IN THE COURT OF APPEAL
OF THE STATE OF CALIFORNIA
SECOND APPELLATE DISTRICT
DIVISION TWO

CITIZENS FOR ENFORCEMENT OF PARKLAND COVENANTS and JOHN A. HARBISON,	)	
Plaintiffs and Appellants	)	Ct. Appeal No. B267816 Ct. Appeal No. B270442
vs.	)	(Los Angeles County Superior Court, No. BS142678)
CITY OF PALOS VERDES ESTATES, et al.,	)	
Defendants and Appellants	)	

ON APPEAL FROM THE LOS ANGELES COUNTY SUPERIOR COURT
THE HONORABLE BARBARA A. MEIERS, JUDGE

APPLICATION OF CALIFORNIA ASSOCIATION OF REALTORS® FOR LEAVE TO FILE A BRIEF AS *AMICUS CURIAE* IN SUPPORT OF PLAINTIFFS AND APPELLANTS

JUNE BABIRACKI BARLOW, Esq., Bar No. 093472
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
NEIL KALIN, Esq., Bar No. 119920
ASSISTANT GENERAL COUNSEL
JENNY LI, Esq., Bar No. 158801
ASSISTANT GENERAL COUNSEL
525 South Virgil Avenue
Los Angeles, California 90020
Telephone: (213) 739-8200

Attorneys for CALIFORNIA ASSOCIATION OF REALTORS®

The California Association of REALTORS® ("C.A.R.") respectfully files this application pursuant to Rule 8.200(c) of the California Rules of Court, to submit the following *amicus curiae* brief in support of Plaintiffs and Appellants.

I. NATURE OF C.A.R.'S INTEREST

C.A.R. is a voluntary trade association whose membership consists of approximately one hundred and eighty-five thousand (185,000) persons licensed by the State of California as real estate brokers and salespersons and the local Associations of REALTORS® to which those members belong. Members of C.A.R. assist the public in buying, selling, leasing and managing residential real estate. As part of that process, real estate licensees make disclosures to prospective purchasers and lessees so that they are aware of material facts affecting their decision, facilitate the transfer of property, at times review important governing documents from seller or lessor to buyer or tenant, and guide those seeking to acquire or rent property to that real estate that most closely meets their individual desires and needs. The issues addressed in this case are important to C.A.R. and its members because this dispute over covenants, conditions and restrictions ("CC&Rs") may affect how other CC&Rs are disclosed by owners and licensees during real estate transactions, and how real estate licensees advise and provide guidance to prospective buyers and others.

Some may prefer to look at this case in a narrow context as simply a matter that considers the effects of CC&Rs drafted nearly a century ago on the impact of complicated litigation involving a school district, a city, a homeowner association and some individual homeowners. However, to believe this appeal only affects a few parcels of property in Palos Verdes Estates or a seemingly unique situation involving the bifurcation of duties between an upscale ocean-side incorporated City and established Homes Association, the school district, and a couple of homeowners misses the point.

The underlying financial stress that led the organizational entities into this situation is not unique to the parties to this case. School districts, city governments and homeowners' associations throughout the State are under financial pressure, some more than others. The tension between development restrictions and development mandates occurs in every jurisdiction in California. Even further, the issue of whether a homeowners' association can act inconsistently with its governing documents has applicability well beyond the parties here and can affect many future decisions by other associations, impacting thousands of homeowners who live in planned unit developments, condominiums, townhomes and other homeowners' associations from San Diego to Lassen County and all parts in between. Last year alone, over 62,000 condominium units

were sold in California.[1] And it has been estimated that there are nearly 1,000,000 attached units of housing stock in California as of 2016.[2]

As recognized by the Defendant, the City of Palos Verdes Estates, this case transcends the parties to it: "This is the same as in planned communities with citywide CC&Rs such as Rolling Hills. This is also true of condominium associations or other homeowner associations that have CC&Rs, which are enforced like civil contracts. (emphasis added)"[3]

One of the ways in which C.A.R. advocates for the real estate industry is by writing *amicus* briefs on issues of statewide importance to real estate professionals, and on issues that affect real property rights. This case affects the ability of members of any homeowners' association to: (i) confidently rely on the rules governing the association into which they bought (or leased); and (ii) assure that elected or appointed directors of the homeowners' association will abide by and enforce the rules governing the association with respect to all members and residents subject to those rules, so that the expectations of the parties will be fulfilled. As such, this case touches on three important aspects (real estate

---

[1] California Association of REALTORS® 2016 Annual Historical Data Summary, at: http://www.car.org/marketdata/data/ahds/

[2] California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2011-2017 with 2010 Census Benchmark, at: http://dof.ca.gov/Forecasting/Demographics/Estimates/E-5/

[3] City of Palos Verdes Estates website, Government page, Litigation Cases v City of Palos Verdes Estates, Eighth question, at: http://www.pvestates.org/government/legal-matters

disclosures, real estate document transfer and review, and real estate professionals' guidance to clients) relevant to a real estate broker's role in a real property transaction, in addition to real property rights and responsibilities. Consequently, C.A.R. has an interest in the outcome, and an interest in supporting the Plaintiffs.

II. IDENTIFICATION OF AUTHORS AND MONETARY CONTRIBUTORS

No party or counsel for a party in the pending appeal authored the proposed *amicus* brief in whole or part, and no party or counsel for a party in the pending appeal made a monetary contribution intended to fund the preparation or submission of the brief. C.A.R. has entirely funded the preparation and submission of this proposed *amicus* brief without any monetary contribution from any other person or entity.

III. REQUEST FOR PERMISSION TO FILE

C.A.R. has read Appellants' and Respondents' briefs in this appeal and believes that, as a representative body of the real estate brokerage community, it can provide an important perspective to the Court of Appeal. Therefore, C.A.R. respectfully requests that this Court accept for filing the accompanying *amicus curiae* brief in support of the Plaintiffs and Appellants.

Respectfully submitted,

CALIFORNIA ASSOCIATION OF REALTORS®
June Babiracki Barlow, Senior Vice President and General Counsel, SBN 093472
Neil Kalin, Assistant General Counsel, SBN 119920
Jenny Li, Assistant General Counsel, SBN 158801

By: /s/
Neil Kalin

IN THE COURT OF APPEAL
OF THE STATE OF CALIFORNIA
SECOND APPELLATE DISTRICT
DIVISION TWO

CITIZENS FOR ENFORCEMENT OF PARKLAND COVENANTS and JOHN A. HARBISON,	)	
	)	Ct. Appeal No. B267816
	)	Ct. Appeal No. B270442
Plaintiffs and Appellants	)	
	)	(Los Angeles County
vs.	)	Superior Court, No.
	)	BS142678)
CITY OF PALOS VERDES ESTATES, et al.,	)	
	)	
Defendants and Appellants	)	
	)	

ON APPEAL FROM THE LOS ANGELES COUNTY SUPERIOR COURT
THE HONORABLE BARBARA A. MEIERS, JUDGE

BRIEF, *AMICUS CURIAE,* OF CALIFORNIA ASSOCIATION OF REALTORS® IN SUPPORT OF PLAINTIFFS AND APPELLANTS

JUNE BABIRACKI BARLOW, Esq., Bar No. 093472
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
NEIL KALIN, Esq., Bar No. 119920
ASSISTANT GENERAL COUNSEL
JENNY LI, Esq., Bar No. 158801
ASSISTANT GENERAL COUNSEL
525 South Virgil Avenue
Los Angeles, California 90020
Telephone: (213) 739-8200

Attorneys for CALIFORNIA ASSOCIATION OF REALTORS®

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Cases

Statutes

I.
INTRODUCTION AND FACTUAL SUMMARY

In the first half of the 1900's, Mark Twain departed this life; Dizzy Dean and John Wooden began theirs; the Titanic set sail on her tragic journey; Al Capone rose to infamy and died in shame; and a wealthy New York financier, Frank A. Vanderlip, Sr., purchased the land in California now known as the City of Palos Verdes Estates and placed it into a trust for the development of a planned residential community for all residents to enjoy as an idyllic refuge.

Originally, the area was unincorporated and governed by the Palos Verdes Homes Association. The City of Palos Verdes Estates incorporated on December 20, 1939. In 1940, the parklands were deeded by the Homes Association to the new City. Over the years, the City's governance has been guided by the vision of the original founders with an emphasis on preserving, protecting and enhancing the quality of life and natural assets that make Palos Verdes Estates unique. [4] Today, the speakeasys are long gone and the "Charleston" is all but a memory, except for a few die-hard dance enthusiasts; but the open parkland, free space and views that were so prevalent back in the day remain for owners, residents and visitors to Palos Verdes Estates to enjoy.

It is against this backdrop that we travel nearly 100 years from the early 1900's to the early 2000's. Today, Defendant, the City of Palos Verdes Estates,

[4] History of PVE, City of Palos Verdes Estates, http://www.pvestates.org/community/city-history

and Defendant, the governing Homes Association, face a financial crush. The parties involved in this case are not alone as similar burdens face governments, agencies and homeowners' associations throughout California. Such economic distress has caused many such entities to face difficult decisions about raising revenue and providing services.

In the case before this Court, the financial strains of running and maintaining essential government or homeowners' association services caused a convergence of seemingly unrelated property disputes. The School District attempted to sell two parcels of land (parcels C and D) for residential development (although they were dedicated to school purposes only, but never used as such), to raise much needed funds ($2,000,000). Across town, the Homes Association sought to enforce the century old CC&Rs against a private property owner (Lugliani) who was using public land (Area A) for his own benefit. Both cases were in the midst of litigation.

The various parties agreed upon a creative solution to solve both problems. The School District transferred parcels C and D to the City of Palos Verdes Estates, thus assuring their protected status for years to come. The City transferred Area A to the Homes Association, in exchange for $100,000, which would be used to maintain parcels C and D into the future. The Homes Association then transferred Area A to Lugliani, with certain use restrictions, in exchange for $500,000. Through a separate agreement, Lugliani donated $2,000,000 to the School District.

In the end, the School District received $2,000,000, Parcels C and D were spared development, and the City obtained a substantial sum to maintain those two parcels. The Homes Association received a net payoff of $400,000 ($500,000 minus $100,000 given to the City) that could be used to increase its financial stability and prevent a potential increase in dues for Palos Verdes Estates residents (that may have otherwise been necessary for the Homes Association to continue to operate and enforce the CC&Rs effectively). Furthermore, the restrictions placed on Area A arguably preserved the property as open space, thereby fulfilling the needs of the community. [5]

Unfortunately, this arrangement, while arguably well-intentioned, was done in violation of the recorded CC&Rs. Public property was transferred for private use without a hearing or vote of the residents as is required to authorize a departure from the CC&Rs. Plaintiffs and Appellants (hereafter, simply, "Plaintiffs") challenged the arrangement, leading to this appeal.

Plaintiffs are right. There are rules and procedures for amending or obtaining exceptions to CC&Rs, but Defendants didn't follow them. They concluded that the violation could be overlooked in this case. Because CC&Rs should be respected and followed, and those seeking an exception should follow

[5] These factual statements are contained in the Summary Judgment Ruling on Cross Motions for Summary Judgment/Adjudication dated June 29, 2015, pages 5-6.

the rules for doing so, the decision of the trial court was correct and should be affirmed.

C.A.R. is particularly concerned about Defendants' efforts to justify their actions by way of the Business Judgment Rule. Therefore, that issue will be the focus of this amicus brief.

II.

THE BUSINESS JUDGMENT/JUDICIAL DEFERENCE RULE DOES NOT APPLY WHEN ACTIONS TAKEN BY A HOMEOWNER ASSOCIATION'S (HOA) BOARD OF DIRECTORS ARE PROHIBITED BY THE GOVERNING DOCUMENTS OF THE HOA

The business judgment/judicial deference rule at issue has its roots in statutory law, namely, California Corporation Code Sections 309 and 7231. "*A person who performs the duties of a director . . . shall have no liability based upon any alleged failure to discharge the person's obligation as a director . . .*" provided the director performs his duties in good faith, and in a manner the director believes to be in the best interests of the corporation. See Corp. Code § 7231(c) and Corp. Code §309(a). While this rule protects individual directors from liability, the common law business judgment rule goes one step further and "*insulates from court intervention those management decisions which are made by directors in good faith in what the directors believe is the organization's best interest.*" This is known as the judicial deference rule. See ***Lamden v. La Jolla Shores Clubdominium Homeowners Assn.*** (1999) 21 Cal.4th 249, 257. The

Supreme Court, in *Lamden*, *supra*, extended the rules to cover unincorporated associations. The extension, however, is not unlimited. It applies to situations where plaintiffs seek to litigate ordinary maintenance decisions entrusted to the discretion of their associations' boards of directors (*Lamden*, *supra*, at 260) and those matters which concern discretionary economic decisions (*Lamden*, *supra*, at 264).

Subsequent appellate decisions support Plaintiffs' position. In *Ekstrom v. Marquesa Beach Homeowners Assn.,* (2008) 168 Cal. App. 4th 1111, the Fourth District held that the business judgment/judicial deference rule does not permit the Board of Directors to contradict CC&Rs. And in *Palm Springs Villas II Homeowners Assn., Inc. v. Parth* (2016) 248 Cal.App.4th 268, the appellate court held that "*case law is clear that conduct contrary to . . . governing documents may fall outside the business judgment rule.*" (*Palm Springs Villas II Homeowners Assn*., *supra,* at 282-283) The *Palm Springs* court identified and distinguished the case of *Biren v. Equality Emergency Medical Group, Inc.* (2002) 102 Cal.App.4th 125, which in any event did not involve action or inaction by a homeowners' association.

Here, it is undisputed that Defendant Homes Association knew that the conduct being complained about (with respect to the improvements made to Area A) violated the CC&Rs, as it was previously involved in enforcing those same CC&Rs against the Lugliani defendants and protested efforts of the School District to sell public property to private parties in that lawsuit. However, as noted

above, the various interested parties agreed on a series of transactions and payments in order to address various interests and needs. Based on the case law interpreting when the business judgment/judicial deference rule applies, this is not the type of factual situation which would warrant this, or any, Court granting deference to the HOA under that rule. The trial court properly recognized that rule did not apply and refused to uphold the transfer.

III.

EVEN IF IT IS APPROPRIATE TO APPLY THE BUSINESS JUDGMENT/JUDICIAL DEFERENCE RULE TO THIS CASE, THAT RULE ONLY PROVIDES PROTECTION FOR DISCRETIONARY ACTS IN THE DAY-TO-DAY GOVERNANCE OF THE ASSOCIATION.

Compliance with specific requirements of governing documents, rather than ambiguous directives, is mandatory and not discretionary. By its own language, the judicial extension of the business judgment/judicial deference rule by the Supreme Court in *Lamden*, *supra*, only insulates the HOA from discretionary acts concerning ordinary maintenance or economic decisions. The CC&Rs, which prohibit the sale of public lands to private parties and require a hearing and vote before recorded requirements can be changed are not discretionary but absolute. Since discretion is not involved, even if the business judgment/judicial deference rule were to be applied, it provides no safe harbor for the Defendants.

The extraordinary decision to transfer public property to private hands, something practically unheard of in the 100+ year existence of the Palos Verdes Estates property which is the subject of this dispute, cannot in any way be considered a routine maintenance or economic decision. Even if there are benefits to the Association and its members, the unusual nature to the actions place the Board's actions outside of the blanket protection of the business judgment/judicial deference rule and, consequently, this Court should affirm that the rule provides no safe haven for the Defendants.

IV.

REVERSAL OF THE TRIAL COURT WOULD HAVE ADVERSE IMPACTS THROUGHOUT CALIFORNIA. NO ONE BUYING PROPERTY LOCATED IN AN HOA COULD RELY ON THE UNDERLYING GOVERNING DOCUMENTS KNOWING THAT EVEN THE MOST FUNDAMENTAL RULES COULD BE CHANGED WITHOUT THE HOMEOWNERS' INPUT.

Defendants in this case raise many arguments, summarized in the Summary Judgment ruling and in the briefs on appeal, which include: merger; business judgment; financial interest in resolving litigation; what is purportedly in the best interest of the players; and city sovereignty over government property, to name a few. But reversing the judgment below would have the effect of depriving HOA members of certainty and might create an environment where HOA directors become unduly influenced by wealthy persons who request special actions. It is easy to imagine the possible negative risks and outcomes.

Senior living communities exist throughout California and are even authorized by statute.[6] Whether close-quarters mobile home parks, condominium associations, or high-end, multimillion-dollar coastal communities, these living environments provide a kind of sanctuary for residents who are over-55 or over-65 years in age. Much like many residents of Palos Verdes Estates who choose to live in the area because of the aesthetics, open land, parks and views that are core elements of the CC&Rs binding all residents, occupants in senior living communities choose those living environments precisely because of the age restrictions. If Defendants have their way, such restrictive CC&Rs could be easily avoided by a homeowner who attempts to pay or make other arrangements for an exception, without following the proper rules and procedures.

For example, suppose a husband and wife ("Mr. and Mrs. X") move into a senior community, and later one of their children dies in a car accident that leaves the grandchildren orphaned. The grandparents wish to assume responsibility for caring for their grandchildren and the grandchildren move into their home within the senior community. The grandchildren are quiet, well-behaved and do not bother any of the neighbors (similar to the well-behaved pets described in *Nahrstedt v. Lakeside Village Condominium Association, Inc.* (1994) 8 Cal.4th 361).

[6] Civil Code Sections 51.2, 51.3 and 51.4

The HOA, concerned about creating bad precedent, and at the behest of one of the neighbors, notify Mr. and Mrs. X of the violation. Determined to both keep custody of the children and remain in their property, they litigate the HOA's right to enforce the CC&Rs.

As is often the case, the cost of the litigation is burdensome, and the directors of the HOA, whether out of sympathy, or economic necessity, decide to enter into a settlement with Mr. and Mrs. X, allowing the grandchildren to remain until they all reach the age of majority, in exchange for Mr. and Mrs. X's payment of the HOA's attorneys' fees and costs to date as well as a sizable donation in kind or money that will benefit the HOA for years to come. The HOA justifies the decision as being in the best interests of the Association and its members because a potentially binding legal precedent is avoided, litigation costs are minimized or neutralized, there is financial gain that will benefit all homeowners, and the violation is not permanent.

No notice is given to the homeowners and no vote is taken authorizing the departure from the CC&Rs.

As another example, one can imagine there exists an HOA that is marketed as a living environment for active, health-conscience, environmentally friendly residents. The property includes hiking trails, pools, open space, tennis courts and other recreational facilities. All facilities and services are specifically mentioned in the original governing documents and in sales brochures as benefits to the community in perpetuity.

Next, imagine that the tennis courts are rarely used, barely maintained, and the HOA is low on funds due to the members' refusal to increase dues. One owner ("Ms. Y") whose property is adjacent to the tennis courts decides to lock the gate to keep out the few residents who still try to play on the tennis courts, as well as those who enter after hours and create noise. When confronted about the locked gate by representatives of the HOA, Ms. Y refuses to unlock it, pointing out that few residents use the tennis courts for their intended purpose and she is protecting her property from a nuisance initiating from the common area.

After litigation commences, the HOA and Ms. Y resolve their dispute after Ms. Y agrees to pay for solar equipment to be installed in the tennis courts area, to provide electricity to the common areas of the HOA. The HOA agrees to lock the gates surrounding the soon-to-be newly installed solar equipment. Ms. Y stops the tennis court noise, and the HOA obtains a supply of free electricity.

In this imagined scenario, the HOA justifies the settlement as one that provides financial benefit to the HOA, thus reducing the cost of maintenance and upkeep, and is consistent with the stated objective of an environmentally friendly community. But no notice is given to the HOA members and no vote taken to alter the benefit specifically mentioned in the CC&Rs.

When governing documents contain a restrictive use, the enforcing HOA has no authority to change or alter that use at its whim, or even for a purported good cause. In addition to the fact that what may be in vogue today, may be out of favor tomorrow, the correct and appropriate action is not to make an exception

completely at odds with the governing document itself, but to follow the procedure established in the CC&Rs or other governing documents regarding notice of hearing and a vote.

One can imagine other similar scenarios and claims by other homeowners for the Board to grant exceptions to the rules once the first inconsistency has been allowed, but that is not the way HOAs should work. The better policy is to follow the guidelines set for the community by the governing documents and leave it up to the homeowners themselves to change the rules if consensus can be reached. That might have been possible for Area A of Palos Verdes Estates, had the parties tried.

V.

CONCLUSION

C.A.R. believes the lower court correctly ruled in favor of Plaintiffs. The facts cannot be ignored. The development of Parcels C and D was opposed. The development of Area A was opposed. However, when the School District received its sought-after money, and the City and Homes Association received a financial benefit, the litigation position of the Defendants changed. In this case, C.A.R. does not question the motivation of the Defendants. All involved may have deemed the settlement agreement as a viable, and creative, way to end the litigation and stay true to the overall objectives of their governing documents and

constituents. However, all Board members who in the future may want to rely on this Court's decision to justify their actions may not be so pure in their motives. And once a trade-off has been authorized justifying failure to comply with the governing documents in favor of some other value, then it is not hard to imagine one exception after another being made further undermining the governing documents.

Here, the action of the Homes Association in approving the settlement was inconsistent with the CC&Rs. There was an alternative procedure available-- the settlement could have been approved subject to the holding of a public hearing and putting the matter up for vote. Unfortunately, whether for expediency or due to the complicated nature of the litigation, or some other reason, a decision was made not to follow the governing documents. If underlying CC&Rs can simply be tossed aside, then no prospective homeowner attempting to purchase into a planned development or condominium complex can rely on, or be advised of the necessity to comply with, the CC&Rs and other governing documents. Enforcement could become arbitrary and more heavily dependent upon the whims of the current set of directors rather than the governing documents to which all members of the community agreed to at time of purchase or lease. The law dictates that the decision of the trial court should be affirmed. Policy does as well.

For all these reasons, C.A.R. urges this Court to affirm the trial court and find in favor of Plaintiffs.

Dated: September 19, 2017

Respectfully submitted,

CALIFORNIA ASSOCIATION OF REALTORS®
JUNE BABIRACKI BARLOW, SENIOR VICE PRESIDENT AND GENERAL COUNSEL, SBN 093472
NEIL KALIN, ASSISTANT GENERAL COUNSEL, SBN 119920
JENNY LI, ASSISTANT GENERAL COUNSEL, SBN 158801

By: /s/
Neil Kalin
Attorneys for CALIFORNIA ASSOCIATION OF REALTORS® as *Amicus Curiae*

CERTIFICATE OF WORD COUNT

(Cal. Rules of Court Rule 8.204(c)(1))

The text of this brief consists of **2850** words (including footnotes) as counted by the Microsoft Office Word 2010 word-processing program used to generate this brief.

Dated: September 19, 2017

Respectfully submitted,

CALIFORNIA ASSOCIATION OF REALTORS®
JUNE BABIRACKI BARLOW, SENIOR VICE PRESIDENT AND GENERAL COUNSEL, SBN 093472
NEIL KALIN, ASSISTANT GENERAL COUNSEL, SBN 119920
JENNY LI, ASSISTANT GENERAL COUNSEL, SBN 158801

By: /s/
Neil Kalin
Attorneys for CALIFORNIA ASSOCIATION OF REALTORS® as *Amicus Curiae*

PROOF OF SERVICE BY MAIL

I, **Cheryl Strong**, am employed in the City and County of Los Angeles, and over the age of eighteen years. I am not a party to the within action. My business address is: 525 South Virgil Avenue, Los Angeles, California, 90020.

On September 19, 2017, I served the within Application and Brief, addressed to the Court of Appeal, Second Appellate District, Division Two of the State of California from the California Association of REALTORS® regarding:

Citizens for Enforcement of Parkland Covenants v. City of Palos Verdes Estates et al.
Appellate Court No. B267816 / B270442
BRIEF, AMICUS CURIAE, OF CALIFORNIA ASSOCIATION OF REALTORS® IN SUPPORT OF PLAINTIFFS AND APPELLANTS

on interested parties in this action by placing one true copy thereof in a sealed envelope, postage thereon fully prepaid, in the United States Postal Service, addressed as follows:

Clerk of the Court
California Court of Appeal
Second Appellate District
Division Two
Ronald Reagan State Building
300 S. Spring Street., B-228
Los Angeles, CA 90013

Clerk of the Court
California Supreme Court
350 McAllister Street
San Francisco, CA 94102-4797

Clerk of the Court
Los Angeles County Superior Court
111 North Hill Street
Los Angeles, CA 90012

Jeffrey Lewis
609 Deep Valley Drive, Suite 200
Rolling Hills Estate, CA 90274

Gregory Thomas May
Law Offices of Greg May
P.O. Box 7027
Oxnard, CA 93031

Kelly B. Dunagan
Broedlow Lewis LLP
734 Silver Spur Road, #300
Rolling Hills Estates, CA 90274

Jeffrey Lewis
Broedlow Lewis LLP
734 Silver Spur Road, Suite 300
Rolling Hills Estates, CA 90274

Damon P. Mamalakis
Armbruster Goldsmith & Delvac LLP
12100 Wilshire Blvd., Suite 1600
Los Angeles, CA 90025

Roy G. Weatherup
Lewis Brisbois Bisgaard & Smith
633 West 5th Street, Suite 4000
Los Angeles, CA 90071

Brant H. Dveirin
Lewis Brisbois Bisgaard & Smith LLP
633 West 5th Street, Suite 4000
Los Angeles, CA 90071

Allison A. Arabian
Lewis Brisbois Bisgaard & Smith LLP
633 West Fifth Street, Suite 4000
Los Angeles, CA 90071

Christi Hogin
Jenkins & Hogin, LLP
1230 Rosecrans Avenue, Suite 110
Manhattan Beach, CA 90266

Gregg W. Kettles
Jenkins & Hogin LLP
1230 Rosecrans Ave., #110
Manhattan Beach, CA 90266

Kent L. Richland
Greines, Martin, Stein & Richland LLP
5900 Wilshire Blvd., 12th Floor
Los Angeles, CA 90036-3697

Sidney F. Croft
Law Office Of Sidney Croft
314 Tejon Place
Palos Verdes Peninsula, CA 90274

I am readily familiar with this company's practice for collection and processing envelopes for mailing. On the same day that envelopes are placed for collection and mailing, they are deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 19, 2017, at Los Angeles, California.

/s/
Cheryl Strong