

CHINQUAPIN HOMEOWNERS ASSOCIATION AMENDED AND RESTATED ELECTION RULES

Pursuant to California Civil Code section 1363.03(a), the Association adopts the following Amended and Restated Election Rules that govern election procedures and related issues. All elections shall be conducted under the 'double envelope secret ballot system' and related procedures set forth at Civil Code section 1363.03 and 1363.04.

The Chinquapin Governing Documents that deal specifically with election procedures are primarily found in the Second Amended and Restated Bylaws of Chinquapin Homeowners Association, adopted September 29, 2010 (hereinafter "Bylaws"), at Article V (Membership Meetings and Election of Directors) and Article VII (Board of Directors).

These Rules are intended to clarify and supplement the Bylaws and the statutory provisions and address other matters that are required by statute. In the event of any conflict between these Rules or the Bylaws and the provisions of Cal. Civil Code sections 1363.03 and 1363.04, the provisions of those statutes, and any revisions thereto, shall control.

Annual Meeting Procedures

1. Quorum. The quorum for any vote or election by the members shall be a majority of the total voting power of the Association (87 Units). The vote of the members holding a majority of a quorum of the members present in person or by written ballot shall be effective for action to be taken by the membership.

2. All written ballots that are timely returned count towards a quorum for all items that are included on the written ballots. If a quorum can only be obtained by counting the written ballots that are returned, plus members that are in attendance in person or by proxy, then a quorum is deemed to be present only as to those matters that were included in the written ballots.

3. Ballot Counting Meeting. The meeting for the Ballot Counting/Election of Directors shall be the Saturday preceding the Annual Meeting at 4:00 p.m. at the Dollar House. That meeting shall be for the purpose of opening, counting, and tabulating the ballots for the annual election of Directors and any other matters being voted on by the members. No business other than tabulation of the ballots by the Election Inspector shall be conducted and there shall be no quorum requirement for any such meeting of the members. All members may attend the meeting and witness the opening of the ballots by the Election Inspector.

Election Campaigning

4. 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 these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.

5. All candidates, including those who are not incumbents or endorsed by the Board, and all members advocating a point of view, including those not endorsed by the Board, shall have access to common area meeting space, if any, during a campaign, at no cost, for purposes reasonably related to the election.

6. Association funds shall not be used for campaign purposes in connection with any Association Board election. See Cal. Civil Code section 1363.04.

Candidate Qualifications and Nominations

7. All Director candidates must be members of the Association, current in the payment of all financial obligations, and not subject to suspension of membership privileges as a result of any disciplinary action that has been initiated by the Association.

8. Nomination of Candidates for Election to the Board of Directors:

- (a) Nomination Procedures. Nominations of candidates for election to the Board of Directors may be made by a Nominating Committee or by self-nomination. The Board may appoint a Nominating Committee prior to any election of Directors. If appointed, on or before the deadline for nominations, the Nominating Committee shall nominate as many candidates for election to the Board as it shall in its discretion determine, but not less than the number of positions on the Board that are to be filled in the election. All nominations shall be made from among members who satisfy the qualifications set forth in these Election Rules. Any member who satisfies the qualifications set forth in the Election Rules may place his or her name in nomination for election to the Board by giving written notice to the President or Secretary of the Association. Notice of self-nomination must be received prior to the deadline for nominations.

- (b) Deadline for Nominations. The deadline for nominations shall be set by the Board and shall not be less than fifteen (15) and not more than sixty (60) days prior to the date for mailing ballots to the members for the election of Directors.
- (c) Publication of Deadline for Nominations. The date and time of the deadline for nominations shall be published at least thirty (30) days in advance of the deadline on the Association website at www.chinquapinhoa.com, or such subsequent address that may be provided to the members, and in one or more of the following manners:
 - (i) by posting a notice in one or more prominent places within the project,
 - (ii) by mailing or electronic delivery of a notice to the billing address of each unit, or such other address which a member has requested that notices be sent or,
 - (iii) by other means reasonably designed to provide actual notice to the members.

Member Voting

9. Members must be in good standing to be eligible to vote, which generally means all assessment obligations are paid current, and there are no disciplinary actions duly imposed by the Association by which voting privileges have been suspended. Membership voting rights are appurtenant to the ownership of a particular unit. If a member is delinquent in the payment of assessments as to any particular unit owned, that member, or all members where there are multiple owners of a unit, can be denied voting rights as to the unit where the assessment obligations are delinquent.

10. Each member of the Association in good standing is entitled to cast one vote for each unit that the member owns. When more than one person or entity owns a unit, all such co-owners must agree among themselves and are entitled to one vote per unit. No vote for a unit shall be cast on a fractional basis. If the co-owners of a unit are unable to agree among themselves as to how their vote shall be cast, they shall forfeit the vote on the matter in question.

Written Ballots/Proxies

11. Because state law requires the Association to utilize a 'double envelope secret ballot' system for all member elections, any ballots that are sent to the Election Inspector by facsimile transmission or email will not be counted. The use of proxies is expressly prohibited in connection with membership meetings and membership votes.

12. The Board shall set the date of the election and advise the members of the deadline for returning ballots to the Election Inspector. The members must be given at least thirty (30) days before the deadline to cast their votes. The Board may extend the date for returning written ballots for no more than two successive periods of thirty days

each. If the Board does extend the voting period, members will be given written notice of such extension(s) and no secret ballots shall be opened until the last extended date for the election set by the Board.

13. The Directors candidates receiving the highest number of votes, up to the number of vacancies to be filled in the election, shall be elected as Directors and shall take office at the Annual Meeting that follows the Meeting for Election of Directors that is held on the Saturday preceding each Annual Member Meeting. In the event there is a tie vote between those candidates who receive the lowest number of votes necessary to qualify the candidate for election, a runoff election pursuant to these Rules shall be held thereafter as soon as reasonably practicable, but not later than sixty (60) days after the ballots were opened.

Election Inspectors

14. Pursuant to Cal. Civil Code section 1363.03(c), the Board, in its discretion, may appoint one (1) or three (3) Election Inspectors. The Election Inspector shall be appointed by the Board at least ten (10) days prior to any such election.

15. Election Inspectors must be an “independent third party.” 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 also be a member of the Association, but may not be a member of the Board of Directors or a candidate for the Board of Directors or related to a member of the Board of Directors or a candidate for the Board of Directors. The law allows the appointment of Election Inspectors that are employed by or under contract with the Association for compensable services, if these Rules specifically allow that. Therefore, an Election Inspector may also be a person who is currently employed or under contract with the Association for compensable services, including but not limited to an individual property manager, or a principal or supervisory employee of a management company, bookkeeper, or certified public accountant.

16. Once appointed, the Election Inspector or Inspectors may, in their discretion, appoint and oversee additional persons to verify signatures and to count and tabulate votes, so long as such persons also qualify as “independent third parties” as defined above.

General Provisions

17. These Rules shall be construed to conform to any legislative changes or revisions to Civil Code section 1363.03 and 1363.04 without any further amendment or adoption procedures. These Rules may be amended by a majority vote of the Board of Directors, in compliance with the notice to member and other requirements of Civil Code section 1357.100 et. seq.

Certificate of Secretary

The undersigned Secretary of the Chinquapin Homeowners Association, a California nonprofit mutual benefit corporation, hereby certifies that the foregoing Election Rules were duly approved by the affirmative vote of a majority of the Board of Directors present at the Board Meeting held on May 29, 2010 that a quorum was present at such meeting, and that such approval was made in compliance with the member notice and other requirements of Civil Code section 1357.100 et. seq.

Dated: May 29, 2010

/S/

Dick Maser, Secretary
Chinquapin Homeowners Association