

STONEWOOD TOWERS PROCEDURE NO. 41

Subject: Voting Procedure for Other Than Board Elections

Rationale for New Procedure:

During the recent "Rec. Room" and "Shutter" votes it became apparent that there was no standard voting procedure for these types of votes. This resulted in many questions by many unit owners regarding the voting procedure and the counting of ballots.

The following should be used for unit owner votes on "Material Changes" where a 66 2/3 (sixty-six and two-thirds) yes vote is necessary, and on votes where a simple majority of unit owners is necessary for passage.

These votes should follow the basic proxy or in person voting procedure already outlined in our procedure manual with some modification. This means that it will be a double envelope style secret ballot. It must take place at a stated Board meeting. In addition, there must be a quorum of unit owners physically present, or present by proxy, in order for the vote to be valid. A quorum of the unit owners (defined as a minimum of 95 unit owners) must vote in order for the vote to be valid or the meeting must be adjourned until such quorum is obtained.

The committee refers to Amendment #2 Article XII of the Condo Documents, which define that 66 2/3% (sixty-six and two-thirds percent) of those voting at a "duly held meeting", (quorum present by proxy or in person) must approve any material alteration in excess of the usual maintenance.

Other voting issues not related to assessments or material alterations need a simple majority of the quorum to pass.

The closing and counting of the ballots will be at 7:00 PM on the stated Board meeting date, no sooner than 3 weeks from the date the ballots are distributed. Votes are to be cast in person by the unit owner or by proxy. In addition, at least 3 weeks prior to that closing date, the Board will solicit volunteers from members. From amongst those volunteers, it will choose at least 3 owners to act as ballot counters. A Board member or the Manager may not serve as a ballot counter.

The voting information will clearly state the issue or issues to be voted upon. Supporting information from the Board may be included. If the Board is less than unanimous in its endorsement of the issue, a maximum of one page stating positions from both sides may be included.

Included with the above will be a "ballot envelope" and a return envelope. There will be NO names or unit numbers written on the "ballot envelope" or ballot. Each return envelope will contain space on the outside for the name, unit number, and signature of the on record-voting member.

A clear set of instructions, identical to the Board Voting Procedure #11, on how the ballot is to be marked, envelope sealed, and outside envelope filled out will also be included. No unsealed ballots will be accepted.

As votes are returned to the office they are to be placed in a locked or taped "Ballot Box" and left unopened until the voting is closed. If a vote is delivered unsealed to the office, the staff member receiving the ballot will place the ballot unexamined, in a sealed envelope, as per the instructions above, in front of the owner. No ballot will be accepted that does not meet these requirements.

As stated above, voting will close at 7:00 PM sharp on the date of the stated meeting.

The ballot counters will open the outer envelopes and record each unit that has cast a ballot. The number of ballots will be counted and noted. If it is determined by the committee that there is not a quorum of votes cast, then the vote will be deemed to have been defeated. The ballots will then be destroyed unopened. The Board will not be permitted to recess the meeting for any reason. Only after all outer envelopes have been opened will the ballot envelope be opened. The vote will be read aloud, verified, recorded and tabulated by the ballot counters. When this is completed, the vote results will be announced to the membership by one of the ballot counters.