

THE OLD MILL POND HOMEOWNERS ASSOCIATION

Election and Voting Rules

(Adopted [REDACTED], 2020)

These Election and Voting Rules (these “**Election Rules**”) have been adopted by the Board of Directors of The Old Mill Pond Homeowners Association (the “**Association**”), in accordance with applicable statutory requirements. These Election Rules are intended to comply with Sections 5100 through 5145 of the California Civil Code, as well as any successor statutes thereto, and the Association’s Governing Documents, and these Election Rules shall not be amended less than ninety (90) days prior to an election. Notwithstanding anything to the contrary or any conflicts contained in the Bylaws or CC&Rs, the terms set forth in these Election Rules shall be controlling to the extent such terms are applicable with the California Civil Code.

I. Definitions

- A. Whenever used in these Election Rules, the following capitalized terms shall have the following meanings:
1. The term “**Board**” or “**Board of Directors**” shall mean the board of directors of the Association.
 2. The term “**Bylaws**” shall mean the bylaws of the Association.
 3. The term “**Candidate**” shall mean a candidate for election to the Association’s Board of Directors, including both incumbents and non-incumbents.
 4. The term “**CC&Rs**” shall mean the Declaration of Covenants, Conditions and Restrictions for The Old Mill Pond (Tract 8715) recorded on May 13, 1977 as Document/Instrument No. 21681 in the official records of Orange County, California (as may be amended from time to time, the “**CC&Rs**”), applicable to the Association’s common interest development.
 5. The term “**Director**” shall mean a person who serves on the Board of Directors.
 6. The term “**General Delivery**” or “**General Notice**” shall mean the delivery of a document to a Member pursuant to the requirements of California Civil Code Section 4045.
 7. The term “**Governing Documents**” shall mean the governing documents of the Association, including, without limitation, (1) the

Bylaws, (2) the CC&Rs and (3) any rules, regulations and policies adopted by the Board from time to time that apply generally to the conduct of the business and affairs of the Association.

8. The term “**Individual Delivery**” or “**Individual Notice**” shall mean the delivery of a document to a Member pursuant to the requirements of California Civil Code Section 4040.
9. The term “**Inspector**” or “**Inspector of Elections**” shall mean an independent third party acting as the inspector of elections in any Association election conducted by Secret Ballot. The term “independent” means not subject to a current contract with the Association and in no event shall it be the Association’s community manager.
10. The term “**Member**” shall mean a member of the Association.
11. The term “**Secret Ballot**” shall mean a ballot used in (1) an Association election which is subject to the secret ballot voting requirements of the California Civil Code or (2) an election on any topic that is expressly identified in the Governing Documents as required to be held by secret ballot, if any.

- B. Other capitalized terms used in these Election Rules shall have the same meanings given to them in the CC&Rs, unless otherwise defined herein.

II. Equal Access

- A. If any Candidate or Member advocating a point of view is provided access to Association media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all Candidates and Members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from communications by a Candidate or a Member, but the Association may include a statement specifying that the Candidate or Member, and not the Association, is responsible for that content; the Association shall not be responsible for the content of Candidate or Member communications, regardless of whether such a statement is included.
- B. Access to common area meeting space, if any exists, shall be made available during a campaign, at no cost, to all Candidates, including those who are not incumbents, and to all Members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election. Such access, as may be applicable, shall be made available upon the request of a Candidate or Member, and shall be scheduled at a reasonable time(s) by the Board.

III. Qualifications for Candidates and Directors

- A. An individual shall not qualify as a Candidate if the individual is not a Member at the time of nomination. If title to a separate interest parcel is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a Member.
- B. In addition to being a Member, in order to qualify as a Candidate (or serve as a Director as applicable), the following qualifications or requirements shall be applicable:
 - 1. A Candidate or Director must be current in the payment of regular and special assessments, which are consumer debts subject to validation. This requirement shall not apply to the nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party. Further, the person shall not be disqualified for failure to be current in payment of regular and special assessments if either of the following circumstances is true:
 - a) The person has paid the regular or special assessment under protest pursuant to Section 5658 of the California Civil Code.
 - b) The person has entered into a written payment plan pursuant to Section 5665 of the California Civil Code.
 - 2. A Candidate or Director may not serve on the Board if the person, if elected, would be serving on the Board at the same time as another person who holds a joint ownership interest in the same separate interest parcel as the person and the other person is either properly nominated for the current election or an incumbent Director.
 - 3. A Candidate or Director may not serve on the Board unless that person has been a Member for at least one (1) year prior to the nomination date.
 - 4. A Candidate or Director may not serve on the Board if that person discloses, or if the Association is aware of or becomes aware of, a past criminal conviction that would, if the person was elected, either prevent the Association from purchasing the fidelity bond coverage required by Section 5806 of the California Civil Code or terminate the Association's existing fidelity bond coverage.
 - 5. To the fullest extent permitted by law, a Director may have his or her seat declared vacant, and the Director's seat removed, if the Director has been convicted of a felony or declared of unsound mind by a final order of a court.

- C. A person may not be disqualified from nomination if the person has not been provided the opportunity to engage in internal dispute resolution pursuant to the California Civil Code.

IV. Procedures for Nomination of Candidates

- A. The Board shall act as the Nominating Committee described in the Bylaws (Article VIII).
- B. The Association shall distribute to all Members a notice seeking Candidates for the Board (the “**Candidacy Notice**”) at least thirty (30) days prior to the date of the deadline for return of the completed Candidacy Notice to the Association. The Candidacy Notice shall provide a space for any Member interested in being a Candidate to indicate his or her name, separate interest address within the Association’s development, mailing address (if different), other contact information and signature, a resolution by the governing authority of a legal entity authorizing a natural person to run for the Board on behalf of the legal entity (if applicable), and include a deadline for return of the completed Candidacy Notice to the Association. Any Member submitting a completed Candidacy Notice will be required to certify on the Candidacy Notice that he/she meets the qualifications for Candidates and Directors set forth in these Election Rules. Any Member submitting an incomplete Candidacy Notice or failing to submit a completed Candidacy Notice by the stated deadline shall not have his or her name included in the Secret Ballot or other voting materials for that election.
- C. The Candidacy Notice shall include a space for each Candidate to submit a written statement (the “**Candidacy Statement**”) reasonably related to the election, including advocating a point of view; the Board of Directors may limit the length of the Candidacy Statement or may choose, at its option, to not include a Candidacy Statement. Unless otherwise decided by the Board of Directors, a Candidacy Statement will be included with the Association's mailing of the voting materials for the election if the Candidacy Statement is provided to the Association with a completed Candidacy Notice by the stated deadline.
- D. If a fully completed Candidacy Notice is not timely received by the Association, a Member may nominate himself or herself, or may be nominated by another Member, from the floor at the annual meeting at which the election will be held, pursuant to the Bylaws (Article VIII). A Member who desires to vote for any Candidate nominated from the floor may complete and vote a Secret Ballot at the annual meeting if the Member has not previously submitted a Secret Ballot for that election. A Member nominated from the floor must accept the nomination in order to be a valid Candidate and/or seated on the Board. Further, such Candidate shall be required to certify that he/she meets the qualifications for Candidates and Directors set forth in these Election Rules.

- E. If a fully completed Candidacy Notice is not timely received by the Association, a Candidate may also nominate himself or herself, or may be nominated by another Member, as a write-in Candidate. A Member who desires to nominate any Member as a Candidate may write in such nominated Member's name on the Secret Ballot for that election, and such action shall constitute a nomination of such Member as a Candidate. A Member nominated by write-in on a Secret Ballot must accept the nomination in order to be a valid Candidate and/or seated on the Board. Further, such Candidate shall be required to certify that he/she meets the qualifications for Candidates and Directors set forth in these Election Rules.
- F. The Association shall provide General Notice (or Individual Notice if requested by a Member) of the procedure and deadline for submitting a nomination at least thirty (30) days before any deadline for submitting a Candidacy Notice.
- G. The Association shall provide General Notice (or Individual Notice if requested by a Member) of all of the following at least thirty (30) days before the ballots are distributed: (1) the date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector(s); (2) the date, time, and location of the meeting at which ballots will be counted; (3) the list of all Candidates' names that will appear on the ballot.

V. Qualifications for Voting

- A. Notwithstanding any other law or the Governing Documents, any Member at the time when ballots are distributed (or person with a valid, general power of attorney for a Member) may vote in all Association matters.
- B. Record dates for determining Members entitled to receive notice of a meeting, shall be established in accordance with Section 7611 of the California Corporations Code.

VI. Voting Power of Each Member

- A. Members shall have one (1) vote per separate interest owned, pursuant to the Bylaws (Article VII, Section 1) and CC&Rs (Article V, Section 2).
- B. For elections of Directors, cumulative voting will be allowed, pursuant to the Bylaws (Article V). Each Member entitled to vote at any election of Directors where two (2) or more positions are to be filled shall have the right to cumulate his or her votes by giving one (1) Candidate a number of votes equal to the number of Directors to be elected, multiplied by the number of votes to which the Member is entitled, or by distributing the Member's votes on the same principle among as many Candidates as that Member desires.
- C. No fractional votes are allowed in the election of Directors, or otherwise.

VII. Proxies

- A. Any Member entitled to vote may do so by proxy, in accordance with the Bylaws (Article XI, Section 5).
- B. A “**proxy**” means a written authorization signed by a Member or the authorized representative of the Member that gives another Member or Members (or a person with a valid, general power of attorney for a Member) the power to vote on behalf of that Member. For purposes of this definition, “signed” means the placing of the Member’s name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the Member or authorized representative of the Member.
- C. Proxies shall not be construed or used in lieu of a ballot (whether a Secret Ballot or other written ballot).
- D. The use of proxies shall meet the requirements of the Governing Documents, Section 7613 of the California Corporations Code and other provisions of law.
- E. The Association shall not be required to prepare or distribute proxies.
- F. Any instruction given in a proxy that directs the manner in which the proxyholder is to cast the vote must be set forth on a separate page of the proxy that can be detached and retained by the proxyholder. Neither the Association nor the Inspector will be responsible for ensuring that the proxyholder votes the votes in accordance with the Member’s instructions.
- G. A proxy may be revoked by a Member prior to the receipt of a Secret Ballot by the Inspector (or receipt of other written ballot by the Association), as described in Section 7613 of the California Corporations Code. A Member’s attendance at the meeting at which the proxyholder casts, or intends to cast, the Member’s vote does not automatically revoke the proxy.

VIII. Procedures for Elections by Secret Ballot

- A. The Association shall utilize a Secret Ballot process for elections regarding any of the following matters:
 - 1. Assessments legally requiring a vote of the Members.
 - 2. Election or removal of Directors.
 - 3. Amendments to the Governing Documents.
 - 4. The grant of exclusive use of the common area.

5. An election on any other topic that is expressly identified in the Governing Documents or the California Civil Code as required to be held by Secret Ballot.
- B. The Association shall hold an election for a seat or seats on the Board, in accordance with these Election Rules and applicable law, at the expiration of the corresponding Director(s)' term(s) and at least once every four (4) years.
 - C. Prior to the mailing of the Secret Ballots by the Association, the Inspector shall specify a location where the sealed Secret Ballots may be mailed or hand delivered.
 - D. Secret Ballots and two (2) pre-addressed envelopes with instructions on how to return the Secret Ballots shall be mailed by first-class mail or delivered by the Association to every Member not less than thirty (30) days prior to the deadline for voting. The deadline for voting and the times at which the polls will open and close shall be noticed with the Secret Ballot.
 - E. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the Secret Ballot. The Association shall use as a model those procedures used by California counties for ensuring confidentiality of vote by Secret Ballots, including all of the following:
 1. The Secret Ballot itself is not signed by the voter, but is inserted into an envelope that is sealed. This envelope is inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter shall sign the voter's name, indicate the voter's name, and indicate the address of the separate interest that entitles the voter to vote.
 2. The second envelope is addressed to the Inspector or Inspectors, who will be tallying the votes. The envelope may be mailed or delivered by hand to the location specified by the Inspector or Inspectors. The Member may request a receipt for delivery.
 - F. A quorum shall be required only if so stated in the Governing Documents or as may be required by law. If a quorum is required, each Secret Ballot received by the Inspector shall be treated as a Member present at a meeting for purposes of establishing a quorum.
 - G. In an election to approve an amendment of the Governing Documents, the text of the proposed amendment shall be delivered to the Members with the Secret Ballot.
 - H. A Member who owns multiple separate interests must submit separate sealed Secret Ballots for each separate interest owned.

- I. Once a Secret Ballot is received by the Inspector, it shall be irrevocable. If more than one valid Secret Ballot is received for any Member's separate interest, the first secret ballot received will be the one counted; if it cannot be determined which Secret Ballot was the first received, the Secret Ballots will not be counted, except for the purpose of establishing quorum.
- J. All votes shall be counted and tabulated by the Inspector or Inspectors, or the designee of the Inspector or Inspectors, in public at a properly noticed open meeting of the Board or Members. Any Candidate or other Member of the Association may witness the counting and tabulation of the votes. No person, including a Member of the Association or an employee of the Association's management company, shall open or otherwise review any Secret Ballot prior to the time and place at which the Secret Ballots are counted and tabulated; provided, however, the Inspector, or the designee of the Inspector, may verify the Member's information and signature on the outer envelope prior to the meeting at which Secret Ballots are tabulated.
- K. Except for the meeting to count the votes required above, an election may be conducted entirely by mail.
- L. The sealed Secret Ballots, signed voter envelopes, voter list, proxies, and candidate registration list shall at all times be in the custody of the Inspector or Inspectors or at a location designated by the Inspector or Inspectors until after the tabulation of the vote, and until the time allowed by the California Civil Code for challenging the election has expired, at which time custody shall be transferred to the Association.
- M. In the event of a tie vote among any number of Candidates, the Association will notice a special meeting of Members and send Secret Ballots to all Members for a runoff vote to break the tie. Such runoff vote shall be conducted in accordance with the Secret Ballot procedures set forth herein to the extent they are applicable to a runoff vote. No previously cast Secret Ballots or proxies from the prior election will apply or be counted in the runoff vote.
- N. All secret ballots must be legible and clearly marked. If a Secret Ballot is marked to cast more votes than the maximum number of votes allowed for an election, the Secret Ballot will be used for quorum purposes only and shall not count towards the vote.
- O. The Association shall retain, as Association election materials, both a Candidate registration list and a voter list. The voter list shall include the name, voting power, and either the physical address of the voter's separate interest, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's separate interest or if only the parcel number is used. The Association shall permit members to verify the accuracy of their individual information on both

lists at least thirty (30) days before the ballots are distributed. The Association or Member shall report any errors or omissions to either list to the Inspector(s) who shall make the corrections within two (2) business days.

IX. Inspectors of Elections

- A. At an open session Board meeting prior to the date Secret Ballots for an election are to be distributed to the Members, the Board shall select an independent third party or parties as an Inspector or Inspectors for any election by Secret Ballot; the number of Inspectors shall be one (1) or three (3).
- B. The Board may, but shall not be required to, submit the selection of the Inspector or Inspectors to a vote of the Members. If the Board fails to appoint an Inspector, then, upon demand by the Members, the Board shall submit to the Members for vote the name of one or more proposed independent third party to act as an Inspector.
- C. For purposes of these Election Rules, an independent third party includes, 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. An independent third party may be a Member, but may not be a Director, a Candidate, or be related to a Director or to a Candidate by blood, marriage, adoption, or domestic partnership. 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 the Inspector.
- D. The Inspector or Inspectors shall do all of the following:
 - 1. Determine the number of memberships entitled to vote and the voting power of each.
 - 2. Determine the authenticity, validity, and effect of proxies, if any.
 - 3. Receive Secret Ballots, and determine the validity of those Secret Ballots and their compliance with the Secret Ballot requirements of these Election Rules and the Governing Documents.
 - 4. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
 - 5. Count and tabulate all votes.
 - 6. Determine when the polls shall close, consistent with the Governing Documents.
 - 7. Determine the tabulated results of the election.

8. Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with provisions of the law and all applicable rules of the Association regarding the conduct of the election that are not in conflict with the law.
9. Deliver, or cause to be delivered, at least thirty (30) days before an election both of the following documents to each Member:
 - a) The ballot or ballot(s).
 - b) A copy of these Election Rules. Delivery of these Election Rules, pursuant to this provision, may be accomplished by either of the following methods: (i) Individual Delivery; or (ii) Posting these Election Rules to an internet website and including the corresponding internet website address on the ballot together with the phrase, in at least twelve (12) point font: "The rules governing this election may be found here:"
- E. An Inspector shall perform all duties impartially, in good faith, to the best of the Inspector's ability, and as expeditiously as is practical, and in a manner that protects the interest of all Members of the Association.
- F. The Inspector or Inspectors may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the Inspector or Inspectors deem appropriate, provided that such persons are independent third parties.
- G. The Inspector has the authority to confer with the Association's legal counsel in advance of or at the meeting where Secret Ballots are to be counted. By the adoption of these Election Rules, the Association's legal counsel has been authorized by the Board of Directors to provide advice, as determined necessary or prudent by the Association's legal counsel, for the limited purpose of informing and advising the Inspector regarding issues related to the Inspector performing his or her duties for the Association, and the Association waives the attorney-client privilege for that limited purpose.
- H. If there are three (3) Inspectors, the decision or act of a majority of the Inspectors shall be effective in all respects as the decision or act of all. Any report made by the Inspector or Inspectors is prima facie evidence of the facts stated in the report.
- I. The Board may, in its discretion, pay compensation to the Inspector.
- J. Prior to the election, the Association shall provide the Inspector with a current list of all Members and all other information as may be required under this Policy or applicable law.

- K. If any election meeting is adjourned due to lack of quorum, the Inspector shall retain custody of such secret ballots and bring them to the adjourned meeting; new Secret ballots will not be required from any Member who has cast a valid Secret Ballot vote in accordance with these Election Rules.
- L. The Inspector may request that the meeting be recessed to allow the Inspector to complete the counting and tabulation of the Secret Ballots to another time. Notice of the recessed meeting will be given to all Members at the meeting where the counting and tabulation occurs and will identify the location, date and time when the counting and tabulation will resume. The Inspector will continue to maintain custody of all Secret Ballots until the counting and tabulation is complete.

X. Registration of Members in Person

- A. A Member who chooses to vote in person at a meeting of the Members or Board must present himself or herself at the registration table area at the meeting to submit his, her or its ballot.
- B. If a Member has lost or misplaced his or her voting materials, the Member can request replacement voting materials at the registration table area at the meeting of the Members or Board. For elections by Secret Ballot, the Inspector or the Inspector's designee may request photo identification from the Member to confirm the Member's identity.
- C. When voting in person at a Member or Board meeting, in order for a Member's vote to count, the Member must comply with all of the procedures and requirements contained in these Election Rules.

XI. Election Results

- A. The tabulated results of the election shall be promptly reported to the Board, shall be recorded in the minutes of the next meeting of the Board, and shall be available for review by Members of the Association.
- B. Within fifteen (15) days of the election, the Board shall give general notice of the tabulated results of the election, in accordance with the requirements of the California Civil Code.

XII. Recount or Challenge to the Election Process

- A. The time period in which a Member may challenge an election shall be subject to the limitations set forth in the California Civil Code and the California Corporations Code.
- B. If there is a recount or other challenge to the election process, the Inspector or Inspectors shall, upon written request, make the ballots, signed voter envelopes, the voter list of names, parcel numbers, and voters to whom

ballots were sent, proxies, and the Candidate registration list available for inspection and review by a Member or his or her authorized representative; provided, however, that the signed voter envelopes may be inspected but may not be copied. The Member shall be responsible for all costs and expenses related to such recount.

- C. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

XIII. Use of Association Funds for Campaign Purposes

- A. Association funds may not be used for campaign purposes in connection with any Association election except to the extent necessary to comply with the duties of the Association imposed by law. "Campaign purposes" include, but are not limited to, the following:
 - 1. Expressly advocating the election or defeat of any Candidate.
 - 2. Including the photograph or prominently featuring the name of any Candidate on a communication from the Association or the Board, excepting the ballot, ballot materials, or a communication that is legally required, within thirty (30) days of an election; provided, however, this is not a campaign purpose if the communication is one for which the California Civil Code requires that equal access be provided to another Candidate or advocate.
- B. Unless otherwise provided by the California Civil Code, the foregoing restrictions on the use of Association funds for campaign purposes shall apply only to the election and removal of Directors.

[End of Document]