

The Bluffs Community Association

Written Ballot (Corporations Code section 7513, 7514)

Purpose of the Written Ballot:

Since the year 2000, elections for the Bluffs Board of Directors have been conducted on a staggered two-year cycle, with three seats elected in one year and two seats elected the following year. Although amendments to the Bylaws were adopted around the year 2000 to permit this staggered election process, documentation of those amendments cannot be located.

The current Bylaws call for a five-member Board with all Directors serving one-year terms. Under this structure, all five board positions would be subject to election each year, resulting in a lack of continuity in Board leadership.

This ballot is being provided to obtain formal written approval by the members of the Association to amend that portion of Article V, Section 3 of the Bylaws that calls for concurrent terms to provide staggered two-year terms, rather than concurrent one-year terms.

If approved, the three Directors elected at this year's annual meeting will be elected to two-year terms. The two remaining Directors will continue serving the remainder of their current terms and will be up for election at next year's annual meeting. At that time, those two seats will be elected to two-year terms. Thereafter, the Board will maintain staggered two-year terms, with either two or three Director seats up for election each year.

Number of Approvals Needed to Approve Bylaw Amendment:

Article VIII, Section 1 of the Bylaws requires the vote or written assent of a majority of the Members.

Proposed Amendment:

Article V, Section 3 of the Bylaws that currently reads as follows shall be amended:

Until (i) the holding of the first meeting of the Members referred to in Article IV of these Bylaws entitled "Meeting of Members" or (ii) the earlier resignation from the board, the Board shall consist of those directors named in the Articles. All directors shall be elected by secret written ballot at each annual meeting of Members, but if any such annual meeting is not held, or if the directors are not elected thereat, the directors may be elected at any special meeting of Members held for that purpose. All directors shall hold office until their respective successors are elected.

That portion of Article V, Section 3 of the Bylaws shall be amended to read as follows:

The Directors shall hold staggered terms. At annual meetings, either two or three Directors shall be elected to fill a two-year term based on the number of terms that are expiring. Directors shall be elected by secret written ballot at each annual meeting of Members, but if any such annual meeting is not held, or if the directors are not elected thereat, the directors may be elected at any special meeting of Members held for that purpose. Unless vacated sooner, each Director shall hold office until the Director's term expires, and a successor is elected.