

MINUTES OF THE SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF THE GOLDEN RAIN FOUNDATION  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**June 27, 2014**

A Special Meeting of the Golden Rain Foundation Board of Directors, a California non-profit mutual benefit corporation, was held on Friday, June 27, 2014 at 9:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

GRF Directors Present: Pat Feeney, Dick Palmer, Carol Moore, Maxine McIntosh, Mary Stone, Margaret Klein

GRF Directors Absent: None

Staff Present: Jerry Storage, Cris Robinson, Kim Taylor, Betty Parker

Others Present: Bob Mulvihill, Esq.

**CALL TO ORDER:**

President Feeney served as Chair of the meeting and stated that it was a special meeting and that a quorum was present. The meeting was called to order at 9:25 A.M.

**APPROVAL OF THE AGENDA**

Without objection, the Board approved the agenda as written.

**MEMBER COMMENTS**

There were no Member Comments.

Director Stone read a resolution ratifying the GRF Board decision made on June 23, 2014 to cancel the Trade Confirmation dated July 10, 2013 between Bank of America, N.A. and Golden Rain Foundation of Laguna Woods (swap agreement) and the underlying Real Estate Loan Agreement dated August 21, 2013 between Bank of America, N.A. and Golden Rain Foundation of Laguna Woods.

Director McIntosh moved to approve the resolution. Director Palmer seconded the motion.

Ms. Betty Parker answered questions from the Directors.

Members Pat English (928-A), Stanley Feldstein (2403-1E), John Dalis (1202), Kay Margason (510-C), Mike Straziuso (4006-2E), Ken Hammer (797-B), Franklin Smith (5369-3D), Ming-Lee Chang (771-C), John McRae (5500-2H), Judith Troutman (3011-B), Mike Comer (380-C) and Robert Sherinian (3232-A) commented on the motion.

By a vote of 5-0-1 (Director Feeney abstained) the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-14-30**

**Cancellation of GRF \$10 Million Loan**

**WHEREAS**, by way of Resolution 90-13-51, adopted on May 7, 2013, the Board of Directors of this Corporation approved the implementation of a Laguna Woods Village Recreation Master Plan and directed the Recreation Master Plan Ad Hoc Committee to proceed with implementing the Plan at an estimated project cost of \$18,717,500; and

**WHEREAS**, the Board identified the need to finance up to \$10,000,000 of the Laguna Woods Village Recreation Master Plan project cost and entered into a loan agreement with Bank of America, N.D.; and

**WHEREAS**, on June 23, 2014, the GRF Board held an emergency meeting and elected to stop work on the Recreation Master Plan and repay the loan; and

**NOW THEREFORE BE IT RESOLVED**, on June 27, 2014, that this Corporation hereby ratifies their decision to cancel the Trade Confirmation dated July 10, 2013 between Bank of America, N.A. and Golden Rain Foundation of Laguna Woods (swap agreement) and the underlying Real Estate Loan Agreement dated August 21, 2013 between Bank of America, N.A. and Golden Rain Foundation of Laguna Woods; and

**RESOLVED FURTHER**, that the cancellation will become effective on July 1, 2014 and repayment will include outstanding principal of \$9,444,444.40 funded by a transfer from the Facilities Fee Fund; and

**RESOLVED FURTHER**, the repayment will also include a penalty based on a mark to market valuation of the swap agreement, currently estimated to be near \$250,000, to be authorized as an unbudgeted operating expenditure and funded by a transfer of equal amount from the GRF Trust Facilities Fee Fund; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

With no further business before the Board of Directors, the special meeting was adjourned at 10:15 A.M.

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Mary Stone, Secretary