



Canyon Lake Property Owners Association ("Association")

## **INSTRUCTIONS AND DEADLINES FOR THE RETURN OF BALLOTS (2009 ANNUAL MEETING)**

### 1. **SECRET BALLOT VOTING**

Mark your ballot to vote for candidates for the Board of Directors and to approve, disapprove or abstain regarding three separate amendments to the governing documents

Cumulative voting is permitted for election of directors. You may cast three votes for a single director candidate or vote once for each of three Board vacancies. Total votes cast for directors may not exceed three votes. Fractional voting is not permitted.

In addition to nominees shown on the ballot, you may write in a candidate in anticipation of that person's nomination from the floor of the annual meeting.

### 2. **SEALING OF BALLOT**

- ❖ Do not sign the ballot. Insert the marked ballot into the Envelope No. 1, preaddressed to the Inspectors of Election.
- ❖ Seal Envelope No. 1.
- ❖ Insert sealed Envelope No. 1 into preaddressed Envelope No. 2. Seal preaddressed Envelope No. 2.
- ❖ In the upper left-hand corner of Envelope No. 2, print and sign your name, address/lot and tract number that entitles you to vote. Print and sign your name in the same form which you hold title. Do not use an off-site mailing address - use only the Canyon Lake address of the property for which you are voting.
- ❖ The sealed, completed Envelope No. 2 may be mailed or delivered by hand to the preaddressed Inspectors of Election address.
- ❖ Owners of multiple properties must submit separate sealed ballot envelopes (No. 1 and No. 2) for each property. Each Envelope No. 2 must be completed and must reflect the property address for which the ballot is being cast.

3. **RETURN OF BALLOTS/MEETING**

- ❖ The Board of Directors has scheduled a membership meeting at which the Inspectors of Election will establish if a quorum of the members have voted and, if that quorum is established, proceed with opening and counting ballots. The meeting date is May 12, 2009, balloting commencing at 8:00 a.m., close of registration and determination of quorum at approximately 9:00 a.m., at 31512 Railroad Canyon Road, Canyon Lake, California 92587 (the Canyon Lake boardroom in the Canyon Lake Towne Center).
- ❖ Your written ballot must be received by the Inspectors of Election no later than the Inspectors of Election closing of the polls at that meeting.
- ❖ Please refer to the Association Membership Meeting and Voting Rules for a further discussion of the Association's election process.

4. **INFORMATION RELATED TO PROPOSED AMENDMENTS**

Quorum: The initial quorum requirement is 50 percent of the Association's voting power. If a quorum is not met on the initial date, the quorum requirement is reduced to 25 percent of the voting power for any adjourned meeting date. (Art. V, Sec. 5, of the Bylaws.)

Approvals Required for Bylaw Amendment: Approval of a majority of a quorum is required for approval of a bylaw amendment. (Art. X of the Bylaws.)

Approvals Required for CC&R Amendment: The CC&Rs are made up of multiple-tract declarations, some with differing approval percentages, although, generally, the affirmative vote of two-thirds of the members is required. If at least a simple majority of the entire membership supports the proposed amendment, it is anticipated that the Board of Directors will consider a Superior Court petition (Civil Code Section 1356) for approval of the amendment since the secret ballot process mandated by Civil Code Section 1363.03 prevents tract-by-tract tallies, in addition to the improbability of two-thirds or other majority approval being achieved in each of 31 tracts.

*Note*: Ballots are not revocable. If you send your ballot back before the meeting, you cannot vote at the meeting.