

Board Proxy Vote Procedures Policy

This Policy addresses how the Board of Trustees will count and apply Owners' proxies granted to the Association/Board for election of Trustees at the annual owners' meeting each year. Every year there are three (3) Board positions open for election, based on the staggered terms of Trustees established in the Bylaws of the Association. If the number of candidates nominated or who volunteer for the positions are three (3) or less, the Proxies granted to the Association/Board will be automatically applied as votes for those candidates. However, if the number of candidates exceed the three (3) open positions the Board must decide how to apply or vote the owners' proxies among the candidates. Accordingly, this Policy only applies when the number of candidates exceed the number of Board positions open for election at an annual owners' meeting.

The Procedures for deciding how the Board will apply and vote the Owners' Proxies are as follows:

1. Each Trustee will have three (3) votes to exercise regarding the candidates. This number is based on the number of positions open for election each year under the staggered system for open Trustee positions.
2. Each Trustee will apply his/her three (3) votes among the candidates, essentially choosing those three (3) candidates most favored by the Trustee as best qualified in his/her opinion.
3. The Owners' Proxies granted to the Board will then be used or voted for the three (3) candidates with the most Trustee votes pursuant to section 4 below.
4. After the above steps are satisfied, the Owners' Proxy votes will then be counted along with the votes of owner attendees and owner proxies granted to other owners at the annual meeting, to tally the final total number of votes among all of the candidates for the open positions to decide the three (3) candidates who are elected to the three (3) open positions.

For clarification, an example of how the above procedures work: 5 candidates exist for the 3 open Trustee positions. At a Trustees' meeting each will exercise 3 Trustee votes among the 5 candidates (this does not involve voting the Owners' proxies to the Board). The Board will then apply and vote the Owners' proxies for those 3 candidates of the 5 receiving the most Trustee votes, along with and among the votes of Owners who attended the annual meeting and the proxy votes used by other Owners granted them for the election. The final tally of all such votes will determine the 3 out of the 5 candidates who are elected to the 3 open Trustee positions.

Adopted by the Board November 22, 2022.