

THE LENNOX NEIGHBORHOOD ASSOCIATION

ELECTION RULES AND PROCEDURES

- 1. Application of Rules:** These rules shall apply to any meeting of the membership or solicitation of membership approval by a ballot vote (i) regarding matters specified in California Civil Code Section 5100(a), and (ii) any other matter unless the Association's Board of Directors has elected to conduct such vote or solicit such member approval for such other matter in accordance with California Corporations Code Section 7513, in which case the provisions of (A) Corporations Code Section 7513, (B) the Association's Bylaws, and (C) other applicable provisions of the California Corporations Code will apply to the exclusion of these Election Rules and Procedures. The Election Rules contained herein are intended to be in compliance with Civil Code Section 5100 et seq., and should be interpreted as such.
- 2. Membership Voting:** Pursuant to the Association's governing documents, the Association has only Class A voting Membership. Class A Members are all Owners and are entitled to one (1) vote for each Condominium owned by such Class A Members which is subject to assessment. When more than one (1) person holds an ownership interest in a Condominium, all such persons shall be Members, but in no event shall more than one (1) Class A vote be cast for any Condominium.
- 3. Record Dates:** In the absence of a specific resolution of the Board for any given election, the record date for determining the right of a Member to receive notice and to vote shall be the date that ballots are distributed, and shall include all separate interests reflected in the Association membership list as of such record date. Members may verify and update their individual information contained in the Association's records anytime up to the date ballots are distributed, and are encouraged to review their personal information by the deadline set for submitting nominations of candidates to ensure Members review their personal information at least thirty (30) days before the ballots are mailed. The voter list shall include for each separate interest: (1) name; (2) voting power; (3) the separate interest address, parcel number or both; and (4) the mailing address, if different. The voting period shall start when ballots are distributed and shall close when the ballots are counted. The polls shall close for any Member vote as specified in the ballot materials or as determined by the Inspector(s) of Election at any Member meeting.
- 4. Candidate Qualifications:** The affairs of the Association shall be managed by a Board consisting of three (3) Directors. The term of office of each Director shall be two (2) years. There shall be no limitation on the number of terms which a Director may serve.

Subject to Civil Code §5105, all Candidates for the Board must meet the following qualifications:

- a. The Candidate must be an Owner. If title to a separate interest is held by a legal entity, such entity may appoint a natural person to serve or vote on such entity's behalf by delivering evidence of an appropriate written appointment to the Association;
- b. The Candidate must be current in the payment of all regular and special assessments. For the purposes of these election rules, "current" means no regular or special assessment is

Adopted: January 21, 2020

past due by more than thirty (30) days, or such period of time as is specifically defined in the Association's collection policy;

- c. The Candidate may not hold a joint ownership interest in the same separate interest as any other candidate or incumbent director; and
- d. The Candidate is not eligible to run if the Association is aware or becomes aware of a past criminal conviction that would, if the Candidate were elected, either prevent the Association from purchasing the fidelity bond coverage required by Civil Code §5806 or terminate the Association's existing fidelity bond coverage.

5. Director Requirements: To serve as Director, one must be an Owner in good standing. The Board, by a majority vote of the Directors, may declare vacant the office of any Director who commits any of the following acts:

- a. Fails to be current in the payment of all regular and special assessments;
- b. Fails to attend three (3) consecutive regularly scheduled meetings of the Board or fails to attend more than six (6) meetings of the Board, regular or special, within any twelve (12) month period;
- c. Fails to comply with a duly approved action of the Board;
- d. Fails to comply with the Association's Governing Documents after having been provided proper notice and after receiving a hearing on the matter at which the Board determines that a violation exists; or
- e. Receives any type of monetary gain or other gain, such as services, products, gifts or gratuities of a significant value, which have been provided in relation to a Director's service on the Board, and which are not disclosed. Disclosure must take place at an open meeting of the Board and be recorded in the minutes. Compensation for services duly approved by the Board and unrelated to duties as a Director or officer of the Association, or reimbursement of expenses associated with service to the Members is permissible. (Bylaws, Article V, Section 4(a))

6. Nominations: Nomination for election to the Board may be made from any qualified Member. Any Member may nominate themselves as a candidate. Every qualified Member returning a candidacy form by the deadline established in any candidate solicitation shall be included on the ballot and in any associated ballot materials.

7. Solicitation Materials: Every Candidate and Member shall have equal access to the Association mailings, newsletters, and website during a campaign, if any such access is provided, for the publication of viewpoints reasonably related to any issue presented for membership vote.

- a. **Content:** The Association does not edit or redact any content provided by a Candidate or Member. The Candidate or Member creating such content, and not the Association, is responsible for any published statement.

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b. Limitation on Publication Space Made Available: So long as each Candidate and/or Member is provided the same opportunities for publication, the Association may restrict the availability of any publication by limiting the printing space made available or the number of words that will be included from each Candidate or Member included in the publication. In the absence of any other limitations adopted by the Board for any particular matter, each Candidate and/or Member shall be limited to no more than 200 words for any one publication. The Board may, in its sole discretion, present a candidacy questionnaire with questions for all interested Candidates and/or Members to complete. If such a questionnaire is provided, then the Association will only print the answers to such questions and may impose a limitation upon the number of words for the response to any question presented.

8. Availability of Meeting Space: Access to common area meeting space shall be made equally available, at no cost, to all Candidates and/or Members desiring to use such space for any reason reasonably related to a membership vote. The Association may meet the requirements of this section by hosting a "Meet the Candidates Night", or other such special meeting, so long as every Candidate and/or Member is provided with an equal opportunity to participate in the event.

9. Ballot Distribution: A ballot shall be distributed to every Member reflected in the Association membership list on the date that ballots are distributed. Replacement ballots will be provided upon request to anyone who was a Member as of the date when ballots were distributed. The Association shall not deny a ballot to a person with general power of attorney for a Member. A ballot submitted by a person with general power of attorney for a Member, if valid and returned by the applicable deadline, shall be counted by the Association. At least thirty (30) days prior to any election, the Inspector(s) of Election shall deliver or cause to be delivered: (1) a ballot to each Member reflected on the voting list; and (2) a copy of these election rules. Delivery of these election rules may be accomplished by posting them on an internet website and including on the ballot the corresponding internet website address together with, in at least 12 point font, the phrase: "The rules governing this election may be found here:".

10. Proxies: Votes in the election of Board members and other elections required to be conducted by secret ballot shall be cast in person only; proxies shall not be permitted in elections conducted by secret ballot. In elections that do not require voting by secret ballot, votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association before the appointed time for each meeting. Every proxy shall be revocable and shall automatically terminate upon the earliest of the following: (a) the conveyance by the Owner of his Condominium; (b) the date of automatic termination, if any, specified in the proxy, but not to exceed three (3) years from the date of issuance of the proxy; or (c) eleven (11) months from the date of issuance of the proxy if no automatic termination date is specified in the proxy. Any form of proxy distributed to the membership of the Association shall afford an Owner the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon at the meeting for which said proxy was distributed. The proxy shall provide that, where the Owner specifies a choice, the vote shall be cast in accordance with that choice. In addition, the proxy shall also identify the

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person or persons authorized to exercise the proxy and the length of time it shall be valid. Any instruction given in a proxy issued for an election that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain.

11. Inspector(s) of Election: Prior to the presentation of any issue to the Members for a membership vote, the Board may appoint one (1) or three (3) Inspector(s) of Election. In the absence of a specific appointment by the Board, or in the event that an appointed Inspector is unable or unwilling to serve, then the Members in attendance at any duly held meeting of the Members at which a quorum is present may elect an Inspector or Inspectors to serve.

Any Inspector(s) of Election must be an independent third party. An independent third party may not be a person, business entity, or subdivision of a business entity who is currently employed or under contract to the Association for any compensable services other than serving as an Inspector(s) of Election. An Inspector may not be: (1) a Director; (2) a Candidate; (3) a Director's relations; or (4) a Candidate's relations.

The Inspector(s) of Election may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the Inspector(s) of Election deem appropriate, provided that the additional persons satisfy the eligibility requirements for service as an Inspector of Election.

In the absence of a more specific determination by the Inspector(s) of Election, the Association's management company shall prepare and retain the association election materials (i.e., the candidate registration list, voter list, ballots, signed voter envelopes, and any proxies) for a period of three (3) years following any election.

Inspector(s) of Election shall perform all duties impartially, in good faith, to the best of their ability, as expeditiously as practical, and in a manner that protects the interest of all Members of the Association.

12. Meeting Conduct: Any counting of ballots shall be done at an open meeting of the membership or the Board of Directors. Any Candidate or Member may observe the count, but shall stand at least five feet away from the Inspector(s) of Election. No person may harass, cajole or otherwise interfere with the Inspector(s) of Election while the count is taking place. Persons not specifically authorized to do so may not touch any secret ballot or other election materials. All ballots will be made available for inspection by any Candidate or Member during regular business hours at the Association's management office once the meeting is concluded. Any person violating this section may be asked by the Inspector(s) of Election or the meeting chair to leave the meeting to prevent further disruption.