

AMADOR PINES LANDOWNERS OF UNITS 2 AND 5, INC.
ELECTION RULES
POLICY AND VOTING PROCEDURES
Approved 11/15/2022

Pursuant to Civil Code §5105, Amador Pines Landowners of Units 2 and 5, Inc. ("Association") hereby adopts the following Election Rules ("Rules"). The Rules shall be used in elections regarding assessments legally requiring a vote, election and removal of Directors, amendments to the governing documents, or the grant of exclusive use of the common area pursuant to Civil Code §4600, and govern elections held by secret ballot, unless subsequently enacted legislation warrants modification or amendment. These Rules shall not be amended less than ninety (90) days prior to an election.

1. Equal Access to Association Media. All candidates and Members advocating a point of view shall be provided equal access to any 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 of Directors ("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. The Association may adopt limitations on the length and size of such communications so long as such limitations are equally applied to all Members. (Civil Code §5105(a)(1)).

2. Equal Access to Association Meeting Areas. All candidates and Members shall have equal access to Common Area meeting spaces during a campaign. There shall be no cost for this access and it shall be available to all candidates, including those who are not incumbents, and to all Members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election (Civil Code §5105(a)(2)).

3. Minimum Qualifications for Candidacy. In accordance with the Restated Bylaws of Amador Pines Landowners of Units 2 and 5, Inc., adopted on February 10, 1995 ("Bylaws"), Civil Code §5105 and any superseding statute, to be eligible to be a candidate for election to the Board, the following applies:

(a) Candidates must be a Member in good standing of the Association as defined by Section 2 of Article VII of the Bylaws and Civil Code §4160, subject to the limitations listed in Civil Code §5105(d)(1&2).

(b) If title to a separate interest Lot is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a Member for purposes of Member elections governed by these Rules (Civil Code §5105(b)(2)).

(c) No Member shall be disqualified from nomination if the person has not been provided the opportunity to engage in internal dispute resolution pursuant to Article 2 (commencing with §5900) of Chapter 10 of the Civil Code (Civil Code §5105(e)).

(d) Only one person from the same separate interest may be a candidate where another person holds a joint ownership interest in the same separate interest parcel and is either properly nominated for the current election or an incumbent Director (Bylaws Section 2 of Article VII and Civil Code §5105(c)(2)).

4. Nominations for Election to the Board of Directors

(a) The Association shall provide general notice of the procedure and deadline for submitting a nomination at least thirty (30) days before any deadline for submitting a nomination. Individual notice of said procedure and deadline shall be delivered pursuant to Civil Code §4040 if a Member requests individual notice (Civil Code §5115(a)).

(b) The president shall appoint a nominating committee to receive nominations and select qualified candidates for election of those positions (not less than the number of positions to be filled) on the Board held by Directors whose terms of office are expiring pursuant to Section 4 of Article VII of the Bylaws.

5. Voting Eligibility. With respect to voting in elections subject to these Rules, the following shall apply:

(a) The Association shall have one class of voting membership.

(b) Approval by the Voting Power. This means majority of Members eligible to vote. (Corp. Code § 5078.) Since the change in the law that prohibits the suspension of Member voting rights, this means the same thing as "Approval by a Majority of all Members" since all Members are always eligible to vote.

(c) Voting Rights. Boards may set a record date for determining voting rights. Voting rights for multiple owners of a property are treated as if there were a single owner. Voting rights are not determined by residency in the Association. Members retain their voting rights whether or not they reside in the development. Member voting rights may not be suspended for any reason. (Civ. Code § 5105(g)(1).)

(d) As "Association Election Materials" (hereafter defined), the Association shall retain both a candidate registration list and a voter list. The voter list shall include the name, voting power, and either the physical address of the voter's separate interest, the assessor's parcel number or lot number. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's separate interest or if only the parcel number is used. The Association shall permit Members to verify the accuracy of their individual information on both lists at least thirty (30) days before the ballots are distributed. The Association or Member shall report any errors or omissions to either list to the Inspector(s) of Elections who shall make the corrections within two (2) business days.

(e) On each matter submitted to a vote of the Members, each Member shall be entitled to cast one vote for each Lot owned by such Member. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

(f) Every Owner of a Lot within the Association is a Member of the Association. The Owner of a Lot shall automatically, upon becoming the Owner of the Lot, be a Member of the Association, and shall remain a Member of such Association until such time as the ownership ceases for any reason, at which time the membership in the Association shall automatically cease.

6. Election Documents

(a) The Association shall provide general notice of all of the following at least 30 days before ballots are distributed:

- (1) The date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector(s) of Elections.
- (2) The date, time, and location of the meeting at which ballots will be counted.
- (3) The list of all candidates' names that will appear on the ballot if the ballot is for the election of Directors.
- (4) The ability of Members to verify the accuracy of their information on the candidate list and voter list.

- (5) Individual notice of the above paragraphs shall be delivered pursuant to Civil Code §4040 if a Member requests individual notice.

(b) The Inspector(s) of Elections shall deliver, or cause to be delivered, at least thirty (30) days prior to the start of an election subject to these Rules, to each Member, the following documents:

- (1) The ballot or ballots.
- (2) Two preaddressed envelopes, with instructions on how to return ballots.
- (3) Candidate statements. Statements shall be limited to candidate's bio's only and limited to 1 page of not less than 12 font. No campaigning will be allowed in candidates statements sent out to the membership.
- (4) A copy of these Rules. Delivery of the Rules may be accomplished by either posting the Rules to an internet website and including the corresponding internet website address on the ballot together with the phrase, in at least 12-point font: "The Rules governing this election may be found here" or by individual delivery.

(c) "Association Election Materials" shall mean returned ballots, signed voter envelopes, the voter list of names, parcel numbers, and voters to whom ballots were to be sent, and the candidate registration list. Association Election Materials shall be a part of the "Association records" under Civil Code §5200 and maintained for at least 1 year after the date of the election; however, signed voter envelopes may be inspected but may not be copied.

7. Proxy Voting. Subject to these Rules and pursuant to Civil Code §5105 and 5110 and Article 4, Section 4, paragraph (c) of the Bylaws, proxy voting shall not be permitted.

8. Cumulative Voting. Cumulative voting shall not be allowed in the election of Directors.

9. Election of Directors. The Association shall have seven (7) Directors. Directors shall be elected by secret ballot in accordance with Civil Code §5100 through 5135, and these Rules. Members may cast, with respect to each position on the Board to be filled, one vote for each Lot owned. The persons receiving the greatest number of votes shall be elected until the Board positions are filled. The Directors of this Association shall serve for a term of two (2) years with four (4) Directors elected in each odd-numbered year and three (3) Directors elected in each even-numbered year. Unless vacated sooner, each Director shall hold office until the Director's term expires and a successor is elected. The Association shall hold an election for a position on the Board of Directors in accordance with procedures set forth in Civil Code §5100 through 5145 at the expiration of the corresponding Director's term as described in the Bylaws and these Rules and at least once every year.

10. Uncontested Elections (Acclamation). The Board has the option to perform an election by acclamation, a process by which candidates are declared Directors by the Board and not through the process of mailing and counting ballots. Pursuant to Civil Code §5103, election by acclamation is allowed if the following conditions have been met:

(a) The number of qualified candidates is not more than the number of vacancies to be elected. (Civ. Code § 5103.)

(b) Notice for submitting nominations is given at least 90 days before the deadline for submitting nominations. The notice must include the number of open Board positions, the deadline for submitting

nominations, the manner in which nominations can be submitted, and a statement informing Members the seats can be filled by acclamation without balloting. (Civ. Code § 5103(b)(1).)

(c) A reminder notice is sent between 7 and 30 days before the deadline for submitting nominations. (Civ. Code § 5103(b)(2).)

(d) The Association provides, within 7 business days of receiving a nomination, acknowledgment of the nomination (i) to the Member who submitted the nomination and (ii) to the nominee that they either qualify or do not. If disqualified, the reason for disqualification must be included along with a right to appeal. (Civ. Code § 5103(c).)

(e) The vote by acclamation takes place at a duly noticed meeting with the name of each qualified candidate seated by acclamation on the agenda. (Civ. Code § 5103(d).)

11. Recall Election.

(a) Directors with or without cause, the membership may recall the entire Board or individual Directors, subject to cumulative voting limitations. (Corp. Code § 7222(a).) This applies to both membership elected and Board appointed Directors.

(b) Court appointed Directors (Corp. Code § 5220(e)) cannot be removed without court approval.

(c) The membership cannot recall officers, such as the president, vice president, secretary, or treasurer, etc., since officers are appointed by the Board not elected by the membership. Officers serve at the pleasure of the Board and may be removed at-will by the Board.

(d) The membership cannot remove or "fire" a manager, only the Board can. Nor can they file a petition with the Board to remove a manager.

12. Duration of the Voting Process. The secret ballot voting procedures of Civil Code §5115(c) specify that ballots must be sent to all eligible Members by mail or personal delivery not less than thirty (30) days before the deadline that is established for the tender of ballots. Voting commences when the ballots are mailed or delivered. Written ballots must be returned or hand-delivered to the designated Inspector(s) of Elections at the location, and by no later than the date and time, specified per notice under Civil Code §5115(b) and on the ballot. Because State law requires that the Association utilize a double-envelope ballot system and that the sealed ballots be mailed or delivered by hand to a location specified by the Inspector(s) of Elections, any ballots that are sent to the Inspector(s) of Elections by facsimile transmission or e-mail will not be counted.

13. Use of Secret Ballots and Ballot Completion Requirements. Ballots used in the election of Directors and other elections governed by Civil Code §5100(a), must be secret ballots that do not identify the voter by name, address, or lot number. The secret ballots, together with two pre-addressed envelopes with instructions on how to return ballots, and candidate statements must be mailed by first-class mail or delivered by the Association to every Member of the Association not less than 30 days before the deadline for voting. The unsigned ballot must be inserted into an envelope ("Ballot Envelope") that is sealed, and this sealed Ballot Envelope must then be inserted into a second envelope ("Address Envelope") that is sealed. The upper left-hand corner of the Address Envelope must contain the voter's name and a separate interest identifier, such as an address, lot, or parcel number. The Address Envelope must be signed by the voter. The Address Envelope must be addressed to the Inspector(s) of Elections who will tally the votes. The Address Envelope (containing the ballot and the Ballot Envelope) may be mailed or delivered by hand to the location specified by the Inspector(s) of Elections for the return of ballots, and the Member may request a receipt for delivery of the ballot.

14. Supervision of Election Process; Appointment of Inspector(s) of Elections. To ensure secrecy of ballots and fairness in the conduct of Director elections and other elections governed by Civil Code §5100(a), the Board of Directors shall appoint an independent third party or parties to serve as the Inspector(s) of Elections. Civil Code §5110(a) specifies that the number of Inspector(s) of Elections shall be one or three. Civil Code §5110(b) For the purposes of this section, an independent third party includes, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a member, but may not be a director or a candidate for director or be related to a director or to a candidate for director. An independent third party may not be a person, business entity, or subdivision of a business entity who is currently employed or under contract to the association for any compensable services other than serving as an inspector of elections. An Inspector(s) of Elections shall perform all duties impartially, in good faith, to the best of the Inspector(s) of Election's ability, as expeditiously as is practical, and in a manner that protects the interest of all Members of the Association. If there are three Inspectors of Elections, 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 Elections is prima facie evidence of the facts stated in the report.

Without limiting the foregoing, the Inspector(s) of Elections shall do all of the following:

- (a) Determine the number of memberships entitled to vote and the voting power of each.
- (b) Receive ballots. Sealed ballots, the signed voter envelopes, voter list, and candidate registration list must at all times be in the custody of the Inspector(s) of Elections or at a location designated by the Inspector(s) of Elections until after the tabulation of the vote, and until the time allowed by Civil Code §5145 for challenging the election has expired, at which time custody of the ballots shall be transferred to the Association.
- (c) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- (d) Count and tabulate all votes.
- (e) Determine when the polls close, consistent with the Bylaws.
- (f) Determine the tabulated results of the election.
- (g) Perform any acts as may be proper to the conduct of the election with fairness to all Members and in accordance with the Association Rules pertaining to the conduct of elections and Civil Code §5100-5145.

15. Appointment of Persons to Assist Inspector(s) of Elections. The Inspector(s) of Elections may appoint and oversee additional persons, as per Civil Code § 5120, to verify signatures and to count and tabulate votes as the Inspector(s) of Elections deem appropriate, provided that the persons are independent third parties. Per Civil Code §5110(b) For the purposes of this section, an independent third party includes, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a member, but may not be a director or a candidate for director or be related to a director or to a candidate for director. An independent third party may not be a person, business entity, or subdivision

of a business entity who is currently employed or under contract to the association for any compensable services other than serving as an inspector of elections. An independent third party may be a Member but may not be a Director or a candidate for Director or be related to a Director or to a candidate for Director. As noted above, an independent third party may not be a person, business entity, or subdivision of a business entity who is currently employed or under contract to the Association for any compensable services other than serving as an Inspector(s) of Elections.

16. Indemnification of Inspector(s) and Assistant Inspector(s) of Elections and Liability Insurance. Members of the Association who serve as Inspector(s) and Assistant Inspector(s) of Elections shall be deemed to be agents, as defined in Corporations Code § 7237 (a), of the Association in their capacity as Inspector(s) and Assistant Inspector(s) of Elections, for purposes of Corporation Code §7237. As provided in Corporations Code §7237(i), the Association shall have the power to purchase and maintain insurance on behalf of any Association agent against any liability asserted against or incurred by the agent in his or her capacity as an agent of the Association or arising out of the agent's status and duties as such, whether or not the Association would have the power to indemnify the agent against such liability under pertinent provisions of the Corporations Code.

17. Requirements for Counting and Tabulation of Ballots. The designated Inspector(s) of Elections must count and tabulate the votes in public at a properly noticed open meeting of the Board of Directors or the 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, shall open or otherwise review any ballot before the time and place at which the ballots are counted and tabulated

18. Announcement of Results of Election. The results of the election shall be promptly reported to the Board of Directors, shall be recorded in the minutes of the next meeting of the Board, and shall be available for review by Members of the Association. Within 15 days of the election, the Board shall give general notice (as specified in Civil Code §4045) to the Members of the tabulated results of the election.

19. Retention of Ballots. After tabulation, election ballots, the signed voter envelopes, voter list, and candidate registration list shall be stored by the Inspector(s) of Elections at a secure location designated by the Inspector(s) of Elections until the time allowed by Civil Code §5145 for challenging the election has expired, at which time custody shall be transferred to the Association. In the event of a recount or other challenge to the election process, the Association shall, on written request, make the ballots available for inspection and review by Association Members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

20. Definitions. Any capitalized term or terms used in these Rules carry the same meanings as set forth in the First Restated Declaration of Covenants, Conditions and Restrictions for Amador Pines, Units 2 and 5, Recorded March 29, 1995 (CC&Rs) and the Bylaws.

21. Conflict In the event of a conflict between these Rules and any provisions in the governing documents as defined by Civil Code §4150, these Rules mandated by statute shall control.

22. Certificate of Secretary The herein election Rules and voting procedures were adopted on November 15, 2022, by a vote of the Board of Directors.