

River Rim Ranch Owners Association

Addendum to Bylaws and Master Rules Regarding Election of Directors

Effective July 12, 2021

General rules and qualifications for election of Directors:

Each year the Board shall set the specific dates and times for the following purposes: (1) the submission of nominations for Director, (2) the date by which nominees for Director and Owners who wish to vote must be the Owner of record of a residential lot in Division I, (3) the date by which both nominees and Owners who wish to vote must be "members in good standing", (4) the submission of completed proxies, and (5) any other items required as part of the annual meeting election process.

Only an Owner of record for a residential lot in Division I may serve as a Board member.

Anyone wishing to stand for election as a director must submit their own nomination form to the Board Secretary. No other Owner or representative may prepare or submit a nomination form on behalf of another property owner.

To be nominated as a candidate for election and appear on the ballot, a nominee must be a "member in good standing" as of the date established by the Board for the submission of nominations. To be a "member in good standing", an Owner must be current in all dues, fees, and assessments (if any) for all Division I lots held by that Owner, as well as those Division I lots held by any entities substantially controlled by that same Owner.

Out of fairness to Owners who vote by proxy, and for administrative efficiency in conducting the annual meeting, no nominations for director will be accepted from the floor during the annual meeting.

General rules and qualifications for voting:

Owners of record as of the date established by the Board may vote by proxy or in person using a ballot provided by the Board at the meeting.

- (a) For lots owned by an entity (such as an LLC or partnership) the person authorized to act under the entity's organizing documents must cast the vote.
- (b) For lots owned by a trust, in an estate, or in a guardianship or conservatorship, the respective trustee, administrator, guardian, or conservator must cast the vote.

Owners may cast a vote for each residential property they own in Division 1, provided they are a “member in good standing” for all lots they own in Division 1, as of the deadlines established by the Board.

Any residential lot owned by multiple parties is entitled to one vote only. The multiple parties must come to their own agreement regarding their mutual vote. If there is an unresolved dispute among the mutual parties when the vote is cast, the vote for their lot(s) will be voided.

Cumulative voting is not allowed. An example of cumulative voting would be where an Owner of one lot is invited to cast votes for three different candidates for three open Board positions, and that Owner attempts to cast all three of those votes for just one, single candidate.

The process for counting the votes will be administered by the Board Secretary and will be witnessed by at least one other Owner in good standing.

The proxies and ballots will be retained for at least 10 days in case the need subsequently arises for a special review. If it is determined that a vote was cast or tabulated in error, or that an ineligible person was elected to the Board, then steps will be taken by the eligible directors of the new Board to correct the outcome if needed.