

**HILLVIEW COMMUNITY OWNERS' ASSOCIATION
ELECTION PROCEDURES
RULES FOR ELECTIONS BY SECRET WRITTEN BALLOT**

Adopted by the BOD on 09-27-2022

APPLICABILITY OF ELECTION OPERATING RULES

1. These Election Operating Rules shall apply to elections required to be held by secret ballot pursuant to Civil Code Section 5100(a). The Board of Directors may, in its discretion, also determine to apply these Election Operating Rules to govern an election on any topic that is not expressly required by statute to be conducted by secret ballot.

ACCESS TO ASSOCIATION COMMUNICATIONS

2. All candidates or Members advocating a point of view shall have equal access to all Association media, newsletters, and websites during a campaign for purposes reasonably related to that election. Equal access may include no access to any candidate or Member.

3. The Association will not edit or redact (black out) any content from communications set forth in Section 2. The Association may include a statement that the candidate or Member, and not the Association, is solely responsible for the content of the communication.

4. Candidates, including those who are not incumbents, and Members advocating a point of view reasonably related to the election, shall have equal access to any Common Area meeting space, if any exists. This access shall be provided at no charge for purposes reasonably related to the election, except that the Association may implement procedures for reserving Common Area meeting spaces and access may not be provided if the area is already in use or has already been reserved.

CANDIDATE QUALIFICATIONS

5. Qualifications for candidates to the Board of Directors shall include:

- a. Candidates must be Members of the Association. Any Member who is not a natural person (such as a corporate Member or trust) may appoint a natural person to be a candidate on its behalf.
- b. If the Candidate, if elected, would be serving on the Board at the same time as another Member who holds a joint ownership interest in the same separate interest parcel as the Candidate and the other Member is either properly nominated for the current election or an incumbent Director, the Candidate may be disqualified.
- c. Candidates must not be delinquent in the payment of any regular or special assessments, with the exception of Owners who have entered into a valid payment plan with the Association.
- d. Candidates must have held membership in the Association for at least one (1) year prior to the date of the election. This provision shall be waived until 2023.
- e. Candidates must not have been convicted of a crime that would prevent the Association from obtaining or maintaining fidelity bond coverage required by Civil Code Section 5806.

NOMINATIONS

6. At least thirty (30) days prior to the deadline for submission of candidacy nominations, the Association shall provide Members with notice (via general delivery) of the procedures and deadline for submitting a candidacy nomination.
7. Procedures for nomination of candidates to the Board shall allow for a Member to nominate himself or herself and shall be consistent with the Governing Documents.

VOTING

8. At least thirty (30) days prior to the mailing of ballots, the Association shall prepare:
 - a. A candidate registration list showing the names of all candidates that will appear on the ballot; and
 - b. A voter list which includes the name, voting power, mailing address, and separate interest address or parcel number for each Member.
9. Members have the right to inspect and verify the accuracy of their individual information on both lists identified in Section 8. Errors reported to the Inspector(s) of Elections shall be corrected within two (2) business days.
10. The Board may, but is not required to, set the date the ballots are mailed or otherwise delivered as the "voting cut-off date" to establish membership status for voting.
11. Every Member of record shall have the right to vote, unless the Board adopts the voting cut-off date and an individual was not a Member of Record as of that date.
12. The voting power of each Member shall be as described in the Association's Bylaws and/or Declaration.

INSPECTOR(S) OF ELECTIONS

13. Inspector(s) of Elections (i.e. independent third parties) shall be appointed by the Board. The number of Inspector(s) of Elections shall be one (1) or three (3). If there are three (3) Inspectors of Elections, the decision or act of a majority shall be the decision or act of all.
14. The following persons may not serve as Inspector(s) of Elections: Board Members, candidates, persons who are related to Board Members, persons who are related to candidates, or any party who is currently employed or under contract with the Association for compensable services.
15. The following persons are independent third parties and may serve as Inspector(s) of Elections: Any third-party person or company hired by the Association solely for this specific purpose. Association Members may serve as Inspector(s) of Elections if they are not a Director, a candidate, or a person related to any Director or candidate.
16. Independent third parties may be compensated for performing Inspector(s) of Elections services. Association Members, however, are not entitled to compensation for serving as Inspector(s) of Elections.
17. Inspector(s) of Elections may appoint and oversee additional independent third parties to verify

signatures and to count and tabulate votes.

18. The Inspector(s) of Elections are charged with performing the following duties:
 - 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 or determine a location where ballots are to be delivered.
 - d. Verify the Member's information and signature on the outer envelope. For mailed ballots, the Inspector(s) may verify the Member's information and signature on the outer envelope prior to the election.
 - e. Hear and determine challenges and questions in any way arising out of balloting or the election.
 - f. Count and tabulate all votes.
 - g. Determine when the polls shall close, consistent with the Association's Governing Documents.
 - h. Determine the tabulated results of the election.
 - i. Report the tabulated results of the election or balloting promptly to the Board of Directors to ensure that the Board can publicize the results to the homeowners within 15 days of the election.
 - j. Retain the ballots at a location designated by the Inspector(s) of Elections pursuant to Civil Code Section 5125.
 - k. Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with Civil Code Sections 5100 - 5145, the Corporations Code, and these Election Operating Rules to the extent not in conflict with Civil Code Sections 5100 - 5145.

ELECTION PROCEDURES

19. After the deadline for submission of candidacy nominations, and at least thirty (30) days prior to the mailing of ballots, the Association shall prepare the candidacy registration list and voter list, pursuant to Section 8 above.

20. At least thirty (30) days prior to the mailing of ballots, the Association shall provide Members notice of the following (via general delivery):

- a. The date, time, and physical location for the return of ballots;
- b. The date, time, and location of meeting; and
- c. The names of all candidates that will appear on the ballot.

21. At least thirty (30) days prior to the deadline for voting, the Inspector(s) of Elections or Association shall mail or otherwise deliver ballots to the Members. Within this same timeframe, a copy of these Election Operating Rules shall be provided to the Members either:

- a. By mail with the ballots; or
- b. By posting to a website and including the corresponding website address on the ballot together with the phrase in at least 12-point font: "The rules governing this election may be found here: ..."

22. The voting period for elections shall commence when the notice of the meeting and/or ballots have been mailed/ delivered to all Members and shall terminate as stated in the notice and/or ballot or as determined by the Inspector(s) of Elections, consistent with the Governing Documents.

23. The form and content of election materials, i.e., secret written ballot, envelopes, proxies, etc., shall conform to the requirements of the Civil Code.

24. No Member shall be denied a ballot, unless the Board adopts the voting cut-off date and an individual was not a Member of Record as of that date.
- a. No person who holds a valid general power of attorney for a Member shall be denied a ballot, if requested.
 - b. A ballot cast by a person who holds a valid general power of attorney for a Member shall be counted if received timely by the Inspector(s) of Elections.
25. Once a ballot has been received by the Inspector(s) of Elections, it shall be irrevocable. If proxies are allowed and a Member submits both a proxy and a ballot to the Inspector(s) of Elections, the ballot will supersede the proxy.
26. The authenticity, validity and effect of proxies submitted by Members shall be determined by the Inspector(s) of Elections, consistent with the Association's Governing Documents and California law.
27. Proxies may not be used in lieu of a ballot. Proxies may be revoked by the Member prior to receipt of the ballot by the Inspector(s) of Elections.
28. Votes shall be counted and tabulated by the Inspector(s) of Elections or their designee(s) in an open area at a properly noticed open meeting of the Board or Members. Any candidate or other Member may witness the counting and tabulation of the votes. To ensure anonymity of the voting, Members must stand at least five (5) feet away from the Inspector(s) of Elections or their designee(s) during the tabulation process. Members are prohibited from speaking to the Inspector(s) of Elections or their designee(s) during the tabulation process or interrupting the tabulation process in any way.
29. Notice of the tabulated results of the election shall be provided to the Members (by general delivery) within fifteen (15) days of the election.
30. Ballots, signed voter envelopes, the voter list, proxies, and the candidate registration list shall be retained in the custody of the Inspector(s) of Elections or at a location designated by the Inspector(s) of Elections as set forth in Civil Code Section 5125, at which time the ballots shall be transferred to the Association.
31. If there is a recount or other challenge to the election process, the Inspector(s) of Elections shall, upon written request, make the ballots available for inspection and review by an Association Member or his or her authorized representative, at a location and time as determined by the Inspector(s) of Elections. The recount shall be conducted in a manner that preserves the confidentiality of the vote. The candidate or Member requesting the recount shall be responsible for any and all costs related to the recount, including compensation to the Inspector(s) of Elections, if applicable.

CODE OF CONDUCT ON NEXT PAGE

HILLVIEW COMMUNITY OWNERS' ASSOCIATION
CODE OF CONDUCT FOR DIRECTORS & COMMITTEE MEMBERS

Adopted by the BOD on 09-27-2022

The Board of Directors has adopted the following ethics policy for its board members and committees. This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

A. BOARD RESPONSIBILITIES

The general duties for directors are to enforce the association's governing documents, collect and preserve the association's financial resources, insure the association's assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, directors must:

- regularly attend board meetings,
- review material provided in preparation for board meetings,
- review the association's financial reports,
- make reasonable inquiry before making decisions, and
- respond to member inquiries

B. PROFESSIONAL CONDUCT

In general, directors and committee members must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

1. Private Gain. Self-dealing occurs when directors or committee members make decisions that materially benefit themselves or their relatives at the expense of the association. "Relatives" include a person's spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person's residence. Benefits include money, privileges, special benefits, gifts or other item of value. Accordingly, no director or committee member may:

- solicit or receive any compensation from the association for serving on the board or any committee,
- make promises to vendors unless with prior approval from the board,
- solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the association,
- seek preferential treatment for themselves or their relatives,
- use association property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the association.

2. Confidential Information. Directors and committee members are responsible for protecting the association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director or committee member may disclose confidential information. Confidential information includes, without limitation:

- private personal information of fellow directors and committee members,
- private personnel information of the association's employees,
- disciplinary actions against members of the association,
- assessment collection information against members of the association, and
- legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association's general counsel. Failure to

follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

3. Accuracy of Information. Directors and committee members may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner.

4. Interaction with Management. To ensure efficient management operations, avoid conflicting instructions from the board to management and avoid potential liability, committee members and directors shall observe the following guidelines: The president of the Board shall serve as liaison between the board and management and provide direction on day to day matters.

- With the exception of the president, it may be determined that committee members and directors may not give direction to management or vendors.
- Directors may not contact management after hours unless there is an emergency representing a threat of harm to persons or property.
- If directors or committee members are contacted by homeowners or residents with complaints regarding management, the director or committee member shall be instructed to contact senior management or the board as a whole.
- No director may threaten or retaliate against management who brings information to the board regarding improper actions of a director or committee member.
- Directors and committee members are prohibited from harassing or threatening management, vendors, directors, committee members, and owners, whether verbally, physically or otherwise.

5. Professional Behavior. Directors and committee members are obligated to act with proper decorum. Although they may disagree with the opinions of others on the board or committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, directors and committee members must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in accordance with board decisions and shall not act unilaterally or contrary to the board's decisions.

C. WHEN CONFLICTS ARISE

Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Directors and committee members should immediately raise such situations with the board. If appropriate, the board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal. Directors and committee members must immediately disclose the existence of any conflict of interest, whether their own or others. Directors and committee members must withdraw from participation in decisions in which they have a material interest.

2. Violations of Policy. Directors and committee members who violate the association's ethic's policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- censure,
- removal from committees,
- removal as an officer of the board,
- request for resignation from the board,
- recall by the membership, and
- legal proceedings.

Prior to taking any of the actions described above, the board shall appoint an executive committee to investigate the violation. The committee shall review the evidence of violation, endeavor to meet with the

director/committee member believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the board for appropriate action. The board shall endeavor to meet with the director/committee member in executive session prior to imposing disciplinary action against that person.

D. ACKNOWLEDGMENT

I acknowledge that I have received and read the association's ethics policy and have had the opportunity to ask questions about the policy. I understand my obligations as a director and/or committee member under this policy and will act in accordance with my obligations

Signature: _____ Date: _____

Print name: _____