

ELECTION POLICY

PLA-VADA COMMUNITY ASSOCIATION

The following Election Rules were duly adopted by the Board of Directors of the Pla-Vada Community Association (the "Association") at an Open Meeting of the Board on March 16, 2019 in order to comply with the requirements of the Davis-Stirling Act and to provide for fair membership elections in all elections which are covered by Civil Code section 1363.03, subject to all applicable and enforceable: (a) provisions of law, and (b) Association Articles of Incorporation, CC&Rs, and Bylaws. Rules pertaining to Pla-Vada Membership and Membership Meetings are defined by the current association By-Laws.

I. ELECTIONS FOR DIRECTOR

A. *Nomination*

Nomination for election to the Board of Directors shall be only by self-nomination as set forth in this section. Any qualified person may nominate himself or herself as a candidate for election to the Board of Directors by submitting to Association's General Manager a written statement of candidacy ("Self-Nomination Statement"), which must be actually received by the General Manager on or before 4:00 pm on May 5th.

B. *Election*

The Board of Directors, which shall be five (5) in number, shall be elected by the members at the Annual Meeting for a term of two (2) years with two (2) or three (3) Directors elected each year. An alternate Director may be elected by the membership if so desired for the same period as a regular director. Only one property co-owner or member of the same family may serve on the Board at one particular time. Attendance at regularly scheduled board meetings by board members either in person or by phone is essential for the successful management of the association. If a Board Member misses three (3) consecutive meetings without being excused, the board member will be removed and the alternate or an appointee will assume the position. Any vacancy by death, resignation or otherwise, shall be filled for the unexpired term by the remaining Directors at either a regular or special meeting of the Board. Any Director who is removed with cause or resigns without compelling reasons approved by the Board shall not be allowed to hold office for a minimum of 2 years. No person shall be elected or appointed as a Director or alternate Director or who is not an owner of property in Pla-Vada Woodlands and a member of the Association in good standing.

C. *Acclamation*

If at the close of nominations, the number of candidates is equal to (or fewer) the number of positions to be filled, the Board is not required to conduct balloting for the election of Directors. The Board can find that the positions have been filled by acclamation. A communication to the members announcing the results of the election/acclamation will be publicized by the Board within 15 days of the close of nominations.

II. CAMPAIGNING

A. *Access to Association Media During An Election.*

If any candidate or member advocating a point of view is provided access to association media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members advocating a point of view, including those not endorsed by the board, for purposes that are reasonably related to the 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. All communication from the candidate or member must be professional. The association and its directors, officers, and agents, shall be immune from liability for the content of those communications to the fullest extent allowed by law.

B. Use of Common Area Meeting Space During A Campaign.

All candidates, including those who are not incumbents and all members advocate a point of view, including those not endorsed by the board, shall be allowed access to the common area meeting space, during a campaign, at no cost, for purposes reasonably related to the election.

C. No Use of Association Funds for Campaign Purposes.

1. Association funds may not be used directly or indirectly for campaign purposes in connection with any board election and may not be used for campaign purposes in connection with any other association election except to the extent necessary to comply with duties of the association imposed by law.

2. For the purposes of this section "campaign purposes" include, but are not limited to, the following: (1) Expressly advocating the election or defeat of any candidate that is on the association election ballot; (2) Including the photograph or prominently featuring the name of any candidate on a communication from the association or its board, excepting the ballot and ballot materials, within 30 days of an election, provided that this is not a campaign purpose if the communication is one for which subdivision (a) of Civil Code Section 1363.03 requires that equal access be provided to another candidate or advocate.

III. INSPECTORS OF ELECTION

A. Selection.

1. At an open Board of Directors meeting, the Board shall appoint one person as the inspector of election to perform the duties set forth in these rules and in Civil Code section 1363.03.

2. Each person appointed as an inspector of election shall be an independent third party. An independent third party includes, but is not limited to, any of the following:

- a. Poll Worker. A volunteer poll worker with the County Registrar of Voters,
- b. Accountant. A licensee of the California Board of Accountancy, including any such licensee under contract to the association,
- c. Notary. A notary public,
- d. Recording Secretary. A recording secretary, including any such recording secretary under contract to the association,
- e. Association Members. A member of the association, but not: (i) a member of the board of directors, (ii) a candidate for the board of directors, (iii) related to a member of the board of directors, or (iv) related to a candidate for the board of directors,
- f. Person or Entity Under Contract to the Association. A person, business entity, or subdivision of a business entity who is currently employed or under contract to the association for compensable services,

g. Management Company Representative. Representatives of any management company, including the representative of any management company currently under contract to the association.

B. Duties.

The duties of an Inspector of Election shall include the following:

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 all ballots. Once a secret ballot has been received by an Inspector of Election, it shall be irrevocable.
4. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote. If there is a recount or other challenge to the election process, the inspector or inspectors of election shall make the ballots available for inspection and review upon written request. An association member may authorize a representative to review the ballots on his or her behalf. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.
5. Count and tabulate all votes.
6. Determine when the polls shall close consistent with the governing documents.
7. Determine the tabulated results of the election.
8. The sealed ballots at all times shall be in the custody of the inspector or inspectors of election or at a location designated by the inspector or inspectors until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired, at which time custody shall be transferred to the association. No person, including a member of the association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The inspector of election or his or her designee may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.
9. Appoint and oversee additional independent third parties to verify signatures, and to count and tabulate votes as the inspectors of election deem appropriate provided that such persons are independent third parties.
10. Perform their duties impartially, in good faith, to the best of 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 or inspectors of election is prima facie evidence of the facts stated in the report.
11. Perform any acts as may be proper to conduct the election with fairness to all members in accordance with Civil Code section 1363.03, the Corporations Code, the association's governing documents, and all applicable rules of the association regarding the conduct of the election that are not in conflict with Civil Code section 1363.03.

C. Removal of Inspector.

The Board shall have the authority, at an open Board meeting, to remove an Inspector of Election who does not meet the required qualifications, is unable or unwilling to perform his/her duties, or for other good cause. If the

Board removes an Inspector of Election pursuant to this section, it shall expeditiously appoint a new Inspector of Election at an open Board meeting in his/her place.

IV. VOTING, BALLOTS AND PROXIES

A. Voting

1. The owner of each lot shall automatically become a member of the Association and shall remain a member of the Association until the ownership ceases for any reason, at which time the membership in the Association shall automatically cease. Membership and voting rights shall be as set forth in the Association's Bylaws.

2. Upon the payment of such fees as may be required by the Board of Directors, each individual lot in Pla-Vada Woodlands, Units 1 through 6 shall be entitled to one membership certificate which shall be issued to the record title owner of said lot. A member who is not delinquent in the payment of dues, charges, or assessments shall have one vote for each certificate or membership held, and one additional vote for each developed lot standing of record in his or her name. Each member owning a lot is entitled to one vote per candidate, or issue, and a member with a dwelling on a lot is entitled to two votes per candidate, or issue. For example, if three candidates are running for the Board, an owner with a dwelling on a lot is entitled to a total of six votes. The owner may designate all votes for one candidate or divide them among two or three candidates of choice.

3. By majority action of the Board of Directors, a member shall lose the privilege of membership for violation of Bylaws, Covenants and Restrictions or by failure to pay, before delinquency, any dues or assessments which shall become a charge on his lot or lots.

B. Ballots

1. All items legally requiring a vote of the membership shall be held by secret ballot in accordance with the procedures set forth in Civil Code section 1363.03, including but not limited to assessments, selection and removal of members of the association's board of directors, amendments to the governing documents, or the grant of exclusive use of common area property.

2. Only those ballots printed by or at the direction of the association or the Inspector of Elections shall be considered Official Secret Ballots. Only Official Secret Ballots shall be counted and tabulated by the Inspector of Elections. Once an Official Secret Ballot has been received by the Inspector of Elections, it shall be irrevocable.

3. Official Secret Ballots and two preaddressed envelopes with instructions on how to return the ballots shall be mailed by first-class mail or delivered by the association to every member not less than 30 days prior to the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the ballot. The association shall use as a model those procedures used by California counties for ensuring confidentiality of voter absentee ballots, including all of the following:

(1) The Official Secret Ballot itself is not signed by the voter, but is inserted into an envelope that is sealed. This envelope is inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter shall sign his or her name, indicate his or her name, and indicate the address or separate interest identifier that entitles him or her to vote.

(2) The second envelope is addressed to the inspector or inspectors of election, who will be tallying the votes. The envelope may be mailed or delivered by hand to a location specified by the inspector or inspectors of election. The member may request a receipt for delivery.

4. Members not planning to attend the annual members' meeting should mail ballot vote at least one week prior to the meeting to ensure that Pla-Vada will receive it by the election day. Members may drop off ballots to designated Pla-Vada location where the locked ballot box is maintained prior to election time and date. Only ballots received prior to 8:30 AM on the election day will be counted and considered for the quorum.

5. A quorum shall be required only if so stated in the governing documents of the association or other provisions of law. If a quorum is required by the governing documents, each Official Secret Ballot received by an Inspector of Election shall be treated as a member present at a meeting for purposes of establishing a quorum.

6. All votes shall be counted and tabulated by the inspector of election or his or her designee in public at a properly noticed open meeting of the board of directors or members. Any candidate or other member of the association may witness the counting and tabulation of the votes. No person, including a member of the association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The inspector of election, or his or her designee, may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.

C. Proxies.

1. Proxies may be used if permitted or required by the Bylaws of the Association and if those proxies meet the requirements of the Davis Stirling Act, other laws, and the Association's governing documents, but the Association shall not be required to prepare or distribute proxies. Proxies shall not be construed or used in lieu of an official secret ballot.

2. Any instruction given in a proxy issued for an election that directs the manner in which the proxyholder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxyholder to retain. The proxyholder shall cast the member's vote by official secret ballot. The proxy may be revoked by the member prior to the receipt of the ballot by the inspector of elections as described in Section 7613 of the Corporations Code.

V. POST-ELECTION MATTERS

A. Results of the Election.

The tabulated results of the election shall be promptly reported to the board of directors of the association and shall be recorded in the minutes of the next meeting of the board of directors and shall be available for review by members of the association. Not later than fifteen (15) days of the election, the board shall publicize the tabulated results of the election in a communication directed to all members. In the case of an election of directors, the Board shall also notify those Members present at the meeting of the results of the election immediately upon the conclusion of the balloting process. If the number of written ballots cast with respect to any matter is insufficient to satisfy the minimum quorum requirements for valid action, the Board shall so notify the Members.

B. Status of the Ballots after Election.

The sealed ballots at all times shall be in the custody of the inspector or inspectors of election or at a location designated by the inspector or inspectors until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired, at which time custody shall be transferred to the association. After the transfer of the ballots to the association, the ballots shall be stored by the association in a secure place for no less than one (1) year after the date of the election.