

ELECTION RULES
COMSTOCK CONDOMINIUM HOMEOWNERS' ASSOCIATION
ADOPTED/EFFECTIVE: January 16, 2013

These rules are adopted pursuant to Civil Code election reform laws effective July 1, 2006. Elections as described below are regulated by these laws, and these rules (and the Board may conduct other elections in the same manner):

1. Regular Assessments/Special Assessments that exceed the limit the Board can increase assessments.
2. Amendment of governing documents.
3. Election and Removal of Directors.
4. Transfer of exclusive use of common area property.

THE BALLOT PACKAGE: Whenever it is determined that an election is to be held under the new system, the package described below will be provided to Members. It will be sent by first-class mail or delivered by the association to every Member not less than 30 days prior to the deadline for counting the ballots, to the last known address (the association records shall reflect the means/method of delivery). The package includes the following:

1. A ballot that contains the voting measures being offered and no identifying information as to the voting Member;
2. A blank (inner) envelope into which the ballot, once marked, is to be inserted (which envelope may include voting instructions but no identifying information as to the voting Member);
3. A second envelope for returning the ballot/inner envelope. This envelope shall contain as addressee, the mailing address for the Inspector(s), and/or instructions for deposit in a location where he/she/they may retrieve it. This return envelope shall contain in the area of the return address, the printed, typed or typeset name, address and lot/unit (if needed for identification purposes) of the Member, and shall contain a signature blank below this information.

ELECTION OF DIRECTORS

SOLICITING NOMINATIONS: The Board may appoint a nominations committee and/or solicit candidates by mail or other means according to processes specified in the governing documents and/or the law. Members may self-nominate. No Member may be prohibited from nominating themselves. Failure by any Member to submit his or her name within the time specified by the Board for candidate solicitations may prevent the nominee from having their name appear on the ballot. Write in spaces may be provided on the ballot.

If by the time nominations close there are not more candidates than vacant board positions in an election of directors, the Association need not incur the expense of sending out ballot packages. The election may be declared by acclamation, by the Board, at the annual meeting or a board meeting in close proximity to the annual meeting.

NOMINATIONS/ANNUAL MEETING: Our governing documents do not require voting at a meeting, thus, we may schedule any election to be accomplished completely by mail. However, if the ballot that is sent out is to be conducted wholly by mail, alternate measures will be provided for receiving nominations for candidates to the Board.

The Board shall notify Members before and at the time the ballot and/or meeting notice are sent out as to whether a meeting will be held in conjunction with the particular election, how nominations will be taken, and when the ballots must be received to be counted.

BOARD MEMBER QUALIFICATIONS: The qualifications for being are Director that the candidate must be a Member of the Association in good standing.

EQUAL ACCESS FOR CANDIDATES AND MEMBERS ADVOCATING VARIOUS POINTS OF VIEW WITH REGARD TO ELECTIONS: The Board will be evenhanded in providing any means for candidates and Members of the Association to address the Membership on their points of view that relate to any specific election being conducted. The Board may publish or provide candidates' statements, or may instead leave it to candidates and Members to propound their views. To the extent access to media and communications is offered, each candidate and/or Member with opposing points of view related to any election shall have equal access. If there is common area space available that is regularly used for meetings, candidates or Members advocating different points of view may have reasonable access to the space at no cost. The Board may not redact content from candidate's statements. The statements must relate to the election and illustrate the points of view. The Board has the right to include a disclaimer to the effect: *"Any proponent of any view shall be personally responsible for statements made and legally liable individually to the extent such statements constitute fraud, misrepresentation, defamation, or other legally actionable cause of action. Neither the Board, nor the Association, assumes any legal responsibility or liability for publishing or republishing the statements herein made, or any statements required by law to be published or republished."*

Owners or Members making any statements are solely responsible for the content. The Association is not liable for the statements made.

CAMPAIGN SPENDING: Pursuant to Civil Code, funds of the association shall not be used for campaign purposes in connection with any other association election except to the extent necessary to comply with duties of the association imposed by law and the governing documents.

QUORUM FOR BOARD ELECTIONS: The Board will make reasonable efforts to solicit candidates and to achieve a quorum at any election. The quorum for our annual meeting/election is 33 1/3% of the Members. The Association needs your vote to establish a quorum. An option is provided on the ballot to check if you do not want to vote, so that you can contribute to quorum without being required to choose among the options offered.

QUORUM FOR OTHER ELECTIONS: For elections relating to assessments, amendment of governing documents and transfer of common area, the quorum/voting requirements vary according to statutes in effect at the time of voting and other provisions in our governing documents. The quorum/voting requirement for these elections will be announced in the voting materials.

VOTING/VOTING RIGHTS: The Board is entitled to require documentation of Ownership entitling any person claiming to be a Member to the right to vote. Members are entitled to one vote per unit owned in any matter that comes before the Membership. If more than one person or entity owns the unit, then collectively, they have one vote for that separate interest, unless otherwise described on the ballot.

VOTING/PROXIES: The Board shall use the double-envelope, secret mail voting procedure required by law for all elections subject to it, with discretion to use it for other elections not specified above. The Association will accept no proxies. If any Owner wishes to have another owner vote on their behalf, a signed Special Power of Attorney designating the voting right to the named Owner shall be provided to the Association.

The voting period shall be specified on the ballot and in the ballot solicitation package, and when/if the voting period (called “opening and closing of polls”) continues into a meeting, any Member may bring their voting package to the meeting and turn it in as specified on the notice or agenda.

INSPECTORS OF ELECTION: The Board shall appoint 1 or 3 Inspectors of election for any of the subject elections noted above. Inspectors must be completely independent of any of the any of the Board Members or candidates running for the Board, meaning they must be unrelated by blood or marriage, and not subject to any financial dependence or employment relationship with any of the candidates or Board Members. The Board may appoint any of the following, or a combination thereof:

1. A Member or Members of property within the Association; or
2. An independent Inspector or Inspectors of election that is a paid vendor of the association, including the CPA, Manager, or Attorney; or
3. Any independent party (meaning no relationship dependence or attachment to any Board Member or candidate as described above).

Inspectors shall be able to appoint persons not related to the Board or candidates for election by blood, marriage or any financial relationship (such as employment) to assist with checking in ballot packages, separating packages for counting, and tabulating votes. These appointees shall not have any decision making authority.

COUNTING OF BALLOTS: After the Inspector(s) of Election have checked in all of the ballot packages, and if there is a quorum of valid ballot packages, they shall separate the envelopes from the ballots so that the counting process does not disclose how any Member voted, and shall tabulate the ballots with the assistance of any appointed “counters”, if any. Tabulation of the ballots for any election must be done at a Membership meeting or an open Board meeting where Members of the Association may observe the counting. Members may not interfere with the counters’ process, rule on any ballots, or stand close enough to bother those properly authorized to participate in the counting process.

ANNOUNCEMENT OF RESULTS - AVAILABILITY FOR REVIEW BY MEMBERS: Unless there is an elections issue that requires outside assistance or information, the results of the election shall be promptly reported to the Board and shall be recorded in the minutes of the meeting at which the ballots were counted. The minutes shall be available for review by Members of the association within 30 days of the election (even if still in draft status). Within 15 days of the date the ballots are counted and the results are tabulated, the Board shall publicize the results of the election in a communication directed to all Members, either by any general mailing (first class mail) or via fax or email to Members who have approved electronic transmission.

After tabulation, election ballots shall be stored by, or at a location designated as secured by, the Inspector(s) for 9 months and then turned over the Association for storage. The ballot materials shall be kept and stored in a secure place for at least one year after the date of the

election. In the event of a recount or other challenge to the election process, the Inspector(s) shall be notified and shall be entitled to attend. If the Inspector(s) are not available, the Board shall be notified. In either event, the ballots shall be made available for inspection and review by association Members or their authorized representatives, at the discretion of the Board. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.