

A Call for Candidates

The campaign cycle for Mutual Eleven Board of Directors shall begin on February 28, 2020.

RULES AND REGULATIONS

I. Qualifications of Candidates and Directors/Elected Positions

- a. Candidates for election to the Board shall be Shareholders of the Mutual, and the Board shall be composed of six (6) persons who shall, at all times, be Shareholders of the Mutual.
- b. In order to be a candidate for election for Director or any other elected position, such Shareholder, as of the date ballots are distributed: (a) must be current in the payment of Regular and Special assessments ; (b) must not have a joint ownership interest, either directly or indirectly, in the same separate interest as another candidate or incumbent Director; (c) must have been a Shareholder of the Mutual for not less than one (1) year; (d) must not have a past criminal conviction that, if elected, would either prevent the Mutual from purchasing the fidelity bond coverage required by Civil Code §5806, or terminate the Association's existing fidelity bond coverage. If title to a separate interest is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a Shareholder for purposes of running for and serving on the Board. Notwithstanding the foregoing, the candidate shall not be disqualified for election for Director for failure to be current in payment of Regular and Special assessments if either of the following circumstances is true:
 - i. The candidate has paid the Regular or Special assessment under protest pursuant to Civil Code §5658;
 - ii. The candidate has entered into a payment plan pursuant to Civil Code §5665.

Furthermore, the Mutual shall not disqualify the candidate pursuant to this Section 1(b) if he or she has not been provided the opportunity to engage in an Internal Dispute Resolution pursuant to Civil Code §§5900-5920.

- c. The Board may declare vacant the seat of any Director who ceases to meet the qualifications for a Director set forth in this Section upon the occurrence of the non-qualifying event, and the Director's seat shall then be deemed vacant in accordance with the Association's Bylaws and/or the Corporations Code

2. Nomination Procedure

- a. The Association shall send to all Shareholders a request-for-candidates form, seeking nominations for candidates for the Board and providing general notice of the procedure and deadline for submitting a nomination for election to the Board at least thirty (30) days before any deadline for submitting a nomination.
- b. Nominations will be valid so long as the nominee has either nominated himself or herself or provides notice of acceptance of the nomination prior to the close of nominations.
- c. If a person or entity nominated is not qualified to serve on the Board, that candidate's name shall not appear on the ballot and that person or entity will not be permitted to serve if elected.
- d. The Inspector shall retain, as Mutual election materials, both a candidate registration list and a voter list. The Mutual shall permit Shareholders to verify the accuracy of their individual information on both lists at least thirty (30) days before the ballots are distributed. The Mutual or Shareholder shall report any errors or omissions to either list to the Inspector or Inspectors who shall make the corrections within two (2) business days.

