

**SEAL BEACH MUTUAL NO. NINE****Shareholder Regulations****Inspection Fee, Inheriting Share of Stock and Procedure for Shareholder Changes When There is No Escrow Involved****MUTUAL NINE ONLY (Effective 08-08-2022):**

NOW BE IT RESOLVED that the Corporation will waive the \$500 inspection fee when the owner (shareholder) is already living in the Unit and is in current good standing and attends to add a new owner/co-owner to the stock certificate. The President will notify the shareholder and the shareholder can go into the Stock Transfer Office to start the process of adding.

WHEREAS, when a stock is inherited and the inheritor notifies GRF their intention that they will become the owner of the stock, the inheritor must be informed by GRF that no work can be done within the unit until the share of stock is transferred.

WHEREAS it is determined that a non-escrow transfer i.e. such as a trustee, a new co-owner that all inspections and an orientation must be conducted after GRF stock transfer has verified the trustee or co-owner being the legal entity and be charged a \$500 fee for the inspection process and the Mutual 9 orientation.

WHEREAS it is determined that the Corporation will inspect all apartments when an inheritor of the share of stock desires to qualify as a resident of the Mutual Corporation and a member of the Golden Rain Foundation.

BE IT FURTHER RESOLVED that the Corporation will charge successors to occupancy by any other means (except as covered by Policy 7525) a fee of \$500 to help defray the costs of the inspection process and Mutual 9 orientation.

WHEREAS Owner/shareholder is already living in the unit and adding an additional owner to stock certificate:

- if the owner/shareholder is already living in the unit and adds a co/new owner, the \$500 inspection fee will be waived, and inspection will not be conducted.
- Brief orientation with new owner will be conducted and the \$500 fee waived

BE IT RESOLVED THAT when applying to become a resident shareholder in the Mutual Corporation outside the parameters of the usual escrow closing procedure as established by the Golden Rain Foundation and Mutual Corporation, and/or whenever an additional or another person is added to the stock as a resident shareholder, that person shall be notified by the Stock Transfer Office that the following procedures must be followed before they may become a resident shareholder and occupy the unit.

THAT an inspection must be performed by the Physical Property Department at the established fee of \$500 and the cost of any required maintenance or corrective work is to be determined in accordance with Article 11 of the Occupancy Agreement and Mutual regulations.

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41 Any needed work that is the responsibility of the Mutual shall be performed by the GRF Service  
42 Maintenance Department. Non-standard items needing repair are to be accomplished by the  
43 prospective resident shareholder. Whenever any corrective work (which would be applicable if  
44 there was an escrow involved) is needed to bring a unit into compliance with Mutual regulations,  
45 and the corrective work is the responsibility of a resident shareholder, the corrective work shall  
46 be completed by the resident shareholder/prospective resident shareholder prior to the  
47 prospective resident shareholder being added to the stock.

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49 THAT prospective resident shareholders will be informed by the Stock Transfer Office of  
50 any monies owed on the unit in question (example: arrears in carrying charges, service  
51 maintenance work performed, etc.). This information will be supplied by the Finance Department  
52 and the Physical Property Department.

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54 FURTHER, the Stock Transfer Office will ensure that all standard procedures and  
55 documents are completed and verified in accordance with Mutual and Foundation policies. Also,  
56 ensure that an orientation will be performed by member(s) of the Mutual Board of Directors.

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**Document History**

Adopted: 12 April 2021 Amended : 08 Aug 2022

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Fee

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