## NO SMOKING RESOLUTION

Whereas the City of Richmond adopted Chapter 9.57 as a part of the City of Richmond Municipal Code; and

Whereas, Chapter 9.57 imposes required modifications respecting the existing Mutual Ownership Contracts between the Atchison Village Mutual Homes Corporation and its members; and

Whereas, the corporation desires to bring itself within compliance of the provisions of Chapter 9.57 of the City of Richmond Municipal Code.

Now, therefore it is hereby resolved that all Mutual Ownership Contracts are hereby amended, pursuant to the requirements of Chapter 9.57 o the City of Richmond Municipal Code by adding the following language to each such agreement, effective immediately:

"The entirety of Atchison Village is a non-smoking area; and the residential unit that is the subject of this Contract is, therefore a non-smoking unit. Accordingly, there shall be no smoking within the unit. It shall constitute a material breach of this agreement to (i) violate any law regulating smoking while in Atchison Village; (ii) Smoke in the Unit or (iii) Smoke in any common area of the Atchison Village complex. Every Member of AVMHC is expressly designated as a third-party beneficiary of the provisions of this paragraph."

## ATCHISON VILLAGE RULES RESPECTING SMOKING

Pursuant to the requirements imposed by City of Richmond Municipal Code Chapter 9.57, the following rules are immediately effective for all property owned by the Atchison Village Mutual Homes Corporation and commonly known and referred to as Atchison Village, Richmond, California.

- 1. There shall be no smoking on or within 25 feet of any part of the area commonly known and referred to as Atchison Village, Richmond, California, inclusive of all residential units and all common areas included in that area.
- 2. The violation of rule No. 1 set forth above by any Member of the Atchison Village Mutual Homes Corporation, (AVMHC) any family member of a Member of AVMHC or any guest of a Member of AVMHC shall constitute a material violation of the provisions of the Member's Mutual Ownership Agreement and shall subject the Member to discipline as allowed by the terms of the AVMHC Bylaws, including termination of membership and, with it, termination of occupancy rights respecting the unit assigned to such Member.
- 3. In the event of any legal action instituted against AVMHC as the result of a violation of the provisions of these rules, AVMHC shall have the right to indemnification from the Member who (or whose family member or guest) violated the said rules. Such right of indemnification shall apply to all claims for damages and any expenses incurred by AVMHC respecting the defense of the claim, including, without limitation, its attorneys' fees.