

**MINUTES OF THE ANNUAL SHAREHOLDERS' MEETING
SEAL BEACH MUTUAL FIVE**

June 14, 2016

The Annual Shareholders' Meeting of Seal Beach Mutual Five, a Common Interest Development with the rights and protections of the Davis-Stirling Common Interest Development Act, was called to order by President Coven on Tuesday, June 14, 2016, at 10:01 a.m., in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Ms. Trembly led the group in the *Pledge of Allegiance*.

QUORUM

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

SHAREHOLDER DECLARATION

At the May 18 2016, Regular Board Meeting, Gene Box, Unit 123-B, declared his intent to vote cumulatively at this Annual Shareholders' Meeting.

CERTIFICATION OF NOTICE OF MEETING

Vice President Trembly read the Certification Notice:

I, Susan Trembly, Vice President for Seal Beach Mutual No. Five, hereby certify that the Notice of Stockholders' Meeting and Ballot was mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of May 12, 2016.

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

INTRODUCTION OF OBSERVERS OF THE ELECTION

President Coven has appointed two Observers of the Election as follows:

Gene Box, Unit 123-B
David Noble, Unit 108-D

EXPLANATION OF WRITE-IN CANDIDATE

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

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INTRODUCTION OF CANDIDATES

The following candidates nominated were introduced as follows:

Betty Coven (Incumbent)	Debbie Tran (New candidate)
Wayne Gould (Incumbent)	Alfred Edginton (New candidate)
Joan Boryta (Incumbent)	Kevin Powell (New candidate)
Susan Trembly (Incumbent)	Gladys Sumners (Incumbent)

President Coven called for nominations from the floor. There being no further nominations from the floor, Dr. Coven called for a motion to close the nominations.

Upon a MOTION duly made by Cedric Elmer, Unit 122-G, and seconded by Rorie Baker Unit 114-E, it was

RESOLVED, That the nominations be closed.

The MOTION passed.

BALLOTING

Ms. Cheryl Wilson, Accurate Voting Services, Inc., thanked the Mutual for the opportunity to provide this election procedure for the Mutual. They are 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 Five's new Directors.

President Coven announced that the voting was now closed and instructed the appointed Observers of the Election and any interested shareholders to accompany Accurate Voting Services to the counting area to observe the counting of the ballots. The results of the election will be posted on the main doors of all the clubhouses. When the counting is completed, the newly-elected Board will hold its Organizational Meeting to elect officers.

MINUTES

President Coven asked for a motion to dispense with reading the minutes of the last Annual Shareholders' Meeting held on June 9, 2015, and be approved as printed and distributed. Upon a MOTION duly made by Anna Derby, Unit 102-H, and seconded by Kevin Powell, Unit 119-J, it was

RESOLVED, That the minutes of the Annual Shareholders' Meeting of June 9, 2015, be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS

President Coven introduced the current 2015-2016 Board members:

Betty Coven, President
Susan Trembly, Vice President
Christine Bittner, Secretary (absent)
Gladys Sumners, Chief Financial Officer

Wayne Gould, Director
Jim Meznik, Director (absent)
Joan Boryta, Director

President Coven then introduced Executive Director Randy Ankeny; and Mutual Administration Director, Carol Weller.

PRESIDENT'S REPORT

Dr. Coven presented her report.

VICE PRESIDENT'S REPORT

Ms. Trembly presented her report.

DIRECTORS' REPORTS

Mr. Gould presented his report.
In Mr. Meznik's absence, Dr. Coven read his report.
Ms. Boryta presented her report.

GOLDEN RAIN REPRESENTATIVE'S REPORT

Mr. Ankeny presented the GRF report on behalf of Mr. Hood.

EXECUTIVE DIRECTOR'S REPORT

Mr. Ankeny presented his report.

MUTUAL ADMINISTRATION MANAGER'S REPORT

Mrs. Weller presented her report.

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ELECTION RESULTS

Ms. Cheryl Wilson of Accurate Voting Services, Inc., reported the results of the election to the shareholders present as follows: Parcel 17, Betty Coven was elected with 272 votes; Parcel 18, Wayne Gould was elected with 324 votes; Parcel 21, Joan Boryta was elected with 199 votes; Parcel 22, Susan Trembly was elected with 205 votes; Parcel 23, Debbie Tran was elected with 188 votes; Alfred Edington (at-large) was elected with 171 votes; Kevin Powell (at-large) was elected with 181 votes; and Gladys Sumners (at-large) was elected with 191 votes.

Proposed By-law amendment to reduce number of directors, from eight to seven, passed with 209 yes, 24 no, and 7 abstain.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:21 a.m.

Betty Coven

Attest

for Christine Bittner, Secretary
SEAL BEACH MUTUAL FIVE

jl:8/8/16
Attachments

(These are tentative minutes, subject to approval by the shareholders at the next Annual Shareholders' Meeting.)