



550 Front Street, San Diego, CA 92101

Phone: 619-533-7960

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November 18, 2006

RE: Call for Candidates – Nominations for the Board of Directors

Dear Pinnacle Homeowner:

In preparation for the January 11, 2007 Annual Election and Membership Meeting, we are requesting information from owners who would like to volunteer their time to serve on the Association's Board of Directors. There will be two seats open for election, each serving a two (2) year term of office.

If you are interested in declaring your candidacy for the Board, please complete and return the enclosed application **no later than December 5, 2006**. Nominations received on or before December 5, 2006 will appear on the election proxy and ballot. Further nominations will also be accepted from the floor at the election meeting.

At the Board of Directors Meeting on November 16, 2006, the Board of Directors adopted the state mandated New Election/Voting Procedures and Policies enclosed herein for your information. Additionally, pursuant to the Association's Bylaws, a Nominating Committee consisting of James Roberts, Committee Chair and committee members, Stanley Madr, and Steven Kirkeby was appointed by the Board of Directors. The Nominating Committee will be responsible for nominating qualified members as board candidates for the upcoming election. If you wish to be nominated by the Nominating Committee please contact any of the three members of the committee or complete and return the enclosed candidacy application.

If you have any questions, or would like more information regarding serving on the Board, please call Cynthia Gibson, CCAM of The Prescott Companies at (619) 230-1891 or Rich Giandomenico, On Site Facilities Director at the number provided above.

Sincerely,

On Behalf of the Pinnacle Museum Tower Owners' Association Board of Directors

Cynthia Gibson, CCAM/CAM
Community Manager & CEO
The Prescott Companies

Enclosures: Declaration of Candidacy Application
New Election/Voting Procedures and Policies dated January 1, 2007.



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BOARD OF DIRECTORS
CANDIDATE APPLICATION

Name: _____

Address: _____

Phone: _____

1. Background: _____

2. Previous experience: _____

3. Reasons for wanting to serve on the board: _____

4. Are you available to attend monthly directors meetings? Yes ☐ No ☐

Evenings ☐ Daytime ☐

Please Return This Form No Later Than December 5, 2006

The Pinnacle Museum Tower
550 Front Street, San Diego, CA 92101

Voting Policies and Procedures

***Pinnacle Museum Tower Association
Effective January 1, 2007***

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INTRODUCTION

The, in response to the amending of California Civil Code Section 1357.120 and the addition of Sections 1363.03, 1363.04, and 1363.09 has adopted the following rules, policies, and procedures for the conducting of the Association's voting and election processes.

It is the intent of the Association to ensure the most comprehensive and balanced guidelines for our Members. In order to accomplish this we have made the required revisions with you the Homeowner in mind. We sincerely hope our efforts in compiling these policies and procedures has in some way made this process more easily understood and encourages your participation in the business of the Association.

These rules, policies, and procedures apply to all matters of the Association that are regulated or otherwise controlled by a Membership voting requirement for ratification.

Please be advised that these guidelines do not contain all of the information that may apply to your rights and responsibilities in the matters of voting on issues and electing directors to conduct the affairs of the Association on your behalf. Additional provisions are contained in the Association's Governing Documents, specifically the By-Laws and CC&R's, and should be reviewed by all Members of the Association in order to guarantee a complete and thorough understanding in these matters.

GENERAL

All members in good standing are eligible to run for Director Positions. Member in "*Good Standing*" requires that the Member is not delinquent in the payment of monthly or special assessments in an amount equal to or greater than one month's assessment for a period of time no greater than thirty, (30) days.

The allotted number of votes may be cast by members in good standing, either in person, by ballot-by-mail or via a designated proxy holder that is in attendance at an annual or special meeting held for the purpose of the election of directors and/or other matters which require a membership vote.

In the announcement of any meeting at which an election will be held, or other balloting conducted, or in any announcement containing a proxy and/or ballot-by-mail, the Board of Directors shall announce the applicable voting period, including any deadline for submission of proxies and/or ballots-by-mail. Proxies and/or ballots-by-mail may be submitted at any time from the members' receipt of such until the announced deadline or any extension thereof as set by the Board of Directors. The Inspectors of Election shall determine when ballots can be submitted and the time when the polls shall close at any meeting at which ballots are cast.

The association will publish a Request for Candidates no less than ninety (90) prior to the annual meeting. All members desiring to run for a position on the Board of Directors must complete the Candidate's Qualification Form and return the completed form to the designated person(s) on or before the deadline date noted on the form or accompanying materials. Members failing to submit a Candidate's Qualification Form by the deadline date will not have their names placed on the ballot, but are eligible to be nominated from the floor at the annual meeting and may receive write-in votes.

All voting and elections shall be conducted in accordance with all applicable requirements mandated by the governing documents and local, state, and federal statutes as may apply.

No Association funds shall be expended for the purposes of campaigning in connection with any vote or election other than those specifically required to distribute required correspondences, notices, or forms which may contain the names of candidates or descriptions of issues being voted upon. Specifically excluded is the expenditure of association funds for the purposes of expressly advocating approval, election, or defeat of any matter or candidate.

CANDIDATE QUALIFICATIONS

Directors:

Director Candidates shall be those individuals granted authority to serve as a Member of the Board of Directors as outlined in the Association By-laws.

Director Candidates shall be members in good standing.

Election to a Board position is voluntary in nature and requires fair and impartial servitude to the corporation/association as a whole. Those contemplating candidacy are urged to review the governing documents and applicable requirements of the California Corporations Code and the California Civil Code to ensure that you are prepared to accept the responsibilities and liability of your elected position in carrying out your fiduciary obligation to corporation

Director candidates upon election to the Board will execute the "*Board Member Code of Ethics*", provided in Exhibit A, and are expected to perform their duties to the Association in all manners consistent with the duties and responsibilities outlined in the governing documents of the Association, industry / association standards, and all federal and state laws, codes and ordinances. Director candidates should always keep in mind that service to the Association while serving in the capacity as an elected / appointed Board Member mandates that decisions made are consistent with those practices which are in the best interest of the Association as a corporate entity and not for individual preference and/or gain.

NOMINATION PROCEDURES

Nominating Timeframe:

Nominations for Director shall be received no later than sixty, (60) Days prior to the meeting date in order to have their name placed on the ballot-by-mail.

Nominating Committee:

The Board of Directors shall have the right, but not the obligation, to appoint a Nominating Committee for the purpose of establishing the candidate roster for any Director election.

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors who is not a candidate, and two (2) or more members of the Association.

The Nominating Committee shall be appointed no less than sixty, (60) days prior to the Annual Election.

Nominating Committee Members shall be members in good standing.

Nominating Committee Members may not be related to a Candidate and/or other Nominating Committee Member, reside with a Candidate or other Nominating Committee Member or be co-owners of any properties within the Association with a Candidate or other Nominating Committee Member. Committee members are expected to notify the Board of Directors if one of the noted conditions exists.

The Nominating Committee shall be charged with the review and consideration of all Director Candidate application submissions. Review shall entail verification of good standing status of all candidates.

The Nominating Committee shall upon finalization of the candidate roster submit a written report to the Board of Directors. Submission of a finalized roster shall be no later than forty-five, (45) Days prior to the meeting date.

Directors:

Director Candidates shall be nominated by the Nominating Committee, or in the absence of a committee, written submission of a distributed candidacy statement must be received prior to the close of the established nomination period.

Director candidates may be nominated as write-ins on submitted ballots. Approval of write-in candidacy shall require candidate's acceptance of such nomination either in writing or in person either prior to, or at, the annual meeting.

Director candidates may be nominated from the floor at the time of the convening of the annual meeting established for the purpose of selecting said Directors.

Director candidates nominated from the floor at the time of the convening of the annual meeting will be included as write-in-candidates on the ballot.

CAMPAIGN PROTOCOLS

Elections:

During election periods all candidates shall have equal access to the Association's Medias including but not limited to newsletters, websites, and bulletin boards as directed by the Board of Directors.

The Board of Directors shall have the right to review the content of any item submitted for distribution and, if necessary, seek a court ordered injunction to reject any submission which

includes language or depictions which may be reasonably construed as offensive or which may violate established local, state, or federal statutes.

No submission for distribution shall be edited for content. Modifications to formatting may be made so as to allow for space and/or media restrictions. Any necessary formatting modifications shall be applied equally to all submissions and at no time shall any formatting be applied which may signify a preference or partiality.

Any expense that may be required for the distribution of submitted materials shall be borne solely by the submitting party. These expenses may include but are not limited to administrative services, reproduction costs, postage, and supplies. Any costs shall be approved and paid by the submitting party prior to distribution.

The Association shall provide at no cost, access to any Association owned common area meeting space to any Member or candidate advocating a point of view or opinion during the campaign period. Any such use of the common area facilities shall be regulated by any existing rules or regulations for such use.

All requests for access to common area facilities for campaigning purposes must be submitted in writing, shall be made in advance, and are subject to first come, first served priority scheduling.

INSPECTOR(S) OF ELECTION

Selection:

The Board of Directors shall appoint Inspectors of Election.

The Inspectors of Election as appointed, may be one or more of the following: Notary Public; legal counsel, accountant; community member; vendor or managing agent of the association; or other individual that the Board deems to be a qualified individual.

Members appointed as Inspectors of Election will be members in good standing of the Association.

Inspectors of Election may not be current Board Members, related to a Candidate or other Inspector of Election; may not reside with a Candidate or other Inspector of Election; or may not be co-owners of property within the Association with a Candidate or other Inspector of Election; or present any other situation which could reasonably be viewed as a conflict of interest in carrying out the duties and responsibilities of the Inspector(s) of Elections. Inspector(s) are expected to notify the Board of Directors if one of the above noted conditions exist.

The Board may authorize payment of Association funds to any third party appointed to serve as Inspector(s) of Election. No payment may be authorized for any Association Member appointed as Inspector(s) of Election.

Number:

Inspector(s) of Election shall be comprised of one, (1) or three (3) appointed inspectors. In no event may the panel be comprised of an even number of inspectors.

Duties:

The Inspector(s) of Election shall be responsible to perform the following tasks associated with any vote or election:

1. Determine number of Memberships entitled to vote and the voting power of each.
2. Determine authenticity, validity and effect of submitted proxies.
3. Receive ballots (set address for submission of ballots).
4. Hear and determine all challenges and questions.
5. Determine Poll closure time.
6. Counting and tabulation of all ballots.
7. Determine results of voting.

This list is not intended to be all-inclusive and additional tasks may be added as necessary to ensure the most comprehensive and accurate voting process.

VOTING**Voting by Members:**

In any voting matter of the Association each Member as defined in the Association's Governing Documents shall be entitled to a single vote for each separate interest owned and which regular assessments have commenced against such separate interest.

Suspension of Voting Rights:

The Board of Directors shall have the right to suspend the voting rights of any Member, after notice and hearing, for any period in which such Member is delinquent in the payment of any regular or special assessment against his or her separate interest for any period in excess of thirty (30) days.

The suspension of the voting rights of any Member for non-payment of regular or special assessments shall remain in full force and effect until such a time as any and all regular or special assessments have been satisfied.

The Board may suspend the rights of any Member for a period not to exceed thirty, (30) days for any infraction of the Association's published rules and regulations after reasonable written notice and an opportunity to be heard at a hearing before the Board of Directors.

Record Date of Ownership:

The Bylaws may provide or, in the absence of such provision, the board may fix, in advance, a date as the record date for the purpose of determining the members entitled to cast written ballots (Corporations Code Section 7513). Such record date shall not be more than 60 days before the day on which the first written ballot is mailed or solicited. If no record date is fixed, members on the day the first written ballot is mailed or solicited who are otherwise eligible to vote are entitled to cast written ballots.

Format:

All voting related to selection of Directors, amendments to the Associations' Governing Documents, regular assessment increases which exceed the authority of the Board of Directors, special assessments, and all other matters to be brought before the Association will be conducted by secret written ballot.

PROXIES**Distribution:**

Proxies may be distributed to all Members in accordance with established guidelines. In no case shall Proxies be distributed more than sixty, (60) or less than thirty, (30) days in advance of a properly noticed meeting date established for the purposes of voting.

Content:

All Proxies shall be consistent in content with the established guidelines as set forth in the Associations' Governing Documents or as may be mandated by local, state, or federal standards, including but not limited to the California Corporations Code or Civil Code.

Proxies shall be set-forth for the purpose of establishing a quorum or naming a proxy holder to vote on-behalf of the permitted voter, as the proxy holder deems appropriate.

Proxy holders must be present at the election in order to cast votes on behalf of the member. If the proxy holder is not present at the election, then the proxy will be used for the establishment of quorum only.

Validity:

In no case shall any Proxy be valid for a period exceeding eleven (11) months from the date of its execution.

Revocability:

An executed proxy is revocable through attendance in person at the annual meeting or any reconvened meeting thereof.

BALLOTS

Distribution:

Ballots shall be distributed along with two (2) envelopes and instructions for submission.

Distribution for ballots-by-mail shall be made no more than sixty, (60) days or less than thirty, (30) days in advance of the deadline for voting as established by the Inspectors of Election.

Ballots are irrevocable.

Content:

Ballots shall contain the names of all candidates having been nominated in accordance with the established guidelines, space for any write in candidates, and a description of any other matter being addressed in the voting.

Ballots shall not contain any identification indicators related to the voter. Specifically excluded are names, addresses, and unit or lot numbers. Ballots shall not be signed.

Submission:

Ballots submitted prior to the meeting date shall be enclosed in a sealed envelope and sent to the Inspectors of Election to be retained until the completion of the tabulating.

Ballots submitted to the Inspectors of Election shall be held in their sealed envelopes until the date of the meeting at which time such ballot envelopes shall be opened. In no case shall any ballot be opened, viewed, or otherwise reviewed prior to the date and time that has been established for the tabulation of said ballots.

Tabulating:

The Inspectors of Election shall tabulate all ballot submissions in public view at a properly noticed meeting set for the purposes of voting on matters of the Association.

Notice:

Within fifteen (15) days of the election, the board shall publicize the results of the election in a communication directed to all members.

Retention:

Ballots shall be retained by the Association for a period of one (1) year after the election. At the expiration of the retention period all ballots will be destroyed.

In the event of a properly noticed challenge of the election, the ballots shall be made available for review and inspection by the challenging Member(s) and/or his or her legally appointed representative.

VOTING TIMEFRAMES

Voting timeframes shall be the duty of the Inspectors of Election and shall be announced with the distribution of the Proxies.

PENALTIES

California Civil Code Section 1363.09 provides the Members of the Association with certain legal rights. It is your obligation to know and understand these rights as they are set forth.