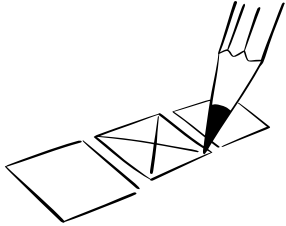


Elections and the Board

No member of the executive board nor any candidate running in the election shall be given access to or participate in the opening or counting of the secret written ballots before the election is concluded.

All of the return ballot envelopes submitted by the unit owners remain sealed and must only be opened at the annual meeting of the unit owners in which the election results are counted.



Counting Ballots

In front of the unit owners at the annual meeting:

- All of the return ballot envelopes are matched to a checklist containing all of the unit owner names and addresses to ensure that only unit owners voted in the election and that each unit owner submitted only one ballot per unit owned. The return ballot envelopes are opened, placing the secret ballot envelopes off to the side in their own stack.
- Then, the secret ballot envelopes (containing no identifiable information) are opened and the votes on the ballots are counted and tallied on the tally sheet containing the candidate names. The association should store and maintain all of the return ballot envelopes, ballots, unit owner checklists, and tally sheets as an official election record for a minimum of ten (10) years.

State of Nevada



Department of Business and Industry
Real Estate Division

Ombudsman for Owners in
Common-Interest Communities
and Condominium Hotels

Telephone: 702-486-4480

Northern Nevada

1818 East College
Parkway, Suite 100
Carson City,
Nevada, 89706

Southern Nevada

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The Three Envelope System



Elections and the Secret Written Ballot

The election of the executive board must be conducted by secret written ballot when an election is held.

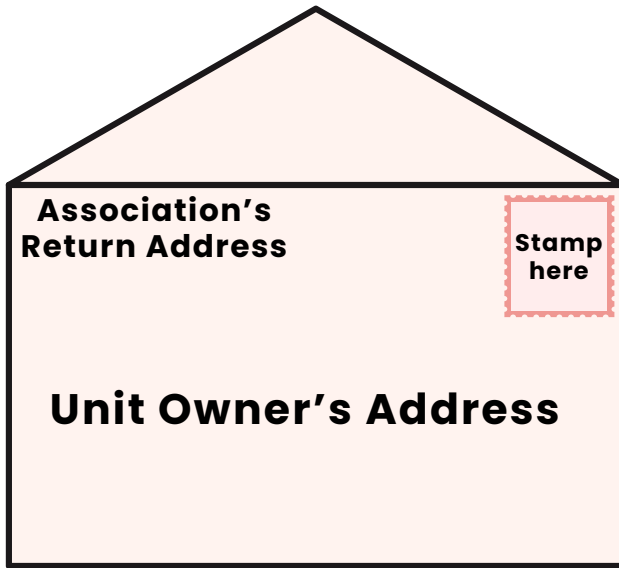
The three envelope system is an effective means for tracking which unit owners voted without revealing who they voted for. This protects the identities of the unit owners and maintains the integrity of the election.

The three envelope system is a general guide for fulfilling the secret ballot requirement and should not be perceived as a state mandated requirement.



The Three Envelope System

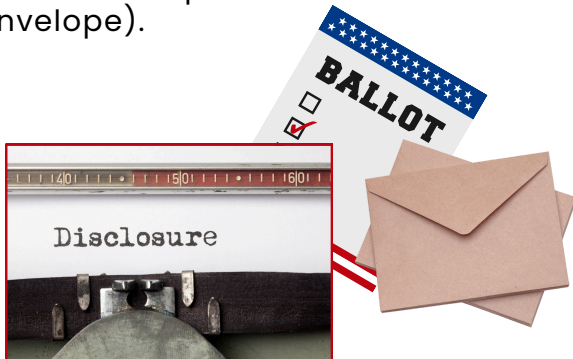
Step 1: Receive Envelope



This envelope contains:

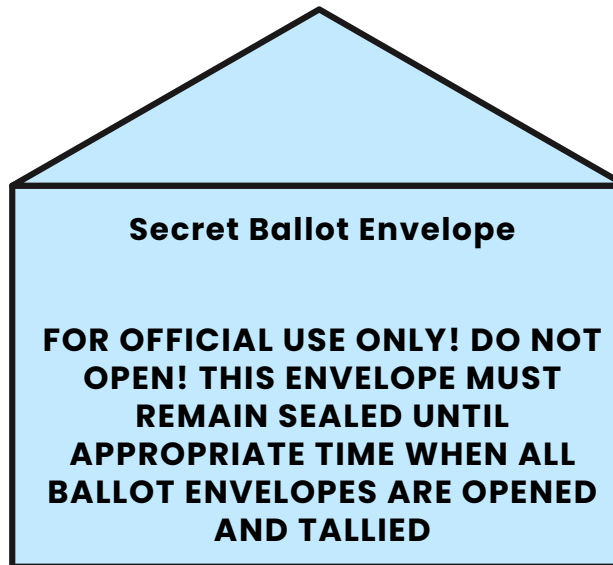
- 1. Ballot & Disclosure Statements**
- 2. Secret Ballot Envelope**
- 3. Return Ballot Envelope**

The first envelope is sent to the unit owner and will contain the ballot, disclosure statements, and two additional envelopes inside (secret ballot envelope & return ballot envelope).



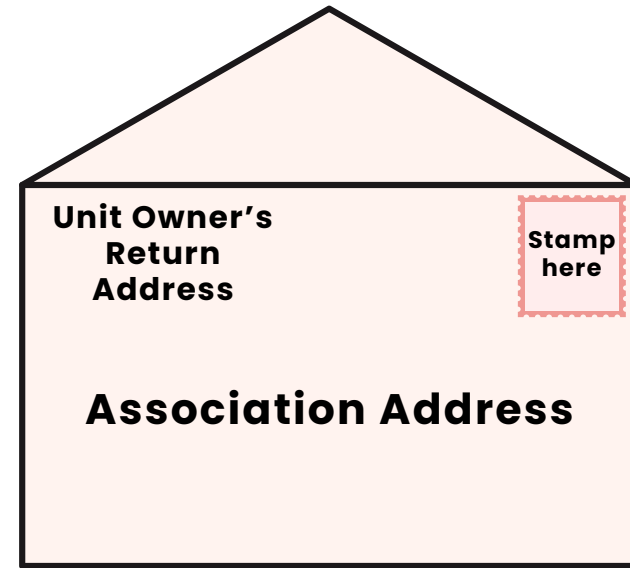
Step 2: Complete Ballot

Unit owners receive a candidate disclosure statement and the ballot. No marks should be made on the ballot.



Do not make any marks on the secret ballot envelope or on the ballot itself, except as necessary to properly complete the ballot. After completing the ballot, place it inside this envelope and seal it. Place this sealed envelope inside the included return envelope. The return envelope must not contain any identifying information except for the unit owner and association's return address.

Step 3: Return Ballot



The third envelope is addressed to the association. The sealed secret ballot envelope goes inside this return envelope and is returned to the association by the unit owner. The association is not required to prepay postage.

