

**MINUTES OF THE ANNUAL SHAREHOLDERS MEETING
SEAL BEACH MUTUAL THREE
June 12, 2019**

The annual meeting of the shareholders of Seal Beach Mutual Three, a California corporation, was called to order by President Ginthner at 10:01 a.m. on Wednesday, June 12, 2019, in Clubhouse 4.

PLEDGE OF ALLEGIANCE

Gene Vesely led the *Pledge of Allegiance*.

QUORUM

President Ginthner advised that a quorum was present, either in person or by ballot, and she declared the meeting officially in session.

SHAREHOLDER DECLARATION

At the March 8, 2019, regular board meeting, Robert Gene Vesely of unit 35-I declared his intent to vote cumulatively at this annual shareholders meeting.

CERTIFICATION OF NOTICE OF MEETING

Secretary Hart read the certification notice:

I, Dianne Hart, secretary for Seal Beach Mutual No. Three, hereby certify that the Notice of Stockholders' Meeting and Ballots were mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of May 13, 2019.

**FURTHER, IN ACCORDANCE WITH THE BYLAWS, THE
CUMULATIVE VOTING PROCEDURE WILL BE USED.**

EXPLANATION OF WRITE-IN CANDIDATE

Ms. Cheryl Wilson, Accurate Voting Services, Inc. explained the process of a write-in candidate and nomination of that write-in candidate.

INTRODUCTION OF CANDIDATES

The following nominated candidates were introduced as follows:

James Campbell (incumbent)
Carol Ginthner (incumbent)
Stephen Harris (incumbent)
Dianne Hart (incumbent)
Linda Jan Ledbetter (incumbent)
Mike Turis (incumbent)
Nancy Tye (new)

President Ginthner called for nominations from the floor. There being no further nominations, President Ginthner requested a motion to close the nominations. Upon a MOTION duly made by Patty Schmitz, unit 13-C, and seconded by Danette McCloud, unit 1-D, it was

RESOLVED that the nominations be closed.

The MOTION passed.

BALLOTING

Ms. Cheryl Wilson from Accurate Voting Services thanked the mutual for the opportunity to provide this election procedure for the mutual. Accurate Voting Services is the outside independent election service company that was selected to create the ballot, mail the ballot to the shareholders, and receive the return ballots to be opened today to determine Mutual Three's new directors.

President Ginthner announced that the ballot boxes were closed and instructed any interested shareholders to accompany Accurate Voting Services to the counting area to observe the counting of the ballots.

The appointed election observers were Lorna Binger, Sandy Geffner, and Rita Johnson.

When the counting was completed, the newly-elected Board would hold its organizational meeting to elect officers. The results of the election would be posted on the main doors of all the clubhouses.

MINUTES

President Ginthner asked for a motion to dispense with reading the minutes of the last annual shareholders meeting held on June 13, 2018, and that they be approved as printed and distributed. Upon a MOTION duly made by Dan Habel, unit 21-G, and seconded by Bessie Smith, unit 1-H, it was

RESOLVED that the annual shareholders meeting minutes of June 13, 2018 be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS

President Ginthner introduced the current 2018-2019 Board members:

Carol Ginthner, President
Mike Turis, Vice President
Jan Ledbetter, Chief Financial Officer
Dianne Hart, Secretary
Jim Campbell, Director
Stephen Harris, Director
Gwen Robertson, Director (absent)

President Ginthner then introduced the GRF Representative, Linda Stone, and Community Manager, Maria Zarro-Anaya.

PRESIDENT'S REPORT

Ms. Ginthner presented her report (attached).

VICE PRESIDENT'S REPORT

Mr. Turis presented his report (attached).

SECRETARY'S REPORT

Ms. Hart presented her report (attached).

CHIEF FINANCIAL OFFICER'S REPORT

Ms. Ledbetter presented her report (attached).

DIRECTORS' REPORTS

Mr. Harris presented his report.

Mr. Campbell presented his report (attached).

In Ms. Robertson's absence, Ms. Ginthner presented the Emergency Preparation Information Report (attached).

GRF REPRESENTATIVE'S REPORT

Ms. Stone presented her report.

EXECUTIVE DIRECTOR'S REPORT

In Mr. Ankeny's absence, Ms. Zarro-Anaya presented the GRF Executive Director's report (attached).

MUTUAL ADMINISTRATION DIRECTOR'S REPORT

In Ms. Hopkins' absence, Ms. Zarro-Anaya presented the Mutual Administration Director's report (attached).

RAFFLE AND ANNOUNCEMENT OF WINNERS

During the recess, shareholders' names were drawn for 50 election incentive prizes of \$50 each.

ELECTION RESULTS

Ms. Cheryl Wilson of Accurate Voting Services reported the following results of the election: James Campbell elected with 260 votes for a one-year term, Carol Ginthner elected with 272 votes for a one-year term, Stephen Harris elected with 265 votes for a one-year term, Dianne Hart elected with 163 votes for a one-year term, Linda Jan Ledbetter elected with 173 votes for a one-year term, Mike Turis elected with 263 votes for a one-year term, and Nancy Tye elected with 218 votes for a one-year term.

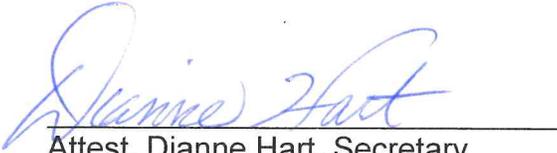
The amendment and restatement of the mutual's bylaws failed with 185 "yes" votes, 51 "no" votes, and 7 abstentions.

**ANNUAL SHAREHOLDERS MEETING
SEAL BEACH MUTUAL THREE**

June 12, 2019

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 11:10 a.m.



Attest, Dianne Hart, Secretary
SEAL BEACH MUTUAL THREE
ck: 07/02/2019
Attachments

President's Report
Mutual 3 Annual Meeting
June 12, 2019

Thank you to all of you who have joined us this morning for the Annual Shareholders' Meeting for Mutual 3. A huge thank you, also, to everyone who participated in the election and sent in your ballots.

In case you hadn't noticed, this has been an incredibly busy year for Mutual 3, as you will learn from other Board members.

We have been involved with 9 other Mutuals and our legal counsel to update our governing documents and bring them into compliance with State law. By having this as a joint project, we are able to get the job done and save our Shareholders 90% on the legal fees involved. A massive undertaking, a lot of work by everyone, and long over-due.

I have to start my thank you list with Jodi Hopkins and her team in Mutual Administration. Working very short-staffed for over a year, Jodi has made sure that our needs are taken care of and, always, with a smile. From individual and Board meetings to letters and answering a multitude of questions, anything you can imagine, Jodi and her team have put in long hours to be sure that our needs are met, always. You are fantastic and I thank you all so much.

Stock Transfer Office is always busy taking great care of Shareholders and their needs while also taking care of the Mutual's needs with escrows, estate document verification, elections and, again, a multitude of questions. Thank you for all your tremendous help.

Our Building Inspector, Dave van Horn, has "earned his stripes" this year with all the projects we have had and continue to have. These projects are over and above the routine work that he has had to continue with as well. We could not have made it through all of this work, this smoothly, without his help and patience, and jokes. Physical Properties staff is there for the assistance we need in getting the job of taking care of our buildings done properly. Thank you so much.

Service Maintenance has had some staffing challenges to deal with while still responding to our requests to get the job done whenever we have called on them. Thank you and, Ruben, thank you for responding to all my questions and concerns.

Accounting/Finance takes care of our financial records and assists us with making sure that records are accurate and your money is handled properly. A new State law has made things quite cumbersome, but we are working together to be sure that we are in compliance.

Randy Ankeny has provided much needed assistance on many occasions and his availability and willingness to listen is appreciated - arguments included!

Linda Stone and the GRF Board of Directors put in a tremendous number of hours to keep all of Leisure World a great place to live. I highly recommend attending a variety of GRF meetings to learn what is being done.

I wish that I could show everyone how much these departments and their staff help the Shareholders, the Mutual Boards, and myself on a daily basis. The work they do for all of us, and the help they have given me, is so very much appreciated.

None of the work of this Mutual could be done without the tremendous efforts of a Board of Directors that works together as a team. I am so very grateful to each member of this 2018-2019 Board for their willingness to do their part, and more, and to make the process of taking care of business run so smoothly.

Finally, a massive thank you to the Shareholders of Mutual Three:

Those who volunteer as Building Captains to be sure Minutes and flyers are distributed to everyone and to those who respond to whatever special project comes up - we couldn't do it without you! I know I can breathe easily, with your help. Thank you so much!

To all of you who have given this Board and myself your support, your smiles and waves, your comments and your kind words: THANK YOU!

A handwritten signature in cursive script, reading "Carol J. Fisher". The signature is written in black ink and is positioned at the bottom right of the page.

Mutual Three – Annual Shareholders’ Meeting

June 12, 2019 - Physical Properties

The 2018-2019 year has been a very busy year in Physical Properties. Before I go further, there are a few people and departments that need to be recognized and thanked, although thank you just doesn't seem adequate.

I worked closely with our building inspector Dave Van Horn. He is extremely knowledgeable and helpful and is always available to answer questions. Thanks, DVH for all that you do. Also, a huge thanks to the terrific Physical Properties office staff.

Ruben Gonzales and his service maintenance staff are always ready willing and able to help especially when emergencies occur, we have had more than our share this year. A huge thank you to Ruben and the rest of the crew, you guys are awesome. Let's not forget the office staff, they are outstanding as well.

This year we completed the re-piping of the remaining 26 buildings. The entire project was finished on time and on budget. In conjunction with the re-piping, we replaced over 140 water heaters along with dual water sensors (alarms).

We re-lined the sewer in one building.

Sidewalks were replaced and the "V" gutters were eliminated and replaced with sod to remove tripping hazard.

We signed a contract with Jordan Roofing to re-roof five buildings, the buildings are; 4, 8, 11, 15 and 24. Range hoods will be replaced with new flush mounted hoods and the vent pipes will be replaced. New streamline roof vents will replace the unsightly mushroom vent stacks. New 5" ogee type gutters with 3"x4" downspouts are to be installed. Termite and dry rot work will be done ahead of the new roofs and facias will be spackled and painted. Shareholders will have the option of replacing existing skylights for cost of materials only. Buildings 4, 8 and 15 have been completed and 11 and 24 are in various stages of replacement. The project should be completed by the end of this month, weather permitting.

It has been my honor and pleasure to serve the wonderful residents of Mutual Three, and to work with this terrific Board of Directors.

Respectfully submitted, Mike Turis, VP-Director



Dianne Hart / Secretary

I've served on mutual 3 board and for 1 year now.

My duties include posting all meeting agendas and minutes in laundry rooms and distribution to all directors which then are passed on to building captains.

I also take shareholder calls for machine (washers/dryers) problems and schedule maintenance repairs. We have recently switched over to a laundry service 'WASH' and anticipate to greatly improve our previous service repair times. Although, WASH will accept a repair request from shareholders, please continue calling me so we can have a record to measure their overall performance .

Special thanks to Jody and Clarissa for all their work!

L. Jan Ledbetter
CFO Mutual 3

I am Jan Ledbetter and am currently the CFO for Mutual 3. This was my first year on the board and it has been a very busy year. I have had to learn how a mutual works with the Administration and how the flow of paperwork is handled. After only a few months, we had to begin planning the new budget which would have been very challenging if it were not for the fact that we have some very knowledgeable board members and shareholders. I would like to thank the board members who made up the budget committee, Carol Ginthner our President , Mike Turis, our vice-president and a special thanks to shareholder and previous CFO, Sandy Geffner whose expertise was greatly appreciated.

We had the added challenge of working through the changes caused by Assembly Bill 2812 as well as finding out we needed to make other changes to be in compliance with the law.

Being on this board has been a positive experience because everyone works together. Anytime there is a problem, some or all of the board members work to find a solution. My job was especially made easier by Mike Turis who not only handles the physical oversight of all our projects but has made a spread sheet to show how much we are spending and how much we need to complete these projects. That is exceptional work.

Another year is upon us and my commitment to you is that I will serve to the best of my ability to help our community to be fiscally sound, well maintained and a pleasing place to live.

Landscape Report, Mutual 3
June 12, 2019

SHAREHOLDERS

Landscaping wise, I feel it has been a very successful year. Our landscape company, Total Landscape Maintenance has gotten our Mutual into very nice shape. The lawns are coming along, with a few exceptions, and will continue to improve with time. All but two of our 41 new trees appear to be growing well. Thank you all for your patience while we got things back in order; feel free to contact me if you need help with a landscape issue.

Sincerely,



Jim Campbell
Director, Landscaping

Emergency Preparation Information Report

Gwen Robertson, Director

For the 2018-19 term, I have attended the Emergency Information Council meetings, along with representatives from the other Mutuals, to learn and gather information to help Mutual 3 residents in being prepared for emergencies and natural disasters.

Information has been distributed to residents, included with Board Member Reports, and has been posted in the laundry rooms regarding emergency supplies and procedures, from the Red Cross, FEMA, and Orange County Office of Emergency Preparedness. This information is also included in the New Buyer's Orientation package.

Notifications of Town Hall Meetings, Expos, and presentations regarding Earthquakes and other emergencies have also been provided.

We continue to remind residents to have a Grab and Go bag and plenty of water for any type of emergency that may occur as the Mutual does not have the resources to store or supply residents with food, water, or other supplies which may be needed in an emergency.

EMERGENCY PREPAREDNESS IS UP TO YOU

GRF Representative's Report

As a result of the unprecedented COVID-19 crisis, which has fundamentally affected all of us, Annual meetings of the members have been delayed until now. I want to thank everyone for the opportunity to serve Mutual Tjr. I am proud of the way that the GRF Board and the Board of Mutual Two have taken action to support the community, our Mutual and our fellow Shareholder/members.

The adaptation of processes and strategies by the Mutuals, the GRF Board and the staff have been critical to the recovery ahead. The COVID-19 pandemic reminds us that the operating environment can shift abruptly, but our focus remains on the safety of our residents and our community.

I am pleased to present the GRF Annual Report: a statement of who we are, what we can do and how we are succeeding.



GRF Executive Directors Annual Meeting Report

Dear Mutual Three,

As we look back at the 2018/19 term, remembering our accomplishments while always reflecting on our half a century as a premier community, but we are also inspired and excited by our future. We look to continue to engage the community for your input and support of GRF's mission:

*The Golden Rain Foundation provides an enhanced quality of life
for our active adult community of Seal Beach Leisure World*

Over the years, I have come to see our community as a family. Family is a group of people who share a passion and a vision or simply care deeply for another person. At Leisure World Seal Beach, we are a large and diverse family of Shareholders/Members neighbors, community leaders, staff and friends.

A very sincere thank you to Mutual Three, GRF representative, Linda Stone, and the Board members of Mutual Three; you unselfishly volunteer your time to serve on a Board. The care and concern you show to your fellow Shareholders, is an inspiration for us all.

You treat everyone with respect and kindness, no matter what the situation is. Your collective accomplishments in helping and serving our community does not go unnoticed. The key to success rests in you, who embody the spirit of community by unselfishly asking "what may I do for you"?

I and the staff of GRF, thank you for the lasting friendships gained working with you; we are stronger, better, committed and passionate about our mission. Our standards of success are high and today is a great opportunity be able to celebrate our community and be grateful for our achievements.

We look forward to working with the Boards to ensure that our community continues to prosper and thrive for the mutual benefit of all Shareholders and Members.

Thank you again for your support and partnership and, most importantly, for allowing my staff and I to be a part of your community and, especially, part of your lives.

With gratitude,

Randy Ankeny, Executive Director

"Without a sense of caring, there can be no sense of community"

Anthony J. D'Angelo



Annual Mutual Shareholders' Meeting 2019

We've come through another great year that was filled with both challenges and victories. How reassuring it has been to know that we can count on all our efforts.

Let's take this opportunity and thank everyone for all the efforts throughout the year. The greatest gift you can give is your time. Volunteers give their time and are the lifeblood of any Community. The work you have accomplished emphasizes the values and priorities of your Community. I truly enjoy each meeting, the conversations that are had and the valuable information that is shared.

Thank you to the Mutual Board of Directors. For you this is an add-on to the many things you do including your career, your family, your social life and other volunteer opportunities. Thank you for always answering our calls, responding to our emails and bringing your dedication, loyalty, commitment, experience and resources to the job of making life better for all of us.

Our team of staff members, along with the new or returning Mutual Directors, are willing to take on another year to continue the growth of our Community by incorporating everyone and working for the good of all.

Thank you to the GRF Board of Directors, more specifically your GRF Representative.

Our Executive Director, Mr. Randy Ankeny – Thank you for your vision, your extraordinary ability and leadership to guide us always. We appreciate the efforts made by you. With your leadership, we look forward to the next year working with the Board to continue to have many successful years. My sincere appreciation and gratitude.

Thank you to everyone for your part in our journey.

In the words of John E. Southard, let me say, "*The only people with whom you should try to get even with are those who have helped you.*"

Sincerely,

Jodi Hopkins

Mutual Administration Director

