02-001I TRF

NO. 2479 **SERIES** J **ONE SHARE**

INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA

SEAL BEACH MUTUAL NO. TWO

CAPITAL STOCK 864 SHARES

(SEE REVERSE SIDE FOR STOCKHOLDER'S RIGHTS)

132 Series A Common Shares $310.00 Par Value	20 Series C Common Shares $320.00 Par Value	223 Series F Common Shares $350.00 Par Value	35 Series I Common Shares $365.00 Par Value
28 Series B Common Shares $315.00 Par Value	20 Series D Common Shares $325.00 Par Value	184 Series G Common Shares $355.00 Par Value	38 Series J Common Shares $370.00 Par Value
	16 Series E Common Shares $330.00 Par Value	153 Series H Common Shares $360.00 Par Value	15 Series K Common Shares $375.00 Par Value

THIS CERTIFIES THAT

[illegible]

is the owner of one share of Series H *Common Stock of SEAL BEACH MUTUAL NO. TWO, and is entitled to all of the benefits and privileges of common stock ownership in said Corporation, and subject to all of the preferences and restrictions, terms and conditions, as set forth in the Articles of Incorporation, By-Laws, and Occupancy Agreement of said Corporation.*

Pursuant to Article VII, Section 6 of said By-Laws, this share of Common Stock is subject to a lien by said Corporation to secure payment of any sums which shall be due from the holder hereof for any reason whatsoever, including any sums due under any Occupancy Agreement of said Corporation.

This Certificate is not transferable, except as provided in said Articles of Incorporation and said By-Laws.
This stock is subject to redemption by the Corporation in the event of a transfer.

Dated: APR 26 2023

SECRETARY

PRESIDENT

ARTICLE V – CAPITAL STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is 984. The aggregate par value of all shares having a par value shall be $298,930.00. There shall be the following classes of stock in the Corporation:

1. Preferred Stock - There shall be 100 shares of preferred stock having a par value of $1.00 for each share and an aggregate par value of $100.00

2. Common Stock - There shall be 864 shares of common stock and at no time more than that number outstanding. The aggregate par value of all such shares of common stock shall be $298 830.00. Such common stock shall be sub-divided into the following series with the following number of shares for each series and par value for each series:

SERIES	NUMBER	PAR VALUE
A	132	$310.00
B	[illegible]	315.00
C	[illegible]	320.00
D		325.00
E		330.00
F		250.00
G		355.00
H		360.00
I		365.00
J	[illegible]	370.00
K	15	375.00

bn01 Each share of the same series shall be sold for the same selling price as all other shares of the same series. The aforesaid total number of shares of common stock will correspond to the total number of dwelling units in the project to be completed on real property to be owned by the Corporation. The division into series of the common stock is for the purpose of recognizing, in a convenient form, certain differences in types, sizes or location of dwelling units, with corresponding differences in the par value per share for each such series. The selling price for shares of any series shall be different than that for shares of any other series.

SECTION 1. Provisions of Preferred Stock Power and Authority of Holders Thereof

Subsection 1. Upon insurance by the Commissioner of a certain Mortgage or Deed of Trust (hereinafter called the "Mortgage") said Preferred Stock shall be issued to the Federal Housing Administration (hereinafter called the "FHA") or to its designated representatives, delivered to the Commissioner in order that the Commissioner, in connection, with the insurance of said mortgage under the Act, may regulate and restrict the Corporation as to rents or sales, charges, capital structures, rate of return and methods of operation as provided in these Articles of Incorporation and to enable the Commissioner to protect the contingent liability of the FHA as insurer of such mortgage or of subsequent insured mortgages covering any property of the Corporation. So long as any mortgage insurance pertaining to any of said property shall be in effect, or any mortgage covering any said property shall be held by the Commissioner, or any of said property shall be owned by the Commissioner, said Preferred Stock shall be held by the Commissioner or his successors and shall be registered upon the books of the Corporation in the name of the FHA or its nominees. During such period the only persons qualified to become holders of the Preferred Stock shall be the FHA, or representatives of the FHA, its successors or assigns.

Subsection 2. Out of any net earnings, including donated surplus, the sum of One Hundred Dollars ($100.00) shall be set aside in a sinking fund for the redemption of the Preferred Stock. The Preferred Stock at any time outstanding may be redeemed by the Corporation at par; provided, however, that such stock shall be so redeemed out of said sinking fund upon, but in no event before, the termination of all obligations of the Commissioner under all mortgages insured or held by the FHA by reason of payment or prepayment of any mortgage indebtedness covering any property of the Corporation or the acquisition of title to said property by the Commissioner. The Preferred Stock so redeemed out of said sinking fund shall be retired and cancelled.

SECTION 2. Rights in Case of Default

In the event of any default by the Corporation, as hereinafter defined, and during the period of such default, or at any time during the period between initial and final endorsement of any mortgage executed by the Corporation for mortgage insurance by the Commissioner whether or not a default has occurred, the holder or holders of the Preferred Stock, voting as a class and for the purpose of making effective the regulation and restriction set forth in these Articles of Incorporation, and to protect the interest of the FHA, shall be entitled to remove all existing directors of the Corporation and to elect a new board of directors in their stead consisting of three members, through either of the following procedures:

Subsection 1. The president or the secretary, or either of them, as may be required by law, shall, at the request in writing of the holders of record of a majority of shares of the Preferred Stock, addressed to him at the office of the Corporation and stating the purpose of the meeting, forthwith call a special meeting, to take place within not less than ten (10) days nor more than fifteen (15) days after such call, of the Preferred Stockholders for the purpose of removal of existing directors and officers and the election of new directors and officers. If such officer shall fail to issue a call for such meeting within seven (7) days after the receipt of such request, then the holders of a majority of the shares of Preferred Stock may do so by giving notice as provided by law, or, if not so provided, then by giving ten (10) days' notice of the time, place and object of the meeting by advertisement inserted in any newspaper published in the county or city in which the principal office of the Corporation is situated.

OR

Subsection 2. Such meeting may be called pursuant to the statutes of the jurisdiction under which the Corporation was organized, or pursuant to the statutes of the jurisdiction in which the property under the insured mortgage is situated;

OR

Subsection 3. Notwithstanding either of the foregoing Subsection 1 or 2, the holders of the Preferred Stock may, by waiver of notice, or by three (3) days' notice by registered mail given on behalf of the Commissioner, call and hold a meeting either in the offices of the FHA in Washington, D.C., or in the offices of the Insuring Office in the state in which the property under any FHA insured mortgage is situated.

Subsection 4. At the meeting held pursuant to such notice or call, without regard to whether such call is issued pursuant to the provisions of Subsection 1, 2 or 3 of this Section, the holders of the Preferred Stock shall proceed to elect three (3) new directors (the number being limited to three under either of said provisions), any or all of whom may be Preferred Stockholders, but one of whom, at the discretion of the Preferred Stockholders, may be a Common Stockholder.

Subsection 5. When such default shall have been cured, and the Commissioner shall have so advised the former president or secretary to that effect, and shall have advised either of them that satisfactory evidence has been submitted to the effect that any further defaults of a similar nature will not be permitted again to recur, if within the power of the officers of stockholders to prevent the same, or if there has been no default when the mortgage note has been finally endorsed for mortgage insurance, then the right again to elect directors of their own choosing shall be vested in the holders of the Common Stock who shall proceed to give notice to the holders of both the Common and the Preferred Stock of their intention to hold a meeting, stating the date and place of such meeting, for the purpose of removing existing directors and electing new directors.

SECTION 3. Powers, Duties and Rights of Holders of Common Stock

Subsection 1. Except as otherwise provided by law or as set forth in these Articles of Incorporation, all voting rights shall be vested in the holders of the Common Stock.

SECTION 4. Dividends

Unless otherwise required by law no dividend shall be paid at any time upon any class of stock issued by the Corporation.

SECTION 5. Rights on Dissolution

In the event of any voluntary or involuntary liquidation or dissolution of the Corporation:

(a) the holders of the Preferred Stock shall be entitled to receive, for each share held, out of the assets of the Corporation available for distribution to its stockholders, whether from capital, surplus or earnings, an amount equal to the par value of each share held, before any distribution of such assets shall be made to the holders of the Common Stock; and

(b) thereafter, the holders of the Common Stock shall be entitled to receive, for each share held, out of the assets of the Corporation available for distribution to the holders of the Common Stock, whether from capital, surplus or earnings, an amount equal to that proportion of such assets which the purchase price for the original issue of such share bears to the total of the purchase prices paid for the original issue of all shares of Common Stock.

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

For Value Received ____ ____________ hereby sell, assign and transfer unto ________________________

***ONE SHARE** of the Capital Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint **THE GOLDEN RAIN FOUNDATION** to transfer the said Stock on the books of the within-named Corporation with full power of substitution in the premises.*

Dated __________ *Signature* ________________________ *Dated* __________ *Signature* ________________________

02-0011 STOCK TRANSFER 50-1640-4 GRF

TRF

INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA

GOLDEN RAIN FOUNDATION

Active Membership Certificate

(THIS CORPORATION IS NOT FOR PROFIT)

Certificate No. 49699

No. of Certificates: 1

[redacted]

Is(are) the record owner(s) of one active membership certificate of GOLDEN RAIN FOUNDATION, which is a nonprofit mutual benefit corporation, which may not make distributions to its members except upon dissolution. Said owner is entitled to all benefits and privileges of active membership in said Corporation, subject to all the terms, provisions and restrictions as set forth in the Articles of Incorporation and By-laws of said Corporation and the Articles of Incorporation, By-Laws and Occupancy Agreement of Seal Beach. **Mutual No.** 02 Notwithstanding, an owner who does not qualify for occupancy in Seal Beach Leisure World, City of Seal Beach, County of Orange, State of California, shall not be entitled to the use and enjoyment of the recreational facilities and any services, recreational or otherwise, offered or provided by this Corporation. The transferability of this membership is subject to restrictions and a copy of the restrictions is on file with the Secretary of the Corporation and are open for inspection by a member on the same basis as the records of the Corporation. In accordance with Article II, Section 4. of the Corporation's By-laws, the membership is subject to active membership fees as from time to time are determined and fixed by the Board of Directors.

Dated: APR 26 2023

GOLDEN RAIN FOUNDATION INCORPORATED CALIFORNIA

[illegible signature]
Golden Rain Foundation Board Secreta

Marsha Gerber
Golden Rain Foundation Board President

21)

GOLDEN RAIN FOUNDATION Seal Beach, California

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NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

For Value Received ______ ____________ *hereby sell, assign and transfer* ____

ONE RESIDENT MEMBERSHIP *represented by the within Certificate and do hereby irrevocably constitute and appoint* ***THE GOLDEN RAIN FOUNDATION*** *to transfer the said Shares on the books of the within-named Corporation with full power of substitution in the premises.*

*Dated*__________ __*Signature* ____________________ *Dated*__________ _*Signature*______________________________