

VOTING BY PROXY IN ANNUAL ELECTIONS

Introduction:

Due to possible irregularities regarding voting by proxy in past Board of Directors elections, the Board determined that a new system will be used starting in 2012. According to Pennsylvania corporate law, voting by a member who will be absent from an election meeting must be done by proxy. This means that the person you select to vote in your place must be present at the election. Thus, it is different from an absentee ballot where no one need be present to have their vote counted.

There are two types of proxies: a general proxy and a limited proxy. When an absent member gives the person selected as his proxy a general proxy, it means that the absent member is giving the person selected as proxy authority to vote for whomever the proxy chooses. That is, the absent member is not specifying how the person selected as proxy must vote. It is totally up to the person selected as proxy to vote as he/she sees fit.

The other type of proxy is a limited proxy. This is where the absent member specifies as to how the person selected as proxy must vote. In other words, the person selected as proxy must vote according to the absent member's wishes.

Article IV Section 8 of the Warminster Heights Home Ownership Association, Inc.'s By-Laws requires that, "[a] member may appoint as his proxy a member of his family (as defined by the Board of Directors), or he may appoint any other member as his proxy. In no case may a member cast more than one vote by proxy in addition to his own vote. Any proxy must be filed with the Secretary before the appointed time of each meeting." The Board of Directors has defined "member of the family" as any person officially living in the household. Also, the Board has determined that 6:00 PM on the day of the election is the deadline for presenting a proxy to the Office.

Issues that must be addressed:

Based on the Association's By-Laws, Pennsylvania corporate law and parliamentary procedures, there are two main issues that must be addressed:

1. As per the By-Laws, it must be ensured, prior to the election, that no member is a proxy for more than one absent member; and
2. It must be ensured and verified that a person who has been given a limited proxy by the absent member votes as specified by the absent member.

How the system works:

As usual, all members will receive, by mail, notification of the election and a list of the candidates running for the Board of Directors. Members who are confident they will not be able to attend the election meeting should, as normal, contact the Office and ask for a proxy. The member will receive in the mail, if requested, a proxy form and a self addressed stamped envelope in which to return the proxy form to the Office.

The first thing the absent member must do is to print his/her name and address in the spaces provided on the proxy form. The absent member must then fill in the name of the person he/she wishes to be their proxy in the space provided. The selected proxy must be an official member of the household, or another member. The proxy form will also give the absent member two choices: whether they are giving the person selected as proxy general proxy powers, or limited proxy powers. The absent member must check one or the other. If he/she checks general proxy, then the absent member need do nothing else on the form. However, if limited proxy is chosen, the absent member must select, by check mark next to the name, up to three candidates whom he/she wants the person with the proxy to vote for. A proxy form on which no selection of type of proxy is made will not be counted. Also, a proxy form with limited proxy selected, but no candidate(s) voted for will not be counted. The absent member must then sign the proxy form in the space provided.

Then, the absent member absolutely must write the name of the member selected as proxy on the back of the envelope in the provided space. This is necessary so that the Office can make a list of proxies so the Office can be sure no member is proxy for more than one absent member, as required by the By-Laws. The absent member must also put his/her name and return address in the normal position on the front of the envelope. This is so that the absent member can be contacted by the Office if there is a problem.

Finally, the envelope should be returned to the Office, either by mail or hand delivery. When the proxy envelope is received in the Office, the person in charge of maintaining the proxy list will check to make sure that the member who is selected as proxy is not already on the list. If not, the name will be added to the list and the envelope will remain sealed until the night of the election.

If the member's name is already on the list, or if no proxy has been named in the proper space on the back of the envelope, or if the absent member has, as required, entered a return address, then the Office will contact the absent member and ask them to name a member or a different person than has been selected as proxy. If the absent member has not entered a return address on the envelope, the Office will not know who to contact, and so the envelope will remain sealed in the Office. An absent member has up to 6:00 PM on the night of the election to contact the Office and provide the required information. If, at 6:00 PM on that night, the proxy problem has not been resolved by the absent member, the envelope and proxy inside will not be counted.

Immediately prior to the election, the proper Official will call out the name of each member on the proxy list. If the member is in attendance, he/she will approach the Official and will be given the envelope containing the proxy, and a ballot which will be marked as "PROXY BALLOT" at the top of the page. Otherwise, the ballot will be identical to all other ballots. The proxy will then open the envelope and determine whether he/she has been given general or limited proxy powers. He/she shall then complete the Proxy Ballot as specified by the absent member. That is, vote for whomever he/she chooses if a general proxy is given, or vote as specified by the absent member if given a limited proxy.

Finally, in order to make sure that the proxy has voted as specified by the absent member, the proxy must staple the proxy form to the Proxy Ballot. Staplers will be provided at the meeting. When the Official who is counting votes sees a ballot marked Proxy Ballot, he/she will verify that the proxy is stapled to the ballot and that the proxy has voted in accordance with the wishes of the absent member. If the proxy has not attached the proxy form to the Proxy Ballot, or the proxy has not voted as specified on the proxy form, the Proxy Ballot will not be counted. Also, as with other ballots, if there are any irregularities on the Proxy Ballot or proxy form, such as cross outs, the ballot will not be counted. If the selected proxy is not present at the meeting and does not come forward when called, the proxy will be discarded.

Summary:

If the above procedures are followed, the process is relatively simple. When the notice of election is received, an absent member contacts the Office and requests a proxy form. He/she is then provided with the form and a return envelope. He/she fills out the form as described above, writes the name of the member selected as proxy on the back of the envelope, fill in his/her name and return address on the front of the form and returns the proxy form in the envelope to the Office.

On the night of the election, the name of each member selected as a proxy will be called, and the person will be given the sealed envelope and a Proxy Ballot. The proxy will fill out the ballot as specified by the absent member, staple the proxy form to the Proxy Ballot, then cast the vote by putting proxy form and Ballot in the ballot box. Any deviation from this procedure will result in the Proxy Ballot not being counted.

Proposed Sample Proxy Form:

Warminster Heights Home Ownership Association, Inc.
PROXY FORM

Know all men by these presents: I, _____, of address, _____, in Warminster Heights, hereby constitute and appoint _____, as nominee and proxy with powers of substitution for and in the name and place of the undersigned to appear, represent and cast votes only as I specifically instruct in reference to the following matters to come before the Warminster Heights Home Ownership Association, Inc. Annual Meeting to be held on _____, at 6:30 PM in the Warminster Heights Heights' Auditorium. The member requesting a proxy **MUST** choose one of the two options:

General powers (check if appropriate):

_____ I hereby authorize and instruct my proxy to use his/her best judgment in voting for members of the Board of Directors, pursuant to Article IV, Section 8. Proxies of the Association's By-Laws.

Limited powers (check if appropriate)(if checked, member **MUST** vote for at least one and no more than three candidates):

_____ I hereby authorize and instruct my proxy to cast my vote for members of the Board of Directors as follows:

- | | |
|-----------------------|---------------------|
| _____ Al Bagnoli | _____ Chris Davis |
| _____ Ed Ford | _____ Ginny Harris |
| _____ Isadore Jenkins | _____ Ken Lawrence |
| _____ Mary Norris | _____ Oswald Peters |
| _____ Quincy Rhodes | |

The undersigned ratifies and confirms any and all acts and things that the proxy may do or cause to be done at the Annual Meeting referred to above, or at any change, adjournment or continuation, and revoke all prior proxies previously executed.

THIS IS A SAMPLE. THE PEOPLE ABOVE DO NOT EXIST.

DATE: _____

Member naming proxy