

STRATFORD CONDOMINIUM UNIT OWNERS ASSOCIATION

ADMINISTRATIVE RESOLUTION NO. 2013-1

Electronic Voting, Notice and Proxies

WHEREAS, Va. Code § 55-79.77D (*Voting*) of the *Virginia Condominium Act* (the "Act"), of the Code of Virginia, as amended, permits a condominium association, to the extent the condominium instruments or rules adopted thereto expressly so provide, to submit a vote or proxy by electronic transmission; and,

WHEREAS, Article II, Section 7 (*Voting*) of the Association's Bylaws (the "Bylaws") of The Stratford Condominium Unit Owners Association ("Association"), is silent on the subject of electronic voting; and,

WHEREAS, Article II, Section 8 (*Proxies*) of the Association's Bylaws, permits voting by proxy if the proxy is filed with the Board Secretary prior to the meeting; and

WHEREAS, Section 59.1-485 of the Virginia Uniform Electronic Transactions Act (the "*UETA*") governs electronic transactions within Virginia and provides that an electronic signature and an electronic transmission have the same legal effect as non-electronic signatures and transmissions; and,

WHEREAS, Article III, Section 2 (*Board of Directors - Powers and Duties*) of the Association's Bylaws empowers the Board of Directors with "all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association ... [and] shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of the Condominium ... " provided that such rules/regulations are not in conflict with the Condominium Act or condominium instruments; and,

WHEREAS, the Board of Directors has determined it to be in the best interests of the Association to permit and regulate (i) the use of electronic voting for any vote to be taken by Association members upon a stated proposal or for the election of directors, (ii) the electronic transmission of proxies and (iii) electronic notice for meetings of the members of the Association.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Board of Directors now adopts the following resolution regarding (i) electronic voting for any vote to be taken of the Members upon stated proposal or for the election of directors, (ii) the electronic transmission of proxies and (iii) electronic notice for meetings of the members of the Association:

I. Definitions

A. Any term used in this resolution which is defined in section 59.1-480 of the UETA shall have the meaning set forth in the UETA. Certain definitions are reproduced here for ease of reference.

1. "Electronic transmission" means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

2. "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

3. "Electronic agent" means a computer program or an electronic or other automated means used independently to initiate an action or respond to electronic records or performance in whole or in part, without review or action by an individual.

4. "Electronic record" means a record created, generated, sent, communicated, received, or stored by electronic means.

5. "Signature requirements" means any requirement for a signature under the association documents may be satisfied by a digital signature meeting the requirements of applicable law.

6. "Information processing system" means an electronic system for creating, generating, sending, receiving, storing, displaying, or processing information which includes the Internet or the community or other network, whether by direct connection, intranet, telecopier, or electronic mail.

7. "Security procedure" means a procedure employed for the purpose of verifying that an electronic signature, record, or performance is that of a specific person or for detecting changes or errors in the information in an electronic record. The term includes a procedure that requires the use of algorithms or other codes, identifying words or numbers, encryption, or callback or other acknowledgment procedures.

8. "Transaction" means an action or set of actions occurring between two or more persons relating to the conduct of business, commercial, or governmental affairs.

9. "Use of new technology" means due to the ongoing development of new technologies and corresponding changes in business practices, to the extent permitted by law now or in the future: 1) any notice required to be sent or received; 2) any signature, vote, consent, or approval required to be obtained; or 3) any payment required to be made, under the association documents may be accomplished using the most advanced technology available at the time if such use is a generally accepted business practice.

II. Authority to Accept Votes and Proxies by Electronic Transmission

A. Va. Code § 55-79.77D of the Act provides that any member vote to be taken by written ballot may be satisfied by a ballot submitted by electronic transmission if authorized by the Board of Directors, and further provided that the transmission contains sufficient identifying information to allow the Board of Directors to confirm that the vote or proxy was authorized by the unit owner or the unit owner's proxy.

B. Section 59.1-485 of the UETA provides that an electronic signature and an electronic transmission have the same legal effect as non-electronic signatures and transmissions.

C. The act of voting or of authorizing a proxy is a business transaction between the Association and its members.

D. Section 59.1-483 of the UETA applies to electronic transactions where each party agrees to

conduct such transactions by electronic means. This resolution forms such an agreement between Association members and the Board of Directors. As such, all electronic transmission of votes and proxies must comply with both the Act and the UETA.

E. If any person does not have the capability or desire to conduct business using electronic transmission or other equivalent technological means, the Association shall make reasonable accommodation, at its expense, for such person to conduct business with the Association without use of such electronic or other means.

II. Procedure for Submitting Votes by Electronic Transmission

A. Electronic submission of votes shall only be permitted for, and this Article II shall only be applicable to, votes to be taken of the Association members upon a stated proposal or for the election of directors. Electronic voting shall not be permitted and this Article II shall not be applicable to any other vote of the Association.

B. The Board of Directors shall have the authority to select and contract with an electronic voting company which employs an electronic agent and information processing system to administer any issue to be voted on electronically. In the event an electronic voting company is selected and utilized, the Association members shall utilize such system and the procedures established by the selected electronic voting company, if any, shall control over those set forth below.

C. If the Board of Directors decides not to utilize the services of an electronic voting company, the Board of Directors may accept member votes sent by electronic transmission when such transmission contains information that will allow an objective determination that the member or the member's proxy authorized the transmission.

Such transmission may be by facsimile ("fax") or electronic mail. It may also be made by sending information electronically to an electronic agent or secure, reliable information processing system authorized by the Board of Directors to accept such information.

D. Before a member may send their vote by electronic transmission, the member shall provide the Board of Directors (via the Property Manager whose contact information is listed below at Section V) with the following information:

1. The type of electronic transmission or information processing system to be used (i.e., a fax, electronic mail, etc.). The member may specify more than one medium.
2. For each medium specified, the member shall include:
 - a. The electronic signature that they will affix to the vote.
 - b. The security procedure to be included in the electronic transmission.

E. Upon receipt of an electronic transmission, the Board shall consider whether the electronic signature is:

1. Unique to the signer,
2. Capable of verification,
3. Under the signer's sole control,
4. Linked to the record in such a manner that it can be determined if any data contained in the record was changed subsequent to the electronic signature being affixed to the record, and,
5. Created by a method appropriately reliable for the purpose for which the electronic

signature was used.

6. Dated, witnessed and received in accordance to time schedule established for the meeting.

7. The Board may consider any other relevant and probative evidence affecting the authenticity and/or validity of the electronic signature.

Collectively, these features form the basis upon which the Board may determine whether the member authorized the transmission. The Board may reject the electronic transmission if any one of the above features is unclear provided that the Board shall specify the information upon which it relied in determining the vote invalid.

III. Procedure for Submitting Proxies by Electronic Transmission

A. A proxy must be executed in writing, witnessed, dated, signed by a person having authority at the time of the execution thereof to execute Deeds on behalf of that person and shall contain the full name and address of the witness. Such proxy shall be valid only for the particular meeting designated therein and any continuation thereof, and shall be filed with the Secretary until 5:00 p.m. one (1) business day prior to the date of the meeting.

B. The Association shall accept a facsimile signature on a proxy when sent by electronic transmission or submitted to an electronic agent or information processing system.

C. Electronic submissions [to include mailed and hand-delivered instructed submissions] are permitted until 5:00 p.m. one (1) business day prior to the date of the meeting. Only uninstructed submissions will be accepted up until meeting is called to order.

IV. Electronic Notice Procedures

A. Members who consent to receiving notices of meetings of the Association and any other communication from the Association by electronic transmission in lieu of mailed or hand-delivered notices shall receive such electronic notice of annual and special meetings of members upon providing their consent in writing. The consent submitted to the Association (via its Community Manager; see Section V below) shall include the following:

1. A verified email address or fax number at which the member shall receive notices;
2. A dated signature of the member; and

3. A statement that the member agrees to accept the communication and notices by electronic transmission and that said transmission shall substitute fully for mailed or hand-delivered notices.

B. A member may revoke his consent to electronic notice and any other electronic communication from the Association if the member provides written notice of revocation to the Association (via its Property Manager; see Section V below). It is solely the responsibility of the member who has given consent to receive electronic notices and electronic communication to ensure that the Association is furnished with any changes to the email address or fax number to which notices are delivered. Unless and until the member furnishes a revocation or amendment regarding said address or number, the Association shall be deemed to have complied with its notice requirement by delivering electronic notice of the last known address or number on file with the Association.

C. Directors may also receive notice of regular or special meetings of the Board by electronic transmission upon providing their consent in writing to receive such notice in the consent form described above.

V. Property Manager Contact Information

Property Manager consents to receive electronic transmissions. Applicable e-mail address and facsimile information to be used to facilitate the Annual Meeting Roll Call will be provided via the Meeting Notice. All voting and proxy transmissions should be sent to the Property Manager.

Property Manager - Stratford
Sequoia Management Company, Inc.
13998 Parkeast Circle
Chantilly, Virginia, 20151-2283
acorun@sequoiamgmt.com
703-830-9641
703-968-0936-Fax

[Signature Page]

**STRATFORD CONDOMINIUM UNIT OWNERS ASSOCIATION
RESOLUTION ACTION RECORD**

Resolution Type: Administrative No. 2013-1

Pertaining to: Electronic Voting Procedures

Duly adopted at a meeting of the Board of Directors held February 26, 2013

Motion by: Elancia Felder

Seconded by: Joe Phoenix

VOTE:	YES	NO	ABSTAIN	ABSENT
<u>William C Richardson</u> President	X	_____	_____	_____
<u>Julia M. Maltyny</u> Vice President	X	_____	_____	_____
<u>Joe Phoenix</u> Treasurer	X	_____	_____	_____
<u>Elancia Felder</u> Director	X	_____	_____	_____
<u>Bill D. Keaton</u> Director	X	_____	_____	_____
<u>William T. Lennetti Jr.</u> Director	X	_____	_____	_____
_____ Director	_____	_____	_____	_____
_____ Director	_____	_____	_____	_____

ATTEST:
Elancia Felder
Secretary

2-26-13
Date

FILE:
Book of Minutes - 2013