

**THE RANCHO TEHAMA ASSOCIATION'S
ELECTION POLICY**

Civil Code Sections 1357.120 and 1363, require the Board of Directors to establish procedures for elections in Common Interest Developments such as Rancho Tehama. Although well intended, these statutes create a ballot and election process that is confusing and may contradict provisions of the Bylaws. In order to comply with the spirit and intent of the Civil Code's requirements for adoption of election rules, the Board of Directors hereby enacts the following policy and procedures concerning elections:

General Election Rules

1. The Board shall ensure that if any candidate or Member advocating a point of view is provided access to Association media, newsletters, or internet websites during a campaign for any matter in which the Members will vote, 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 shall include a statement specifying that the candidate or Member, and not the Association, is responsible for that content.
2. The Board shall ensure access to a meeting space or area within the Common Area during normal business hours, at no cost, 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 an election or vote by the Association's Members.
3. An Association vote or election regarding any of the following issues shall be by secret ballot:
 - a. Any action or election by the Members regarding assessments;
 - b. Amendments to the Governing Documents;
 - c. The grant of exclusive use of Common Area property to an individual Member;
 - d. The election and removal of Members of the Association Board; or
 - e. A Title 7 decision to arbitrate.

Qualifications/Disqualifications

1. All candidates for the Board shall meet the following qualifications:
 - a. Only Members in Good Standing shall be eligible to be elected to or serve on the Board; and
 - b. Only one Owner of a particular Lot may serve on the Board at any time.
2. Removal of Directors. Any Director may be removed by the Board of Directors whenever it is deemed to be in the best interests of the Association.

Nominations

- _____ 1. The Board shall establish a nomination deadline date for all Members seeking election to the Board of Directors. The nomination deadline shall be at least 10 days prior to the mailing of the ballots for the Board election.

2. Any Member meeting the qualifications, and not otherwise disqualified, may be nominated for election to the Board of Directors by any of the following procedures:
 - a. Nomination Committee. A nominating committee may be appointed each year by the Board of Directors. The nominating committee shall consist of a chairperson, who shall be a Director, and two other Members of the Association. Each member of the nominating committee shall serve for a period of one year, and may be reappointed for subsequent terms.
 - b. Self-Nomination. Any person qualified may place his or her name in nomination for election to the Board of Directors by giving written notice to the President or Secretary of the Association at any time prior to the nomination deadline date established by the Board.
 - c. Nomination From The Floor. At a candidates night or forum as described in General Rule 3, above, or if the Board holds a Board or Members meeting not more than 60 nor less than 10 days before the nomination deadline date established by the Board, nominations of candidates for election to the Board of Directors may be made from the floor of such meeting.

Election Process

1. The names of all persons who have been nominated as candidates for election to the Board of Directors within the Nomination Period shall be set forth on the ballot. The Board shall set the record date for voting (the "Record Date"), and the date on which the ballots are to be mailed or delivered to the Members (the "Election Mailing Date").
2. An election by Member acclamation pursuant to parliamentary procedure may be utilized at a Member's meeting if all of the following criteria are met:
 - a. The nomination deadline is reached for nominations by the nominating committee, if one exists, self-nominations, and nominations from the floor of a Members meeting.
 - b. The number of Members nominated as candidates for election to the Board is equal to or is less than the number of Director positions eligible for election.
 - c. The Members present, in person or by proxy, by unanimous vote, act to elect the slate of nominees as Directors and dispense with the secret ballot procedures.

Inspector of Election

1. The Board shall select one or three independent third parties as an Inspector or Inspectors of Election utilizing one of the following methods:
 - a. Appointment of the Inspector or Inspectors by the Board;
 - b. Election of the Inspector or Inspectors by the Members of the Association; or
 - c. Any other method for selecting the Inspector or Inspectors.

2. An independent third party includes, but is not limited to, the following:
 - a. A volunteer poll worker with the county registrar of voters;
 - b. A licensee of the California Board of Accountancy; or
 - c. A notary public.
3. An independent third party may be a Member of the Association, but may not be a Member of the Board or a candidate for the Board or related to a Member of the Board or a candidate for the Board. An independent third party may be a member of the Nominating Committee if not otherwise disqualified. Except as otherwise provided in this section, an independent third party may not be a person who is currently employed or under contract to the Association for any compensable services (e.g., Association's General Counsel) **unless expressly authorized** by the Board. The Board may expressly authorize a compensated third party to act as an Inspector of Election at any meeting of the Board or the Members. The Association's attorney may always serve as an independent third party Inspector of Election. The Association's manager may also serve as an independent third party Inspector of Election unless any Candidate objects to the use of the manager as an Inspector.
4. The Inspector or Inspectors of Election shall do all of the following:
 - a. Determine the number of memberships entitled to vote and the voting power of each.
 - b. Determine the authenticity, validity, and effect of proxies, if any.
 - c. Receive ballots.
 - d. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
 - e. Count and tabulate all votes.
 - f. Determine when the polls shall close, consistent with the governing documents.
 - g. Determine the tabulated results of the election.
 - h. Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with this section, the Corporations Code, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with this section.
5. An Inspector or Inspectors of Election shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical. If there are three (3) 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.
6. The Board of Directors may allow the Inspector, or Inspectors, to appoint and oversee additional persons to verify signatures and to count and tabulate votes as the Inspector or Inspectors deem appropriate, provided that the persons are independent third parties.

Voting

1. At each election of Directors, the Members in Good Standing or their proxies may cast, in respect to each position on the Board to be filled, one vote for each Lot owned. The persons receiving the largest number of votes shall be elected.
2. For all elections of two (2) or more Director positions to be voted upon on a single ballot, the President of the Association shall call for the cumulation of votes in accordance with Article II, Section 7 of the Association's Bylaws. When cumulative voting is applicable, for each ballot a Member may cast the number of votes equal to the number of Director positions on the ballot to be elected.
3. The person or persons receiving the greatest number of votes shall be elected. For all other issues subject to the ballot process, the ballot shall contain the voting requirements for the approval or disapproval of the proposed issue.
4. "Proxy" means a written authorization signed by a Member or the authorized representative of the Member that gives another Member or Members the power to vote on behalf of that Member and "Signed" means the placing of the Member's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the Member or authorized representative of the Member. Each Member may vote by proxy. All proxies shall be in writing, shall identify the person or persons authorized to exercise the proxy and the length of time it will be valid, and shall be signed and dated by the Member and filed with the Secretary. Proxies shall not be construed or used in lieu of a ballot. 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 secret ballot. Any duly-executed proxy continues in full force and effect until an instrument revoking it or a duly-executed proxy bearing a later date is filed with the Secretary of the Association. The proxy may be revoked by the Member prior to the receipt of the ballot by the Inspector of Election. **Once the Inspector of Election receives a ballot it shall be irrevocable and shall be treated as a Member present at a meeting for the purpose of establishing a quorum.**
5. The presence at the meeting of Members and proxy entitled to cast one-third (1/3) of the total number of votes which may be cast by the Members shall constitute a quorum for any action. The quorum for a reconvened meeting shall be twenty-five percent (25%); however, if fewer than one-third (1/3) of the total number of votes which may be cast by the Members are present in person or by proxy, the only business that may be transacted are those items which were generally described in the notice of the meeting.

Ballots

1. Ballots and two (2) pre-addressed envelopes with instructions on how to return 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.
2. In order to preserve confidentiality, a voter may not be identified by name, address, lot, parcel, or unit number on the ballot. The ballot itself is not signed by the voter, but is inserted into an envelope that is sealed. The envelope containing the ballot is then inserted into a second envelope that is sealed.
3. In the upper left hand corner of the second envelope, ***the voter shall:***

- a. Sign his or her name;
 - b. Indicate his or her name;
 - c. Mailing Address; and/or
 - d. Lot number that entitles him or her to vote.
4. The second envelope shall be addressed to the Inspector or Inspectors of Election, who will be tallying the votes. The envelope may be mailed or delivered by hand to the location specified by the Inspector or Inspectors of Election. The Member may request a receipt for delivery.

Tabulation

1. All votes shall be counted and tabulated by the Inspector or Inspectors 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 or Inspectors 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 the ballots are tabulated. Once a secret ballot is received by the Inspector or Inspectors of Election, it shall be irrevocable.
2. The Inspector or Inspectors may appoint and oversee additional persons to verify signatures and to count and tabulate votes, as the Inspector or Inspectors deem appropriate, provided that the persons are independent third parties.
3. 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. Within 15 days of the election, the Board shall publicize the tabulated results of the election in a communication directed to all Members.
4. 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.
5. If there is a recount or other challenge to the election process, the Inspector or Inspectors of Election shall, upon written request, make the ballots available for inspection and review by an Association Member or his or her authorized representatives. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.
6. 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.