

VOTING & ELECTION RULES
WALNUT CREEK MUTUAL NO. FORTY
a California nonprofit mutual benefit corporation

Adopted on June 5th, 2023.

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These Voting & Election Rules revoke all previous election rules, and all amendments thereto, if any, and substitute in their place these Voting & Election Rules. Capitalized terms not otherwise defined in these Rules shall have the same meaning as stated in the Mutual's CC&Rs and Bylaws.

ARTICLE 1: MEMBERSHIP MEETINGS

1.1 Generally.

- a. *Annual Meetings.* The Mutual must hold a membership meeting at least each year in accordance with the Bylaws.
- b. *Special Meetings.* Special meetings may be called for any lawful purpose by any of the following: (i) President of the Mutual and (ii) majority of the Board. In addition, special meetings of Members for any lawful purpose may be called by five percent (5%) or more of the Members in good standing, or as otherwise required by law. If a special meeting is called by Members of the Mutual, the request must be submitted to the Board in writing, specifying the nature of the business to be transacted. The Director or officer receiving the request must promptly deliver the request to the remaining Directors.

1.2 Chair and Secretary of Meeting. The President of the Board or, in the President's absence, the Vice President or any other person designated by the Board must call the membership meeting to order and must chair the meeting. The Secretary of the Board must act as Secretary. In the absence of the Secretary, the presiding Officer must appoint someone to serve as acting Secretary for the meeting.

1.3 Recording of Meetings. Audio and video recording of membership meetings are prohibited by anyone other than a person authorized by the Board to record the meetings for the sole purpose of preparing official Mutual minutes.

ARTICLE 2: VOTING RIGHTS

2.1 Number of Votes. For each matter submitted to the Membership for a vote, Members are entitled to one (1) vote for each Unit (regardless of the number of Members having an interest in the Unit). The Mutual may not suspend the voting rights of Members.

2.2 Co-Owners. Where there is more than one Owner of a Unit subject to the Mutual's CC&Rs, all such co-Owners are Members and may attend any meeting of the Mutual, but only one co-Owner is entitled to exercise a vote to which the Unit is entitled. Fractional votes are not permitted. In the event more than one ballot is cast for a particular Unit on the same matter, only the first ballot received will be opened and counted.

2.3 Proof of Membership. No person or entity may exercise the rights of membership without an ownership interest in a Unit subject to the Mutual's CC&Rs. If the Board requests proof of ownership, the required proof is a recorded deed showing the required ownership or, if the property was transferred within the past thirty (30) days and a copy of the newly-recorded deed is not yet available, a completed escrow closing statement is sufficient.

2.4 Presumption of Consent. Unless the Inspector(s) of Election receive a written objection prior to the close of balloting from a Co-Owner, it is conclusively presumed that a voting Owner acted with the consent of their Co-Owners.

2.5 Voting for Properly Nominated Candidates. Members must vote only for those candidate(s) who have been properly nominated prior to the close of nominations.

2.6 Electing Board Seats with Different Terms. In any election where different Board seats to be filled have different terms, the elected candidate(s), in the order of the most votes received, will fill the longest terms available first.

2.7 Record Date. For elections where written ballots are used, the record date for voting in the election will be the first date any ballots are distributed to the Members. However, if a ballot-counting meeting (whether a membership meeting or a Board meeting) for an election is adjourned, the Board may establish a new record date and if so, must give notice of the adjourned meeting to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting. Only persons or entities who are/were Members on the original or new record date are entitled to vote for their respective Unit(s). Nothing in this subsection permits the casting of more than one ballot for each Unit. Persons or entities acquiring title on other than a record date may attend the ballot-counting election meeting but are not entitled to vote. For any election where a written ballot is not used, the Board is permitted to set a record date for an election no more than sixty (60) days before the date of the election meeting.

2.8 Proxies. Proxy voting is not permitted.

2.9 No Cumulative Voting. Cumulative voting is not permitted.

2.10 Quorum. A quorum is not required for the following: (1) an annual Members meeting at which Members will not vote; (2) an election of Directors; and (3) a membership vote regarding excess income pursuant to an IRS Revenue Ruling 70-604 (or any successor Revenue Ruling). The Bylaws control the minimum quorum for a Membership vote, except the Quorum for an election to approve an assessment increase is more than fifty percent (50%) of the Members per the Davis-Stirling Act.

A quorum may be represented by any combination of Members physically present, virtually present by electronic video screen communication, conference telephone, or other means of remote communication, as permitted by Corp. Code §7511(a), and/or present by casting a ballot as provided for in Civil Code §5115(d).

2.11 Approval Requirements. The approval requirements for all matters decided by the membership shall be as set forth in the Mutual's Bylaws and CC&Rs.

ARTICLE 3: NOMINATIONS

3.1 Nomination Procedures and Notice. Prior to the election of Directors, the Board must, by written notice to all Members, solicit nominees. The solicitation must specify the qualifications for candidates for the Board and the procedure and deadline for submitting a nomination. The deadline must be at least thirty (30) days after giving notice. Delivery of the solicitation must be by general notice or, if individual notice is requested by a Member before the solicitation is given, by individual notice, pursuant to Civil Code §4040. Nominees must be listed as candidates on the ballot provided: (i) they meet candidate and Director qualifications and (ii) their nomination is made prior to the date and time set for the close of nominations.

3.2 Self-Nomination. Any qualified person may nominate themselves for election to the Board of Directors by submitting to the Mutual a written statement signed and dated by the nominee. The Mutual must set a cut-off date for the receipt of self-nomination statements, which date must be publicized in advance to the Members.

3.3 Nominating Committee. As provided for in the Bylaws, a nominating committee may be appointed each year by the Board to solicit candidates to run for the Board and notify them of: (i) the date for the close of candidate applications, (ii) the date for election of Directors, either at an annual meeting or by ballot without a meeting, (iii) and the qualifications to serve on the Board. Such nominations may be made from among Members only. Per Civil Code §5105(a), the nominating committee may not preclude qualified Members from nominating themselves.

3.4 Floor Nominations and Write-In Candidates. Once nominations have been closed, no write-in candidates are allowed on ballots and no floor nominations of candidates can be made at the ballot-counting meeting.

3.5 Election by Acclamation (Uncontested Elections). When, as of the deadline for submitting nominations provided for in Civil Code §5115(a), 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 Mutual may, but is not required to, consider the qualified candidates elected by acclamation if all the conditions set forth in Civil Code §5103 are met.

ARTICLE 4: DIRECTOR ELECTIONS

4.1 Number and Term of Directors. The Board will consist of five (5) Directors. The term of each Director is two (2) years and until a qualified successor is elected to fill their seat. Three (3) Directors will be elected in odd-numbered years and two (2) Directors will be elected in even-numbered years.

4.2 Candidate and Director Qualifications. Members must meet the qualifications in the subsections hereafter to be eligible for nomination as a candidate for, or to serve as a Director on, the Board.

- a. *Candidates and Directors Must Be Members.* The Board must disqualify: (1) the nomination of any candidate running for the Board and/or (2) any director serving on the Board, who is not a Member of the Mutual. Further the Board is not permitted to appoint any person to serve on the Board who is not a Member of the

Mutual. Proof of membership must be a recorded deed. Persons holding a fee simple interest in a Unit merely as security for the performance of an obligation are not eligible to either be a candidate for or to serve on the Board.

- b. *Member in Good Standing.* To be eligible for nomination and/or to serve on the Board, the person or impersonal entity must not be delinquent by sixty (60) days or more in the payment of any regular or special Assessment, except:
 - i. A person may not be disqualified from nomination for nonpayment of fines, fines characterized as assessments, collection charges, late charges or costs levied by a third party.
 - ii. A person may not be disqualified from nomination because the person has paid the regular or special assessment under protest.
 - iii. A person may not be disqualified from nomination due to delinquent assessments if the person has entered into a payment plan with the Mutual pursuant to Civil Code §5665 and is fulfilling the terms of the payment plan.
- c. *Co-Owners Eligible for only One Position.* To be eligible for nomination and/or to serve on the Board, the person or impersonal entity must not have a record fee simple ownership interest in a Unit which is part of the Development with another person or impersonal entity concurrently serving as a Director. Where two or more co-Owners concurrently seek election to the Board, only the first nomination will be effective.
- d. *Criminal Conviction.* The Mutual may disqualify a candidate or Director that discloses, or if the Mutual is aware or becomes aware of, a past criminal conviction that would, if the person was elected, either prevent the Mutual from purchasing the insurance required by Civil Code §5806 or terminate the Mutual's existing insurance coverage required by Civil Code §5806 as to that person. Each nominee, at the time of nomination, shall disclose the existence of any past criminal conviction, with sufficient details to allow the Board to determine whether the criminal conviction will prevent the Mutual from purchasing the required insurance coverage or result in the termination of such insurance coverage.
- e. *Internal Dispute Resolution.* Before any candidate for nomination or serving Director may be disqualified, the person or impersonal entity must be provided the opportunity to engage in internal dispute resolution as provided in the Davis-Stirling Act.

4.3 Trusts. If title is held in the name of one or more trustees, subject to a trust, a sole trustee or one of several trustees is permitted to be a candidate for a position on the Board or to serve on the Board subject to all qualifications and/or requirements of the Mutual's governing documents and/or the law. The designation of one of several trustees must be in writing with documentation confirming both the designation and the authority of the designator to do so.

ARTICLE 5: INSPECTOR(S) OF ELECTION

5.1 Selection.

- a. *Process.* Prior to the date ballots are first sent out, the Board of Directors must, at an open meeting of the Board, select either one (1) or three (3) person(s) as Inspector(s) of Election.
- b. *Eligible Inspector(s).* The Board may select as Inspector(s) of Election, any person or entity or subdivision of a business entity not currently employed or under contract to the Mutual. Eligible Inspectors include, but are not limited to:
 - i. **Poll Workers.** A volunteer poll worker with the County Registrar of Voters;
 - ii. **Accountants.** A licensee of the California Board of Accountancy, not under contract to the Mutual;
 - iii. **Notary Public.** A notary public commissioned by the California Secretary of State;
 - iv. **Mutual Members.** Members of the Mutual, 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;
 - v. **Professional Inspectors.** Third-party persons or entities who provide professional election services who contract with the Mutual solely to serve as an Inspector of Election.

5.2 Duties. Duties of Inspector(s) of Election include the following:

- a. Determine the number of Members entitled to vote and the voting power of each.
- b. Determine when the polls close, including any desired extensions of the voting period, and determine whether to reopen the polls to allow Members to cast ballots if the polls were previously closed, all consistent with the Mutual's other governing documents.
- c. Receive all ballots. Once received by an Inspector of Election, ballots are irrevocable.
- d. Receive and be the custodian of ballots, and direct the location to which ballots shall be sent until tabulated by the Inspector of Election.
- e. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.

- f. Count and tabulate all votes.
- g. Appoint and oversee additional independent third parties to verify signatures, and to count and tabulate votes as the Inspector(s) of Election deem appropriate provided that such persons are independent third parties.
- h. Determine the tabulated results of the election.
- i. Perform all duties impartially, in good faith, to the best of the ability of the Inspector(s) of Election, as expeditiously as is practical, and in a manner that protects the interests of all Members of the Mutual. Any report made by the Inspector(s) of Election is *prima facie* evidence of the facts stated in the report.
- j. 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 Mutual's governing documents, and all applicable rules of the Mutual regarding the conduct of the election that are not in conflict with the Civil Code.

5.3 Removal. The Board has the power to remove any Inspector(s) who cease(s) to meet the required qualifications, are unable or unwilling to perform their duties, or for any other good reason, and to appoint one or more replacement Inspectors.

ARTICLE 6: ACTION BY BALLOTS

6.1 Secret Ballots. The use of secret ballots is only necessary when required by law. When secret ballots are not required by law, elections may be conducted by secret ballot, non-secret written ballot, or any other method permitted by law. Any action which may be taken at any meeting of Members may be taken without a meeting (except to count ballots, which can be done at either a membership meeting or a Board meeting) if the Mutual distributes a secret written ballot to every Member entitled to vote on the matter.

6.2 Power of Attorney. The Mutual cannot deny a ballot to a person with general power of attorney for a Member. The ballot of a person with a general power of attorney must be counted if timely returned.

6.3 Pre-Ballot Notice. For Director and recall elections only, at least thirty (30) days before the ballots are distributed, the Mutual must provide general notice (or individual notice to a Member who requested it) which includes:

- a. The date, time, and physical address to mail or hand deliver ballots to the Inspector(s);
- b. The date, time and location of the ballot counting meeting; and
- c. A list of candidates to appear on the ballots.

6.4 Candidate List and Voter List. The candidate list must include the name and address of individuals nominated as a candidate for election to the Board of Directors. The voter

list must include name, voting power, and either the physical address of the voter's Unit, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's Unit or if only the parcel number is used. The Mutual must retain, as Mutual election materials, both a candidate registration list and a voter list.

6.5 Verification of Lists. The Mutual must permit Members to verify the accuracy of their individual information on the candidate registration list, if applicable, and the voter list at least 30 days before the ballots are distributed. The Mutual or Member must report any errors or omissions to either list to the Inspector(s) of Election who must make the corrections within two business days. Reports of any errors or omissions should be made early enough to allow for corrections to be made before the ballots are distributed.

6.6 Ballot Package. All secret ballots mailed or otherwise delivered to the membership must include a double-envelope system and voting instructions for completing and returning the secret ballots as provided for in the Davis-Stirling Act. Ballots seeking approval to amend or restate governing documents must be delivered to the Members with the text of the proposed amendment. Ballot packages must be delivered to every Member entitled to vote at least thirty (30) days before the initial voting deadline.

- a. *Secret Ballot – Generally*. Secret ballots must be marked to indicate the Member's selections, if any. Blank ballots will still count toward Quorum requirements. Secret ballots do not require a signature but are not invalidated by Member signatures.
- b. *Secret Ballot – Content*. Ballots must: (i) set forth the proposed action; (ii) provide an opportunity to approve or disapprove each item submitted for a vote; (iii) set forth the number of ballots needed to satisfy the Quorum requirement, if any; (iv) specify the percentage of votes required to pass the proposal; (v) state a deadline by which the ballot must be returned to be counted; and (vi) in the case of a Director election, the candidates' names identified in the pre-ballot notice.
- c. *Inner Envelope*. The Mutual will provide two envelopes. To preserve secrecy, the secret ballot is to be placed within an inner envelope with no identifying information. However, extraneous information written on the inner envelope by a Member will not invalidate the ballot. The inner envelope containing the secret ballot is to be placed into a second outer envelope containing identifying information.
- d. *Outer Envelope*. In the upper left-hand corner of the outer envelope containing a secret ballot, the voting Member must sign their name and indicate (print, type, etc.) their name and the address entitling the voter to vote. The outer envelope must be addressed to the Inspector(s) of Election.
- e. *Delivery*. The completed outer envelope containing the inner envelope and ballot may be: (1) mailed by first-class mail to the address on the outer envelope or hand-delivered to the Inspector(s) of Election as specified on the pre-ballot notice or, (2) where there is no pre-ballot notice, as specified in the voting instructions. Any

member may request a receipt for delivery.

6.7 Extended Voting Deadline. The Inspector may reopen the polls and extend the voting deadline to allow additional balloting to achieve a quorum or to permit additional participation by the Members in an election when desirable or appropriate. If the voting deadline is extended, the Board is empowered to adjourn the ballot-counting meeting to a date at or beyond the extended voting deadline and Members who have not previously voted may do so up to the extended voting deadline.

6.8 Election Rules. At least thirty (30) days before the voting deadline, the Inspector(s) of Election must deliver, or cause to be delivered, the election operating rules to all Members. Such rules may be delivered: (1) by individual delivery (Civil Code §4040) or (2) by posting the rules on an internet website and including the website address (URL) on the ballot with the phrase, in at least 12-point font: “The rules governing this election may be found here:”

6.9 Counting Ballots. Inspector(s) of Election must oversee the opening and tabulating of all ballots before the membership at a properly noticed open meeting of the Board or membership as provided for in the Election Rules. No person is permitted to open or otherwise review any ballot prior to the time and place at which the ballots are opened and counted.

ARTICLE 7: POST-ELECTION RESULTS

7.1 Breaking a Tie. In the event of a tie leaving the outcome of the election unresolved, the following will apply:

- a. The Inspector(s) of Election, and any designees, will immediately conduct a recount of the ballots. If there is a charge, the Mutual will bear the expense. Members may observe the recount under the same conditions as the original ballot counting.
- b. Following the immediate recount, if the tie remains, all other newly elected Directors will immediately begin serving their terms. An incumbent Director whose seat was tied will continue in office until a runoff election determines the winner for their seat. Only candidates who tied for the seat will be in the runoff.
- c. 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(s) of Election.

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

7.3 Handling and Storage of Election Materials after the Election. The sealed ballots, signed voter envelopes, voter list, and candidate registration list shall at all times be in the custody of the Inspector(s) of Election or at a location designated by the Inspector(s) until after

the tabulation of the vote, and until the time allowed by Civil Code §5145 for challenging the election has expired, at which time custody must be transferred to the Mutual. The Mutual must maintain Mutual election materials for one year after the election.

7.4 Election Recount or Other Challenge. If there is a recount or other challenge to the election process, the Inspector(s) of Election shall, upon written request by the Board or a Member, make the ballots available for inspection and review by the requesting party or its authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote. Election recounts, other than the automatic recount following a tie leaving the outcome of an election unresolved, will be conducted as follows:

- a. Any Member of the Mutual may demand a recount of the ballots provided:
 - (i) demand is made in writing to the Inspector(s) of Election within five (5) days after the election results have been announced, and
 - (ii) the Member pays in advance for the estimated cost of the recount, which estimate will be provided by the Inspector(s) of Election. Monies advanced by the Member must be refunded if the outcome of the election is changed by the recount.
- b. The recount must be commenced within seven (7) days of the request for the recount and must be done by or under the supervision of the Inspector(s) of Election. If any Inspector of Election declines to perform the recount, the Board may appoint a replacement Inspector of Election, using the criteria specified in these rules and the replacement Inspector will assume custody of the ballots.
- c. Any recount may be observed by Members of the Mutual. No election materials may be touched or handled by any person without the express consent of the Inspector(s) of Election and under the supervision of the Inspector(s). The results of the recount must be reported to the Board of Directors and must be recorded in the minutes of the next Board meeting and reported to the membership.
- d. The Board may request a recount on reasonable notice to the Inspector(s) of Election at any time before the legal right to challenge the election has expired to ensure a fair and accurate result.

ARTICLE 8: CAMPAIGNING

8.1 Access to Media.

- a. *Mutual Media.* Neither candidates nor Members may use the Mutual's newsletter, website, or any other Mutual media for campaign purposes.
- b. *Membership List.* Candidates and Members have the right to request a copy of the Mutual's membership list for the purposes of distributing, at their own expense, materials which advocate a point of view reasonably related to an election, or as otherwise permitted by Civil Code §4515. Candidates and Members also have the right to contact Members who have opted out of the membership list through the alternate means of communication permitted under California Civil Code §5220 for the purposes of distributing, at their own expense, materials which advocate a

point of view reasonably related to the election or as otherwise permitted by Civil Code §4515.

- c. *Exception.* If any candidate or Member advocating a point of view is provided access to Mutual media, newsletters, or internet websites 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 Mutual shall not edit or redact any content from these communications but may include a statement specifying that the candidate or Member, and not the Mutual, is responsible for that content. The Mutual and its Directors, officers, and agents are immune from liability for the content of those communications to the fullest extent provided by law.

8.2 Use of Common Area During Election Campaign.

- a. *Purpose.* Regarding any Mutual election, each candidate, Member, or resident is permitted to use, if available, the Mutual's common area at no cost for a purpose relating to Mutual elections as described in Civil Code §4515, including to advocate a point of view reasonably related to the election.
- b. *Reservation.* Each candidate, Member, or resident, who wants to use the common area pursuant to Civil Code §§4515 or 5105 must make a reservation in advance of the date and time requested. Such requests to use the common area are granted on a first-come, first-served basis, provided that the area is not already reserved. In order to assure fairness, each candidate may not reserve or use the common area for more than two (2) hours on any particular date. In addition, each candidate or Member is permitted to make only one (1) reservation per day to use the common area.

8.3 No Use of Mutual Funds for Campaign Purposes. Mutual 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 Mutual election except to the extent necessary to comply with duties of the Mutual imposed by law. The Mutual is not permitted to include the photograph or prominently feature the name of any candidate on a communication from the Mutual or its Board. Directors, in their capacities as Members, are permitted to advocate for the election or defeat of any issue or candidate on the ballot at their own expense and are not permitted to use Mutual funds for that purpose in any capacity.

8.4 Improper Electioneering.

- a. *Prohibited Activities.* In addition to any of the prohibitions under this Article, candidates, Members, and residents, including their tenants, families, employees, agents, visitors, and licensees, are prohibited from engaging in any of the following activities:
 - i. Causing any printed campaign or other election-related materials to be placed upon or affixed to: (1) residents' vehicles, (2) common area walls,

doors, or windows, (3) mailboxes or mailbox structures, or (4) any portion of the common area not expressly permitted in these rules without prior authorization from the Board or management;

- ii. Attempt to solicit a vote from another Member, or their power of attorney, through deceit, harassment, intimidation, improper influence, undue coercion, or force;
 - iii. Attempt to prevent a Member from casting a vote through deceit, harassment, intimidation, improper influence, undue coercion, or force;
 - iv. Interfere with the counting or tallying of votes;
 - v. Solicit the vote of a Member while in that Member's immediate presence or residence and during the time they know the Member is voting;
 - vi. Induce other Members to divert ballots away from the Inspector(s) of Elections; or
 - vii. Interfere with any candidate's ability to distribute authorized campaign materials.
- b. *Report Violations.* Members are encouraged to report any electioneering violations they witness to the Board or management.
- c. *Fines.* The Board is permitted to levy a fine of up to \$100 for each violation of this section.

ARTICLE 9: CANVASSING AND PETITIONING

9.1 Generally. Canvassing and petitioning the Members, the Board, and residents for purposes permitted in Civil Code §4515, by telephone and/or personal visits to private residences in the development, is limited to the daylight hours of 8:00 a.m. until 5:00p.m. However, any Member or resident who declines to be contacted on any issue, including for a purpose specified in Civil Code §4515, must not be contacted by telephone or personal visits thereafter.

9.2 Impermissible Conduct. Nothing in this section permits a Member or resident to contact another Member or resident in a manner that constitutes: (1) a breach of the Member's or resident's quiet enjoyment or (2) a nuisance.

ARTICLE 10: DISTRIBUTING INFORMATION

10.1 Generally. Reasonably distributing and circulating information for any purposes described by Civil Code §4515, is permitted and restricted as follows:

- a. Members or residents may distribute or circulate printed information for purposes specified in Civil Code §4515 to other Members or residents by: (1) mail, (2) placing printed materials under front doors, front door mats, and/or behind

screen doors, and/or (3) handing out printed material in the common area to Members and residents willing to accept such materials. The handing out of materials in the common area is limited to the daylight hours of 8:00 a.m. until 5:00p.m.

- b. Members and residents may not cause any printed materials, including those for any purposes specified in Civil Code §4515, to be placed upon or affixed to (1) residents' vehicles, (2) common area walls, doors, or windows, (3) mail boxes or mail box structures, or (4) any portion of the common area not expressly permitted in these rules without prior authorization from the Board or management.
- c. Members and residents distributing and circulating printed materials permitted in these rules, such as those left at front doors or in other permissible locations in the development, are responsible to collect and discard any such materials that remain uncollected after twenty-four (24) hours from distribution or circulation.

ARTICLE 11: PETITIONS

11.1 Purpose. The purpose of the petition for a membership meeting must be set forth in the petition so Members know what they are signing. Meetings may only be called for a proper purpose.

11.2 Signatures. Only Members may sign petitions. Signatures by persons not on title are invalid. The Mutual may validate signatures by comparing them against signatures on file with the Mutual or by contacting signers to verify their signatures. Any person on title to a property can sign on behalf of the property but it counts only once. For example, if there are ten owners on title for one unit, all of whom sign a petition, it counts as one signature, not ten.

11.3 Invalidity of Signatures. A petition can be rendered invalid if a sufficient number of signatures are found invalid or rescinded for good cause (such as fraud, mistake, undue influence, or other valid grounds for rescission), such that the number of remaining signatures falls below five percent (5%) of total voting power of the membership.

11.4 Setting the Date. The date of the special meeting for a recall must be set in the manner provided for in these Election Rules above and the law.

11.5 Recall Petitions. Recalls are not permitted to be started against

the Board as a whole or any individual Director if: (a) the Board or Director has held office during the current term for less than ninety (90) days; (b) a recall election has been determined in the Board's or Director's favor within the last six (6) months; (c) for the recall of a Board, when an annual meeting will be held within six (6) months or less; (d) for the recall of individual Directors, when their term will end within six (6) months or less. Additionally, if a recall of the entire Board fails, a six (6)-month waiting period must be observed before recall petitions may be filed against individual Directors who served on that Board.