

Rancho California RV Resort Owners Association Election Rules

Effective December 17, 2021

These Election Rules apply to all member votes undertaken by Rancho California RV Resort Owners Association. These Election Rules shall be effective on the date of adoption, shall supersede any other rules of the Association affecting voting or elections, and shall remain in effect until modified by the Board of Directors (the "Board").

ARTICLE 1 MEMBER VOTING RIGHTS

1.1 Member Voting Rights. Notwithstanding anything to the contrary in the Association's Bylaws, Members shall be entitled to vote and shall not be denied a ballot for any reason other than not being a Member. "Member" means a person who holds legal title to the property (i.e., is named in the deed for the separate interest property).

1.1.1 Entity Owners. In the case of a Member that is not a natural person (such as a corporation or other entity), the vote of such Member may be cast by any authorized representative of the Member designated by written notice to the Association.

1.1.2 General Power of Attorney. Notwithstanding the above, a person with general power of attorney for a Member, who has provided satisfactory evidence thereof, shall not be denied a ballot and said ballot shall be counted if returned by the deadline for voting.

1.2 Voter List. The Association shall maintain a "Voter List" which shall include for each separate interest: the Member's name; voting power; the physical address of the Member's separate interest, or the parcel number, or both; and the mailing address of the Member if it is different than the physical address of the separate interest (or if the parcel number is used). Upon request, the Association shall permit Members to verify the accuracy of their individual information on the Voter List at least 30 days before the ballots are mailed. The Member shall report any errors to the Inspector of Elections who shall make the correction within two business days. The Association may, at its discretion, report any known errors to the Inspector of Elections. The Voter List shall be retained as "association election materials" as required by law.

1.3 Voting Power of Each Membership. On each matter before the Members, Option 1: only one (1) vote shall be cast for each separate interest. Only one signature of authorized member per lot is necessary on ballot envelope. Once a ballot is received by the Inspector of Elections, it may not be rescinded. Votes on behalf of a separate interest owned by more than one person or entity shall be treated as a single member for voting purpose. The vote for such separate interest shall be exercised as the owners among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any separate interest. If the joint owners of a separate interest are unable to agree among themselves as to how their vote is to be cast, they shall lose their right to vote on the matter in question. If any joint owner of a separate interest casts a vote representing the separate interest, it will thereafter be conclusively presumed for all purposes that such owner was acting with the authority and consent of the other owners of that Lot.

1.4 Voting – Election of Directors. Voting for the election of directors shall occur as follows: Each Member shall receive one (1) vote per director position to be filled. Members may not cast more than one (1) vote per candidate on the ballot (i.e. no cumulative voting). Ballots casting more than one vote for a candidate shall be deemed invalid. Members need not cast all votes provided to the Members. The top two (2) vote receiving candidates in an odd year shall serve for a two (2) year term on the Board of Directors and the top three (3) vote receiving candidates in an even year will serve a two (2) year term on the Board of Directors.

1.5 Proxies.

1.5.1 Use of Proxies. Proxies may be used by the Members at a membership meeting as stated in the Association's Bylaws, Article 1 Section 6. "Proxy" shall mean a written authorization signed by a Member or the authorized representative of the Member that gives another Member or Members the power to vote on behalf of that Member. A proxy may be sent via email, fax or US mail. Texts are not considered acceptable.

1.5.2 Ballot Required. Notwithstanding use of a proxy, in any election or vote of the Members conducted by the Association, only official ballots issued by the Association shall be counted as votes. Proxies are not ballots and are not valid as votes in any election or vote conducted by the Association.

1.5.3 Form of Proxy. In order to be valid, a proxy shall be consistent in content with the established guidelines set forth in the Corporations Code. All proxies shall include a separate sheet that will be formatted to allow the Member to provide instruction for the proxy holder on each matter to be voted upon. Any proxy which does not comply with this Section may be deemed invalid and rejected by the Inspector of Elections.

1.5.4 Voting Process. Following submission of the proxy to the Inspector of Elections, the instruction sheet shall be detached and given to the proxy holder to retain. The proxy holder shall cast the member's vote by secret ballot. Neither the Association nor the Inspector of Elections, nor Secretary acting through the Inspector of Elections shall have any obligation to verify that a proxy holder has voted in a manner consistent with what is directed on the proxy form.

ARTICLE 2 VOTING PROCEDURE

2.1 Notice of Election Information. At least thirty (30) days before the ballots are distributed, the Association shall provide general notice of all of the following: (i) the date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector of Elections; (ii) the date, time, and location of the meeting at which ballots will be counted; (iii) the Candidate Registration List; (iv) statement of Member's right to verify accuracy of individual information on both the Candidate Registration List and Voter List; and (v) statement of Member's right to request individual delivery of any of the items in in this paragraph.

2.2 Distribution of Ballots. For a vote on any of the matters specified in *Civil Code* section 5100(a), voting by the Members shall be conducted by secret ballot using a "double envelope system" as described in *Civil Code* section 5115(a). Ballots and two envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered to all Members in such vote or election. Ballots shall be distributed a minimum of thirty (30) days prior to the deadline for voting. These matters include: (i) elections regarding assessments legally requiring a Member vote, (ii) election and removal of directors, (iii) amendments to the governing documents, and (iv) grants of exclusive use of common area property pursuant to *Civil Code* section 4600.

For votes on any other matter, votes may be by secret ballot or by written ballot, and ballots may be distributed a reasonable time (which may be less than thirty (30) days) prior to the deadline for voting.

2.3 Frequency of Director Elections. Staggered terms are adopted for elections for Board of Directors. In odd year elections the two (2) candidates receiving the most votes will serve for two (2) years. In elections in even years the three (3) candidates receiving the most votes will serve two (2) year terms. Elections shall occur each year as required in the Association's Bylaws.

2.4 Extension of Voting. The Board shall be entitled to extend the deadline for the return of ballots one or more times due to the lack of a quorum or for such other reason(s) as the Board deems reasonable and prudent.

Tabulation and Observation. The Inspector of Elections shall open all ballots and tabulate the votes at a properly noticed open meeting of the Board or Members in a manner that allows the Members to view the opening and tabulation. The Inspector of Elections may appoint additional persons to assist in the opening of ballots and tabulation of votes provided that the persons are third parties who meet the requirements in subdivision (b) of Section 5110.

2.5 Observers must remain at least five (5) feet from the area of opening and tabulation and not communicate, harass, or otherwise interfere with the Inspector of Elections and/or those assisting the Inspector of Elections in any manner whatsoever. The Inspector of Election or the Board shall have the power and authority to cause the removal of any person who interferes with or disrupts the voting, opening or tabulating process. The Inspector of Elections may suspend the opening and tabulation process if anyone causes interference with or disrupts the process.

2.6 Reporting Election Results. The tabulated results of the election shall be promptly reported to the Board and shall be recorded in the minutes if reported at a meeting of the Board or recorded in the minutes of the next meeting of the Board if reported at a Member meeting. Within fifteen (15) days of the election, the Board shall give the Members general notice of the tabulated results of the election.

2.7 Retention of Association Election Materials. "Association election materials" shall mean the returned ballots, signed voter envelopes, the Voter List, proxies, and the Candidate Registration List. The association election materials shall at all times be in the custody of the Inspector of Elections or at a location designated by the Inspector of Elections for a period of one (1) year after the Inspector of Elections notifies the Board and Members of the election results, at which time custody shall be transferred to the Association. The Association shall retain the association election materials for the current fiscal year and prior two (2) fiscal years. At the expiration of the retention period all association election materials may be destroyed.

2.8 Board of Directors Election by Acclamation. When, as of the deadline for submitting nominations provided for in these Election Rules, the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the inspector or inspectors of the elections, the Association may, but is not required to, consider the qualified candidates elected by acclamation if all of the following conditions have been met:

(a) The Association has held a regular election for the directors in the last three years. The three-year time period shall be calculated from the date ballots were due in the last full election to the start of voting for the proposed election.

(b) The Association provided individual notice of the election and the procedure for nominating candidates as follows:

(1) Initial notice at least 90 days before the deadline for submitting nominations provided for in these Election Rules. The initial notice shall include all of the following:

- (A) The number of board positions that will be filled at the election.
- (B) The deadline for submitting nominations.
- (C) The manner in which nominations can be submitted.
- (D) A statement informing members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are board positions to be filled, then the board of directors may, after voting to do so, seat the qualified candidates by acclamation without balloting.

(2) A reminder notice between 7 and 30 days before the deadline for submitting nominations provided for in these Election Rules. The reminder notice shall include all of the following:

- (A) The number of board positions that will be filled at the election.
- (B) The deadline for submitting nominations.
- (C) The manner in which nominations can be submitted.
- (D) A list of the names of all of the qualified candidates to fill the board positions as of the date of the reminder notice.
- (E) A statement reminding members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are board positions to be filled, then the board of directors may, after voting to do so, seat the qualified candidates by acclamation without balloting. This statement is not required if, at the time the reminder notice will be delivered, the number of qualified candidates already exceeds the number of board positions to be filled.

(c) Seven business day notice:

(1) The Association provides, within seven business days of receiving a nomination, a written or electronic communication acknowledging the nomination to the member who submitted the nomination.

(2) The Association provides, within seven business days of receiving a nomination, a written or electronic communication to the nominee, indicating either of the following:

- (A) The nominee is a qualified candidate for the board of directors.
- (B) The nominee is not a qualified candidate for the board of directors, the basis for the disqualification, and the procedure, which shall comply with Article 2 (commencing with Civil Code Section 5900) of Chapter 10 (IDR procedures), by which the nominee may appeal the disqualification.

(3) The Association may combine the written or electronic communication described in paragraphs (1) and (2) into a single written or electronic communication if the nominee and the nominator are the same person.

(d) The Association permits all candidates to run if nominated, except for nominees disqualified for running as allowed or required pursuant to these Election Rules, which are consistent with subdivisions (b) to (e), inclusive, of Civil Code Section 5105.

(e) The Association board votes to consider the qualified candidates elected by acclamation at a meeting pursuant to Article 2 (commencing with Civil Code Section 4900) for which the agenda item reflects the name of each qualified candidate that will be seated by acclamation if the item is approved.

ARTICLE 3 CANDIDATES FOR THE BOARD AND NOMINATION PROCEDURES

3.1 Qualification of Candidates. Candidates for the Board must be Members at the time of their nomination and (i) must meet any other qualifications or restrictions set forth in these Election Rules and (ii) must meet any other qualifications or restrictions set forth in the Bylaws so long as they do not conflict with these Election Rules. In the case of a Member that is not a natural person (such as a corporation or other entity), the entity Member shall have the power to appoint a natural person as the "Member" for purposes of director elections. The Association shall disqualify a nominee for the Board for any of the following reasons:

3.1.1 If the nominee, if elected, would be serving on the Board at the same time as another owner of the same separate interest and the other person is either properly nominated for the current election or is an incumbent director.

3.1.2 If the nominee, at the time of nomination, is delinquent in the payment of regular and/or special assessments. A nominee shall not be considered "delinquent" in the payment of assessments if the nominee: (a) is delinquent in the payment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party; (b) has paid the regular or special assessment under protest; (c) has entered into and in compliance with a payment plan for repayment of the delinquent assessments; or (d) has not been provided an opportunity to engage in internal dispute resolution.

3.1.3 If the nominee has been a member of the Association for less than one year.

3.1.4 If the nominee discloses, or if the Association is aware or becomes aware of, a past criminal conviction that would, if the Member was elected, either prevent the Association from purchasing the insurance bond coverage required by Civil Code section 5806 or terminate the Association's existing fidelity bond coverage.

3.2 Nominations.

3.2.1 Solicitation of Candidates. At least thirty (30) days before the deadline for submitting a nomination, the Association shall provide general notice of the procedure and deadline for submitting a nomination for the Board. Any Member who satisfies the qualifications and is not otherwise prohibited from running for the Board may place their name in nomination for the Board by submitting the nomination before the published deadline for receiving nominations. In addition, the Board may recruit qualified candidates and/or may appoint a nominating committee to nominate qualified candidates.

3.2.2 No "floor nominations" shall be permitted, and no "write-in" candidates shall be permitted.

3.3 Candidate Registration List. The "Candidate Registration List" shall mean the list of candidates who will appear on the ballot. Upon request, the Association shall permit Candidates to verify the accuracy of their individual information on the Candidate Registration List at least thirty (30) days before the ballots are mailed. The Candidate shall report any errors to the Inspector of Elections who shall make the correction within two business days. The Association may, at its discretion, report any known errors to the Inspector of Elections. The Candidate Registration List shall be retained as "association election materials" as required by law.

3.4 Notice of Known Candidates. The names of all persons on the Candidate Registration List shall be set forth on the ballot.

3.5 Candidacy Statements. Any candidate who wishes to submit a candidacy statement may only do so using the Association's authorized form. The content of any candidate statement shall be limited to a statement of the candidate's qualifications to serve as a director.

3.6 Declaration of Vacancy for Delinquency. Any Member serving on the Board shall be current in the payment of regular and special assessments or the delinquent director's seat may be declared vacant by the Board following notice to the director and an opportunity to meet with the Board to explain why the director should not be disqualified. A director shall not be considered "delinquent" in the payment of assessments if the director: (a) is delinquent in the payment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party; (b) has paid the regular or special assessment under protest; (c) has entered into a payment plan for repayment of the delinquent assessments; or (d) has not been provided an opportunity to engage in internal dispute resolution.

ARTICLE 4 USE OF ASSOCIATION MEDIA AND CAMPAIGNING

4.1 Access to Association Media – Candidates for the Board. The Board may, but is not required to, make Association media (e.g., newsletter, notice board, website, or other notices provided to the Members) available to qualified candidates running for election to the Board for purposes that are reasonably related to the election in which that candidate is running. If the Board allows any candidate access to Association media, then all qualified candidates shall be allowed equal access to the same media.

4.2 Access to Association Media – Other Matters. If the Board utilizes Association media to advocate a point of view on any matter (other than election of directors) that requires Member approval or allows any Member access to Association media for that purpose, then all Members advocating a different point of view shall be allowed equal access to the same media. The Board shall not be required to allow access to more than one Member advocating the same point of view.

4.3 "Equal Access." "Equal access" shall mean publication of written statements not to exceed a predetermined length. The Board shall not edit or redact any statement but shall not be required to publish any statement that exceeds the predetermined length restrictions. Modifications to formatting may be made so as to allow for space and/or media restrictions. If any formatting modifications should become necessary, they shall be applied equally to all submissions and at no time shall any formatting be applied that may signify a preference or partiality.

4.4 Responsibility for Content. All statements published in Association media pursuant to the "equal access" rules must identify the author or proponent. No anonymous statements will be permitted. The author and/or proponent of any statement or point of view shall be solely

responsible and liable for the content of their statements. The Association shall not be responsible or liable for the content of any statement published pursuant to the "equal access" rules.

4.5 Campaigning. No Association funds shall be expended for the purposes of campaigning in connection with any vote or election other than those funds specifically required to distribute required correspondences, notices, or forms that may contain the names of candidates or necessary information on the issues being voted upon, or as is otherwise deemed by the Board to be necessary or appropriate for the fair and reasonable conduct of a vote or election, or to the extent necessary to comply with duties of the Association imposed the law. Specifically excluded is the expenditure of Association funds for the purposes of expressly advocating approval, election, or defeat of any matter or candidate.

ARTICLE 5 USE OF COMMON AREA MEETING SPACE

5.1 Access to Common Area Meeting Space – Campaigning by Candidates for the Board. The Board shall ensure that during a campaign all qualified candidates for election to the Board are given access to common area meeting space (if any) upon request, at no cost, for purposes reasonably related to their campaigns.

5.2 Access to Common Area Meeting Space – Other Matters. Whenever the Board places a matter before the Members which requires Member approval, the Board shall ensure that Members advocating a point of view on the matter are given access to common area meeting space (if any) upon request, at no cost, for purposes reasonably related to advocating their point of view, whether or not they agree with the point of view advocated by the Board on the matter at issue.

5.3 All Access. Any use of the common area facilities for the purposes described above shall be regulated by any existing rules and regulations for such use. The Board, in its sole discretion, may reasonably limit a candidate's or Member's access to common area facilities in order to facilitate equal access for other candidates and Members, and so as not to unreasonably interfere with other Members' rights to use such facilities.

ARTICLE 6 INSPECTOR OF ELECTIONS

6.1 Appointment of Inspector of Elections. Whenever there is a membership vote or election, the Board shall appoint one (1) or three (3) Inspectors of Elections, hereinafter individually or collectively referred to as the "Inspector of Elections." whose powers and duties shall be as set forth in such statute. The Board shall have the power to remove an Inspector of Elections who ceases to meet the required qualifications, is unable or unwilling to perform their duties, or for other good reason, and to appoint a new Inspector of Elections in their place.

6.2 Qualification of Inspector of Elections. The Inspector of Elections may be any persons the Board reasonably believes to be independent with respect to the matter or matters being voted on and may include Members of the Association, but may not be (i) a member of the Board or a candidate for election to the Board or a family member of a current member of the Board or of a candidate or (ii) the Association's manager, accountant, legal counsel, or any other person, business entity, or subdivision of a business entity that is currently employed by or under contract with the Association to provide compensable services.

6.3 Payment to Inspector of Elections. The Board may authorize payment of Association funds to any third party appointed to serve as Inspector of Elections; however, no payment may be authorized for any Association Member appointed to serve as the Inspector of Elections.

6.4 Duties of the Inspector of Elections. The Inspector of Elections shall be responsible to perform their duties as follows:

- 6.4.1 Perform those tasks enumerated in Civil Code section 5110(c); and
- 6.4.2 Perform all duties impartially, in good faith, to the best of the Inspector of Election's ability, as expeditiously as is practical, and in a manner that protects the interest of all Members of the Association; and
- 6.4.3 Make any necessary corrections to the Candidate Registration List or the Voter List within two business days of being informed of an error by a Member or by the Association; and
- 6.4.4 Deliver (or cause to be delivered) the following documents to the members at least thirty (30) days before an election: (a) the ballot(s) by first-class mail and (b) a copy of these Election Rules by (i) individual delivery or (ii) by posting the internet website address where these Election Rules may be accessed on the ballot together with the phrase in at least 12-point font; and
- 6.4.5 Retain the association election materials as provided herein.

6.5 Indemnification of Inspector of Elections; Liability Insurance. The Association may, at the Board's discretion, indemnify the Inspector of Elections to the fullest extent provided by law. As provided in Corporations Code section 7237(i), the Association shall have the power to purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in his or her capacity as an agent of the Association or arising out of the agent's status as such, whether or not the Association would have the power to indemnify the agent against such liability under the provisions of Corporations Code section 7237.

ARTICLE 7 AMENDMENTS

The Board may amend these Election Rules from time to time except that these Election Rules may not be amended less than ninety (90) days prior to an election unless that amendment is merely to conform to non-discretionary changes in the law.

ARTICLE 8 TIE VOTE

If there is a tie vote between or among candidates after the ballots of an election have been tabulated, then the inspector of elections shall make the ultimate decision as to how to break a tie vote between candidates. However, should all candidates agree, the inspector may flip a coin when the vote results in a two-way tie or have the candidates draw straws in the event that the vote results in a three-way (or more) tie.

ARTICLE 9 RECONVENED RECALL MEETINGS

Unless otherwise required by law, a special meeting to recall the Directors of the Board may not be reconvened if a quorum is not achieved at the meeting called for that purpose. The Members shall not have the power to reconvene the meeting or allow additional time for additional ballots or members present to be counted.

ARTICLE 10 CONSULTATION WITH LEGAL COUNSEL

The inspector(s) of elections shall have the right to consult with the Association's legal counsel concerning any legal questions relating to any election or as might otherwise be deemed

necessary to ensure a fair election the complies with the law and the governing documents. All such consultations shall be fall within and be protected by the Association's attorney-client privilege and shall be kept confidential from all persons other than the Association Board of Directors.

I, Colleen Niles, am the Secretary of the Rancho Calif. RV
Homeowners Association, and certify that these Election Rules were duly adopted by the Board
of Directors of the Association and came into effect on the 17 day of December
2021.

Colleen Niles
Secretary

17 December, 2021
Date