

BRAEBURN COMMUNITY 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 the following voting classes:
 - a. **Class A Members:** Class A Members are all Owners except Declarant for so long as a Class B Membership exists. Class A Members are entitled to one (1) vote for each Lot owned by such Class A Members which is subject to assessment. Declarant shall become a Class A Member on conversion of Declarant's Class B Members as provided in the CC&Rs. The vote for each Lot shall be exercised in accordance with the governing documents, but no more than one (1) Class A vote may be cast for any Lot.
 - b. **Class B Members:** The Class B Member is Declarant. The Class B Member is entitled to three (3) votes for each Lot owned by Declarant which is subject to assessments. The Class B Membership shall convert to Class A Membership as described in the CC&Rs.

The Class B Membership shall also include a limited right to appoint a simple majority of the members of the Board of Directors (the "Board Appointment Right"). Until the expiration of the Board Appointment Right, Declarant shall not be permitted to cast any Class A or Class B vote to elect any member of the Board of Directors. Declarant's power to fill seats on the Board shall during that time be limited to exercise of the Board Appointment Right.

Until the first annual meeting of the Owners, the Association's property, business and affairs shall be governed and managed by a Board of Director composed of three (3) persons appointed by Declarant to serve as interim Directors until Directors are elected at the first annual meeting of the Owners.

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)

Adopted _____, 20__

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:** Beginning with the first annual meeting of the Owners, the Association's property, business and affairs shall be governed and managed by a Board of Directors of three (3) persons elected or appointed at the first annual meeting.

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

- a. The Candidate must be an Owner or an agent of the Declarant as long as Declarant owns any property within the Community. 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 past due by more than fifteen (15) 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 remain qualified to serve on the Board of Directors, an Owner who has been elected to the Board of Directors must:

- a. Be current in the payment of all regular and special assessments;
- b. Not be absent from more than three (3) consecutive regularly scheduled meetings of the Board;
- c. Attend at least seventy-five percent (75%) of the Board meetings held during the year and attend the entire meeting each time;
- d. Comply with every duly approved action of the Board;
- e. Comply with the governing documents and correct, within five (5) days after receipt of notice, any violation of the governing documents for which that Director has been determined to be responsible pursuant to applicable due process requirements;

- f. Exhibit respect, professionalism and courteous behavior to other Directors, Owners, committee members, vendors, the manage and its staff, and any other persons associated with or retained by the Association;
 - g. Be at all times an Owner in good standing;
 - h. Refuse any type of gain, such as money, services, products, gifts or gratuities of a significant value, as determined by a majority vote of the Directors who meet all of the required qualifications to serve as such, which gain is offered in relation to the Owner's service as a Director. In addition, the Owner must disclose such offers at an open meeting of the Board. Compensation for services duly approved by the Board and unrelated to duties as a Director or Officer of the Association, and reimbursement of expenses associated with services to the Association, do not constitute prohibited gain within the meaning of this subsection; and
 - i. Not act in a manner determined by a majority vote of the Directors to be grossly detrimental to the general safety, health or welfare of the Association and its members.
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.
 - 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 may be cast in person or by proxy. Proxies must be in writing, comply in form with the requirements of California Civil Code Section 5130, and be filed with the Secretary in advance of each meeting. Every proxy is revocable and automatically ceases to have any further legal effect after completion of the meeting for which the proxy was filed. Any form of proxy distributed by any Person to the Owners must afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted on. The proxy must provide that, when the Owner specifies a choice, the vote shall be cast in accordance with that choice. The proxy must also identify the person authorized to exercise the proxy and the length of time it will be valid.
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.