

MARINA HILLS PLANNED COMMUNITY ASSOCIATION

ELECTION POLICIES AND PROCEDURES

The procedure set forth herein is pursuant to California Civil Code section 1363.03 for use by the Marina Hills Planned Community Association ("Association") at any time the members of the Association are called upon to vote for the election of Directors, or on any other issue, including but not limited to the election of Delegates and Directors, amending of the Association's governing documents, and matter pertaining to assessment increases or special assessments. All elections within the Association shall be governed by the following guidelines:

1. Equal Access to Association Media. Candidates for the Board of Directors and members advocating a point of view will be provided equal access to Association media, newsletters, or internet Web sites during a campaign for purposes reasonably related to that election. Association may not edit or redact any content in the communications, but may include a statement that the Association is not responsible for the content.
2. Equal Access to Association Common Area. All candidates for and members advocating a point of view will be provided equal access to the common area meeting space during a campaign, if any exists, at no cost, for purposes reasonably related to the election.
3. Meeting of Members to Elect Directors. The annual meeting of members to elect Directors shall be held each year on or about August 27 at the principal office of the Association, or such other suitable location within the County of Orange convenient to the owners, as may be designated by the Board of Directors.
4. Record Date for Notice of Meetings. The Board of Directors may establish record dates for those members of the Association entitled to notice pursuant to California Corporations Code section 7611. Such date for notice shall be no more than ninety (90) days nor less than ten (10) days before the date of meeting.

If no record date is fixed, members at the close of business on the day preceding the day on which notice is given, or if notice is waived, at the close of business on the business day preceding the day on which the meeting is held, are entitled to notice of a meeting of members. A determination of the members entitled to notice of meeting of the members shall apply to any adjournment of a meeting, unless the Board fixes a new record date for the adjournment.

5. Record Date for Eligibility to Vote. The Board of Directors of the Association may establish the record date for purposes of identifying those individuals entitled to voting pursuant to Corporations Code section 1366(b). Said date shall not be more than sixty (60) days before the date of the meeting. If no record date is fixed, members on the date of the meeting, who are otherwise eligible to vote, are eligible to vote at the meeting of members, or in the case of an adjourned meeting, members on the date of the adjourned meeting, who are otherwise eligible to vote, are entitled to vote at the adjourned meeting.
6. Eligibility to Vote. Each property is entitled to one (1) vote, cast by either the majority owner of the property, the member representing a majority interest in such property, or if owned by husband and wife, either spouse attending in person or by proxy shall be entitled to cast the entire vote.
7. Suspension of Voting Rights. The Board of Directors of the Association shall have the authority to suspend the voting rights of any member to vote at any meeting of the members, pursuant to the Association's governing documents or California law.
8. Proxies. Every member entitled to cast a vote at a meeting of the members shall be entitled to vote either in person, or by proxy. The Association shall make available to owners upon request proxy materials for use at any meeting of members whereat the members are entitled to vote. The granting of a proxy shall not authorize the retrieval of any ballot previously cast. Ballots, once cast, are final and irretrievable. In the event multiple proxies are submitted, the later dated proxy shall be recognized

for voting purposes, unless a completed ballot has at any time previously been forwarded to the Inspector(s) of Elections.

9. Quorum. The presence in person or by proxy of a majority of the voting power of the Association shall constitute a quorum.
10. Adjournment. Where a meeting cannot be held due to lack of achieving quorum, the members present may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such meeting, the quorum requirement shall be the presence, in person or by written proxy, of the members entitled to vote at least twenty-five percent (25%) of the total voting power of the Association.
11. Candidates Elected. The candidate/candidates receiving the highest number of votes shall be elected to office.
12. Candidate Qualifications. Candidates for The Board of Directors must be resident owners of properties within the community.
13. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Master Association. The nominating committee shall be appointed by the Board of Directors ninety (90) days prior to the annual meeting of the members, to serve until the close of such annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Any resident member of the Association in good standing may declare candidacy for a seat on the Association's Board of Directors. Candidates for the Board of Directors may be self-nominated.

14. Appointment of Inspectors of Election. The Board of Directors shall appoint one or three Independent Inspector(s) of Election no less than seventy-five (75) days prior to the meeting.

15. Qualifications for Inspectors of Election. Inspector(s) of election must be "independent" third party or parties, which includes, but is not limited to the following:
 - A. Volunteer poll worker with the County;
 - B. California Board of Accountancy licensee;
 - C. Notary public;
 - D. Member of Association, but not a Board member, or a candidate, or related to a Board member or a candidate;
 - E. An entity established whose primary purpose is to provide inspector of election services for the conducting of homeowner association meetings;
 - F. Any person or entity presently under contract to the Association for compensation.

16. The Inspector(s) of Election shall perform the following functions:
 - A. Determine the number of memberships entitled to vote and the voting power of each;
 - B. Determine the authenticity, validity, and effect of proxies (where applicable);
 - C. Receive ballots;
 - D. Hear and determine all challenges and questions concerning the right to vote;
 - E. Count and tabulate all votes;
 - F. Determine when the polls close;
 - G. Determine the result of the election; and
 - H. Perform any acts proper to conduct the election with fairness to all members that are not in conflict with this statute.

17. General Election Policies
 - A. To ensure the effectiveness of the secret balloting process required by Civil Code section 1636.03, only official balloting materials distributed by the Association may be counted. Materials must be returned according to the

policies established herein below. Balloting materials will not be received by facsimile, or any other electronic transmission means. Steps shall be taken to ensure that each member may obtain any of the balloting materials, either by mail or physically at the meeting.

- B. All balloting materials must be properly completed and provide all information requested. Only properly filled out ballots and election materials shall be counted. However, balloting materials properly identifying an owner, but improperly voted, may be used for the establishment of quorum.
 - C. Any ballot returned by an owner who has exercised his right to vote cumulatively shall be considered evidence of that owner's intent to vote cumulatively at the meeting.
 - D. Once a ballot is returned to the Inspector[s] of Election, that vote is deemed final and the ballot is irretrievable.
 - E. Management shall provide to the Inspector[s] of Election a membership list identifying each Owner of a property entitled to notice, as of the record date for the giving of notice.
 - F. Management shall provide to the Inspector[s] of Election a membership list for purposes of voting, identifying each owner of a property entitled to vote as of the record date for voting.
18. All elections including, but not limited to, matters relating to assessments, election of Directors, amendments to governing documents, or the grant of exclusive use common area property must be held by secret ballot by following the procedure below. Meetings of Delegates are not subject to the requirements set forth below. Unless otherwise specified, only an election of Directors, or the removal of Directors, need be conducted at a meeting of the members.

- A. Any instructions in the proxy that direct the manner in which the proxy holder is to cast the vote must be set forth on a separate page that can be detached and given to the proxy holder to retain, so the proxy holder casts the member's vote by secret ballot. Neither the voter nor the property address may be identified on the secret ballot.
- B. Ballots and two (2) preaddressed envelopes with instructions must be mailed first-class mail or delivered to every member not less than thirty (30) days prior to the deadline for voting.
- C. Associations are to use as a model the California county procedures for ensuring confidentiality of voter absentee ballots, including the following:
 - i. The ballot is not signed by the voter, but is inserted into the blank envelope and sealed.
 - ii. The blank envelope is then inserted into the second envelope addressed to the inspector(s) and sealed, and in the upper left hand corner of the envelope, the voter must print and sign their name, address, and lot, parcel, or unit number that entitles them to vote.
- D. All votes are to be counted and tabulated by inspector(s) at an open meeting of the Board or members, in which any candidate or member may witness the counting and tabulating of votes.
- E. Results of the election must be reported promptly to the Board, recorded in the next meeting minutes, available for review by members, and publicized to the members within fifteen (15) days of the election.
- F. After tabulation, election ballots must be stored by the Association in a secure place for no less than one year after the election.