

This instrument prepared by:  
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1550 Southern Boulevard, Suite 00  
West Palm Beach, FL 33406  
(561) 655-8994

## **CERTIFICATE OF RULES AND REGULATIONS OF THE LAGUNA MASTER ASSOCIATION, INC.**

This Certificate of Rules and Regulations of the Laguna Master Association, Inc. is executed this 4<sup>th</sup> day of September, 2020 by the Laguna Master Association, Inc., a Florida Not for Profit Corporation (“Association”).

### **RECITALS**

**WHEREAS**, the Association is the entity responsible for the administration of The Lakes of Laguna properties according to that certain Declaration of Covenants and Restrictions for The Lakes of Laguna thereof recorded in the Official Records Book 9770, Page 849, of the Public Records of Palm Beach County, Florida and amendments thereto, and according to the By-Laws of Laguna Master Association, Inc., thereof recorded in the Official Records Book 9930, Page 1170, of the Public Records of Palm Beach County, Florida and amendments thereto;

**WHEREAS**, Article X, Section 25 of the Fourth Amendment to the Declaration of Covenants and Restrictions for the Lakes of Laguna provides that the Board of Directors may adopt rules and regulations of the Laguna Master Association, Inc. (“Association”) and Article VII, Section 1(a) of the By-Laws of Laguna Master Association, Inc., provides that the Board of Directors has the power to adopt and publish rules and regulations governing use of the common areas and Association property, and the personal conduct of members and their guests; and

**WHEREAS**, the undersigned certifies that a duly called regular meeting of the Board of Directors of the Association for which a fourteen (14) day notice was mailed or delivered to all owners and members was held on the 23rd day of July, 2020 at which certain amendments to Rules and Regulations attached hereto as Exhibit “A” were duly adopted and ratified by a majority vote of the members of the Board of Directors in accordance with Article X, Section 25 of the Fourth Amendment to the Declaration of Covenants and Restrictions for The Lakes of Laguna and Article VII, Section 1(a) of the By-Laws of Laguna Master Association, Inc.

**NOW THEREFORE**, the Association does hereby state as follows:

1. The following recitals are true and correct and are incorporated herein by reference.
2. The Rules and Regulations for Laguna Master Association, Inc. are enacted as more particularly described on Exhibit "A" attached hereto and incorporated herein.

4th IN WITNESS WHEREOF, the undersigned duly executed this Certificate as of this day of September, 2020.

As to witnesses:

LAGUNA MASTER ASSOCIATION, INC.

[Signature]  
Witness: KEN DEMET

By: [Signature]  
D.J. Scalera, III, President

[Signature]  
Witness: MARK BRISCO

STATE OF FLORIDA )  
COUNTY OF PALM BEACH )

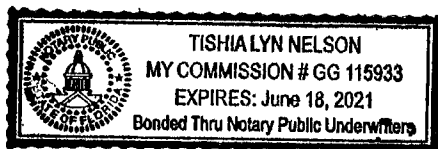
The foregoing instrument was acknowledged before me on September 4, 2020, by D.J. Scalera, III, as President, of the Laguna Master Association, Inc., who executed same on behalf of the corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Signature]  
NOTARY PUBLIC, State of Florida

TISHIA L NELSON  
Print Name

My Commission Expires: 6/18/21

(SEAL)



4th IN WITNESS WHEREOF, the undersigned duly executed this Certificate as of this  
day of September, 2020.

As to witness:

[Signature]  
Witness: Mark Grieco

LAGUNA MASTER ASSOCIATION, INC.

By: [Signature]  
Ken Nemet, Secretary/Treasurer

[Signature]  
Witness: D. J. Scalen III

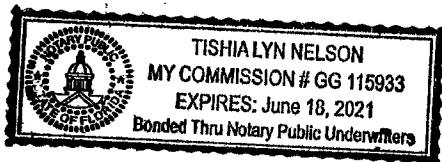
STATE OF FLORIDA )  
COUNTY OF PALM BEACH )

The foregoing instrument was acknowledged before me on September 4,  
2020, by Ken Nemet, as Secretary/Treasurer, of the Laguna Master Association, Inc.,  
who executed same on behalf of the corporation. He is personally known to me or has  
produced \_\_\_\_\_ as identification.

[Signature]  
NOTARY PUBLIC, State of Florida

TISHIA L Nelson  
Print Name  
My Commission Expires: 6/18/21

(SEAL)



**COMPOSITE EXHIBIT "A"**  
**RULES AND REGULATIONS**  
**FOR**  
**LAGUNA MASTER ASSOCIATION, INC.**

*Substantial rewording. See Rules and Regulations for current text.*

The following Rules and Regulations have been adopted by the Board of Directors for Laguna Master Association, Inc. in accordance with Article X, Section 25 of the Fourth Amendment to the Declaration of Covenants and Restrictions for The Lakes of Laguna and Article VII, Section 1(a) of the By-Laws of Laguna Master Association, Inc. These Rules and Regulations may be modified, amended, or repealed, in whole or in part, by the Board of Directors.

The Board of Directors has the authority to enforce these Rules and Regulations against any Owner or resident who violates them in accordance with applicable law and the provisions set forth in the Association's Governing Documents, including but not limited to the imposition of fines and/or penalties for non-compliance. Such penalties may include the Association deactivating a resident's entrance device and prohibiting the Owner or approved tenant from entering through the Resident Lane.

**A. COMMUNITY RULES AND REGULATIONS**

1. No commercial vehicles, campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or horse vans, are permitted to be parked or to be stored at any place or on the common areas in The Lakes of Laguna Community, except in enclosed garages. Only pickup trucks are permitted which are used for customary personal and family purposes and are not permitted to have racks or fixtures which could be used to transport and carry ladders, equipment, supplies and/or materials, have a lifted chassis or body greater than six (6) inches from factory stock, have a wheel size greater than factory stock or hydraulic lift tailgates. Only passenger type vans for personal use which are fully windowed on the rear and both sides and in acceptable condition are permitted. Any prohibited vehicle may be towed by the Association at the sole expense of the Owner. Motorized unlicensed vehicles or scooters of any kind cannot be operated on Association property, except for Association golf carts.

2. No parking is permitted on streets, or on any common areas not designated for parking, regardless of the number of cars or residents at any address between 2:00 AM and 6:00 AM. All traffic signs and regulations must be obeyed. The speed limit within Laguna is 25 mph. Vehicles cannot park with any tires on any lawn or grass anywhere within The Lakes of Laguna Community. No parking is allowed on any portion of a street where there is a vehicle parked directly across the street.

3. The Owner(s) and any tenant(s) MUST maintain the property in an acceptable manner. All grass must be appropriately watered and the back of the property maintained. In the event that the lawn, home or property is not maintained properly, the Owner will be responsible for any violations/fines.
4. All pets, including cats, must be kept on leashes when outside the home unless they are kept in a completely fenced area. Pet Owners must pick up and dispose of their pet's waste properly. Pet noise levels must be kept at a minimum.
5. Nothing shall be done or maintained on any Lot which may become an annoyance or nuisance to the occupants at other Lots. No activity shall be carried upon or on any Lot nor shall anything be done thereon which may cause a level of noise, odor, traffic, debris, or other visible activity inconsistent with residential use, or which may otherwise constitute a violation of the Governing Documents, all as may be determined in the sole and final discretion of the Board of Directors.
6. No tenants or occupants, their family, guests or their invitees shall commit criminal acts within The Lakes of Laguna Community. In the event a criminal act occurs, the Association may proceed with an immediate eviction of all tenants/occupants at the Owner's expense.
7. Owners (on their behalf and on behalf of their tenants, contractors, subcontractors, licensees, invitees, employees, officers, children and guests) causing damage to any portion of the common areas as a result of misuse, negligence, failure to maintain or otherwise, shall be directly liable to the Association and a special assessment may be levied against such Owner or Owners. Such special assessment shall be subject to all the provisions of the Declaration relating to other assessments, including but not limited to lien and foreclosure procedures.
8. Lawn chairs, swings and benches are prohibited from the front of the house and should be confined to the back yard.
9. All driveways in the development are to be kept free of visible stains, rust, garbage, and debris. Driveways shall not be used for performing mechanical or other vehicle improvements; other than for a reasonable and limited time necessary to wash/wax, replace a single tire, or perform battery service/replacement on a vehicle properly registered to an Owner, approved tenant, or occupant of record. Vehicles shall not be placed or stored at any time on blocks, ramps, stands, or any other structure or mechanism that raises the vehicle off the ground for repair work purposes within the driveway or other portion of the Lot, except as necessary to perform a single tire replacement; provided however, that such restrictions shall not apply to vehicles inside an attached garage.

10. Playing games on the streets within the Community is not allowed. When not in use, mobile basketball hoops shall be placed on the side of the home or against the garage doors and away from the street and sidewalks.
11. All statues are prohibited from the front of the house.
12. Hurricane shutters may be put up if there has been a Hurricane Watch issued for Palm Beach County. All shutters must be taken down within fifteen (15) days after the Board determines that they should be removed.
13. Holiday lights must be removed within fifteen (15) days after the Board determines that they should be removed.
14. Garbage cans/receptacles, trash and yard clippings cannot be placed out more than twenty-four (24) hours before pick-up and must be kept out of sight the night before garbage pick-up days.
15. Owners shall be responsible for the conduct of their guests, invitees, and licensees and will be subject to enforcement proceedings in the event of a violation of any provision of the Governing Documents including any Rule and Regulation, by such parties.
16. No hazardous or unlawful use shall be made on any property within The Lakes of Laguna. No flammable, combustible, or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on or within any home or Lot or common areas, except those materials which are required for normal household use, yard care, or the Association's maintenance obligations.
17. Recognizing the necessity and desirability of preserving a resident community as provided in the Declaration of Covenants and Restrictions, each Lot and home thereon must be occupied only by a family who reside together as a housekeeping unit.
18. No commercial, non-residential, business, commerce, or industry activities, whether or not for profit, shall be conducted or carried on upon any Lot or home within The Lakes of Laguna.
19. The Association reserves the right to deny access to any guest, invitee, or licensee for failure to comply with any repeated violation of these Rules and Regulations.
20. The efforts of the Association and its vendors to maintain the property and manage the business affairs of The Lakes of Laguna Community shall not be deemed to be commercial use in violation of these restrictions.

## **B. GATED ENTRY RULES AND REGULATIONS**

1. Laguna Master Association is a restricted access Community.
2. All Owners are responsible for complying with and ensuring that their tenants, guests, invitees, and other non-residents comply with all rules and procedures adopting and controlling access to the Community through the Association's manned and unmanned gated entrances.
3. Resident access to the Community is regulated by a manned guard gate located at the Association's main entrance and an electronic unmanned gate located on Military Trail.
4. All Owners and approved tenants are required to enter the Community through the Association's "Resident Vehicle" entrance lane located at the main guard house. Alternatively, Owners and approved tenants with electronic entry devices may enter the Community through the unmanned entrance located on Military Trail.
5. All guests, invitees, licensees, and other occupants are required to enter the Community through the Association's "Guest Vehicle" entrance lane located at the guard house and the driver must present a valid U.S. state driver's license prior to being granted access to the Community. The Association reserves the right to deny access to any guest, invitee, licensee, or other non-resident for failure to present a valid U.S. state driver's license to the guard.
6. Guests, invitees, licensees, and other occupants are prohibited from entering the Community through the unmanned entrance located on Military Trail. Vehicles with trailers are prohibited from using the entrance on Military Trail.
7. All residents, Owners and approved tenants must have an approved electronic entry device system for each vehicle in their household or be at risk for being fined by the Association. Residents shall obtain entry devices at their own expense from the Association's property manager. The cost of the entry devices and any replacement costs shall be determined by the Board of Directors from time to time.
8. Electronic entry devices are not issued to guests, invitees, licensees, or other non-residents.
9. Residents, Owners and approved tenants may not utilize the Guest Vehicle entrance, unless the Association has suspended their rights to utilize the Resident Vehicle entrance for violation of the Association's Governing Documents.

10. All persons entering the Community are required to exercise caution when passing through the gate arms and must follow instructions to avoid any damage to the entrance to the Community. All persons must allow the gate to go up completely prior to entering the Community or when leaving through the exit gates.

11. All guests, invitees, licensees, and other non-residents shall be called in to the automated gate system by the Owner or approved tenant at (561) 687-1803 or entered at GateAccess.net online prior to their estimated time of arrival. The resident shall provide the visitor's name, date and time of visit, and estimated length of visit. The Association reserves the right to deny access to any visitor if prior authorization is not given by the Owner or approved tenant.

12. If entry is authorized, a one-day (24 hour) pass is granted to each non-resident. Thereafter, a non-resident may obtain an additional six-day pass with proper notice from the residence or approved tenant, as authorized by the property manager. This additional day pass time period shall be determined by the Board of Directors from time to time. Guests, invitees, licensees, and other non-residents are not permitted guest access to the Community for more than seven (7) consecutive days without prior approval. After the seventh day, the resident or approved tenant must again authorize the visitor to enter the Community.

13. Any resident who is expecting more than ten (10) guests in one day or who is having a special event at their household must submit a written list of guests to the guard house at least six (6) hours in advance of the scheduled event.

### **C. LEASING RULES AND REGULATIONS**

1. No Owner may lease a home without the prior written approval from the Association.

2. An Owner intending to lease a home shall submit a properly completed Application to the Association, including the name and address of the intended tenant(s), and all occupants, and such other information concerning the tenant(s) and occupant(s) as Association may reasonably require. The Association may conduct an investigative background check for all of the tenants and occupants which may include obtaining criminal and financial information. The Association may charge a reasonable fee as determined by the Board for the Application, background check, and gate entry devices. A complete lease application package must be submitted at least thirty (30) days prior to the desired day of occupancy for processing. A copy of the written lease or lease renewal will be submitted with an Application. An Application will not be accepted until fully completed with all attachments and supporting documents obtained. Only the entire home may be leased. Subleasing and rental of rooms is prohibited.

3. An Application for lease renewal must be submitted for consideration thirty (30) days prior to expiration of the lease. If the Application is not approved or timely submitted, the tenant(s) and occupant(s) shall be required to vacate the home within thirty (30) days. If a lease renewal Application is not timely submitted before a lease term ends, all gate access passes or decals for tenant(s) and occupant(s) will be deactivated until a complete lease renewal Application has been received and approved.
4. A copy of valid U.S. state driver's license or valid U.S. photo identification for each prospective tenant/occupant eighteen (18) years of age or older must be provided with Application. For lease renewals, a copy of a Florida driver's license or Florida photo identification for each tenant/occupant eighteen (18) years of age or older must be provided with Application.
5. No tenant(s) or occupant(s) shall move into a home prior to approval of a lease or lease renewal Application by the Association. If possession of the home is taken prior to approval by the Association, any lease shall be terminated and at the Owner's expense the unauthorized tenant(s) and occupant(s) may be evicted.
6. Upon receipt of a completed Application for lease and lease renewal, the rental property will be inspected to determine if it is in compliance with the Association's Governing Documents and Rules and Regulations. The Owner must correct any inspection failures before the Application will be accepted for consideration.
7. All amounts owed to the Association must be paid in full before an Application will be accepted for consideration.
8. All leases and lease renewals must only be for a one year period of time.
9. The Association requires a refundable security deposit in the amount of \$500.00 which can be used to pay for the costs for removal of tenant's trash; unpaid amounts owed to the Association; and any repair or damage to the common areas or other portions of the properties caused by any tenant(s) and occupant(s) or their children, guests and visitors.
10. Any security deposit not claimed by the Owner within twelve (12) months of the end of any lease term is forfeited to the Association.
11. All leases shall provide, or be automatically deemed to provide, that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by the tenant in observing any provisions of the Declaration, the Articles of Incorporation, the By-Laws, the Rules and Regulations or other applicable provisions of any agreement, document, or instrument governing the home.

12. The Leasing Committee/Board of Directors may disapprove a lease for good cause which includes, but is not limited to the following:

- a. The tenant(s) or occupant(s) of the home has been convicted of, pled guilty, or pled no contest to a felony, or has been charged with a felony and the person was not acquitted or the charges were not dropped;
- b. The tenant(s) or occupant(s) of the home are registered sex offender(s) in any state;
- c. The tenant(s) do not appear to have adequate financial resources available to meet his/her obligation to the Association;
- d. The tenant(s) credit score is below 650;
- e. The occupancy or use of the home by the tenant(s) or occupant(s) would violate the Association's Governing Documents, Rules or law;
- f. The Application for lease and lease approval indicates that the tenant(s) or occupant(s) intend to conduct himself or herself in the manner inconsistent with the Association's Governing Documents and Rules or law;
- g. The tenant(s) or occupant(s) has a history of disruptive behavior and disregard for the rights and property of others as evidenced by his or her conduct in other communities, or by his or her prior conduct in The Lakes of Laguna Community as a tenant, Owner or occupant;
- h. The tenant(s) or occupant(s) failed to provide the information or fees required to process the lease or lease renewal Application in a timely manner or included inaccurate or false information in the Application;
- i. All assessments, fines, charges or other monetary obligations against the home or Owner have not been paid in full;
- j. Negative or unfavorable references for any tenant(s) or occupant(s) from a previous landlord or employer; and
- k. Other matters which the Leasing Committee/Board of Directors determine constitute a good cause basis to disapprove a lease.

13. Owner shall provide the tenant(s) and occupant(s) with a copy of the Association Governing Documents, which include the Declaration, By-Laws and Articles of Incorporation, and Rules and Regulations.

14. Each prospective tenant(s) and occupant(s) shall certify in writing to the Association acknowledging that he or she agrees to abide by the Association Governing Documents and Rules.

15. A guest or other person occupying a home without the Owner for more than twenty (20) days shall not be deemed a guest, but, rather, shall be deemed a lessee, regardless of whether a lease exists or rent is paid, and shall be subject to all leasing restrictions, lease Applications and approval requirements.

16. If the Association observes that a home was occupied by people other than the approved tenant(s) and occupant(s), the Owner, tenant(s), guest(s), and occupant(s) shall promptly comply with the Association's request for identification and information about the occupancy.
17. Under no circumstances may more than one family reside in a home.
18. Any occupancy of a home shall not exceed two (2) persons per bedroom and one (1) person per den except for temporary occupancy by guests.
19. Except for an Owner licensed and approved by the Association to lease his or her home one time per year in accordance with the Association's Declaration of Covenants and Restrictions, no short-term, alternating, sub-letting, rotating, or transient rentals or licenses to one or more individuals or families shall be conducted within any home or Lot.
20. The Owner and/or Applicant number one of a lease Application are the only persons who may submit or receive correspondence to or from either management company or the Leasing Committee regarding the status of the lease Application or information needed to process the Application.

#### **D. TOWING POLICIES AND PROCEDURES**

##### **A. Parking/Vehicle Restrictions**

Any vehicle parked in violation of the Association's Governing Documents or Rules and Regulations shall be subject to being towed at the expense of the vehicle's owner in accordance with Section 715.07 of the Florida Statutes.

The Association can pursue any other remedy available to the Association for non-compliance and violations of the Association's Governing Documents or Rules and Regulations, including but not limited to imposing a fine, suspending rights to use the common areas, and/or suspending electronic entry device rights in addition or as an alternative to towing.

##### **B. Notices of Violation**

The Association, through its property manager or other authorized agent, shall provide the following written notice for any alleged parking violation reported to the Board of Directors or found by the property manager during a routine inspection of the Community or other investigation.

1. **First Notice of Violation and Intent to Tow**. A First Notice of Violation shall be sent in writing to the Owner and if applicable, tenants or other occupants and to the owner of the vehicle (if known), via regular mail and by certified/return receipt mail at the last

known mailing address as provided to the Association by the Owner. The First Notice shall specify the parking violation, the corrective action necessary to remedy the violation within three (3) days of the date of the letter, and the Association's intent to tow the vehicle if the violation is not corrected within the required timeframe.

2. **Notice That Vehicle Will Be Towed.** If the violation has not been corrected within three (3) days or if there has been a repeat violation by the vehicle owner at any time within the past three (3) months (even if such prior violation was timely corrected), a Notice that Vehicle Will Be Towed shall be posted on the vehicle on brightly colored paper. The Notice shall specify the violation, include the vehicle description and license plate number, the towing company's name and contact information, and provide that the vehicle will be towed from the Laguna Community at the vehicle owner's expense without further notice.

3. Except for any notices that may be provided by the towing company, no further notices shall be sent to the Owner, tenants, or other occupants and to the owner of the vehicle prior to towing the vehicle.

### **C. Multiple/Repeat Violations**

The Association, through its property manager or other authorized agent, may post a Notice That Vehicle Will Be Towed on any vehicle in violation of the Association's Governing Documents without the requirement of a First Notice if the vehicle's owner has been notified or warned of a parking violation at any time within the past three (3) months regardless of whether the parking violation was previously corrected and the Association may have such vehicle towed immediately and without further notice.

### **D. Emergency Towing**

In the event that a vehicle is parked on the Association's Common Areas or streets in such a manner as to restrict the passage of other vehicles, service vehicles, and/or emergency vehicles, the Association through its property manager or other authorized agent, may post on such vehicle a Notice That Vehicle Will Be Towed without the requirement of a First Notice and may have such vehicle towed immediately and without further notice.

## **E. ELECTION RULES AND REGULATIONS**

### **Nomination and Election of Directors**

#### **1. Candidate Eligibility**

A person must be eligible to serve on the Board of Directors ("Board") at the time of the deadline for submitting a notice of intent to run (at least 30 days before the

scheduled election), in order to have his or her name listed as a proper candidate on the ballot or to serve on the Board.

Only persons who are title Owners of record may serve on the Board. Co-Owners of a unit may not serve on the Board at the same time unless they own more than one unit or there are not enough eligible candidates to fill the vacancies on the Board at the time of the election. A person who is more than ninety (90) days delinquent in the payment of any monetary obligation to the Association is not eligible for Board membership. A person who has been convicted of any felony in this state or in a United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction that would be considered a felony if committed in this state, is not eligible for Board membership unless such felon's civil rights have been restored for a period of no less than five (5) years.

2. **Advance Notice**

a. **The First Notice of Election**

The first notice of election must be mailed or delivered to each Owner at least forty-five (45) days prior to the election and must contain the correct name and mailing address of the Association. This notice should remind the Owners that if they wish to run for election, they must submit their notices of intent, in writing to the Association not less than thirty (30) days prior to the election.

b. **The Second Notice of Election**

The second notice of election must be mailed or delivered to each Owner with the annual meeting notice not less than fourteen (14) days prior to the election. The second notice shall include the printed ballots, the envelopes for returning the completed ballots, and any candidate information sheets that have been submitted to the Board.

3. **Notices of Intent**

Any Owner who desires to be a candidate for the Board shall give written notice to the Board of such intent not less than thirty (30) days prior to the election. Written notice is effective when received by the Association. Such notices of intent should be submitted to the Association by one or more of the following methods: certified mail, return receipt requested, personal delivery, regular U.S. mail or facsimile. Upon receipt of a timely delivered notice by personal delivery, the Association must issue a receipt acknowledging delivery of the written notice.

4. **Candidate Information Sheets**

Any candidate may submit a personal information sheet to the Association not less than thirty (30) days prior to the election. This sheet may not exceed one side of an 8½ x 11" sheet of paper and may contain information describing the candidate's background, education, qualifications, and any other factors deemed relevant by the candidate. The Association must distribute copies of such sheets with the second notice of election. The information sheets may be printed on both sides of the page to reduce costs. If consented to in writing by the candidates involved, two or more candidate information sheets may be consolidated into a single page. The Association may not edit, alter, or otherwise modify the content of the information sheet. The original copy provided by the candidate becomes part of the official records of the Association.

5. **Situation When No Election or Counting of Votes is Required**

If the number of Board members whose terms expire at the annual meeting equals or exceeds the number of candidates, the candidates become members of the Board effective upon the adjournment of the annual meeting. Any remaining vacancies shall be filled by the affirmative vote of the majority of the directors making up the new Board, even if there is less than a quorum or even one director. (This would be an appointment.)

6. **Ballots and Envelopes**

The ballot must list all eligible candidates in alphabetical order by last name and shall not indicate whether any candidates are incumbents. No write-in candidates are permitted. Additionally, the ballot must not have a space for the voter's signature. Only one vote per unit is permitted. Proxies shall not be used for voting in the election of Board members.

When the second notice of election is delivered to the Owners, the Association must provide each Owner with at least one outer envelope, with one inner envelope, and one ballot for each unit owned by that Owner. The inner and outer envelopes are for returning the completed ballots and ensuring secrecy in voting. Each smaller, inner envelope is to contain one completed ballot and is not to have any identifying markings on it. The larger, outer envelope is to be pre-addressed to the person or entity authorized to receive the ballots on behalf of the Association. The outside of this envelope must have a place for the name of the eligible voter, the unit identification(s), and the voter's signature. Once the eligible voter completes the ballot, the voter places it inside the inner envelope and seals it. The inner envelope is then placed inside the outer envelope and also sealed. An Owner of more than one unit may place several inner envelopes in a single outer envelope, but each inner envelope may contain no more than one ballot. The Owner then writes the number(s) of his or her unit(s) and signs the outside of the outer envelope. The sealed envelope may either be mailed or hand delivered to the Association. Once received by the Association, no ballot may be rescinded or changed.

Such envelopes received by the Association are not to be opened until the election meeting. If these procedures are not followed, the vote shall be "disregarded".

## 7. **Conducting the Election**

The election of the Board members must take place the same day and place as the annual meeting. A quorum is not required to hold the election; however, at least 30 percent of the eligible voters must cast ballots in order for the election to be valid. There shall be no nominations for directors from the floor at the annual election meeting. The Association must have additional blank ballots available at the election for distribution to eligible voters who have not yet voted. These ballots must be handled in the same manner as if previously submitted, using both the inner and outer envelope and signing the exterior of the outer envelope.

As the first order of business at the election meeting the ballots not yet cast shall be collected. All ballots, whether submitted prior to the election or turned in at the election must be handled by an impartial committee at the election meeting. The impartial committee, which shall be appointed by the Board of Directors, must not include current Board members or their spouses or candidates for the Board or their spouses. The committee must check the signature and unit identification on the outer envelope against a list of qualified voters. When the voter's name is found on the list, the voter's name is checked off as having voted. Any outer envelope not signed by someone on the list of eligible voters is marked "disregarded" and any ballots inside it are not counted. The business of the annual meeting may continue during this process.

The impartial committee may, but is not required to, check outer envelope information prior to the election meeting. Notice that the committee will meet for this purpose must be posted at least 48 hours in advance. The meeting must be open to all Owners and must be held on the day of the election.

After all of the envelope information has been verified and the eligible voters' names checked off the roster, the outer envelopes may be opened. As soon as the first outer envelope is opened the polls must close and no more ballots may be accepted. The inner envelopes are first removed from the outer envelopes (that were not disregarded) and placed in a receptacle. Then the inner envelopes are opened and the ballots are removed and counted in the presence of the Owners. Any failure to follow the secret, double envelope procedures will result in the ballot being marked "disregarded." For example, any inner envelope containing more than one ballot will be marked "disregarded" and the ballots contained inside are not counted. All envelopes and ballots, whether disregarded or not, must be retained with the official records of the Association.

8. **Tie Breaker**

In the event of a tie, the Association must conduct a runoff election for the candidates who tied unless the two candidates can decide the matter between themselves. If a runoff election is required, it must be held not less than twenty-one (21) days or more than thirty (30) days after the date of the election at which the tie occurred. Within seven (7) days of the election at which the tie vote occurred the Board must mail or personally deliver to the voters a notice of the runoff election. The notice must inform the voters of the date the runoff election is scheduled to occur, include a ballot conforming to the requirements of the regular election ballot, and include copies of any candidate information sheets previously submitted by the candidates involved. All envelopes and ballots, whether disregarded or not, shall be retained by the Association for one year.

NOT A CERTIFIED COPY