

February 28, 2024

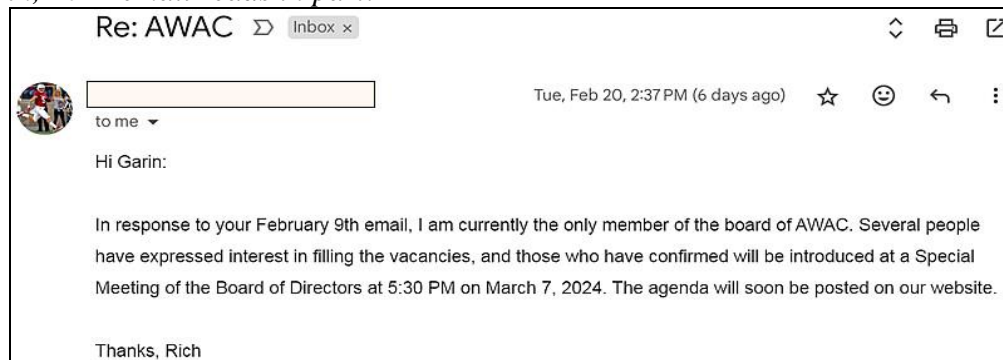
**RE: AWAC SPECIAL MEETING THURSDAY, MARCH 7<sup>TH</sup> @ 5:30 PM WITH PRESIDENT RICHARD SCOTT, THE SOLE REMAINING BOARD MEMBER OF AWAC, INC.**

Dear Woods Property Owner:

President Richard Scott on behalf of AWAC, Inc. has scheduled a Special Meeting on March 7<sup>th</sup>, 2024 @ 5:30 p.m. at the LACSD offices in Blue Jay where he intends, as the sole remaining named Director / Board member and President of AWAC, Inc., to unilaterally self-appoint new directors to the Board of AWAC, Inc.

We know this because Mr. Vartanian was informed on February 20<sup>th</sup> by an email from President Scott that all AWAC, Inc. Board members other than him have resigned; that at a meeting on March 7<sup>th</sup> persons who have expressed interest will be “confirmed”; that the agenda will be posted on their website.

*The February 20<sup>th</sup>, 2024 email reads in part:*



Mr. Vartanian and I find this proposal puzzling since President Scott has admitted that on February 20<sup>th</sup>, 2024 he was the only AWAC, Inc. remaining member of the board of directors.

A portion of the By Laws of AWAC, Inc. is reprinted below. It states in substance that:

- (1) AWAC, Inc. will cease to have any legal capacity or authority as a corporation once there are less than seven members of the board of directors,
- (2) New directors may be installed only by a majority vote of seven existing members of the board of directors, and
- (3) A quorum to conduct any business shall constitute four of the seven existing members of the board of directors.

ARTICLE IV DIRECTORS OF THE CORPORATION	
Section 1.	General Corporate Powers
Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations in the articles of incorporation and bylaws regarding actions that require approval of the directors, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by and under the board's direction.	
Section 2.	Number and Qualifications
The corporation shall consist of at least seven, but no more than nine members of the board of directors all willing to conform to the bylaws of this corporation and dedicated to the purpose of this corporation.	
Section 3.	Selection of Board of Directors
Prospective directors shall submit to the secretary a written request detailing their interest to serve. The current sitting directors shall review requests and conduct a personal interview. A majority vote by the then sitting directors shall constitute approval.	

ARTICLE VI  
VOTING

Section 1. Quorum

Four directors shall constitute a quorum for the transaction of business at any meeting of the board of directors of the corporation.

Per its By Laws, members of AWAC's board of directors may be installed only by a majority vote of seven existing members of its board of directors. In addition, AWAC, Inc. ceased to exist as a corporation the moment that it lost six of its seven members of its board of directors. And the moment that AWAC, Inc. lost its corporate status, AWAC, Inc. became a defacto General Partnership and President Scott became the President of General Partnership, not a corporation. *When that happened, he and all remaining directors became personally liable for their actions.*

For the sake of argument, even if the corporation did not cease with the loss of its six directors, President Scott cannot, as the sole remaining member of the board of AWAC, Inc. with his one vote legally confirm, name or otherwise install any new board members.

Therefore, we are concerned that this apparent lack of authority raises serious personal liability questions for President Scott and his intended confirmees. We therefore ask the following two questions:

*Has President Scott obtained from Mr. John Wurm, Esq. or any other counsel or rule of law, a written opinion supporting President Scott's proposal to confirm persons at a meeting held scheduled by him as the sole remaining member of a prior Board of Directors and Architectural Committee?*

And

*Does President Scott have written confirmation from AWAC, Inc.'s insurance company that the insurance company will, in fact, indemnify this procedure: cover President Scott's actions and those of his confirmees if they proceed hereafter to act on behalf of the formerly operable "AWAC, Inc."?*

Because if not, then President Scott and the "confirmees" are proceeding at their own financial risk should any of their decisions hereafter be questioned. Their potential individual liability could be enormous.

We urge property owners to attend either in person or via Zoom for this very important meeting. Your property rights will likely be affected.

Yours,



Garin Vartanian



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Attendance may occur in person or Zoom Link below. AWAC requires sending an email to info@awac.biz if you will be attending in person.

**Zoom Link:**

<https://us06web.zoom.us/j/83278397741?pwd=OWtnWXI5VUY0SGZmZG9mNGw3NG9Wdz09>

**Telephone Access:** 1 (669)900-6833 Webinar ID: 832 7839 7741 Passcode: 770219

**Physical Meeting Location:**

27307 State Highway 189, Suite 103, Blue Jay, CA 92317