

*REMBRANDT HOMEOWNER'S ASSOCIATION*

**ASSOCIATION MEMBERSHIP MEETING AND VOTING RULES**

(Civil Code Section 1363.03)

Effective July 1, 2006

1. **Membership Meetings, Annual Meeting and Election of Directors.**

- a. The Association will hold an Annual Meeting of the membership to elect directors and to conduct Association business.
- b. The Board of Directors consists of three (3) directors. (By-laws, Art. 4, Sec. 4.01) Directors are elected for two (2) year terms, except a Director elected to fill a vacancy created by the resignation, death, or removal of his or her predecessor shall have a term equal to the balance of the unserved term of the predecessor, and each Director shall hold office until a successor is elected. (By-laws, Art. 4, Sec. 4.02)
- c. The members of the Association who are in good standing may vote at membership meetings. "Good standing" includes members whose Association rights and privileges have not been suspended after notice and opportunity for hearing. (By-laws, Art. 3, Sec. 3.06)
- d. Any Director must be a member (By-laws, Art. 4, Sec. 4.01) and may not have been convicted of a felony or declared of unsound mind by a court.
- e. The Association will send out to all members a request-for-candidates form, seeking candidates for the Board, approximately 120 days prior to the Annual Meeting date. All forms must be completed by the candidate and must be received by the Association by the deadline stated in the form in order for a candidate's name to appear on the Notice of Annual Meeting and the Ballot. If the fully completed form is not received by the Association by the deadline date, any candidate may still be nominated by himself, herself or by someone else from the floor of the Annual Meeting.
- f. The candidacy form will include the opportunity for each candidate to submit a 150-word written statement which is reasonably related to the election, including advocating a point of view. Candidate's statements will be included with the Association's mailing of the Notice and Ballot materials if received by the Association by the deadline stated in the candidacy form. (The statements will also be posted on any common area bulletin board and Association web site.) The Association will not edit or redact these statements

but may include a statement specifying that the candidate is responsible for that content.

- g. **Meet the Candidates Night** - The Association may hold an informal gathering not less than 15 days prior to the Annual Meeting. All candidates may participate, including those who did not submit a candidate's form but who have advised the Association of their intention to be nominated from the floor of the Annual Meeting. Each candidate may give an oral statement of their qualifications of no longer than five minutes per candidate. Questions may also be directed to any candidate by the members present at the meeting. The candidates are not required to attend the Meet the Candidates Night, to make a statement, or to answer questions but are encouraged to do so. A property manager, Board member not up for election, or an election inspector may moderate the event.
- h. **Secret Ballots:** The Association will utilize a secret ballot process, as described below, for:
  - i. A vote of the membership regarding assessments per Civil Code Section 1366.
  - ii. Election of members of the Association's Board of Directors.
  - iii. Amendments to the governing documents.
  - iv. Grant of exclusive use of common area property pursuant to Civil Code Section 1363.07.
- i. No less than ten (10) nor more than ninety (90) days prior to the Annual Meeting, the Association will send out a Notice of Annual Meeting (By-laws, Art. 3, Sec. 3.03) and will advise all members of times when polls will open and when the members and candidates may attend the Annual Meeting and/or Board of Directors' meeting to witness the inspectors' registration, review, count and tabulation of the Ballots.
- j. Other meetings of the members ("Special Membership Meetings") may be noticed and held by the Association to vote on matters which are proper for member vote. (By-laws, Art. 4, Sec. 4.07)
- k. The directors must be elected by secret ballot and cannot be elected by voice vote or show of hands at the Annual Meeting. (By-laws, Art. 4, Sec. 4.04)
- l. Other business at the Annual or other membership meeting, such as approval of minutes, motions to close registration, motions to cease balloting, motions to adjourn and other parliamentary procedures required by a recognized system of parliamentary procedure, may be conducted by a show of hands, voice vote or other method, including a roll-call vote, except as provided at Article 3, Section 3.04 of the By-laws.

- m. All membership meetings and votes will be conducted in accordance with the Association's governing documents and California Corporations and Civil Codes, as appropriate.
- n. Members will have one vote per unit/parcel owned. (CC&Rs, Art. 2, Sec. 2.6.(b))
- o. For election of directors, cumulative voting may be used as permitted by the Association's By-laws at Article 4, Section 4.04.

2. **Inspector(s) of Election.**

- a. One or three inspector(s) of election ("Inspectors") will be selected and appointed by the Board of Directors at an open Board meeting approximately 150 days prior to the date of the Annual Meeting or other membership meeting.
- b. The Board may, but is not required to, select non-member third parties as the Inspectors, which may include, 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.
- c. The Board may, but is not required to, select and appoint alternate Inspectors.
- d. The Board will not select a member of the Board of Directors, a candidate for the Board of Directors, a relative of a member of the Board or of a candidate, or a person currently employed by or under contract to the Association for other compensable services, except the Board may hire a CPA or accounting firm to act as Inspector(s) even though the CPA or accounting firm is employed for audit, tax or other Association accounting work.
- e. The Board may retain the services of the management company to act as Inspector(s) for Associations which contain 100 or less units.
- f. The Board may determine to pay compensation to the Inspectors.
- g. Inspectors' Duties:
  - i. Determine number of memberships entitled to vote and the voting power of each.
  - ii. Determine the authenticity, validity and effect of proxies, if any ill.  
Receive Ballots.
  - iv. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
  - v. Count and tabulate all votes.
  - vi. Determine when the polls shall close.

- vii. Determine the results of the election.
- viii. Perform any acts as may be proper to conduct the election with fairness to all members in accordance with Civil Code Section 1363.03 and these rules.
- ix. All duties must be performed in good faith, to the best of the Inspector's ability and as expeditiously as practical.
- x. Prior to the mailing of the Ballots by the Association, the Inspector(s) will determine the location where the sealed ballots will be mailed or delivered and where the Inspector(s) will maintain custody of the sealed ballots until after the tabulation of the vote by the Inspector(s). The Inspector(s) may select the Association's management company/on-site management office to receive the sealed ballots on behalf of the Inspector(s). Management will not open, review or count the ballots.
- h. The Inspector(s) may appoint additional personnel to assist them in their duties, including registration, counting and tabulating, but the Inspector(s) will oversee and be responsible for all actions of such personnel.
- i. If there are three Inspectors, the decision to act must be by a majority of the Inspectors and is effective, in all respects, as the decision of all.
- j. Inspector(s)' report is prima facie evidence of the facts stated in the report.

3. **Secret Ballot Procedures.**

- a. At least 30 days prior to the Annual Meeting or other membership meeting which is the deadline for voting, the Association will mail to members in good standing, by first-class mail, the Ballots, along with two preaddressed envelopes. A Notice of Meeting will also be sent which will include instructions on how to return Ballots.
- b. The Ballot will not identify voter by name, address, lot, parcel number or unit number.
- c. The Ballot will contain the names of any candidates known to the Association at the time the Ballot is mailed. If no candidates are known or if there are fewer candidates than the number of directors to be elected, the Association will send out a Ballot which has the names of the known candidates and blank lines for write-in candidates.
- d. Write-in candidates must be nominated from the floor of the Annual Meeting, by themselves or another member.

- e. The Ballot itself is not signed by the voter but is inserted into a sealed, preaddressed (to the Inspectors) envelope (Envelope #1).
- f. The sealed Envelope #1 is then inserted by the voter into a second preaddressed envelope (Envelope #2) which should then be sealed. In the upper left-hand corner of Envelope #2, the voter prints and signs their name, address, and lot, parcel or unit number that entitles them to vote.
- g. The owners of multiple properties must submit separate sealed Ballot envelopes (#1 and #2) for each property.
- h. Envelopes #1 and #2 are preaddressed, addressed to the Inspectors,
- i. Ballots may be mailed to that address or delivered by hand by the member to the location selected by the Inspectors.
- j. The member may request a receipt for hand delivery of the sealed Envelope #2 to the location selected by the Inspectors. Any member desiring a receipt for mail delivery should send the Ballot by certified mail, return receipt requested, to the location selected by the Inspectors.
- k. Only the Association's Ballots in the form which are sent out to the membership by the Association or are provided by the Association at the membership meeting will be accepted by the Inspectors.

4. **Proxies.**

- a. Proxies will be accepted pursuant to the By-laws at Article 3, Section 3.05 only if those proxies are determined by the Inspectors to meet the requirements of the By-laws, California Corporations Code and California Civil Code.
- b. Any instruction given in a proxy that directs the manner in which the proxy holder is to cast the vote must be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain.
- c. The proxy holder shall cast the member's vote by secret ballot.
- d. Any member who gives another person his/her proxy does so with the full understanding that the Association and Inspectors will not be responsible for ensuring that any proxy holder votes the proxy in accordance with the proxy holder's direction.

5. **Multiple Ballots.** If more than one Ballot is received for any property, the first Ballot received will be the one counted. If it cannot be determined which Ballot was the earliest received, no Ballot will be counted for that property except one Ballot for quorum purposes only.

6. **Registration of Secret Ballots at the Meeting.**

- a. The Association will have the membership registration list at the membership meeting.
- b. Management will not register any of the Ballots or proxies received by the Association. Registration will be performed by the Inspector(s) at the meeting.
- c. All Ballots must be sealed in the two sealed, preaddressed envelopes and contain all required information on the upper left-hand corner of Envelope #2.
- d. If a member brings ballots for other members to the membership meeting, the Ballots must be sealed in separate individual Envelopes #1 and #2 as required above. The Inspectors will register and make all necessary determinations regarding those sealed Ballot envelopes.
- e. The Inspectors will review the information provided on the upper left-hand corner of Envelope #2. The Inspectors will require, at a minimum, the following:
  - i. The printed name of the member must be legible and must match the name of at least one of the record owners of the property as shown on the Association's membership list.
  - ii. The member's signature must be on the Envelope #2.
  - iii. The address shown on Envelope #2 must correspond to the member's property address on the Association's membership list.
  - iv. If these requirements are not met, the envelope/Ballot will not be valid for *any* purpose, including quorum, and will not be registered.

7. **Registration of Members in Person.**

- a. Members wishing to vote in person at the membership meeting must present themselves at the registration table.
- b. A member may not revoke any previously mailed or delivered Ballot, if the Inspectors confirm that Ballot was received by the Inspectors. A member may attend the meeting but will not be given a new Ballot to vote at the meeting.
- c. If the member has not previously mailed or delivered a Ballot to the Inspectors, he/she will be given a Ballot to mark and cast in secret at the membership.

meeting. The Inspectors will mark the registration list to memorialize that the member received a Ballot at the membership meeting.

- d. Members voting in person at the meeting must still use Envelopes #1 and #2, and Envelope #2 must be filled out, sealed and signed. Failure to use the two envelope system at the meeting may lead to invalidation of the Ballot cast at the meeting and shall prevent the Ballot from being counted at any adjourned date if the meeting is adjourned for lack of a quorum.

8. **Registration of Proxies/Determination of Quorum.**

- a. If a person brings proxies to the membership meeting, the Inspectors will review and make all necessary determinations regarding those proxies, including the validity of those proxies.
- b. The Inspectors will determine, based upon the count of the number of members voting in person or by mail as shown on the registration list, that quorum has been obtained.
- c. If a member has cast a Ballot by mail or delivery to the Inspectors, that Ballot will supersede and control over any proxy submitted, regardless of date.
- d. Upon determination that a quorum has been obtained, the Inspectors may close registration at the polls. Once registration at the polls has been closed, no member may revoke his/her proxy.

9. **Adjourned for Lack of Quorum/Recessed Meeting.**

- a. Any ballots which are cast in person at an earlier date of the Annual Meeting and put directly into the ballot box without Envelopes #1 and #2 for that meeting will not be counted at or used for any adjourned meeting. Ballots which are mailed in or delivered to the Inspectors in properly completed, sealed Envelopes #1 and #2 will be valid for adjourned meetings.
- b. The Ballots will be counted during a duly noticed Board or membership meeting. The Inspectors may request that any meeting be recessed to allow the Inspectors to complete the counting and tabulation of the Ballots to another time. Notice of the recessed meeting will be given to all members and candidates of the location, dates and times when the counting and tabulation will be performed. The Inspectors will continue to maintain custody of all Ballots until the counting and tabulation is complete.

10. **Observation/Custody of Ballots, Etc.**

- a. Any candidate or other member of the Association may witness the registration of sealed Ballots, proxies (if any), the counting and the tabulation of the votes.
- b. Members and candidates may witness the counting and tabulation from a distance of no less than six feet from any Inspector.
- c. No person, including any member of the Association, any employee or manager, may open or otherwise review any Ballot prior to the time and place at which the Ballots are counted and tabulated.
- d. The sealed Ballots at all times will be in the custody of the Inspectors until after the tabulation of the votes, at which time custody is transferred to the Association.

11. **Privilege Suspensions.** Management will provide the Inspector(s) with a list of those members whose rights and privileges have been duly suspended after notice and hearing and who are not entitled to vote at the membership meeting. The Inspector(s) will take appropriate steps, including making notations or otherwise marking the membership registration list and/or sealed Ballot envelopes, to not allow suspended members to vote at the membership meeting or in other membership votes.

12. **Consultation With Association Counsel.** The Inspectors will have the authority to confer with Association legal counsel in advance or at the meeting. Legal counsel represents the Association and does not represent the members, Inspector(s), Board members, management or any other person. By the adoption of these rules, Association legal counsel has been authorized by the Board of Directors to provide advice to and to waive the attorney-client confidential communication privilege as determined necessary or prudent by the attorney to inform and advise the Inspectors regarding issues related to the Inspectors performing their duties for the Association. The Inspectors may confer with Association legal counsel outside the presence of the members.

13. **Nominating/Balloting.** Once registration for the polls has been closed, if a quorum is present, the membership meeting may proceed with nominations from the floor, followed by balloting, etc.

14. **Tabulation, Counting, Inspectors' Conduct, Etc.,**

- a. Once the balloting has been closed by the Inspectors, the Inspectors may then open the sealed envelopes and begin the count and tabulation of the Ballots.
- b. All votes shall be counted and tabulated by the Inspectors of election in public, at a properly noticed open meeting of the Board or of the members, after verification of a quorum of the membership.
- c. If the Inspectors open the envelopes and determine that there is no Ballot in the envelopes, then the Inspectors will so indicate on the registration list next to that owner's name that no Ballot was received.

- d. The Inspectors will not provide members or candidates with information, will not answer questions, will not engage in discussion and will not provide any interim counts or tabulations. Inspectors will only provide the members or Board of Directors with a final count and tabulation.
- e. Members and candidates may not communicate with the Inspectors during the inspection, registration, count or tabulation process.
- f. Any Ballot must be legible and clearly marked. If the ballot is marked to cast more votes than the maximum number of votes for that election, no votes will be counted, and the Ballot will be used for quorum purposes only.
- g. Inspectors will certify the results of the membership election by completing a report.

15. **After Tabulation.**

- a. Results of the election shall be announced and be promptly reported to the Board of Directors and recorded in the minutes of the next meeting of the Board.
- b. Results shall be available for review by all members after the certification of the membership meeting by the Inspectors.
- c. Tie Votes: In the event of a tie vote among any number of the candidates, the Association will notice a special membership meeting and send out Ballots to all members for a vote to break the tie. Said vote shall be conducted in accordance with the procedures herein, to the extent they are applicable to a run-off vote. No previously cast ballots or proxies will be used at the meeting to break the tie.
- d. Within 15 days of the election, the Board shall publicize the results of the election in a communication directed to all the members.
- e. The Ballots and the envelopes, along with the registration list, will be stored by the Association in a secure place for no less than one year after the date of the election.
- f. In the event of an election challenge and upon receipt of a written request from a member, the Association will make the Ballots available for inspection and review by Association members or their authorized representatives. In order to protect the security of the Ballots, one or more Association representatives must be present during such review. The Association will not make proxies available for review or inspection.

- g. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

16. **Access to Association Facilities and Communications/Use of Association Funds.**

- a. If any candidate or member advocating a point of view is provided access to any Association media, including newsletters, Internet web sites, or other Association publications during any campaign, for purposes that are reasonably related to that election, then all candidates and members advocating a point of view shall be provided with equal access for purposes reasonably related to that election.
- b. The Association shall not edit or redact any content from these communications but will provide a statement specifying that the candidate or member, not the Association, is responsible for that content.
- c. The Association has a common area meeting space.

THE FOREGOING ASSOCIATION RULES WERE ADOPTED \_\_\_\_\_, 2006, by the Board of Directors in a duly noticed open Board meeting following the Board's compliance with Civil Code Section 1357.130.

ATTESTED TO:

By: \_\_\_\_\_  
Board Secretary

Notice of Association Rules adoption was mailed to the membership within 15 days of the adoption date in accordance with Civil Code Section 1357.130(c).

ATTESTED TO:

Equity Management

By: \_\_\_\_\_