

**[PROPOSED] FIRST AMENDMENT
TO
BYLAWS
OF
TALEGA MAINTENANCE CORPORATION**

Proposed additions are identified in double-underline and deletions are identified in ~~striketrough~~.

1. Article IV, Section 4.7.1 is proposed to be amended as follows:

Delegates must act personally at a meeting or by written ballot and may not act by proxy. If a Delegate is not present at a meeting of the Delegates, then the alternate for such absent Delegate may attend the meeting and exercise all rights, powers and votes to which the absent Delegate would be entitled. If the previously absent Delegate arrives prior to the adjournment of a meeting, the alternate is no longer entitled to act in the place of such Delegate; however, such relinquishment of authority by the alternate does not invalidate any matter previously voted or acted upon by the alternate in his or her temporary capacity as Delegate. Where a Member has submitted a written ballot on an issue, the Delegate shall certify and carry over the Member's vote as directed in the written ballot or directed proxy. Where a Member has not submitted a written ballot or directed proxy, the Delegate may cast the vote or votes for their Neighborhood on the issue(s) using their best judgment after consideration of the known preferences and values of the Members of the Neighborhood they represent. If a Delegate has not submitted a written ballot before a meeting and neither the Delegate nor Alternate Delegate are present at a Delegate meeting, any Director present at the meeting may temporarily exercise the rights, powers, duties and cast the votes of the absentee Delegate until such time as the Delegate or Alternate Delegate arrives at the meeting. Except as otherwise provided in these Bylaws, each Delegate shall exercise the voting power of the Members in his Neighborhood other than the voting power of the Declarant and the Guest Builders as the Delegate determines is appropriate. Declarant's Delegate shall exercise all of the Class A and Class B voting power of Declarant and the Guest Builders. All votes represented by Declarant's Delegate shall be cast in the manner directed by Declarant. Any Class C vote shall be cast by Declarant.

2. Article IV, Section 4.7.3 is proposed to be amended as follows:

The presence in Person or by written ballot of Delegates representing at least a majority of the Master Association's voting power constitutes a quorum. The Delegates present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Delegates to leave less than a quorum. if any action taken (other than adjournment) is approved by the votes required in Section 4.7.4 (or such greater percentage of Delegates as is required by the Restrictions for any specific action).

3. Article IV, Section 4.7.4 is proposed to be amended as follows:

If 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, is the act of the Delegates, unless the vote of a greater number or voting by classes is required by the Restrictions or law. If, however, a meeting is ~~actually~~ attended in person or by written ballot by Delegates representing less than one-third (1/3) of the voting power of the Subassociation, notwithstanding the presence of a quorum, no matter may be voted upon except such matters notice of the general nature of which was given pursuant to Section 4.8.5.

TALEGA MAINTENANCE CORPORATION

ELECTION OPERATING RULES

(Adopted _____)

APPLICABILITY OF ELECTION OPERATING RULES

1. These Election Operating Rules shall apply to elections required to be held by secret ballot pursuant to *Civil Code* Section 5100(a). The Board of Directors may, in its discretion, also determine to apply these Election Operating Rules to govern an election on any topic that is not expressly required by statute to be conducted by secret ballot.

ACCESS TO ASSOCIATION COMMUNICATIONS

2. All candidates or Members advocating a point of view shall have equal access to all Association media, newsletters, and websites during a campaign for purposes reasonably related to that election. Equal access may include no access to any candidate or Member.
3. The Association will not edit or redact (black out) any content from communications set forth in Section 2. The Association may include a statement that the candidate or Member, and not the Association, is solely responsible for the content of the communication.
4. Candidates, including those who are not incumbents, and Members advocating a point of view reasonably related to the election, shall have equal access to any Common Area meeting space, if any exists. This access shall be provided at no charge for purposes reasonably related to the election, except that the Association may implement procedures for reserving Common Area meeting spaces and access may not be provided if the area is already in use or has already been reserved.

CANDIDATE QUALIFICATIONS

5. Qualifications for candidates to the Board of Directors shall include:
 - a. Candidates must be Members of the Association. Any Member that is not a natural person (such as a corporate Member ~~or trust~~) may appoint a natural person to be a candidate on its behalf.
 - b. If the ~~c~~candidate, if elected, would be serving on the Board at the same time as another Member who holds a joint ownership interest in the same separate interest parcel as the ~~c~~candidate and the other Member is either properly nominated for the current election or an incumbent Director, the ~~c~~candidate may be disqualified.
 - c. Candidates must not be delinquent in the payment of any regular or special assessments, with the exception of Owners-Members who have entered into a valid payment plan with the Association and are in compliance with such plan.
 - d. Candidates must have held membership in the Association for at least one (1) year prior to the date of the election.
 - e. Candidates must not have been convicted of a crime that would prevent the Association from obtaining or maintaining fidelity bond-the insurance coverage required by *Civil Code* Section 5806 as to that candidate if the candidate is elected.

f. If the candidate has served the maximum number of terms or sequential terms allowed by the Association, the candidate must be disqualified.

6. Sitting Directors must comply with the candidate qualifications listed in Section 5. Any Director who fails to satisfy the candidate qualifications shall be disqualified from continuing to serve as a Director. In addition, a Director who ceases to be a Member of the Association shall be disqualified from continuing to serve as a Director. To remain qualified to serve on the Board, sitting Directors must comply with any reporting requirements set forth in the Corporate Transparency Act, if applicable.

NOMINATIONS

6.7. At least thirty (30) days prior to the deadline for submission of candidacy nominations for an election of Directors or a recall election, the Association shall provide Members with notice (via general delivery) of the procedures and deadline for submitting a candidacy nomination.

8. Procedures for nomination of candidates to the Board shall allow for a Member to nominate himself or herself and shall be consistent with the Governing Documents. Nominations from the floor of Membership meetings are prohibited for any election conducted in whole or in part by electronic, secret ballot.

7.9. See Section 42 below for additional requirements for election by acclamation.

MEMBER VOTING

8.10. At least thirty (30) days prior to the mailing of ballots in an election of Directors or a recall election, the Association shall prepare:

- a. A candidate registration list ~~showing the names of all candidates that will appear on the ballot~~ includes the name and address of each person nominated as a candidate for election to the Board; and
- b. A voter list ~~which that~~ includes the name, voting power, mailing address (if different from the separate interest address), and separate interest address or parcel number for each Member, and identifies which Members will vote by electronic secret ballot and which Members will vote by written ballot (if applicable).

9.11. Members have the right to inspect and verify the accuracy of their individual information on both lists identified in Section 8.10. Errors reported to the Inspector(s) of Elections ~~shall~~ will be corrected within two (2) business days.

10.12. The Board may, but is not required to, set the date the ballots are mailed or otherwise delivered as the “voting cut-off date” to establish membership status for voting ~~except that for purposes of Director Elections, the Board shall set the date the ballots are mailed or otherwise delivered as the “voting cut-off date”.~~

11.13. Every Member of record shall have the right to vote, unless the Board adopts the voting cut-off date and an individual was not a Member of Record as of that date.

~~12.14.~~ The voting power of each Member shall be as described in the Association's Bylaws and/or Declaration.

~~13.15.~~ In accordance with the Association's Governing Documents, ballots cast by Members act as directed proxies that instruct the Delegate how to cast the Delegate's votes in his or her district/ neighborhood.

DELEGATE VOTING

~~14.16.~~ Delegates shall cast, in person or by written ballot, all votes representing the voting power of the Members within such Delegate's district/neighborhood as follows:

a. Where Members have ~~east-submitted~~ a written ballot or directed proxy, Delegates shall cast their votes as directed in the written ballot or directed proxy; and

b. Where Members have not ~~east-submitted~~ a written ballot or directed proxy, Delegates shall cast all remaining votes representing the total voting power of the Members within such Delegate's district/neighborhood as the Delegate determines is appropriate using their best judgment after consideration of the known preferences and values of the Members of the Neighborhood the Delegate represents. (See Article 2, Section 2.4.4 and Article 4, section 4.7 of Bylaws)

c. If a Delegate has not submitted a written ballot before a meeting and neither the Delegate nor the Alternate Delegate are present at the Delegate meeting, any Director present at the meeting may temporarily exercise the rights, powers, duties and cost the votes of the absentee Delegate until such time as the Delegate or Alternate Delegate arrives at the meeting. A Delegate or Alternate Delegate arriving at a meeting may not revoke or otherwise change any votes cast in this manner prior to their arrival.

d. Any written ballot received by the inspector of elections from a Delegate shall be treated as that Delegate present at a meeting for purposes of establishing a quorum.

INSPECTOR(S) OF ELECTIONS

~~15.17.~~ Inspector(s) of Elections (i.e., independent third parties) shall be appointed by the Board. The number of Inspector(s) of Elections shall be one (1) or three (3). If there are three (3) Inspectors of Elections, the decision or act of a majority shall be the decision or act of all.

~~16.18.~~ The following persons may not serve as Inspector(s) of Elections: Board Members, candidates, persons who are related to Board Members, persons who are related to candidates, or any party who is currently employed or under contract with the Association for compensable services ~~other than serving as an inspector of election.~~

~~17.19.~~ The following persons are independent third parties and may serve as Inspector(s) of Elections: Any third-party person or company hired by the Association solely for this specific purpose. Association Members may serve as Inspector(s) of Elections if they are not a Director, a candidate, or a person related to any Director or candidate, ~~or a co-Owner of a Director or candidate.~~

~~18.20.~~ Independent third parties may be compensated for performing Inspector(s) of Elections services. Association Members, however, are not entitled to compensation for serving as Inspector(s) of Elections.

~~19.21.~~ Inspector(s) of Elections may appoint and oversee additional independent third parties to verify signatures and to count and tabulate votes provided that such persons appointed are independent third parties who meet the requirements stated herein.

~~20.22.~~ The Inspector(s) of Elections are charged with performing the following duties:

- 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.
- c. Receive ballots or determine a location where ballots are to be delivered.
- d. Verify the Member's information and signature on the outer envelope. For mailed ballots, the Inspector(s) may verify the Member's information and signature on the outer envelope prior to the election;
- e. When conducting an election by electronic, secret ballot, ensure compliance with the following:
 - (i) Each Member voting by electronic, secret ballot shall be provided with the following:
 1. A method to authenticate the Member's identity to the internet-based voting system.
 2. A method to transmit an electronic secret ballot to the internet-based voting system that ensures the secrecy and integrity of each ballot.
 3. A method to confirm at least thirty (30) days before the voting deadline, that the Member's electronic device can successfully communicate with the internet-based voting system.
 - (ii) Any internet-based voting system that is utilized shall have the ability to accomplish all of the following:
 1. Authenticate a Member's identity
 2. Authenticate the validity of each electronic secret ballot to ensure that the electronic secret ballot is not altered in transit
 3. Transmit a receipt from the internet-based voting system to each Member who casts an electronic, secret ballot
 4. Permanently separate any authenticating or identifying information from the electronic, secret ballot, rendering it impossible to connect an election ballot to a specific Member
 5. Store and keep electronic, secret ballots accessible to elections officials or their authorized representatives for recount, inspection, and review purposes.
- ef. Hear and determine challenges and questions in any way arising out of ~~balloting~~ or the election in connection with the right to vote and/or the election.
- fg. Count and tabulate all ~~Member~~ votes.
- hg. Determine the tabulated results of the Member votes for each district/neighborhood and inform the appropriate Delegate.
- hi. Count and tabulate all Delegate votes and determine the tabulated results.
- ji. Determine when the polls shall close, consistent with the Association's Governing Documents.
- kj. Report the tabulated results of the election or vote promptly to the Board of Directors to ensure that the Board can publicize the results to the ~~homeowners~~ Members within 15 days of the election.

- lj. Retain the ballots, signed voter envelopes, voter list, proxies, candidate registration list, and tally sheet of votes cast by electronic ballot (if applicable) at a location designated by the Inspector(s) of Elections pursuant to *Civil Code* Section 5125.
- mk. Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with *Civil Code* Sections 5100 - 5145, the *Corporations Code*, and these Election Operating Rules to the extent not in conflict with *Civil Code* Sections 5100 - 5145.

ELECTION PROCEDURES

- ~~21.23.~~ After the deadline for submission of candidacy nominations, and at least thirty (30) days prior to the mailing of ballots, the Association shall prepare the candidacy registration list and voter list, pursuant to Section ~~8-10~~ above.
- ~~22.24.~~ At least thirty (30) days prior to the mailing of ballots for an election of Directors or a recall election, the Association shall provide Members notice of the following (via general delivery):
 - a. The date, time, and physical location for the return of ballots;
 - c. The date, time, and location of the Association Delegate Meeting; ~~and~~
 - d. Where electronic, secret ballots are used, the date and time by which electronic, secret ballots are to be transmitted to the internet-based voting system and preliminary instructions on how to vote by electronic, secret ballot upon commencement of the voting period;
 - ~~de.~~ The names of all candidates that will appear on the ballot;:
 - f. The date, time and location of the meeting at which quorum will be determined and at which ballots will be counted;
 - g. If the Governing Documents require a quorum for election of Directors, then a statement that the Association may call a reconvened meeting to be held at least twenty (20) days after a scheduled election if the required quorum is not reached, at which time the quorum to elect Directors will be twenty percent (20%), voting in person, by proxy, or by secret ballot.
- ~~23.25.~~ At least thirty (30) days prior to the deadline for ~~Member~~-voting, the Inspector(s) of Elections or Association shall mail or otherwise deliver ballots to the Members. Within this same timeframe, a copy of these Election Operating Rules shall be provided to the Members either:
 - a. By mail with the ballots; or
 - b. By posting to a website and including the corresponding website address on the ballot together with the phrase in at least 12-point font: "The rules governing this election may be found here: ..."
- ~~24.26.~~ The Member voting period for elections shall commence when the notice of the meeting and/or ballots have been mailed/ delivered to all Members and shall terminate as stated in the notice and/or ballot or as determined by the Inspector(s) of Elections, consistent with the Governing Documents.
- ~~25.27.~~ Delegate voting shall take place at the Association Delegate Meeting as noticed by the Association and/or Inspector(s) of Elections, consistent with the Governing Documents.

- ~~26.28.~~ The form and content of election materials, i.e., secret written ballot, envelopes, proxies, etc., shall conform to the requirements of the *Civil Code*.
- ~~27.29.~~ No Member shall be denied a ballot, unless the Board adopts the voting cut-off date and an individual was not a Member of Record as of that date.
- a. No person who holds a valid general power of attorney for a Member shall be denied a ballot, if requested.
 - b. A ballot cast by a person who holds a valid general power of attorney for a Member shall be counted if received timely by the Inspector(s) of Elections.
- ~~28.30.~~ Once a ballot has been received by the Inspector(s) of Elections, it shall be irrevocable. If proxies are allowed and a Member submits both a proxy and a ballot to the Inspector(s) of Elections, the ballot will supersede the proxy.
- ~~29.31.~~ The authenticity, validity and effect of proxies submitted by Members shall be determined by the Inspector(s) of Elections, consistent with the Association's Governing Documents and California law.
- ~~30.32.~~ Proxies may not be used in lieu of a ballot. Proxies may be revoked by the Member prior to receipt of the ballot by the Inspector(s) of Elections.
- ~~31.33.~~ Votes shall be counted and tabulated by the Inspector(s) of Elections or their designee(s) in an open area at a properly noticed open meeting of the Board or Members. Any candidate or other Member may witness the counting and tabulation of the votes. To ensure anonymity of the voting, Members must stand at least five (5) feet away from the Inspector(s) of Elections or their designee(s) during the tabulation process. Members are prohibited from speaking to the Inspector(s) of Elections or their designee(s) during the tabulation process or interrupting the tabulation process in any way.
- a. If the meeting is conducted by video conference as a result of a disaster or emergency in accordance with Civil Code Section 5450, a camera must be placed in a location such that Members can witness the Inspector(s) of Elections and their designee(s) count and tabulate the votes.
 - b. Except as permitted by Civil Code Section 5450, the tabulation meeting may not be conducted solely by teleconference (including video conference). Notwithstanding, the meeting may be conducted by teleconference (including video conference) if a physical location is identified in the meeting notice where Members can attend to view the tabulation.
- ~~32.34.~~ The Inspector(s) of Elections shall provide notice of the tabulated results of the Member votes to the Delegate of the respective district/neighborhood.
- ~~33.35.~~ At the Association Delegate Meeting, Delegates shall cast all votes representing the voting power of the Owners within their district/neighborhood in the manner specified under the section titled "Delegate Voting" above.
- ~~34.36.~~ Notice of the tabulated results of the election shall be provided to the Members (by general delivery) within fifteen (15) days of the tabulation of Delegate votes~~election~~.
- ~~35.37.~~ Ballots, signed voter envelopes, the voter list, proxies, ~~and~~ the candidate registration list, and the tally sheet of votes cast by electronic ballot (if applicable) for Member voting shall

be retained in the custody of the Inspector(s) of Elections or at a location designated by the Inspector(s) of Elections as set forth in *Civil Code* Section 5125, at which time ~~the ballots~~custody shall be transferred to the Association.

38. If there is a recount or other challenge to the election process, the Inspector(s) of Elections shall, upon written request, make the ~~Member~~ ballots available for inspection and review by an Association Member or his or her authorized representative, at a location and time as determined by the Inspector(s) of Elections. The recount shall be conducted in a manner that preserves the confidentiality of the vote. The candidate or Member requesting the recount shall be responsible for any and all costs related to the recount, including compensation to the Inspector(s) of Elections, if applicable.
39. Directors shall be required to comply with the qualifications set forth in Section 5 above during each Director's term on the Board.

ADJOURNED AND RECONVENED ELECTION OF DIRECTORS

40. In any election of Directors, if a meeting to tabulate ballots cannot be held for lack of quorum, the Association may choose to adjourn and reconvene the meeting at a date, time, and location at least twenty (20) days after the adjourned proceeding. At such reconvened meeting, the quorum for the election of Directors shall be twenty percent (20%) of the Association's voting Members/Delegates present in person, by proxy, or by secret written ballot received.
41. No fewer than fifteen (15) days prior to such reconvened meeting, the Association shall provide general notice of the meeting, which shall include:
- a. The date, time, and location of the meeting.
 - b. The list of all candidates.
 - c. A statement that twenty percent (20%) of the Association voting members/delegates present or voting by proxy or secret ballot will satisfy the quorum requirements for the election of Directors and that the ballots will be counted if a quorum is reached.

ELECTION BY ACCLAMATION

42. If the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the Inspector(s) of Elections, the Association may, but is not required to, consider the qualified candidates elected by acclamation if all of the following requirements of *Civil Code* Section 5103 are satisfied:
- a. The Association has held a regular election for the Directors in the last three (3) years. The three (3) year time period is calculated from the date ballots were due in the last full election to the start of the voting for the proposed election.
 - b. The Association provides Members with individual notice (as described in *Civil Code* Section 4040) of the election and the procedure for nominating candidates as follows:

An initial notice provided at least ninety (90) days before the deadline for submitting nominations. The notice shall include the information specified in *Civil Code* Section 5103(b)(1);

and

A **reminder notice** provided between seven (7) and thirty (30) days before the deadline for submitting nominations. The notice shall include the information specified in *Civil Code* Section 5103(b)(2).

- c. Within seven (7) business days of receiving a nomination, the Association provides a written or electronic communication acknowledging the nomination to the Member who submitted the nomination.
- d. Within seven (7) business days of receiving a nomination, the Association provides a written or electronic communication to the candidate with the information specified in *Civil Code* Section 5103(c)(2).
- e. The notices described in Sections 37.c. and 37.d., above, may be combined into a single written or electronic communication if the candidate and nominator are the same person.
- f. The Association permits all candidates to run if nominated, except for candidates disqualified from running pursuant to *Civil Code* Section 5105(b)-(e).
- g. The Board votes to consider the qualified candidates elected by acclamation at a Board meeting for which the agenda items reflect the name of each qualified candidate that will be seated by acclamation if the item is approved.

ELECTION BY ELECTRONIC SECRET BALLOT

- 43. The Board of Directors may, but is not obligated to, use an Inspector of Elections to conduct an election by electronic secret ballot, except for any election regarding regular or special assessments. An election may be conducted entirely by mail, electronic secret ballot, or a combination of both.
- 44. All Members for whom the Association has an email address are presumed to opt in to voting by electronic secret ballot unless they have opted out in writing to the Association. Any other Member may opt into voting by electronic secret ballot. To be effective, a request to opt out of or opt into voting by electronic secret ballot must be delivered in writing to the Association.
- 45. Members may change their preferred method of voting (i.e., electronic secret ballot or written secret ballot) no later than 90 days before an election.
- 46. If the Board elects to proceed with an election by electronic secret ballot, at least thirty (30) days before the deadline to opt out of voting by electronic secret ballot, the Association shall provide each Member individual notice (as described in *Civil Code* Section 4040) of the following:
 - a. The Member's current voting method;
 - b. If the Member's current voting method is by electronic secret ballot and the Association has an email address for the Member, the email address of the Member that will be used for voting by electronic secret ballot;
 - c. An explanation that the Member is required to opt out of voting by electronic secret ballot if the Member elects to vote by written secret ballot;
 - d. An explanation of how a Member may opt out of voting by electronic secret ballot;
and
 - e. The deadline by which the Member is required to opt out of voting by electronic

secret ballot if the Member elects to exercise that right.

47. Members who vote by electronic secret ballot must provide a valid email address to the Association.
48. Electronic secret ballots and written secret ballots for an election shall contain the same list of items being voted on.
49. The Association is required to mail a written ballot only to a Member who has opted out of voting by electronic secret ballot or for whom the Association does not have an email address required to vote by electronic secret ballot.
50. The Association is not required to send an electronic secret ballot to a Member for whom the Association does not have an email address or who has opted out of voting by electronic secret ballot.
51. The Association shall deliver individual notice (as described in *Civil Code* Section 4040) of electronic secret ballots to each Member voting by electronic secret ballot thirty (30) days before the election. The notice shall contain instructions on how to obtain access to the internet-based voting system and how to vote by electronic secret ballot. An electronic secret ballot may be accompanied by or contained in an electronic individual notice.
52. If the Association conducts an election to approve an amendment of governing documents by electronic secret ballot, the Association may deliver, by electronic means, the text of the proposed amendment to those Members who vote by electronic secret ballot, in lieu of providing the text of the proposed amendment by mail. However, the Association shall also deliver a written copy of the text of the proposed amendment to those Members upon request and without charge. If a Member votes by written secret ballot, the Association shall deliver a written copy of the text of the proposed amendment to the Member with the written secret ballot.
53. A vote made by electronic secret ballot is effective when it is electronically transmitted to an address, location, or system designated by the Inspector(s) of Elections. A vote made by electronic secret ballot shall not be revoked.
54. A person, including a Member of the Association or an employee of the management company, shall not open or otherwise review any tally sheet of votes cast by electronic secret ballots before the time and place at which the ballots are counted and tabulated.
55. The Association's Annual Policy Statement prepared pursuant to *Civil Code* Section 5310 shall include the procedures to either opt out of or opt into voting by electronic secret ballot.