

KENTWOOD HOME GUARDIANS

ELECTION RULES

The following Election Rules are adopted to comply with the requirements of the Davis-Stirling Act and to provide for fair elections, subject to all applicable and enforceable: (a) provisions of law, and (b) Articles of Incorporation, CC&Rs, and Bylaws.

I. MEMBERSHIP MEETINGS

A. Meetings of the Membership.

1. **Annual Meetings.** There shall be an annual meeting during the month of May each year for the purpose of electing Directors and conducting any other business of the Association. The Board shall fix the date and hour for holding such meetings.

2. **Special Meetings.** Special meetings may be called by the President, or by the Board of Directors, or by two or more members thereof, or by one or more members holding not less than one-twentieth of the voting power of the Association.

3. **Location of Meetings.** Annual and special meetings of the membership shall be held at a suitable location in, or reasonably close to, the Association. If the date, time and/or location is unreasonable, the Board shall set a date, time and/or location which is reasonable and relatively close to the original date, time and location requested by the parties calling the meeting.

B. Notice of Membership Meetings.

1. **Notice by Board.** Notice of all meetings of the members shall be given by the Board. If the Board fails to give notice, the person(s) calling the special meeting may give notice consistent with the governing documents and applicable law.

2. **Notice Period.** All notices shall be sent not less than thirty (30) days or more than ninety (90) days before the date of the meeting.

3. **Notice Contents.** The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the nature of the business to be transacted as specified by those persons calling the meeting (and that no other business may be transacted except as specified in the notice), or (ii) in the case of the annual meeting, those matters which the Board intends to present for action by the members.

4. **Delivery.** Notice of any membership meeting shall be given either personally or by first-class mail, charges prepaid, and addressed to each member: (i) at the address appearing on the books of the Association, (ii) at the address given by the member for the purpose of notice, or (iii) at the address of the member's unit, if no address appears on the Association's books and no other address has been given. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail.

II. NOMINATIONS

A. Number of Directors. The Board shall consist of five (5) Directors.

B. Term of Office. The term of office served by Directors shall be two-year staggered terms and until their successors are elected and qualified. Directors for the odd numbered offices, (1,3, and 5) shall be elected in odd-numbered years, and Directors for the even- numbered offices (2 and 4) shall be elected during even-numbered years.

C. Term Limits. No Directors shall serve more than two (2) consecutive terms.

D. Qualifications. All nominees for election to the Board of Directors, shall be members of Kentwood Home Guardians in good standing (defined as not being delinquent in payment of any outstanding assessments).

E. Nominations. Nominations for election to the Board of Directors may be made by self-nomination. During or before February of each year, the Board of Directors shall make calls for self-nominations for candidates wishing to run in the annual election to be held in May of that year. This call for self-nominations shall be made: (1) at all public Board of Director's meeting during February and March of that year; (2) in all newsletters and/or all-member public mailings by the Association made during February and March of that year; (3) by posting on the Association's website(s) during February and March of that year; (4) by any additional form of publicity approved by the Board.

1. Self Nomination. Any qualified person may nominate himself or herself for election to the Board of Directors by submitting to the Association the Candidate Self-Nomination Filing Form attached at the end of these Election Rules, signed and dated by the person nominating himself or herself. The Association shall set a cut-off date for the receipt of self-nomination statements which is at least forty-five (45) days before the election, which date shall be publicized in advance to the members. It shall be the responsibility of the nominee to confirm his or her good standing with the Association, and to cure all delinquent assessments for the nominee's property, if any, before the Close of Nominations date; any nominee failing to do so shall not be included on the ballots.

2. Placing Names on the Ballot. All nominees, provided they meet the qualifications to serve on the Board and submitted their names prior to the close of nominations, must be placed on the ballot mailed to the membership.

3. Close of Nominations. The Board shall establish a reasonable date prior to the mailing of ballots for closing nominations which shall be at least forty-five (45) before the election.

4. Candidate Nominations at Meeting. Additional Board candidates may be nominated at the Annual Meeting (provided they meet the Qualifications set by these Election Rules), but their names will not be printed on the mail-in ballots and instead may be inserted as "write-ins" on ballots voted at the meeting.

5. Uncontested Elections. If the number of nominations received is less than the number of seats open on the Board, then ballots do not need to be mailed to the membership. Even if seats are uncontested, the Annual Meeting will still be held at which candidates running for uncontested seats will be declared the winners.

III. CAMPAIGNING

A. Access to Media.

1. **No Use of Association Resources.** The Association's public meetings, newsletter, website, bulletin board, or other Association media may not be used for campaign purposes.

2. **Exception.** If any candidate or member is provided access to Association public meetings, newsletters, website, bulletin board or other Association media during an election, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members. The access shall be limited to information relating to that election, and shall include those candidates and members not endorsed by the Board. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content. The Association and its Directors, officers, and agents, shall be immune from liability for the content of those communications to the fullest extent provided by law.

3. **Candidate Forum.** The Association shall conduct a "candidate forum" at its April Board meeting for all candidates properly nominated as of the Close of Nominations date (as set forth above), allowing statements by and questions to such candidates. This candidate forum shall be conducted subject to the "equal access" rules of the preceding section.

B. No Use of Association Funds for Campaign Purposes. Association funds may not be used for campaign purposes in connection with any Board election and may 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. This restriction does not preclude Directors from advocating the election or defeat of any issue or candidate on the ballot. However, they may not use Association funds to do so. Association funds or facilities shall not be used to solicit proxies.

IV. INSPECTORS OF ELECTION

A. Selection.

1. **Process.** Prior to the date ballots are first sent out, the Board of Directors shall appoint an Inspector(s) of Election.

2. **Eligible Inspectors.** The Association shall select an independent third party or parties as an Inspector of Election. The number of Inspectors of Election shall be one or three. An independent third party includes, but is not limited to:

a. **Professional Inspectors of Election.** There are companies that provide professional inspector services to Associations. As long as the Inspector is not currently employed by the Association for other services, the Board can hire the person to run the election.

b. **Poll Worker.** A volunteer poll worker with the County Registrar of Voters;

c. **Accountant.** A licensee of the California Board of Accountancy, including any such licensee under contract to the Association;

d. **Notary.** A notary public;

e. **Recording Secretary.** A recording secretary, including any such recording secretary under contract to the Association;

f. **Association Members.** Members of the Association, but not: (i) members of the Board, (ii) candidates for the Board, (iii) persons related to a member of the Board, or (iv) persons related to a candidate for the Board; and

g. **Person or Entity Under Contract to the Association.** A person, business entity, or subdivision of a business entity who is currently employed or under contract to the Association for any compensable services.

B. Duties. Duties of Inspectors of Election shall include the following:

1. **Membership.** Determine the number of memberships entitled to vote and the voting power of each.

2. **Validity.** Determine the authenticity, validity and effect of ballots and proxies, and disallow any ballots or proxies determined and identified in writing (as provided below) to be invalid. Unless otherwise provided by law, the Inspector shall use the following rules in evaluating validity: (a) valid in-person ballots shall prevail over ballots submitted by proxies; (b) valid mailed ballots shall prevail over ballots submitted by proxies; (c) subject to rules (a) and (b), proxies executed later in time prevail over those executed earlier in time. If the Inspector identifies any issues as to the validity of any ballot or proxy, for each such issue the Inspector shall: (1) make a written record specifically identifying each vote at issue (by owner name(s), property address, and lot & tract number) and the nature of the issue(s), (2) reasonably and objectively determine whether to allow or disallow said vote based on such issue, and (3) make a written record of such decision.

3. **Closing and Reopening of Polls.** Determine when the polls shall close and determine whether to reopen the polls to allow members to cast a ballot after the polls have been closed.

4. **Receive Ballots and Proxies.** Receive all ballots and proxies. Once a secret ballot has been received by an Inspector of Elections, it shall be irrevocable. For all ballots actually received by the Inspector by mail prior to the meeting, the Inspector of Elections or his or her designee shall confirm the member's eligibility to vote based on the information and presence of a member signature on the outer envelope. For each ballot submitted at the meeting, the Inspector of Elections or his or her designee shall confirm the member's eligibility to vote and obtain a member signature. For all proxy forms submitted, the Inspector shall confirm the eligibility to vote of both the proxy-giving member and the proxy-holder, and the presence of the proxy-giving member's signature on the proxy form. Using this same information, the Inspector shall maintain a written voting register reflecting the names, addresses and lot and tract numbers of every member submitting a ballot (whether such ballot is submitted by mail, in person or by proxy).

5. Custody. Maintain custody of the sealed ballots at all times. The sealed ballots at all times shall be in the custody of the Inspector in a secured location at Association's business offices until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired, at which time custody shall be transferred to the Association. No person shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The Inspector of Elections or his or her designee may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.

6. Challenges. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote. If there is a recount or other challenge to the election process, the Inspector or Inspectors of Election shall make the ballots available for inspection and review upon written request. An Association member may authorize a representative to review the ballots on his or her behalf. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

7. Counting. Count and tabulate all votes. All votes shall be counted and tabulated by an Inspector of Elections or his or her designee in public at a properly noticed open meeting of the Board of Directors or members. Any candidate or other member of the Association may witness the counting and tabulation of the votes.

8. Appoint Assistants. Appoint and oversee additional independent third parties to verify signatures, and to count and tabulate votes as the Inspectors of Election deem appropriate provided that such persons are independent third parties.

9. Results. Determine the tabulated results of the election and issue a written report describing (a) the tabulated election results, and (b) any disallowed ballots and/or proxies (as described above).

10. Impartiality. Perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical. Any report made by the Inspectors of Election is prima facie evidence of the facts stated in the report.

11. Miscellaneous. Perform any acts as may be proper to conduct the election with fairness to all members in accordance with the Civil Code, the Corporations Code, the Association's governing documents, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with the Civil Code and/or Corporations Code.

C. Removal. The Board shall have the power to remove an inspector 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 in his/her place.

V. BALLOTS AND PROXIES

A. Voting Rights.

1. Number of Votes. Each member shall be entitled to one (1) vote per lot on all matters presented to the members for a vote.

2. Record Date. Unless the Board sets a "Record Date" for an election, the Record Date shall be the date that ballots are mailed to the Membership. Only those Owners on title as of the Record Date shall be entitled to vote. Persons acquiring title to a lot after the Record Date shall only be entitled to attend the election meeting.

3. Proof of Membership. No person or entity may exercise the rights of membership without an ownership interest in property subject to the Association's CC&Rs. If the Board should request proof of ownership, such proof shall be in the form of a recorded deed or, if the property was transferred within the past thirty (30) days and a copy of the newly recorded deed is not available, a completed escrow closing statement.

4. No Cumulative Voting. Cumulative voting shall not be permitted.

5. Co-Owners. Where there is more than one (1) owner of a property ("co-owner") subject to the Association's CC&Rs, all such co-owners shall be members and may attend any meeting of the Association, but only one co-owner shall be entitled to exercise the vote to which the property is entitled.

6. Presumption of Consent. Unless the Inspector of Elections receives a written objection prior to the close of balloting from a co-owner, it shall be conclusively presumed that the voting owner is acting with the consent of his or her co-owners.

7. Voting for Candidates Properly Nominated. Members must vote only for those candidate(s) who meet the Qualifications stated above and who have been properly nominated prior to the close of nominations. Votes for any other candidate(s) are void except for purposes of establishing a quorum.

B. Proxies.

1. Proxies. The Association may use and accept proxies as permitted by law and the Association's governing documents. The Association or Inspector may, but shall not be required to, prepare or distribute proxies to members. Proxies shall not be construed or used in lieu of a ballot at a meeting.

2. Proxy Form. 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. Proxies must meet all requirements of the Davis-Stirling Act, other laws, and the Association's governing documents. All proxies shall list on a separate page all candidates qualified to appear on the ballot as of the Close of Nominations date as described above, to provide the person giving the proxy with the option to direct voting as to such candidates. The Association shall promptly make available such list of candidate names to any member requesting same for purposes of a proxy. All proxies shall include: (a) the name and signature of the member giving the proxy, (b) the address of the Kentwood lot conferring membership, (c) a telephone "contact" number for potential use in verification, and (d) the date on which the proxy form was signed. All proxies shall expressly specify the matter(s) for which voting is authorized, and shall be limited in duration to a maximum of eleven (11) months.

3. Delivery of Proxy Forms to Inspector. All signed proxy forms should be delivered to the Inspector of Elections (at such address as specified by the Association) no later than five (5) days prior to the opening of voting at the election, for purposes of verification and processing. Proxies submitted thereafter, or at the

annual meeting, will be accepted if the Inspector, in his or her reasonable discretion, confirms their validity to a reasonable certainty before the close of voting at the meeting. Proxies submitted by electronic means will not be accepted; original "hard copies" of proxies bearing appropriate signatures are required.

4. Vote by Proxy Holder. The proxy holder shall cast the member's vote by secret ballot unless the proxy is revoked by the member prior to the receipt of the ballot by an Inspector of Elections as described in Section 7613 of the Corporations Code. All member votes held by a single proxy holder shall be voted on one secret ballot, using a special "summary" ballot form to be provided by the Inspector of Elections which reflects the total number of valid member votes said proxy-holder is authorized to vote.

5. Who May be Proxy. As provided for in Civil Code §5130, proxy holders must be Members.

C. Ballots.

1. Official Ballots/Non Revocable. Only those ballots printed by the Association or the Inspector of Elections shall be considered official secret ballots. Official secret ballots shall be delivered by the Association to every member, with instructions describing proper handling of the ballot and envelopes. Voters cannot substitute their own ballots for official ballots. Once an official secret ballot has been received by an Inspector of Elections, it shall be irrevocable.

2. Secret Ballot. All items legally requiring a vote of the membership shall be held by secret ballot.

a. Signature. The ballot should be filled out, but not signed by the voter.

b. Inner Envelope. After the unsigned ballot is filled out, it must be inserted into an inner envelope which is then sealed. This sealed inner envelope must be inserted into a second envelope, which is also sealed.

c. Second Envelope. In the upper left hand corner of this second envelope, the voter must sign his or her name, indicate his or her name, indicate the date signed, and indicate the address or separate interest identifier that entitles him or her to vote. The second envelope must be addressed to the Inspector of Elections who will be tallying the votes.

d. Delivery. The Second Envelope shall be mailed to the address on the envelope or delivered by hand to a location specified by the Inspectors of Election. The member may request a receipt for delivery.

3. Quorum by Ballot. Each ballot received by an Inspector of Elections shall be treated as a member present at a meeting for purposes of establishing a quorum.

4. Ballot Delivery to Members. Ballots and two (2) preaddressed envelopes with instructions on how to return 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. In order to preserve voter confidentiality, a voter may not be identified by name, address, or lot, parcel or unit number on the ballot itself. Only newsletters or other documents which comply with the rules for "equal access" by candidates and members (as described above and in the Civil Code) may be included in the mailing of ballots to members.

5. Ballot Markings. A ballot which contains any of the following symbols shall be counted and tabulated as if said symbol was the number "1": an "x", a checkmark, or any non-numerical symbolic designation

indicating the voter's intent to vote for any particular candidate, issue or ballot measure. A ballot shall not be invalidated solely due to the inclusion of a signature thereon.

6. Ballot Format/Order of Candidate Names. Candidate names shall be listed on the ballot in a random order determined by a blind drawing of names. Ballots provided for in-person voting at the meeting shall also include blank lines for "write-in" votes, in the same number as open Board positions.

VI. MEETING PROCEDURES

A. Chair of Meeting. The President of the Board shall call the membership meeting to order and shall chair the meeting unless a majority of the Board selects another person to chair the meeting.

B. Quorum. At any meeting of the members, the holders of five percent (5%) of the voting power of the Corporation, present in person or represented by proxy, shall constitute quorum for all purposes, including the election of Directors, except as otherwise provided by statute or Association's governing documents. But if at any membership meeting, notice of which was given in a manner consistent with the governing documents, a quorum shall not be present in person or by proxy, the members who are present may adjourn such meeting from time to time until quorum is present. When a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members

C. Loss of Quorum. The members present at a duly called meeting at which a quorum is present may continue to transact business until the loss of a quorum. The business must be approved by enough members to constitute at least a majority of a quorum had a quorum been present.

D. Lack of Quorum. In the absence of a quorum, no business may be transacted except to adjourn the meeting to another date and time. A majority of the members present and entitled to vote may adjourn the meeting, if at any meeting of the Association a quorum is not present. An adjournment for lack of a quorum shall be to a date no later than forty-five (45) days from the date the original meeting was called. If a new date for the adjourned meeting is announced prior to adjournment, no further notice need be given to the membership. If a new date is not announced prior to adjournment, the Board president (or the remaining Directors in the president's absence or failure to act) may set the date for a subsequent meeting and shall be given either personally or by first-class mail, charges prepaid, and addressed to each member: (i) at the address appearing on the books of the Association, (ii) at the address given by the member for the purpose of notice, or (iii) at the address of the member's lot, if no address appears on the Association's books and no other address has been given. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail.

E. Counting Ballots. The Inspectors of Election, or his or her designee, shall count and tabulate all official ballots in public at a properly noticed open meeting of the Board of Directors or members. No person shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. Any candidate or other member of the Association may witness the counting and tabulation of the votes. Ballots not actually received by the Inspector prior to the close of voting at such meeting shall not be counted.

F. Breaking a Tie. In the event of a tie, all other newly elected Directors shall immediately begin serving their terms. An incumbent Director whose seat was tied shall continue in office until a runoff election determines the winner for his/her seat. Only those candidates who tied for the seat shall be in the runoff. In lieu of a runoff and if the tied candidates agree, the winner may be decided by a coin toss or the drawing of names by the Inspector of Elections.

VII. POST-ELECTION RESULTS

A. Results of the Election. The tabulated results of the election shall be announced immediately after all the ballots have been counted. The tabulated results of the election shall be promptly reported to the Board of Directors and shall be recorded in the minutes of the next Board meeting. Within fifteen (15) days of the election, the Board shall publicize the tabulated results of the election in a communication directed to all members.

B. Status of the Ballots after Election. The sealed ballots at all times shall be in the custody of the Inspector or Inspectors of Election in a secured location at Association's business offices until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired, at which time custody shall be transferred to the Association. After the transfer of the ballots to the Association, the ballots shall be stored by the Association in a secure place for no less than one (1) year after the date of the election, after which the election materials may be disposed of.

C. Election Recount. Any member of the Association may demand a recount of the ballots provided (i) demand is made in writing to the Inspector of Elections within five days after the election results have been announced, and (ii) the member pays in advance for the cost of the recount. Monies advanced by the member shall be refunded if the outcome of the election is changed by the recount. The recount shall be commenced not less than seven days following the request for the recount and shall be done under the supervision of the Inspector of Elections. The recount may be observed by members of the Association. No election materials may be touched or handled by any person without the express consent of the Inspector of Elections and under the supervision of the Inspector. The results of the recount shall be reported to the Board of Directors and shall be recorded in the minutes of the next Board meeting and reported to the membership.

D. Inspection of Ballots. Election materials may be inspected by any member upon payment in advance of costs related to the inspection. No election materials may be touched or handled by any person without the express consent of the Inspector of Elections and under the supervision of the Inspector.

<Sample>

**CALL FOR CANDIDATES AND
CANDIDATE SELF NOMINATION FILING FORM**

For the 20__ Election of Directors

Filing Deadline: This form must be received by the Association no later than 5:00 p.m. on _____, 2014
<insert day and date> (the "Close of Nominations" date).

Qualifications: All candidates for the Board must be members of the Association in good standing (defined as not delinquent in payment of any outstanding assessments). It shall be the responsibility of the nominee to confirm his or her good standing with the Association, and to cure all delinquent assessments for the nominee's property, if any, before the Close of Nominations date; any nominee failing to do so shall not be included on the ballots.

With this form, all candidates may submit a written statement of not more than 150 words describing your qualifications, reasons, goals, and/or motivations for serving as a Director on Association's Board of Directors. This statement may be published in connection with election materials. Association shall also conduct a Candidate Forum at its April Board meeting.

I hereby nominate myself as a candidate for the Board of Directors.

(Please legibly print or type the information below.)

Name _____

Mailing address _____

City _____ State _____ Zip _____

Home telephone _____ Work _____

E-mail address _____

Signature _____ Date _____

.....OFFICE USE ONLY.....

Date received _____ Received by _____

Comments _____