

SUMMARY OF PROPOSED LAKE PETERSBURG ASSOCIATION

BOARD OF DIRECTORS ELECTION PROCESS

July 20, 2011

PRELIMINARY NOTE: The following election process summary is intended to be consistent with legal requirements of the Common Interest Community Association Act, which became effective on July 29, 2010. (765 Illinois Compiled Statutes 160/1-1, *et seq.*) Provisions of the election process will need to be incorporated into the By-Laws of the Lake Petersburg Association.

ELECTION TIMELINE:

Event	2011	Future Years
Candidate Petitions Become Available	September 1, 2011	By First Monday in September
Petition Filing Period Ends	October 1, 2011	By First Monday in October
Petitions Reviewed & List of Eligible Candidates Compiled	By October 15, 2011	By Third Monday in October
Ballots Available (Mail, Pick-Up, Absentee, Proxy)	November 1, 2011	By First Monday in November
Election Day & Ballot Return Deadline	November 26, 2011	By Third Saturday in November
Ballots Reviewed & Counted	By December 15, 2011	By Second Friday in November
Election Winners Seated	February 2012	Annual Meeting Date in February

ELECTION PROCEDURES:

Directorships

- The Board of Directors shall continue to consist of twelve (12) Directors. There shall no longer be Director Members (current bylaws allow for up to twenty-two (22) Director Members).
- The election of the Board of Directors shall be conducted annually by written ballot.

- All Directors shall be elected at large for a three (3) year term. Board members can succeed themselves.
- In transitioning to an all elected Board of Directors, four (4) elected Directors shall be seated by the February 2012 annual meeting, four (4) elected Directors shall be seated by the February 2013 annual meeting, and four (4) elected Directors shall be seated by the February 2014 annual meeting.
- If there are more than four (4) Director vacancies by election day, such additional vacancies shall also be filled by the current election. Any Director vacancies beyond the four (4) scheduled to be filled by that election shall be seated based upon the candidates having the next highest vote totals, with those vacancies having the longest remaining terms being selected first.
- If there is a tie vote which would result in selection of more than the number of Director vacancies to be filled in that election, the winner from among those with the tie vote is to be randomly selected by lot.

Candidate Eligibility

- In order to be eligible to run for an opening on the Board of Directors:
 - Candidate must be a Regular Member of the Lake Petersburg Association;
 - Candidate must have reached the minimum age of twenty-one (21) by election day;
 - Candidate must have had a membership in the Lake Petersburg Association for a minimum of one (1) year prior to election day;
 - Candidate cannot be employed by or doing business with the Lake Petersburg Association;
 - Only one person from any membership can be on the Board of Directors at any one time; and
 - Candidate must be current on all dues, fees and fines owed to the Lake Petersburg Association.

Declaring Candidacy

- Petitions shall be available by the first Monday in September of each year.
- Petitions of Candidacy for Board of Directors openings shall be filed with the Secretary of the Lake Petersburg Association.
- The order of names of eligible candidates appearing on the ballot shall be established by drawing lots.

Voting Process

- One ballot, stamped with the Lake Petersburg Association’s seal, shall be provided to each Regular Member of the Association by first class mail or by hand delivery. [NOTE: The By-Laws of the Lake Petersburg Association define a Regular Member as “a person who has leased a lot owned by the Corporation for such terms and conditions as the Board of Directors may prescribe from time to time. No person can maintain more than one (1) membership no matter how many lots are owned by said member. There can be only one (1) membership even though a lease for a lot may be in more than one (1) person’s name.” The By-Laws also provide that each Regular Member is entitled to one (1) vote on each matter. Consequently, in the example of a husband and wife who co-own a home, they would only be entitled to complete one ballot.]
- Regular Members will be given written instructions, along with the ballot: (1) to seal the completed ballot in the provided envelope marked “ballot” that is not marked in any other way; and (2) to seal the “ballot” envelope within another provided envelope bearing the signatures of the Regular Member and their lot number(s).
- A Regular Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact, provided, however, that the proxy bears the date of execution. No proxy shall be valid after eleven (11) months from the date of execution, unless otherwise provided in the proxy.
- Completed ballots are to be returned to the Secretary of the Lake Petersburg Association at the Lake Association Office on the designated election day. Alternatively, completed ballots may be sent by first class mail to the Secretary of the Lake Petersburg Association at the Lake Association Office as long as they are received no later than the designated election day. The Secretary shall promptly place all ballots received in a safe or other locked place until the day set for the counting of such ballots.
- Candidates for Board of Directors openings in the annual election shall be elected by plurality vote. For example, if there are four openings up for election, Regular Members may vote for up to four candidates and the candidates with the four highest vote totals are elected to the Board. There will be no cumulative voting.

Processing Ballots

- The Election Committee shall consist of three (3) Board Members whose positions are not currently up for election and three (3) Regular Members of the Association who are not on the Board nor running for a Board opening.
- The Election Committee shall be responsible for the process of opening and counting the ballots. However, the following persons may also be present to observe this process: the Secretary of

the Association; any existing Board Member of the Association; and, a representative of each candidate for the office of Board Member.

- On the day set for counting of the ballots, the external envelopes containing the “ballot” envelopes shall be turned over unopened to the Election Committee at the Lake Association Office.
- The Election Committee shall determine whether the ballot was received from a Regular Member in good standing and, if so, set those envelopes aside for opening. (To be in good standing, a Regular Member must be current on all dues, fees and fines owed to the Lake Petersburg Association.) Also, external envelopes must be completed correctly in order to be counted.
- The Election Committee shall then open the external envelopes and collect the “ballot” envelopes for counting in such manner that the vote of any Regular Member shall not be disclosed to anyone, even the Election Committee.
- If any “ballot” envelope is found to contain more than one (1) ballot, all such ballots shall be disqualified and shall not be counted.
- The Secretary shall then certify to the Board of Directors the names of the persons who have been elected as Directors of the Association and shall promptly notify the candidates of the election results. The three (3) year terms of office of such Directors shall commence at the time of the next Annual Meeting.