

INDIAN HILLS HOMEOWNERS ASSOCIATION

ELECTION RULES

September 2007

WHEREAS, the California Legislature adopted *Civil Code* section 1363.03, which obligates the Association to adopt rules regarding membership voting on items specifically identified in *Civil Code* section 1363.03, and all subsequent amendments thereto, to be effective on July 1, 2006;

WHEREAS, the California Legislature amended *Civil Code* section 1363.03, effective September 18, 2006;

WHEREAS, the Association desires to comply with these regulations by adopting the procedures set forth in the new laws;

NOW THEREFORE, the Association does hereby resolve:

1. Equal access to association newsletters, websites or mailers shall be provided to all board member candidates for purposes that are reasonably related to the election;
2. To the extent any members are provided with access to association newsletters, websites or mailers for the purpose of advocating a point of view which is reasonably related to the election, all members shall be provided with equal access;
3. If access is provided to candidates or members, the Association shall not edit or redact the content, but may include a disclaimer that the association is not responsible for the content;
4. Candidates and members advocating a point of view reasonably related to the election shall have equal access to any common area meeting space which exists. This access shall be provided at no charge, save for any deposits or other procedures required to reserve common area meeting spaces;
5. Qualifications for candidates to the Board of Directors shall include:
 - a. Candidates must be members of the Association in good standing
 - b. Candidates must not be delinquent in the payment of any Association dues
 - c. Candidates must not be in violation of the Association's Governing Documents
 - d. No two (2) candidates may be related by blood or by marriage. In the event of submittal of a Request to Serve ("Request") by any such candidates, the Request received prior in time shall be the candidate to the exclusion of any other related person seeking to become a candidate.
 - e. At no time shall more than one (1) of the owners of a jointly owned or occupied lot serve concurrently as Directors;
6. Procedures for nomination of candidates to the Board of Directors shall allow for a member to nominate himself or herself and shall be consistent with the governing

- documents;
7. Qualifications for voting shall include, but not be limited to the following (as further described in the Association's governing documents):
 - a. Member's name must appear on the official records of the Association as of the record cut-off date set by the Inspector of Election and/or Board of Directors
 - b. Member must be in good standing
 - c. Member may not be the subject of violation proceedings which have resulted in the suspension of such Member's rights to vote
 8. The voting power of each membership shall be as described in the Association's Bylaws and/or Declaration;
 9. The authenticity, validity and effect of proxies submitted by members shall be determined by the Inspectors of Election chosen pursuant to *Civil Code* section 1363.03(c), and any related or successor statute;
 10. Proxies may not be used in lieu of a ballot. Proxies may not be revoked once a proxy holder has submitted a ballot to the Inspectors of Election;
 11. Once a ballot has been received by the Inspectors of Election, it shall be irrevocable. If a member submits both a proxy and a ballot to the Inspectors of Election, the ballot will supercede the proxy;
 12. The voting period for elections shall commence when the notice of the meeting and/or ballots have been mailed to all members and shall terminate as stated in the notice and/or ballot or as determined by the Inspector(s) of Election consistent with the governing documents;
 13. Inspectors of Election (i.e. independent third parties) shall be appointed by the Board of Directors. The following persons may not serve as Inspectors of Election: Board members, candidates, persons who are related to board members or persons who are related to candidates. The Association's CPA, Property Manager, Attorney or other professional hired by the Association may serve as Inspectors of Election, or the Association may appoint another independent party. If an independent party serves as Inspector of Election (i.e. not an Association member), that party may be compensated for the services performed. Members of the community shall not be entitled to compensation;
 14. Inspectors may appoint and oversee additional independent third parties to verify signatures and to count and tabulate votes. Votes shall be counted and tabulated by the Inspectors of Election or their designee(s) in public at a properly noticed open meeting of the Board of Directors or members. Any candidate, or other member may witness the counting and tabulation of the votes. To ensure anonymity of the voting, members must stand at least five feet away from the Inspectors of Election or their designee(s) during the tabulation process. Members are prohibited from speaking to the Inspectors or their designee(s) during the tabulation process or interrupting the tabulation process in any way.

15. Inspectors shall retain the ballots at a location they designate for the period of challenge identified in *Corporations Code* Section 7527, or any successor statute. After the period of challenge has expired and the Inspector of Election transfers the ballots to the Association, the Association shall store the ballots for no less than one (1) year after the date of the election. At the conclusion of this one (1) year period the ballots may be destroyed.