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January 25, 2012

**Lot Owner
Woodlands Homeowners Association, Inc.**

Re: Notice of Rescheduling of Annual Meeting and Revised Election Process

Dear Owner:

I am writing on behalf of the Board of Directors of the Woodlands Homeowners Association, Inc. ("Association") concerning the above-referenced matter. As you are aware, the annual meeting of the membership of the Association is currently scheduled for January 30, 2012 at 7:00p.m. at the Little River Elementary School. This letter is to serve as notice of cancellation of this meeting and the rescheduling of the annual meeting to February 27, 2012 at 7:00 p.m. at Little River Elementary School, 3710 Trickum Rd. Woodstock, Ga. 30188.

In addition, this letter is to serve as notice of a revised election process for the 2012 elections as further explained below.

As you are aware, the Board of Directors recently sent out the meeting notice and proxies for the annual meeting of the membership. Several members of the community have since been soliciting proxies from owners who are unable to attend the annual meeting and participate in the election at the meeting.

While it is acceptable for owners and/or candidates to collect proxies, several homeowners have raised concerns to the Board of Directors over the process for verifying the validity of the proxies. Specifically, there are some concerns that the proxies can be altered without the knowledge of the homeowner assigning the proxy, and that the alteration or falsification would not be easily detectable to the managing agent or the Board member accepting such proxy.

As a general rule, and in accordance with Section 14-3-727 of the Georgia Non-Profit Corporation Code, the Association may accept a proxy in good faith if the signature thereon matches the name of the member. However, in the event the Association has a reasonable basis to doubt the validity of the signature or the veracity of the information thereon, the proxy can be rejected.

The Board of Directors hopes that no owner or member would engage in tampering of the proxies, however, with concerns having been raised over whether or not the proxies are susceptible to alteration, the Board of Directors believes that it is in the best interests of the community to preserve the integrity of the election process.

The only foolproof way for the Board or for any one assigned the responsibility of collecting these proxies, to verify the validity thereof is to contact each proxy giver individually

and verify the proxy and the vote contained thereto. In a community with approximately 1078 homes, this is certainly a monumental task.

The Board of Directors recently invited all known candidates to a meeting to discuss and provide input on the options available for protecting the integrity of the election process and for ensuring that there is not the possibility of tampering of the proxies. Following that discussion, Board met in executive session and decided that the best way to avoid this issue would be to hold the election using a ballot box and mail in ballot process as opposed to a direct vote / proxy vote at the annual meeting.

By using the ballot process, each owner can turn his or her vote directly in to the Association. The goal is to make voting more direct, secure and convenient for all homeowners. The Board believes this process allows for much greater homeowner participation in the election of directors, which benefits everyone.

Here are the key changes in the new election format:

- **The election will not be held at the annual meeting.** Instead of being required to attend an election meeting or to arrange for proxies, all homeowners will be able to vote by drop off or mail in ballot during an open voting period from February 8, 2012 to February 15, 2012. Results will be announced at the rescheduled Annual Meeting on February 27, 2012.
- Homeowners will vote through their **choice of mailing in the attached ballot in the enclosed, self-addressed envelope, or dropping the ballot off in the secure lock box maintained in the management office during the election period.**
- **To be accepted, the ballot must be delivered by the homeowner or the US Postal Service and sealed in either the enclosed self addressed envelope or in another secure envelope. BALLOTS WHICH ARE NOT RETURNED IN A SEALED ENVELOPE WILL NOT BE ACCEPTED.**
- **Ballots submitted by US Postal Service must be post marked no later than February 15, 2012.**
- **Each ballot is marked with a 4 digit code that is unique to the lot within the Woodlands to which it was sent. Any ballot which is returned that does not have a code or for which the code does not correspond to the assigned lot will not be accepted.**
- **Ballots will be left secured and unopened** until the close of the election period. At the close of the election period, the ballot envelopes received will be opened and the results tallied, under the supervision of the managing agent for the community. Candidates may opt to attend or have a representative present.

We still will hold an annual meeting to present financial reports and conduct other appropriate business, but the election will not be conducted at the annual meeting. **Direct ballot voting is designed to give homeowners more control** and convenience in casting their vote. If you have previously submitted a proxy in anticipation of the annual meeting and vote, that proxy is now void.

The revisions in the election process were reviewed by legal counsel to ensure that changes are allowed within the Association's bylaws in context of the Georgia Nonprofit Corporation Code. While Article III of the Association's Bylaws provides a procedure for electing directors at the annual meeting, Section 14-3-708 of the Code and Article II, Section 8

of the Bylaws permit elections to be conducted by this ballot procedure outside of the annual meeting. This election is being conducted in accordance with the Code.

The Board of Directors believes that this election process will address any concern over the integrity of the election and it strongly encourages your participation in this process. If you have any questions about the foregoing, or the enclosed ballot, please contact Laura Godfrey at the management office.

Regards,

LAZEGA & JOHANSON LLC

Marilyn M. Ratzel

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