

HERITAGE HARBOUR COMMUNITY ASSOCIATION**ADMINISTRATIVE RESOLUTION NO. 7****REFERENDUM PROCEDURES**

WHEREAS, Article IV, Section 3(f) of the Declaration requires the assent by two-thirds (2/3) of the Class A members for the dedication or transfer of all or any part of the Common Areas; and

WHEREAS, Article VI, Section 2 of the Declaration requires the assent by two-thirds (2/3) of the members for the levy of a special assessment; and

WHEREAS, Article VII, Section 4(c) of the Declaration requires the assent of a majority of the members to increase the portion of the assessment allocated to funding the capital improvements reserve; and

WHEREAS, Article XI, Section 9(c) of the Declaration provides that unless seventy-five percent (75%) of the members have given written approval, the Association is not entitled to carry out certain functions; and

WHEREAS, the Board of Directors may wish to poll the members of the Association to seek their opinion on certain issues; and

WHEREAS, the most efficient method for soliciting the required assent, approval, or opinion of Association members is by referendum mailed to members of the Association eligible to vote on the matter.

NOW, THEREFORE, BE IT RESOLVED THAT the following procedures are hereby established for conducting referendums of the Association members.

I. GENERAL

A. The procedures contained in this Resolution are intended to carry out the provisions of the Declaration and By-laws, which provisions shall prevail.

B. Only the Board of Directors may authorize a referendum for the purpose of soliciting votes by members on Association business. This restriction shall not be implied to prohibit or restrict members of the Association from petitioning the Board on Association matters. However, the Board is not bound to consider or act upon petitions by members, except as required by the By-laws of the Association. (Referenced by By-laws Article IV, Section 3, Special Meetings, Article V, Section 6b, Removal of Directors, and Article XI, Section 1, Amendments.)

C. The Secretary of the Association is responsible for oversight of the referendum to ensure that the referendum meets the requirements of the Declaration and By-laws and is conducted in

accordance with the procedures contained in this Resolution.

D. The Management Agent is responsible for:

1. Maintaining a current list of all Class A and Recreational members of the Association; and
2. Providing clerical and administrative support in carrying out the procedures contained in this Resolution.

II. REFERENDUM PROCEDURES

A. Authority and Approvals.

1. The Board must authorize a referendum by a vote taken at a regular meeting or at a special meeting called for that purpose.
2. The ballot and any material intended to accompany the ballot shall be subject to approval by the Board. Any member of the Board may move that such documents are made available for review and approval by the Board before the documents are sent to the members.

B. Notice of Referendum.

1. Notice of the referendum shall be mailed to all members eligible to vote on the issue at the address shown in the records of the Association. The notice shall contain the following.
 - a. A letter from the Secretary of the Association describing the purpose of the referendum, the method(s) for returning ballots, the deadline for return of ballots, and the recommendation of the Board, if any. The letter should also caution members that incomplete or unsigned ballots will not be counted.
 - b. The referendum ballot as approved by the Board.
 - c. Any background or other material deemed necessary for an understanding of the matter under consideration.

C. Voter Eligibility. The eligibility of members to vote on a referendum is the same as for voting at a meeting of members. (See By-Laws Article IV, Section 6 (a) through (f)).

D. Ballots.

1. Whenever feasible, ballots should be printed on post cards with the Association's address to facilitate return of ballots by mail.

2. The Board of Directors may authorize a secret balloting, in which ballots shall be returned in sealed envelopes.
3. Referendum ballots must state the choices and provide a place for members to indicate their choice. The ballot (or envelope in the case of a secret ballot) must also contain a place for each voting member to enter his/her name, address and signature.
4. Referendum ballots shall be sent to members eligible to vote at least ninety (90) days before the deadline for voting.
5. Referendum ballots may be returned by mail or by deposit in a locked ballot box provided for that purpose in the Lodge lobby. When ballots are returned by mail, the member assumes responsibility for the use of the U.S. Postal Service.

E. Processing Ballots Received

1. The Secretary shall be responsible for processing ballots received. He/she may solicit assistance from any other member(s) of the Association.
2. As ballots are received, the Secretary will examine the ballot for completeness. Control Numbers will be assigned to ballots.
3. The Control Number will be recorded alongside the voter's name on the List of Eligible Voters. If the name of the voter does not appear on the list, the Secretary should request the Management Agent to examine the Association's Lot/Unit records.
4. The vote of each eligible ballot is then recorded by Control Number on the Referendum Voting Record.
5. The Secretary is solely responsible for determining the eligibility of ballots and for the accuracy of the results. He/she shall perform such test as necessary to ensure that only one vote is cast for each Lot or Unit and that all eligible ballots are properly recorded.

F. Report of Results

1. Except for the number of ballots cast, results of the voting shall not be released to members until the processing of ballots is completed.
2. Upon completing the processing of ballots, the Secretary shall report the results to the President of the Association by telephone or E-mail.
3. After the President is notified, the Secretary shall post the results on Heritage Harbour TV, on the Heritage Harbour web site, on the bulletin board in the Lodge, and published in *Harbour Lights*.

4. The Secretary shall prepare a written report to the President for attachment to the agenda of the next regular meeting of the Board or of a special meeting called for that purpose.

G. Records of the Referendum.

1. The Management Agent shall safeguard the records of the referendum to ensure that the confidentiality of the ballots is protected.

2. Records of the referendum shall be retained as provided in the Association's Record Control Schedule.

| | Yes | No | Abstain |
|---|----------|-------|---------|
| <u>Marguerite F. Garlick</u> Marguerite F. Garlick, District 1 | <u>x</u> | _____ | _____ |
| <u>Janet Everette</u> Janet Everette, District 2 | <u>X</u> | _____ | _____ |
| <u>Edward Elliott</u> Edward Elliott, District 3 | <u>x</u> | _____ | _____ |
| <u>Ernest Crofoot</u> Ernest Crofoot, District 4 | <u>X</u> | _____ | _____ |
| <u>Charles Kennedy</u> Charles Kennedy, District 5 | <u>X</u> | _____ | _____ |
| <u>John Davis</u> John Davis, District 6 | <u>x</u> | _____ | _____ |
| <u>Arthur G. Rudmann</u> Arthur Rudmann, District 7 | <u>x</u> | _____ | _____ |

Administrative Resolution No. 7 was duly approved at a regular meeting of the Board of Directors on December 10, 2002.

Robert N. Bartel

Robert N. Bartel, Secretary, Heritage Harbour Community Association, Inc.

AMENDMENT
TO HOMEOWNERS DISCLOSURE
STATEMENT FOR

HERITAGE HARBOUR
COMMUNITY ASSOCIATION, INC.
(Annapolis)

RECORDING FEE 25.00
TOTAL 25.00
Res# AA13 Rcpt # 91722
RPD JJ Bk # 5666
Jan 29, 2003 02:10 PM

For deposit with the Circuit Court for Anne Arundel County this 29th day of January, 2003.

63 JAN 29 PM 2:10

1. POLICY RESOLUTION NO. 7 - Amendment 6 - Rules and Regulations "House Rules"
[community pier] (approved December 10, 2002)

2. ADMINISTRATIVE RESOLUTION NO. 7 - Referendum Procedures (approved December 10, 2002)

Return original to : *Heritage Harbour Community Association, Inc.*
959 River Strand Loop
Annapolis, Maryland 21401

Return certified copy to: *Elmore & Associates, P.A.*
5 Riggs Avenue
Severna Park, Maryland 21146
(410) 544-6644

10300.000/001

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WHEREAS, Article VII, Section 4(c) of the Declaration requires the assent of a majority of the members to increase the portion of the assessment allocated to funding the capital improvements reserve; and

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C. The Secretary of the Association is responsible for oversight of the referendum to ensure that the referendum meets the requirements of the Declaration and By-laws and is conducted in

accordance with the procedures contained in this Resolution.

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| | Yes | No | Abstain |
|---|----------|-------|---------|
| <u>Marguerite F. Garlick</u> Marguerite F. Garlick, District 1 | <u>X</u> | _____ | _____ |
| <u>Janet Everette</u> Janet Everette, District 2 | <u>X</u> | _____ | _____ |
| <u>Edward Elliott</u> Edward Elliott, District 3 | <u>X</u> | _____ | _____ |
| <u>Ernest Crofoot</u> Ernest Crofoot, District 4 | <u>X</u> | _____ | _____ |
| <u>Charles Kennedy</u> Charles Kennedy, District 5 | <u>X</u> | _____ | _____ |
| <u>John Davis</u> John Davis, District 6 | <u>X</u> | _____ | _____ |
| <u>Arthur Q. Rudmann</u> Arthur Rudmann, District 7 | <u>X</u> | _____ | _____ |

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Robert N. Bartel

Robert N. Bartel, Secretary, Heritage Harbour Community Association, Inc.