



Rules for the Election of the Subscribers' Advisory Committee

- 1 **Election of the SAC.** The PURE Subscribers' Advisory Committee (SAC) shall be selected by Subscribers under these rules.
- 2 **Nomination.** Nomination to be a member of the SAC shall be as provided in the Subscribers' Advisory Committee Governance Rules as in effect from time to time. The SAC shall nominate a number of candidates equal to or greater to the number of SAC members whose terms are set to expire.
- 3 **Delivery of Ballots.** The SAC shall annually deliver or cause to be delivered a ballot to each Subscriber eligible to vote in the election of the SAC by mail or electronic communication in accordance with Subscriber's policy delivery election then in effect. The first annual Election of the SAC shall occur in or about December 2014.
- 4 **Ballots.** Ballots shall set forth the name(s) of candidates recommended by the SAC and shall provide an opportunity to vote for or against each. Unless return ballots are affirmatively voted contrary to the recommendation of the SAC, ballots shall be counted as voted in favor of the candidates recommended by the SAC. Ballots must be submitted on the forms or in the manner provided by or on behalf of the SAC and may not be revoked after being cast. Candidates receiving greatest number of votes for open SAC positions shall be deemed elected.
- 5 **Form of Ballots.** Ballots shall also state: (a) write-in candidates are allowed and provide a means to do so, (b) naming of a proxy is allowed and provide a means to do so; and (c) when a return ballot must be received in order to be counted. Balloting used for the election of the SAC shall be limited to the election of the SAC
- 6 **Subscribers Eligible to Vote.** Each Subscriber shall be entitled to one (1) vote on each nominee for the SAC, regardless of the number of policies or insureds under that Subscriber's policy or policies. A Subscriber shall not have the right to cumulate his or her votes.
- 7 **Proxy Limitations.** A Subscriber entitled to vote may vote by proxy. Authorization of a proxy must be executed in a written appointment, signed by the Subscriber or in a telephonic transmission or authenticated electronic communication. A proxy appointment is valid for eleven (11) months from the date of its execution, unless a shorter period is expressly provided.