butane barbecues shall not be stored inside an apartment (CA Fire Code Section 1103.3.2.6)

GARDENING POLICY

(Policy # 7425.2)

- The area extending 36 inches from the exterior wall of the apartment is set aside for the shareholders' garden. Fertilization, pest control, and watering of this area are the shareholders' responsibility. The gardening crew cultivates gardens UNLESS the shareholder desires to perform this task, indicated by placement of a red flag available from your director. Trees may not be planted in garden area unless they are in tubs and must be kept 12" below the eaves. Vines are not permitted to climb on any structure. All plants must be trimmed back 12" from the building wall. Shrubs shall not block windows, electric meters, or neighbors' views.
- Residents with end units have a 48" area along the side of the unit, part of which is designated as the resident's area and part of which is designated as the Mutual common ground. Please consult with your director or the chairman of the Gardening Committee before undertaking any modification to the area on the side of your apartment.
- The following plants are not permitted: Asparagus Fern, Bird of Paradise, Citrus and Fruit Trees, Ivy, Poinsettia and Wild mint. Removal of offending growth will be done by the Mutual at the resident's expense.
- Residents are requested to not communicate with the gardeners. If you have complaints or concerns, call the Gardening Committee Chairman, who will interface with the foreman or supervisor of the gardening crew.

- Please refer to policy 7425.2 for complete gardening information.

GUESTS
(Policy #7555)

- Guests are expected to comply with all Mutual regulations.
- Mutual Two will permit a member-resident to have a guest in their unit cumulatively for a maximum of sixty (60) days per calendar year. A guest shall only be permitted to visit while the resident member is in residence. Guests, with the resident's consent, may remain in the apartment during brief and temporary absences of the resident, not to exceed 48 hours, and as part of the 60 days per year allowed for guests.
- If the resident will be absent from the apartment for more than 48 hours during a visitor's stay, or if the resident is deceased or incapacitated, then a request for a waiver must be directed to the Mutual President.
- Since visitors, co-occupants and non-resident co-owners are not members of the Golden Rain Foundation, which maintains all Trust recreation facilities such as the swimming pool, golf course, etc., these facilities are not accessible to them. Guests, visitors, etc. may attend the performances at the clubhouses and amphitheater when accompanied by a resident.
- Guests desiring to use the RV parking facility in the west section of the parking lot of Clubhouse Four may do so, but identifying information, including the name, mutual and apartment number of the resident being visited, must be posted on the windshield. This information may be needed by Security.
- Stock Transfer will issue you a resident photo ID card and four (4) guest passes. The security of Leisure World is dependent on the vigilance of the residents – please exercise the necessary caution when giving a guest pass to an individual.
- Additional main gate passes for frequent motoring visitors (does not include caretakers) may be obtained, for a nominal charge, at the Physical Property Office in Clubhouse 5. If an expected caller does not have a pass, please notify the main gate Security Office a few hours beforehand. The phone number for Security is 594-4754.
- If you are employing a caretaker, please check with the Stock Transfer Office to obtain the proper pass for them to enter and exit Leisure World. Do not give your caretaker one of your four guest passes.
- Residents and their guests must not exceed the speed limits on Leisure World streets and access roads. Extreme caution is necessary because of the high amount of pedestrian traffic.
- Children may not use bicycles, skates, scooters, skateboards or rollerblades on walks. Children must be under adult supervision at all times. Noisy play is not permitted, and sound emissions from residences are also to be kept low, especially between 11:00 p.m. and 7:00 a.m.

PETS
(Policy #7501)

- Residents are allowed one quadruped and/or two birds.
- The pet should not weigh more than twenty-five (25) pounds at time of full maturity.
- 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 control of and accompanied by a resident or an adult agent of the resident.
- Guests may not bring their pets on the premises.
- Please do not feed birds, rabbits or squirrels. Feeding of birds is also forbidden by Seal Beach City ordinance 1057, S-1. While it seems kind to feed the rabbits, it is not. The food for the rabbits is often eaten by the squirrels and by the RATS which then multiply. At night the coyotes and the raccoons are attracted to the area to feed on this abundance of small animals and sometimes even on our pets. In consideration of other residents, please abide by this rule.

FACILITIES

Residents are asked to be responsible when using community facilities. Treat all properties and facilities with care. Unless noted, the facilities described below are available to Leisure World residents only.

- **Car Wash Area:** There is a designated area behind Clubhouse Two for car washes and car vacuuming. This equipment is donated by Leisure World organizations and residents are asked to properly use the equipment in fairness to others.
- **Amphitheater:** Leisure World hosts a summer concert series on Thursday evenings from June to September. Check the Leisure World News for details. Residents may bring guests to these concerts. Certain shows may limit the amount of guests that can enter – this will also be published in the Leisure World News.
- **RVs and Trailers:** Leisure World Trailer Club operates a reasonably priced storage facility, which has a number of amenities, including a wash rack and air compressor on El Dorado Drive. For information, phone 596-5934.
- **Golf Course:** Golfers are responsible for reporting and paying for broken windows, and to keep off the patios of nearby residents.

- **Swimming Pool:** Hours may vary, depending on weather conditions.
- **Barbecue and Picnic Area:** Available for use by residents and guests. It is located by Clubhouse One. This facility must be reserved through the Recreation Department.
- **Exercise Room:** Located top level of Clubhouse Six. Hours are 6:00 a.m. to 8:00 p.m. weekdays. Weekend hours: 7:00 a.m. to 5:00 p.m.
- **Clubhouse Reservations:** For reservations call the Recreation Department at extension 398.
- **Medical:** The on-site Health Care Center and Pharmacy are available to all residents whether or not they are members of this health maintenance organization, call the medical switchboard (493-9581). For information, call this same number between 8:00 a.m. and 4:30 p.m.
- **Mini-Buses :** Stock Transfer will give you a schedule for the mini-buses, which transports residents to the clubhouses, medical center, churches and shopping center.
- **Post Office:** There is a convenient, full-service post office located in the Amphitheater parking lot. Also, there are white mailboxes located throughout Leisure World that can be used postage-free to mail GRF monthly payments, phone bills and electric bills.
- **Library:** Leisure World owns its own Library as a convenience to residents. Our library is well stocked with books, magazines, tapes, videos, and reference material.
- **Credit Union:** NuVision Federal Credit Union has a branch located behind Clubhouse Four, with an ATM for 24-hour use. There is also an ATM located in the Medical Center.

COMMUNITY INVOLVEMENT

- **Leisure News:** This is Leisure World's own newspaper published every Thursday. Be sure to read this publication so you can stay abreast of what's happening in your community. There is a LW Club Meeting Schedule inside the paper, which lists all the clubs, meeting times, and contact person.
- **Orientation Briefing:** Be sure to attend the Orientation meeting held in Clubhouse 4 at 1:00 when you are scheduled. If you can't make the meeting you are scheduled for, the next meeting will be 3 months later, same time and place. One meeting a year is held at 6:00 p.m. The briefings are held quarterly – January/April/July/October.
- **Mutual two board meetings** are held the third Thursday each month (check the newspaper for location). Only Shareholders and invited staff may attend. At 9:30 a.m. the meeting is called to order by the President. Shareholders may speak to agenda items at the end of the meeting and will be recognized by the president at that time.
- **Golden Rain Foundation Board Meetings** are held monthly on the fourth Tuesday, Clubhouse 4 at 10:00 a.m. All are welcome to attend. Visitors may address the Board on agenda items. Requests to address the board must be submitted in advance of the meeting and comments are limited to three minutes.
- **Golden Age Foundation** – This wonderful organization is dedicated to helping Leisure World residents by providing equipment for temporary use, such as wheelchairs, walkers

and other home health items. Through their fund-raising activities, the Foundation pays for bus benches, exercise equipment and the like, thereby making life easier for all LW residents.

- **Volunteers:** Leisure World is one of the finest retirement communities because of volunteers. There are many opportunities for you to lend your time and expertise to help other residents, and after you have settled down in your new home, we encourage you to volunteer. Golden Age Foundation, described above, is totally dependent on volunteers. All mutual directors are volunteers, as are Golden Rain Foundation Board members. You can serve your Mutual as a board member or captain of your building. We welcome your contribution.

CHECK IT OUT!

More information is on the website www.lwsb.com