

ELECTION RULES AND PROCEDURES OF
EL RIO MOBILE HOME COOPERATIVE, INC.

In compliance with Civil Code §5105 as of this ___ day of _____, 2017, the El Rio Mobile Home Cooperative, Inc. (the "Cooperative") Board of Directors hereby adopts the following rules and procedures (the "Rules") governing El Rio Mobile Home Cooperative elections and member voting. These Rules implement new requirements of California law and are therefore intended to supplant any conflicting election procedure stated in the Cooperative's Bylaws.

1. Elections Inspector. The Board of Directors shall, by majority vote, appoint an Elections Inspector who shall be an independent third party. The Elections Inspector may be, but is not required to be, a poll worker with the county registrar of voters, a licensee of the California Board of Accountancy or a notary public. The Elections Inspector may also be a member of the Cooperative but shall not be a member of the Board of Directors, a candidate for the Board of Directors, related to a member of the Board of Directors or related to a candidate for the Board of Directors. The Elections Inspector may be a person who is currently employed by the Cooperative or management company.

The Elections Inspector shall do all of the following:

- (a) Determine the number of memberships entitled to vote and the voting power of each;
- (b) Determine the authenticity, validity and effect of proxies, if any, in accordance with Section 5 of these Rules;
- (c) Receive ballots;
- (d) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;
- (e) Count and tabulate all votes;
- (f) Determine when the polls shall close;
- (g) Determine the result of the election;
- (h) Perform any acts as may be proper to conduct the election with fairness to all members in accordance with these Rules, the Cooperative Bylaws, and California law.
- (i) Keep custody of ballots until they are turned over to the association

The Elections Inspector shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as practical. Any report made by the Elections Inspector shall be prima facie evidence of the facts stated in the report.

2. Ballots. Ballots for voting shall be mailed by first class mail or personally delivered to each member at the member's address as it appears on the membership book or if no such address appears at the member's last known place of address. Ballots shall be mailed or delivered not fewer than thirty (30) days prior to the deadline for voting. The ballots shall be mailed or delivered by the Cooperative with two pre-addressed envelopes and instructions as to how to return the ballots. In order to preserve confidentiality, a voter may not be identified by name, address, lot, parcel or unit number on the ballot. The ballot itself is not to be signed by the voter. The ballot itself is to be inserted into an envelope that is sealed. That envelope is to be inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter must print and sign his or her name, address and lot, parcel or unit number that entitles him or her to vote. The second envelope is to be addressed to the Elections Inspector. The envelope may be mailed or delivered by hand to a location specified by the Elections Inspector. The voting member may request a receipt for delivery.

3. Voting and Tabulation of Votes. Pursuant to Section 1, the Elections Inspector shall determine when the polls open and close for voting. However, at a minimum, polls shall open upon delivery of the ballots pursuant to Paragraph 2 above and close 30 days thereafter. If the polls close at a membership meeting, the polls shall close and voting shall terminate no sooner than one hour following commencement of such membership meeting. Voting may also be conducted by mail. The Elections Inspector shall ensure a process, in compliance with these Rules, that allows members to vote by mail or in person. The time and place for voting, by mail and in person, as established by the Elections Inspector shall be provided to members by notice from the Secretary of the Board of Directors.

All votes shall be counted and tabulated by the Elections Inspector in public at a properly noticed open meeting of the Board of Directors or the members. If the polls close at a meeting, the votes may be counted at the close of the polls. If the polls do not close at a meeting, the votes may be counted at a subsequent duly noticed and open meeting of the Board of Directors or members. Any candidate or other member of the Cooperative may witness the counting and tabulation of the votes. However, no person, including a member of the Cooperative or an employee of the management company, may open or otherwise review any ballot prior to the time and place at which the ballots are collected and tabulated. The results of the election shall be promptly reported to the Board of Directors of the Cooperative and shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by the members of the Cooperative.

Within fifteen (15) days of the election, the Board of Directors shall publicize the results of the election in a communication directed to all members. The sealed ballots at all times shall be, and remain, in the custody of the Elections Inspector or at such location designated by the Elections Inspector until after tabulation of the vote, at which time custody shall be transferred to the Cooperative. After tabulation, election ballots shall be stored by the Board of Directors in a secure place for no less than one (1) year after the date of the election. In the event of a recount or other challenge, the Board of Directors shall, upon written request, make the ballots available for inspection and review by Cooperative members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

4. Qualifications for Voting. Each member in good standing (as defined by Article V, Section 5 of the Cooperative's Bylaws) shall have the right to vote on each matter submitted to the membership in accordance with Article IV Section 8 of the Bylaws. In the event that a membership stands of record in the names of two or more persons, such persons shall jointly decide how the vote of the membership will be cast. There shall be no division of the vote into fractional votes.

5. Proxy Voting. Pursuant to Article IV, Section 9 of the Cooperative's Bylaws, a member may appoint any other member as his or her proxy. Each vote cast by proxy shall be counted in accordance with these Rules and the Bylaws as if the delegating member were voting him or herself. However, in no case may a member cast more than one vote by proxy in addition to his or her own vote. A notice of proxy must be filed with the Secretary of the Cooperative prior to the close of the polls for voting. The notice of proxy shall be in writing, be signed by the member authorizing the proxy, identify such member's lot, parcel or unit number, and identify the person or persons authorized to exercise the proxy and the length of time the proxy will be valid. The proxy holder shall cast the member's vote by secret ballot in accordance with Paragraph 2 above and the proxy holder shall include the name, address and lot parcel or unit number that entitles the delegating member to vote in the left hand corner of the second envelope. In place of the delegating member's signature, however, the proxy holder shall sign his or her name. The Elections inspector shall inspect the notice of proxy filed with the Secretary of the Cooperative and the second envelope signed by the proxy holder to ensure that such proxy is authentic and valid. Any instruction given in a proxy that directs the manner in which the proxy holder is to cast a vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain.

6. **Candidate Access to Cooperative Media, Newsletters, Website.** Cooperative funds shall not be used for campaign purposes in connection with any Cooperative Board election. Cooperative funds shall not be used to advocate the election or defeat of any candidate. Any candidate or member advocating a point of view for purposes reasonably related to a Cooperative election shall be provided with access to media, newsletters or internet websites owned or controlled by the Cooperative for purposes of advocating a point of view reasonably related to that election including a point of view not endorsed by the Board of Directors. The Cooperative shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Cooperative, is responsible for that content.

7. **Candidate Access to Common Area.** All candidates for election and all members advocating a point of view reasonably related to the election, including points of view not endorsed by the Board of Directors, shall have reasonable access to the Cooperative's common area meeting space during a campaign for election. Such access shall be at no cost to the candidate or member seeking such access.

8. **Qualifications for Candidates.** Any candidate for election to the Board of Directors shall be a member in good standing of the Cooperative, as defined in Article V, Section 5 of the Cooperative's Bylaws. No member household may hold more than one membership on the Board of Directors, nor shall more than one person in a household serve as a Director at any given time.

9. **Nomination of Candidates.** Not greater than 30 days and not fewer than 10 days prior to the mailing of the ballots, any Member in Good Standing may nominate themselves as a candidate for a seat on the Board of the Directors by submitting the nomination form by the posted deadline. For the purposes of the election, in order to be in "Good Standing", assessments must be paid up to date or the Member must be adhering to a pre-approved payment plan. The Board of Directors shall provide each nominee an opportunity to prepare a statement on the nominee's qualifications. If these statements are provided before the ballots are mailed out, the statements will be included in the mailing of the ballots.