

**THE VINEYARD MURRIETA COMMUNITY ASSOCIATION
ELECTION RULES**

I. General Election Rules

- 1.1 Equal Access. 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, the Association shall provide equal access 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. (Cal. Civ. Code § 1363.03(a)(1).)
- 1.2 Common Area. The Association shall ensure access to the common area meeting space during a campaign, at no cost, to all candidates, including those who are not incumbents, and to all members advocating a point of view, including those not endorsed by the board, for purposes reasonably related to the election. (Cal. Civ. Code § 1363.03(a)(2).) Said access to be provided during regularly noticed Board meetings at the time set aside for “open forum.”
- 1.3 Inspectors of Elections. The Association’s rules with respect to Inspectors of Elections are consistent with the intent of Cal. Civ. Code § 1363.03(a)(5).
- 1.3.1 Three volunteer Members of the Association shall be appointed by the Board or the managing agent to serve as the independent inspectors of each election.
- 1.3.2 If the Board does not appoint inspectors of election or if an inspector fails to appear at a meeting, the chairman of the Member's meeting may appoint the inspector of election. If the chairman fails to appoint the inspectors of election, then any Delegate may request that inspectors of election be appointed.
- 1.3.3 The decision, act or certification of a majority of inspectors shall be effective as the decision, act or certification of all inspectors.
- 1.3.4 The inspector of election shall determine:
- 1.3.4a The number of Memberships outstanding and the voting power of each.
- 1.3.4b The number of Members represented at the meeting.
- 1.3.4c The existence of a quorum.

- 1.3.4d The authenticity, validity and effect of proxies.
- 1.3.4e When the polls shall close.
- 1.3.4f The results of the election.
- 1.3.5 The Inspectors of Elections shall:
 - 1.3.5a Receive votes, ballots or consents.
 - 1.3.5b Hear and determine all challenges and questions in any way arising in connection with the right to vote
 - 1.3.5c Count and tabulate all votes or consents
 - 1.3.5d Do all and any such acts as may be proper to conduct the election or vote with fairness to all Members.
- 1.3.6 The managing agent shall assist and be the agent for the inspectors of elections.
- 1.3.7 The managing agent shall have the power to retain custody of the ballots before and after such ballots are tabulated.
- 1.4 Qualifications and Voting Power. Classes of Voting Membership/Neighborhood Representative Vote Entitlement. The Community Association shall have three (3) classes of voting membership which are described below and are set forth in Article III, section 3.4 of the Declaration.
 - 1.4.1 Class A Membership. Class A Members shall originally be all Owners of Lots. The Declarant and the Guest Builders shall not be Class A Members, for so long as there exists a Class B membership. Upon expiration of the Class B membership, Declarant and the Guest Builders shall become a Class A member. Each Neighborhood Representative will be entitled to cast for each Lot subject to Regular Assessments hereunder and owned by Class A members as to which Regular Assessments have commenced, one (1) vote for each Lot to this Declaration and located in the Neighborhood District represented by the Neighborhood Representative.
 - 1.4.2 Class B Membership. The Class B Member shall be the Declarant who shall be entitled to three (3) votes for each Lot owned by Declarant and Guest Builders in a Phase for which Regular Assessments have commenced. Declarant shall appoint its own Neighborhood Representative to cast all votes on behalf of Declarant and any Guest Builders who have assigned their rights to Declarant. The Class B membership shall cease

and be converted to Class A membership on the happening of any of the following events, whichever occurs earliest:

1.4.2a When 843 Lots representing seventy-five percent (75%) of the Lots proposed to be developed for the Vineyard Community have been conveyed to Class A Members;

1.4.2b On the fifth anniversary following the most recent conveyance to a Class A Member of the first Lot in any Phase under the authority of the most recently issued Public Report.

1.4.2c On the twenty-fifth anniversary of the first conveyance of a Lot to a Class A member in the Covered Property under authority of a Public Report.

As long as Class B membership exists, no action by the Community Association that must have the prior approval of the Members shall be deemed approved by the Members unless approved by the appropriate percentage of Class A and Class B Members. Upon conversion to a single Class A voting membership, any action by the Community Association that must have the prior approval of the Members will require approval by at least a majority of the Members of the Community Association including at least a majority of Members other than Declarant.

1.4.3 Class C Membership. The Class C Member shall be Declarant (whether or not Declarant is an Owner). The Class C membership shall not be considered a part of the voting power of the Community Association and Declarant shall not be entitled to exercise any Class C votes except for the purpose of electing a majority of the members of the Community Board in accordance with the provisions set forth below. The Class C Member shall be entitled to solely elect a majority of the members of the Community Board until the date which is the earlier to occur of:

1.4.3a When 843 Lots representing seventy-five percent (75%) of the Lots proposed to be developed for the Vineyard Community have been conveyed to Class A Members;

1.4.3b On the fifth anniversary following the most recent conveyance to a Class A Member of the first Lot in any Phase under the authority of the most recently issued Public Report; or

1.4.3c On the twenty-fifth anniversary of the first conveyance of a Lot to a Class A Member in the Covered Property under authority of a Public Report.

- 1.5 Vesting. An Owner's right to vote, including Declarant (except for Declarant's voting rights under Article 3 Sections 3.4.2 and 3.4.3 of the Declaration), shall not vest until Assessments have been levied upon such Owner's Lot as provided in this Declaration

II. Rules for Electing Neighborhood Representatives

- 2.1 Qualifications. The qualifications for Delegates are found in the Declaration at Article 5, Section 5.7. Neighborhood Representatives must be:

- 2.1.1 An authorized agent, employee or other appointee of Declarant or a Guest Builder, or
- 2.1.2 A Member of the Community Association who is an Owner in the Neighborhood District for which such Neighborhood Representative is being elected.

- 2.2 Appointment. Delegates shall be appointed as follows:

2.2.1 Portions of the Covered Property With a Project Association. If a Project Association is created for the administration of any Project within the Covered Property, then the real property covered by the Project Declaration shall constitute one (1) Neighborhood District ("Project Neighborhood Districts"). The president of the Project Association shall be the Neighborhood Representative of such Neighborhood District. The vice-president of the Project Association shall act as an alternate Neighborhood Representative for the President and shall perform all of the duties of the Neighborhood Representative in the event the president is removed from office or otherwise resigns pursuant to the provisions of the bylaws of such Project Association, until such time as a successor president is appointed. Immediately upon the appointment of a successor to fill any vacancy in the office of president of any Project Association, such successor shall automatically become the appointed Neighborhood Representative of such Neighborhood District.

2.2.2 Portions of the Covered Property Without a Project Association. For portions of the Covered Property for which a Project Association is not created ("Special Neighborhood Districts"), the Neighborhood District(s) shall be established by Declarant from time to time by the recordation in the Office of the County Recorder of a written instrument signed by Declarant containing a legal description of the Special Neighborhood District and a statement that such Special Neighborhood District shall constitute all or a portion of a Neighborhood District. The requirement for a written instrument may be satisfied by the recordation of a Supplementary Declaration. The Neighborhood Representative (and alternate Neighborhood Representative) to represent any Special

Neighborhood District, shall be elected, removed and instructed by Members in such Special Neighborhood District in accordance with the voting procedures set forth below, except that such Neighborhood Representative shall not be entitled to cast any votes allocated to the Declarant. In electing such Neighborhood Representative, each Owner shall be entitled to cast a number of votes equal to the number of votes allocated to such Owner pursuant to the Section of Article 3 of the Declaration entitled "Classes of Voting Membership/Neighborhood Representative Vote Entitlement".

III. Rules for Member Voting at Delegate District Meetings

- 3.1 Secret Ballot. Voting by Members at Delegate District meetings shall be by secret written ballot.
- 3.2 Proxies. Rules for proxies at Delegate District are governed by Article 5, Section 5.2.4 of the Bylaws.
 - 3.2.1 At all meetings of Members each Member may be present in person or by a representative, known as a proxy, duly authorized by an instrument in writing and filed with the Community Board prior to the meeting to which it is applicable.
 - 3.2.2 Proxies shall specify the person or persons authorized to exercise the proxy and the length of time the proxy will be valid.
 - 3.2.3 Any proxy distributed by any person to the membership of the Community Association shall afford the opportunity to specify a choice between approval or disapproval between each matter or group of matters to be acted upon, and where the Member specifies a choice, the vote shall be cast in accordance with that choice.
 - 3.2.4 It is not mandatory that a candidate for election to the governing body be specifically named in the proxy.
 - 3.2.5 All proxies shall be revocable at any time by written notice to the Community Board or by attendance in person by such Member at the meeting for which such proxy was given and all proxies shall automatically cease when the ownership interest or interests of such Member entitling him to membership in the Community Association ceases.
 - 3.2.6 In any event, no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy,

except that the maximum term of any proxy shall be three (3) years from the date of execution.

3.2.7 Such powers of designation and revocation may be exercised by the guardian of any such Member's estate or by such Member's conservator, or in the case of a minor having no guardian, by the parent entitled to such minor's custody, or during the administration of any such Member's estate, by his or her executor or administrator where the latter's interest in such property is subject to administration in his or her estate.

3.3 Action by Written Ballot. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the specified time period equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve such action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.4 Voting Reports. The requirement for voting reports is found in the Declaration at Article 5, section 5.11.

3.4.1 In order to verify compliance with the foregoing voting requirements, each ballot cast by a Neighborhood Representative (except a Neighborhood Representative selected by Declarant to cast Declarant's votes) shall contain such Neighborhood Representative's certification of the following information:

3.4.1a The total number of votes in the Neighborhood District;

3.4.1a(i) the total number of votes cast "for" and "against" the particular matter on behalf of Members other than Declarant and Guest Builders

3.4.1a(ii) the total number of votes cast by such Neighborhood Representative "for" and "against" the particular matter.

3.4.2 The inspector of the elections shall tabulate the total number of votes cast by all Neighborhood Representatives in each of the foregoing categories in order to determine whether the necessary approvals have been obtained.

3.4.3 It will be conclusively assumed for all purposes of Community Association business that each Neighborhood Representative casting votes on behalf of the Owners of Lots in his or her Neighborhood District will have acted with the authority and consent of all such Owners.

IV. Rules for Meeting of Delegates

The rules for voting by delegates at meetings of delegates are found in Article 6 of the Bylaws. Except as otherwise provided in the Declaration, each Delegate shall exercise the voting power of all of the Members in such Delegate District

- 4.1 Voting. Delegates shall act on behalf of all Members of the Association as set forth in Article 5 of the Declaration.
- 4.2 Delegates may not exercise any discretion whatsoever when casting the voting power represented by the Delegates. The Delegates are merely vote carriers.
- 4.3 Quorum. The rules for quorums at Delegate Meetings are found in Article 6, Section 6.6 of the Bylaws.
 - 4.3.1 The presence at a meeting of Neighborhood Representatives entitled to cast at least twenty-five percent (25%) of the total votes of the Voting Power shall constitute a quorum for any action except as otherwise provided in the Community Articles, the Declaration, or these Bylaws.
 - 4.3.2 If any meeting cannot be held because a quorum is not present, the Neighborhood Representatives representing a majority of the votes present may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called.
 - 4.3.3 If the time and place of the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Neighborhood Representatives in the manner prescribed for regular or special meetings.
- 4.4 Proxies. Neighborhood Representatives may only act personally at a meeting of the Neighborhood Representatives of the Neighborhood District or by written ballot, and may not act by proxy.
- 4.5 Action By Written Ballot. Unless otherwise prohibited by the Community Articles, the Declaration, these Bylaws, the California Civil Code or the California Corporations Code, any action which may be taken at any regular or special meeting of Neighborhood Representatives may be taken without a meeting if taken in accordance with the provisions of this Section.
 - 4.5.1 The Community Association must distribute a written ballot to every Neighborhood Representative entitled to vote on the matter, which shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide the time within which to

return the ballot to the Community Association, which shall be not less than fifteen (15) days from the date that the written ballot is distributed to the Neighborhood Representatives.

4.5.1a Any written ballot in which the directors to be voted upon are named therein as candidates and which is marked by a Neighborhood Representative "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director.

4.5.2 Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the specified time period equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve such action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

4.5.3 Ballots shall be delivered to Neighborhood Representatives in a manner consistent with the requirements of Section 6.5 of the Bylaws entitled "Notice of Meetings".

4.5.3a All such solicitations shall indicate the number of responses needed to meet the quorum requirement and shall state the percentage of approvals necessary to pass the measure submitted.

4.5.3b The solicitation must specify the time by which the ballot must be received in order to be counted.

4.5.4 A written ballot may not be revoked.

V. Rules for Electing Directors

5.1 Number and Qualifications of Candidates. Qualifications for candidates for the Association Board of Directors are found in Article 7, Sections 7.3 of the Bylaws.

5.2 The Community Board shall consist of five (5) Community Directors who shall be Members or representatives of Declarant.

5.3 Residency in the Covered Property need not be a requirement for selection as a Community Director; provided, however, that once neither Declarant nor a Guest Builder owns any interest in or holds a mortgage or deed of trust encumbering any portion of The Vineyard Community, the Community Board may, in its discretion, require that Community Directors be selected on the basis of residency in the Covered Property.

- 5.4 Board Members shall not be any of the following:
- 5.4.1 A person convicted of a felony;
 - 5.4.2 A person convicted of a crime of moral turpitude;
 - 5.4.3 A Member not in good standing.
- 5.5 Cumulative Voting Rules regarding cumulative voting are found in the Bylaws at Article 7, Section 7.5. Election to the Board shall be by cumulative voting whenever more than one board position is to be filled.
- 5.6 Nomination Procedures for Community Directors.
- 5.6.1 Nothing shall prevent a Member in good standing from nominating himself or herself as a candidate for Director.
 - 5.6.2 Nominations may be taken from the floor at the Delegate District Member meetings.
 - 5.6.3 As provided in the Declaration, an Election Committee may be appointed annually by the Community Board to make rules for and supervise nominations, voting procedures, voting requirements and the orderly and fair election of Community Directors.
 - 5.6.3a The Election Committee may consist of a Chairman, who shall be a member of the Community Board, and two (2) or more persons who shall be Members; provided, however, as long as any Class B memberships are outstanding, the Community Board may appoint persons who are not Members to the Election Committee.
 - 5.6.4 Prior to any meeting of the Members at which Community Directors shall be elected, the Election Committee, under reasonable procedures adopted by it, shall collect nominations for the Community Directors to be elected at such meeting.
 - 5.6.5 Without limiting the generality of the foregoing, the Election Committee may refuse to accept any person as a candidate unless Neighborhood Representatives representing at least five percent (5%) of the Members, as reasonably determined by the Community Board, have signed a petition endorsing such person's candidacy.
 - 5.6.6 The notice of the meeting of Neighborhood Representatives at which Community Directors are to be elected shall include a ballot in a form

adopted by the Election Committee indicating the candidates that have been accepted for nomination by the Election Committee.

These election rules are promulgated in accordance with section 1363.03 of the California Civil Code, The Vineyard-Murrieta Community Association adopts Election Rules with respect to membership votes regarding assessments, selection of Delegates, selection of Directors, amending the Governing Documents and the grant of exclusive use of the common area. References are also made to the First Amended and Restated Declaration of Covenants, Conditions, Restrictions of The Vineyard-Murrieta recorded as Document No. 2004-0924368 on November 18, 2004 (the "Declaration") and the Bylaws of The Vineyard-Murrieta Community Association (the "Bylaws"). All references to the representative of the Association's management company shall be as "managing agent."