

SHADY GLEN HOMEOWNERS ASSOCIATION
ELECTION RULES

Article I. Nominating Committee.

Section 1. The Committee. The Committee shall consist of a Chairman, who shall be a member of the Board of Directors and at least two (2) other members of the Association, who also may be Board members. (Article IV, Section 4.2 of the Bylaws.)

Section 2. Duties of Committee.

- a) The nominating committee authorizes management to send a notice (herein referred to as a “Call for Candidates”) to the membership in advance of the annual meeting, seeking individuals for candidates. The Call for Candidates shall set forth a deadline upon which responses are to be received by management.
- b) The nominating committee should review the individual responses to the Call for Candidates, and provided such individuals are qualified to run for, and be a Board Member as herein set forth, the nominating committee may nominate such individuals as candidates. Provided an individual is qualified to be a candidate or Board Member, such individual may nominate his or her self.
- c) The nominating committee/Secretary of the Association authorizes management to send a secret ballot form to the membership, setting forth the name of nominated candidates. The mailing shall include two (2) return envelopes so that the secret ballot may be returned to the Inspector(s) of Election.

Article II. Candidates.

Section 1. Qualification. An individual, who is a member of the Association, is qualified to be a candidate to run for the Board of Directors, provided such individual is qualified as may be more specifically set forth in the governing documents of the Association.

Section 2. Timely Notice. In order to be a candidate, individuals must timely respond to the Call for Candidates and return it by the deadline. Individuals who have missed the deadline to respond to the call for candidates may be nominated from the floor at the time of annual meeting provided the individual is at the meeting to accept the nomination.

Article III. Campaigning.

Section 1. Equal Access To Media. All candidates and members advocating a point of view are provided equal access to the following, if available: association media, newsletter, internet website. Access is to be provided during a campaign, for purposes that are reasonably related to that

election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.

Section 2. Equal Access to Space. If a common area meeting space is designated available during the campaign, then all candidates and members advocating a point of view, are permitted access to this space, for purposes reasonably related to the election.

Section 3. Campaign Funding. Association funds shall not be used for campaign purposes in connection with any Association board election. Association funds may be used for campaign purposes in connection with any other Association election to the extent necessary to comply with duties of the Association imposed by law. “Campaign purposes” means: expressly advocating the election or defeat of any candidate that is on the Association election ballot; including the photograph or prominently featuring the name of the candidate on a communication from the Association or its board, excepting the ballot and balloting materials, within 30 days of the election, provided that this is not a campaign purpose if the communication is one for which subdivision (a) of California Civil Code Section 5105 requires that equal access be provided to another candidate or advocate.

Article IV. Election.

Section 1. The Meeting.

- a) Date and Time. The annual meeting for the election of directors should be on the 2nd Tuesday of December each year, or as set by the Board (Article III, Section 3.1 of the Bylaws.) If a quorum is not present, a meeting may be continued upon the vote of the members present, to a time not less than five (5) days nor more than 45 days and each continuance thereafter, may also be continued for not less than five (5) days, but not more than 45 days from the date of the last continuance, in which case, no further notice is required. (California Corporations Code Section 7511; Article III, Section 3.4 of the Bylaws.)

- b) Notice. Notice of the meeting shall be given not less than 10 days, but not more than 90 days prior to the meeting (California Corporations Code Section 7511); and ballots shall be sent to members at least 30 days before the initial deadline for voting (California Civil Code Section 5115.)

- c) Quorum. The presence at the annual meeting, in person or by proxy, of members entitled to cast a majority of the voting power shall constitute a quorum. If a meeting is continued because of lack of quorum then the quorum for the continued meeting shall be 25% of the total voting power of the Association. (Article III, Section 3.4 of the Bylaws.)

- d) Cumulative Voting. Cumulative voting is required for all elections of the Board of Directors where there are two or more vacancies on the Board. (Article IV, Section 4.3 of the Bylaws.)
- e) Deadline For Voting and the Polls. The deadline for voting shall be at the time the polls are open on the date of the meeting. Polls shall be opened at a time determined by the Inspector(s) of Election after the commencement of the meeting, and the polls shall be closed when the Inspector(s) of Election determine that all Ballots, as reasonably possible at the time, have been received. If the meeting is continued, then the polls shall remain open.
- f) Conduct Of Meeting. The annual meeting for the election shall be conducted in accordance with some form of Rules of Order for meetings, and all persons must conduct themselves with decorum. An individual's failure to conduct his or her self with decorum will result in the individual being asked to immediately leave the meeting.

Section 2. Member's Right to Vote.

- a) Qualification. In accordance with statute and the governing documents of the Association, only members of the Association are qualified to vote. In order to vote, a member must be in good standing (their rights not having been suspended as provided by Article VI, Section 6.1(a) of the CC&Rs), and must be a member of record of the Association 30 days before the election or any continuance thereof, or by the 1st day of the month in which the election is scheduled or any continuance thereof, whichever is the longest period; or must be ready and willing to produce proof of record ownership for the Inspector(s) of Election. If there arises an issue of title, the member may be asked to prove he/she is an owner of record or the Inspector(s) of Election may check title records, but are not required to do so. The Inspector(s) of Election has the final and complete authority to ultimately determine who is an "owner of record".
- b) One Vote Per Property. Only one vote per property is permitted. Where there are two or more members on title to property in the Association, any one member may cast the vote for the property. (Article III, Section 3.6 of the Bylaws.) Should two or more owners of a property seek to cast more than one vote, then all such votes will be disqualified unless prior to the counting of votes all owners of the property sign a statement giving authority to an individual(s) to cast the one vote for the property. During and election for the Board of Directors, the one vote per property is multiplied by the number of positions on the Board of Directors that are open for election, and the resulting number is the number of votes that may be cast by any one property. These votes may be cumulated as herein provided. (Article IV, Section 4.3 of the Bylaws.)

Section 3. Inspectors of Election.

- a) Appointment. The Association shall select an independent third party or parties as an Inspector(s) of Election. There shall be one (1) or three (3) inspectors. The Inspector(s) of Election may be appointed by the Board before the membership meeting. Alternatively, if the Board does not exercise its power of appointment, the Inspector(s) of Election may be appointed by a vote of the membership at the membership meeting. The inspectors of election are to be independent and shall not be a Board member, a candidate or someone related to a Board member or a candidate. Independent inspectors of election, may be an employee of management or someone under contract to the Association. If California law provides, the Inspector(s) of Election may have assistants who may perform those duties permitted by law.
- b) Duties of Inspectors. The Inspector(s) of Election shall perform his/her/their duties impartially, in good faith, to the best of his/her/their ability, and as expeditiously as is practical. If there are three inspectors of election, the decision or act of a majority shall be effective in all respects as the decision or act of all. Any report made by the Inspector(s) of Election is prima facie evidence of the facts stated in the report. The duties of the Inspector(s) of Election are as follows:
- 1) Determine the number of memberships entitled to vote and the voting power of each;
 - 2) Determine the authenticity, validity, and effect of proxies, if any;
 - 3) Receive ballots;
 - 4) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;
 - 5) Count and tabulate all votes;
 - 6) Determine when the polls shall close;
 - 7) Determine the results of the election;
 - 8) Perform any acts as may be proper to conduct the election with fairness to all members in accordance with the law and all applicable rules of the Association regarding the conduct of the election.

Section 4. Secret Ballots.

- a) Use and Issuance. Voting is to be by Secret Ballot for all membership elections of directors. The Association will cause secret ballot forms to be sent 30 days prior to the deadline for voting.
- b) Form. Ballots and two pre-addressed envelopes with instructions on how to return the ballots shall be mailed by first-class mail delivered by the Association to every member not less than 30 days prior to the deadline for voting. The Association shall use as a model the absentee voter process used by California counties.

c) Secret Balloting.

- 1) To insure confidentiality, the Secret Ballot is not signed, but is inserted into an envelope that is sealed, and this envelope is inserted into a second envelope that is sealed, addressed to the Inspector(s) of Election c/o management, and in the upper left hand corner the voter prints and signs his or her name and address which entitles him/her/them to vote. This outer envelope containing the inner envelope with the secret ballot may be hand delivered or mailed to the Inspector(s) of Election as herein set forth.
- 2) The secret ballots must be returned and received by the deadline set forth in the notice in order for such ballot to be counted at the meeting by the Inspector(s) of Election. If a quorum is not reached at the first date given for the meeting, the meeting will be continued as set forth herein, and further, secret ballots will be accepted and received up to the specified date of the continued meeting.

- d) Void Secret Ballots. In addition to any decision by the Inspector(s) of Election, failure by an individual to print, sign and properly address the outer envelope addressed to the Inspector(s) of Election, will result in the secret ballot contained therein in the inner envelope, to be void and of no effect, and the secret ballot will not be counted.

Section 5. Proxies. The Association will not issue proxies. Therefore, so as to comply with the requirements for a secret ballot, any proxy prepared and or/used by an individual which directs the proxy holder how to vote, must include a separate detachable page for the direction, which can be detached and given to the proxy holder, and the proxy holder shall cast the member's vote by secret ballot. Any proxy presented must comply with the law in form and substance. The Inspector(s) of Election shall authenticate, validate and determine the effect of any proxy presented.

Section 6. Tabulation of Votes. All votes for election of directors are to be counted and tabulated by the Inspector(s) of Election in public at a properly noticed open meeting of the Board of Directors or members, and may be witnessed by a candidate or member.

Section 7. Election Results. The results of the election, but not the actual ballots, shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by members. And, within 15 days of the election, the Board shall publish the results to members. After the tabulation of the vote, the ballots shall be placed in a sealed envelope or container by the Inspector(s) of Election, and shall be retained with the Associations records, not to be opened except as permitted by law.