

Minutes
Special Meeting of Briny Breezes Inc.
Board of Directors
Wednesday January 31, 2018
Call to Order immediately after Budget Meeting Adjourns
Briny Breezes Community Center

AGENDA

ALL STOCKHOLDER COMMENTS MUST BE LIMITED TO THREE (3) MINUTES

- I. **Call to order & Roll call**
 - a. The meeting was called to order at 10:36am. Roll call was taken and all directors present with the exception of Director Adams who was absent with notice.
- II. **Proof of Notice**
 - a. Proof of notice was posted on January 25th at 4pm..
- III. **Approval of previous minutes**
 - a. No minutes to be read or approved.
- IV. **Reading of Correspondence to the Board (If related to Special Mtg Business)**
 - a. There are no correspondences to read.
- V. **Report of Officers (None)**
 - a. No officer reports
- VI. **Committee Reports (None)**
- VII. **Unfinished Business**
 - A. Reconsider/Approve: Final wording of 2018 Ballot Proposition 1 / Oglesby
 - a. President Oglesby made a motion to approve the motion as follows: **Do you want the Board of Directors of Briny Breezes Inc. to offer Briny Breezes Inc. and/or all its assets for sale for a minimum period of one (1) year? See accompanying BALLOT INFORMATION DOCUMENT.** The motion received a second and the question was called. The motion failed (1-6) with Oglesby being the only yes vote.
 - b. Oglesby then amended his motion to remove the word 'minimum' from the above motion. The amended motion received a second. The Board voted again and this time the motion passed unanimously (7 -0).
 - c. Gene Rubella A-8 asked why Proposition # 1 has to be on the ballot
 - B. Reconsider/Approve: Final wording of 2018 Ballot Proposition 2 / Oglesby
 - a. ~~Gene Rubella A-8 asked why Proposition # 1 has to be on the ballot.~~
 - b. President Oglesby made a motion to approve Ballot Item 2 as follows: **Should the Board of Directors submit all offers to purchase Briny Breezes Inc. and/or all its property to the stockholders for approval that meet the following criteria: (1) offer a minimum price of \$700 million net of all Corporate taxes, fees and commissions; (2) include a \$50,000 processing fee for evaluating the offer; (3) require a deposit of 3% of the purchase price in escrow payable to Briny**

Breezes Inc at the time the offer is deemed acceptable by the Board and resolved to be presented to the shareholders and which becomes non-refundable when if shareholders vote to approve the offer? See accompanying **BALLOT INFORMATION DOCUMENT.**

- c. Director Coyner made a motion to amend Oglesby's motion to "only makes these criteria valid if Briny gets blown away/wiped out. The motion did not receive a second so was not considered further.
- d. Secretary Weir suggested that President Oglesby amend his motion to change the word 'when' to 'if'. ***Oglesby amended his motion as recommended by the Secretary. The amended motion was seconded*** and discussion began with stockholder comments.
- e. Don Farron L-211. Faron pointed out that Director Coyner has not held a District Meeting in some time.
- f. **The question was called and Oglesby's amended motion passed 6-1 with Director Coyner voting NO.**
- g. ***President Oglesby made a motion to approve the final wording of 2018 Ballot Proposition 4 with the new By-Law writing as follows:***

Section 3.24: NUISANCE / NO IMPROPER USE

No improper, offensive, hazardous or unlawful use shall be made of the Corporate Property or any part thereof, or any Mobile Home Site or Mobile Home, or any portion of any of the foregoing, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Corporate Property, Mobile Home Site, or Mobile Home, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Corporate Property, Mobile Home Site, or Mobile Home, as elsewhere herein set forth and subject to the provisions of the Bylaws, Rules and Regulations and Leases of this Corporation. Notwithstanding the foregoing and any provisions of the foregoing documents, the Corporation shall not be liable for its failure to enforce the provisions of this subsection. If the Corporation is responsible to maintain or repair such portion of the Corporate Property but the damage, violation, fine, fee, or cost was incurred by the negligent or intentional acts or omissions of the Shareholder, a Sub-Lessee, or the Shareholder's or Sublessee's family members, guests, invitees, or licensees, the Shareholder shall reimburse the Corporation all such related costs which shall become a Lien for Charges against the Lot and collectible in the same manner as any other carrying charge or assessment as outlined in Article XIII of the Bylaws of the Corporation. If Owner fails to discharge of his/her/their responsibilities; or address emergency situations with regard to any Lot, the Lien for Charges shall be of equal priority to, shall accrue interest and late fees, and shall be foreclosed in the same manner as the Common Expense lien, including the right to recover attorneys' fees, costs and expenses of collection. (added in Jan 31 Meeting)

No nuisances (as defined by the Corporation's Board from time to time) shall be allowed on the Corporate Property or on any Mobile Home Site or within or about any Mobile Home, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Mobile Homes on Mobile Home Site or which interferes with the peaceful use or possession or proper use of the Corporate Property by its residents or occupants. The Board of Directors is hereby authorized to adopt additional rules and regulations regarding

noise, including, but not limited to, regulations regarding the types of activities that are permitted, the level of noise that is permitted, and the hours during the day during which certain types of activities are permitted.

The Common Areas of the Corporation shall be used for the purpose of furnishing services and facilities as herein provided for the welfare and enjoyment of its residents and their guests. The Corporate property and the mobile home sites shall be used in accordance with all federal, state, and local laws and ordinances, and the Corporation's governing documents, and no use shall be permitted which will increase the Corporation's insurance rates or affect its insurability. After the President's motion received a second and the question was called, the Board voted unanimously (7-0).

The amended 2018 Ballot and BID are attached below for the record.

VIII. New Business

- A. Consider/Approve action on Stockholder Petition submitted by James Arena / Oglesby
- President Oglesby read the petition. He noted that the Board's consideration of the petition at this board meeting satisfies its request to consider the petition at a Special or Regular Meeting of the Board. He pointed out that our By Laws regarding stockholder petitions require us to consider any petition that is signed by stockholders representing 10% or more of the outstanding shares of the Corporation and noted that this petition was signed by stockholders representing 18% of the outstanding shares.
 - Oglesby recommended that the Board to take no further action with regard to the amending By-Law 3.10 as requested in the petition based on the fact that is proposed changes to the By-Laws to give authority to sell corporate property to stockholders who are not Board Members in violation of Florida Business Corporation Act 607.1202 which states that only the Board of Directors has the power to sell Corporate property. Oglesby also pointed out the petition's proposal to require that residents be evicted 4 months after the close of a sale is in violation of Florida Business Corporation Act Section 723.061(1)(d)(2) which allows 6 months to leave the Park after closing. He stated that because the petition proposes action that would be in violation of these two statutes, the petition is in-actionable.
 - Director Weir discussed the board actions regarding listening to the intent of petition and to the voices of the shareholders supporting it. The objectives of the petition although possibly rejected here, have been heard by the board and substantive measures have been put into the ballot.
 - Judith Kraft (A-17) says the petition contains very valuable information.
 - Don Farron (L-211) pointed out that the purpose of the petition was to make certain that the board took action and that they are entered in to the files. He stated that the current board actions addressed these issues.
 - Sue Thaler said that the Board has met the objective of the petition / the request of the petitioner.
 - ***Oglesby moved to declare the proposal to amend By-Law 3.10 as proposed by the petition unactionable since the proposed amendments violate State Law.*** His motion received a second and the question was called. **The Board voted unanimously (7-0) in favor of Oglesby's motion.**

IX. Stockholder comments/questions

A. Don Farron L-211. Claimed that at the last board meeting, the Directors agreed that each board member would 'walk their district" to inspect and report for illegal fences. Oglesby disagreed saying the this was not directed by the Board, just a suggestion by one of its members. Director Brannen informed all parties that she and GM Pussinen were in the process of surveying the Park for such fences.

X. Adjournment

A. Director Gross made a motion to adjourn. The motion received a 2nd and passed unanimously. The meeting was adjourned at 11:27AM by President Oglesby.

Respectfully submitted,

Michael Weir, Secretary Briny Breezes Inc

Date Approved: February 14th, 2017

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Special Meeting of Briny Breezes Inc.
Board of Directors
Wednesday January 31, 2018
Call to Order immediately after Budget Meeting Adjourns
Briny Breezes Community Center

AGENDA

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- I. Call to order & Roll call**
- II. Proof of Notice**
- III. Approval of previous minutes**
- IV. Reading of Correspondence to the Board (If related to Special Mtg Business)**
- V. Report of Officers (None)**
- VI. Committee Reports (None)**

VII. Unfinished Business

C. Reconsider/Approve: Final wording of 2018 Ballot Proposition 1 / Oglesby

D. Reconsider/Approve: Final wording of 2018 Ballot Proposition 2 / Oglesby

E. Reconsider/Approve: Final wording of 2018 Ballot Proposition 4 / Oglesby

VIII. New Business

**B. Consider/Approve action on Stockholder Petition submitted by James Arena /
Oglesby**

IX. Stockholder comments/questions

X. Adjournment

All Stockholders are Welcome

This notice is dated and posted January 25, 2018 at 4pm

Theresa Pussinen, General Manager, Briny Breezes Inc.

BALLOT

2018 BRINY BREEZES INC. ANNUAL MEETING

9:30AM FEBRUARY 28, 2018

1. Do you want the Board of Directors of Briny Breezes Inc. to offer Briny Breezes Inc. and/or all its assets for sale for a period of one (1) year? See accompanying BALLOT INFORMATION DOCUMENT.

YES NO

2. Should the Board of Directors submit all offers to purchase Briny Breezes Inc. and/or all its property to the stockholders for approval that meet the following criteria: (1) offer a minimum price of \$700 million net of all Corporate taxes, fees and commissions; (2) include a \$50,000 processing fee for evaluating the offer; (3) require a deposit of 3% of the purchase price in escrow payable to Briny Breezes Inc at the time the offer is deemed acceptable by the Board and resolved to be presented to the shareholders and which becomes non-refundable if shareholders vote to approve the offer? See accompanying BALLOT INFORMATION DOCUMENT.

YES NO

THE BOARD RECOMMENDS A YES VOTE FOR BALLOT ITEMS 3-13

3. Should the reserves required by Section 719.106(1)(j)(2), Florida Statutes, be reduced for the 2018 fiscal year (Oct 1, 2017 – Sept 30, 2018) to an amount determined by the Board of Directors and as shown on the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

4. Should the Corporation approve a new By-Law Section 3.24 governing 'Nuisances / No Improper Use' in Briny as shown in the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

5. Should the Corporation amend By-Law Section 5.10 to authorize for one alternate Director to sign checks if President or Treasurer is unavailable as shown on the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

6. Should the Corporation approve a Material Alteration to replace the pre-existing, steel-sheet Cabana Roofs on either side of the Ocean Clubhouse that were blown-off by Hurricane Irma with Tiki Hut structures? See accompanying BALLOT INFORMATION DOCUMENT for more information.

YES NO

7. Should the Corporation approve an Amendment to our By-Laws adding subsection (vi) to Section 7.80 that defines the term "Family Resident Guests" and sets forth the requirements and criteria for family resident guests who wish to live in Briny for more than thirty (30) days during a year as shown on the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

8. Should the Corporation approve an amendment to By-Law Section 7.80 (a) which will prohibit Stockholders who have not paid their assessments or fines owed to the Corporation from renting any of their units until all outstanding fees and fines are paid in full as shown on the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

9. Should the Corporation approve a new By-Law, Section 3.21 that will require title (for mobile homes) and ownership documents (for Modular Homes), the lease and the related stock certificates to be held in the same name(s) or by a single trust (as permitted in Section 3.70 of the By-Laws) as shown in the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

10. Should the Corporation amend Section 3.10 of the By-Laws to document the requirements for and responsibilities of Board-authorized, Briny Breezes Clubs as shown in the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

11. Should the Corporation amend Section 7.80 (d) of the By-Laws as shown in the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

12. Should the Corporation approve a Material Alteration to install up to two (2) Tiki umbrellas on our Beach at no cost to the stockholders as shown in the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

13. Should the Corporation amend By-Law Section 13.25 as shown on the accompanying BALLOT INFORMATION DOCUMENT?

YES NO

Pass-marks for all Ballot Items are 51% of outstanding shares.

Unit Number: _____

District (1,2,3,4) _____

Shares of Stock: _____

Date: _____

SIGNATURE(S) OF STOCKHOLDER(S) _____

Print Full Name of at least one Stockholder of Record: _____

2018 BALLOT INFORMATION DOCUMENT (BID)

Ballot Item 1: Do you want the Board of Directors of Briny Breezes Inc. to offer Briny Breezes Inc. and/or all its assets for sale for a period of one (1) year?

In Plain Language

The Board of Directors is asking the stockholders if they want the Board to take appropriate action to offer the Corporation and/or all its assets including its property for sale for a period of one year.

Reason for Vote

Given the recent level of interest of some of our stockholders in the marketing and possible sale of Briny Breezes Inc., the Board of Directors has resolved to ask the stockholders if they want the Board to put the Corporation up for sale. The Board may decide to spend Corporate funds to identify and hire a qualified party to help evaluate, plan and carry out marketing activity on behalf of the Corporation. If so, this will be discussed in a future Board Meeting before such action is taken.

What Your Vote Means

- A **YES** vote means the Board will offer Briny for sale for a period of 1 year.
- A **NO** vote means that of the Board will not offer the Corporation or all its assets for sale at this time.

Ballot Item 2: Should the Board of Directors submit all offers to purchase Briny Breezes Inc. and/or all its property to the stockholders for approval that meet the following criteria: (1) offer a minimum price of \$700 million net of all Corporate taxes, fees and commissions; (2) include a \$50,000 processing fee for evaluating the offer; (3) require a deposit of 3% of the purchase price in escrow payable to Briny Breezes Inc at the time the offer is deemed acceptable by the Board and resolved to be presented to the shareholders and which becomes non-refundable if shareholders vote to approve the offer?

In Plain Language

If the Board receives an offer to purchase Briny Breezes Inc or all its property that meets all the minimum criteria enumerated in the above proposition (Ballot Item #2), the Board will review and evaluate the offer and bring the offer to purchase Briny Breezes Inc or all its assets to the stockholders for a vote. After initial review by the Board, any offer that does not meet the criteria set forth in the ballot proposition above will not be submitted to the stockholders for approval but will be available to the stockholders for inspection after the Board has completed its review.

Reason for Vote

The purpose of this proposition is to document some of the criteria and considerations that the Board of Directors will use to determine if an offer to purchase the Corporation or all its property will be sent to the Stockholders for approval, if such an offer is received by the Corporation.

What Your Vote Means

- A **YES** vote means the Corporation will bring any offers, solicited or unsolicited, that meet the criteria in Proposition 2 to the stockholders for a vote.
- A **NO** vote means that there will be no binding criteria for the Board of Directors to use to determine which offers will be brought to the stockholders for vote and the Board of Directors will make the sole determination on which offers have sufficient merit to be presented to the stockholders for a vote.

Ballot Item 3: Should the reserves required by Section 719.106(1)(j)(2), Florida Statutes, be reduced for the 2018 fiscal year (Oct 1, 2017 – Sept 30, 2018) to an amount determined by the Board of Directors?

Reason for Vote

Florida Statute 719 requires a majority vote of the Stockholders to allow the Corporation to “partially fund” its reserves. The Board of Directors has proposed an amount of \$339,969 referred to as Partial Funding (see table below) to fund Briny’s 2017-18 Fiscal Year Reserve Accounts. This funding level is significantly less than the “Full Funding” amount of \$782,619 for the 2017-18 FY as determined by *Reserve Advisors*, a third-party professional company that conducted the 2017 Reserves Study. **If Proposition 3 does not receive a YES vote of 51% of the outstanding shares of the Corporation, the Board will be required by Florida Statutes to assess the stockholders based on the “Full Funding” level of \$764,982** (excludes yacht basin which is self-funding). The table below documents the levels of Full Funding, Partial Funding and the difference between the two alternatives for each Briny 2017-18 FY Reserve Funding.

Briny Breezes Reserves Accounts	2017-18 Statutory Full Funding (based on 2017 Reserves Study)	Board Recommend Partial Funding (Approved 2017-18 FY Budget)	Partial Funding - Full Funding (negative values represent amount of underfunding)
PAINT	\$12,908	\$11,777	-\$1,131
ROOFS	\$33,431	\$31,406	-\$2,025
ROADS & DRAINAGE (ended 3Q 2017-18)	\$47,109	\$47,109	\$0
ROADS (2nd half 2017-8)	\$342,874	\$70,664	-\$272,210
DRAINAGE (2nd half 2017-8)	\$8,623	\$7,852	-\$772
YACHT BASIN	\$17,637	\$36,086	\$18,449
LAUNDRY	\$0	\$1,600	\$1,600
SEAWALL	\$71,271	\$31,406	-\$39,865
POOL	\$13,304	\$7,852	-\$5,453
CAPITAL ASSETS	\$79,667	\$47,109	-\$32,558
BUILDINGS	\$155,795	\$47,109	-\$108,686
TOTALS	\$782,619	\$339,969	-\$442,650

What Your Vote Means

- Vote **YES** if you want the Corporation to assess the stockholders for \$339,969 for the funding of its Reserve Accounts for Fiscal Year 2017-18.
- Vote **NO** if you want the Corporation to assess the stockholders to “Fully Fund” it’s FY 2017-18 Reserve Accounts for \$764,982.

Ballot Item 4: Should the Corporation approve a new By-Law Section 3.24 governing ‘Nuisances / No Improper Use’ in Briny? The wording of the proposed new By-Law Section 3.24 follows.

Section 3.24: NUISANCE / NO IMPROPER USE

No improper, offensive, hazardous or unlawful use shall be made of the Corporate Property or any part thereof, or any Mobile Home Site or Mobile Home, or any portion of any of the foregoing, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Corporate Property, Mobile Home Site, or Mobile Home, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Corporate Property, Mobile Home

Site, or Mobile Home, as elsewhere herein set forth and subject to the provisions of the Bylaws, Rules and Regulations and Leases of this Corporation. Notwithstanding the foregoing and any provisions of the foregoing documents, the Corporation shall not be liable for its failure to enforce the provisions of this subsection. If the Corporation is responsible to maintain or repair such portion of the Corporate Property but the damage, violation, fine, fee, or cost was incurred by the negligent or intentional acts or omissions of the Shareholder, a Sub-Lessee, or the Shareholder's or Sublessee's family members, guests, invitees, or licensees, the Shareholder shall reimburse the Corporation all such related costs which shall become a Lien for Charges against the Lot and collectible in the same manner as any other carrying charge or assessment as outlined in Article XIII of the Bylaws of the Corporation. If Owner fails to discharge of his/her/their responsibilities; or address emergency situations with regard to any Lot, the Lien for Charges shall be of equal priority to, shall accrue interest and late fees, and shall be foreclosed in the same manner as the Common Expense lien, including the right to recover attorneys' fees, costs and expenses of collection.

No nuisances (as defined by the Corporation's Board from time to time) shall be allowed on the Corporate Property or on any Mobile Home Site or within or about any Mobile Home, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Mobile Homes on Mobile Home Site or which interferes with the peaceful use or possession or proper use of the Corporate Property by its residents or occupants. The Board of Directors is hereby authorized to adopt additional rules and regulations regarding noise, including, but not limited to, regulations regarding the types of activities that are permitted, the level of noise that is permitted, and the hours during the day during which certain types of activities are permitted.

The Common Areas of the Corporation shall be used for the purpose of furnishing services and facilities as herein provided for the welfare and enjoyment of its residents and their guests. The Corporate property and the mobile home sites shall be used in accordance with all federal, state, and local laws and ordinances, and the Corporation's governing documents, and no use shall be permitted which will increase the Corporation's insurance rates or affect its insurability.

In Plain Language

This 'Nuisance/ No Improper Use' By-Law will strengthen the Corporation's ability to pursue legal remedies when necessary to deter and remove, as necessary, those few people in our community that chose to create disturbances or threaten the well-being, safety, and security of their neighbors or prevent our stockholders and/or their guests or renters from being able to enjoy living in Briny. It will also discourage the improper use of mobile homes, mobile home sites and Corporate property and insure that any costs incurred due to such improper use are paid solely by the person(s) responsible for the improper use.

Reason for Vote

The Corporation's lawyers have recommended that we add this provision to our By-Laws to improve our chances of prevailing in any legal action needed to remove those who disrupt the community by their behavior, cause their neighbors to fear for their welfare, safety or security, or whose illegal activities make it difficult for other residents to enjoy their homes and community.

What Your Vote Means

- A **YES** vote means that proposed By-Law Section 3.24 will be added to the By-Laws
- A **NO** vote means that that proposed By-Law Section 3.24 will not be added to the By-Laws

Ballot Item 5: Should the Corporation amend By-Law Section 5.10 to authorize for one alternate Director to sign checks if President or Treasurer is unavailable as shown below? (Underlined text below reflects proposed additions to the existing By-Law Section 5.10.)

SECTION 5.10:

TREASURER: The Treasurer shall have custody of the funds and assets of the Corporation and shall keep proper books of accounts and shall submit a financial statement to the Board of Directors monthly. The Treasurer shall disburse the funds of the Corporation under the direction of the Board of Directors, and shall be authorized to sign all checks and financial papers jointly with the President. The Board of Directors may appoint one additional Director authorized to sign checks and financial papers in lieu of either the President or the Treasurer if either will not be in Briny Breezes, Inc. for more than five (5) consecutive days or is otherwise incapacitated.

In Plain Language

Because Corporate checks and some of the Corporate documents require the signatures of two Directors, the Board needs to have an alternate Director with the authority to sign checks and other financial papers for the Corporation when either the President or Treasurer is not in Briny or is incapacitated for an extended period in order for the Corporation to be able to conduct its financial affairs such as paying its bills in a timely manner, avoiding late fees or execute time-sensitive corporate documents.

Reason for Vote

We need to authorize this alternate signer in our By-Laws.

What Your Vote Means

- Vote **YES** will allow the Board to approve an alternate Director authorized to sign checks and other financial documents when either of the President or Treasurer is unavailable for an extended period.
- Vote **NO** to require all checks and financial documents to be signed only by the President and Treasurer.

Ballot Item 6: Should the Corporation approve a Material Alteration to replace the pre-existing, steel-sheet Cabana Roofs on either side of the Ocean Clubhouse that were blown-off by Hurricane Irma with Tiki Hut structures?

In Plain Language

This proposition asks for stockholder approval for the Corporation to install two (2) Tiki Hut structures (Seminole or other supplier) over the two Ocean-front picnic areas where Hurricane Irma blew off the corrugated metal coverings that used to cover the facilities. Properly installed and constructed Tiki hut structures are very resistant to hurricane forces winds and if removed by winds, would be less likely to damage near-by mobile homes, other structures and/or pose as serious of a safety risks to people in the area as did the corrugated steel covers.

Reason for Vote

Repair of damaged common elements is one of the responsibilities of the Board of Directors. For safety reasons, the Board is recommending replacement of the former corrugated metal cabana roofs with Tiki Hut structures for improved hurricane-sustainability considerations. This change in appearance, including a significantly higher roof profiles than the prior covers, is likely to be considered a Material Alteration of our

common elements per Florida Statute 719 and per Briny By-Law Section 7.52 which requires approval by 51% of the outstanding shares of our Corporation for such a change.

What Your Vote Means

- A **YES** vote means that the Corporation can install Tiki Hut structures over the picnic areas on either side of the Ocean Clubhouse.
- A **NO** vote means that the existing cabana picnic areas will, most likely, be covered with bonded aluminum roofs which look very similar to the former coverings but afford greater survivability and safety in high winds and are represented by the vendor, AMS, to remain in place in winds up to 165 mph. The roof profiles of these bonded aluminum structures will nearly replicate those of the former corrugated-steel roofs and are not considered a material alteration since replacement of the former steel covers constitutes a significant safety risk to our residents, homes and common elements during hurricanes.

Ballot Item 7: Should the Corporation approve an Amendment to our By-Laws adding subsection (vi) to Section 7.80 that defines the term “Family Resident Guests” and sets forth the requirements and criteria for family resident guests who wish to live in Briny for more than thirty (30) days during a year as shown below? (Underlined text below reflects proposed additions to the existing By-Law Section 7.80.)

Section 7.80 e (vi)

a. Family Resident Guests are only members of the immediate family of a stockholder(s) as listed on their Stock Certificate. Immediate family is permitted to include siblings (biological, step, and adopted), children (biological, step, and adopted), parents (including step-parents), and grandchildren and respective spouses of any of the foregoing immediate family members if accompanied by the immediate family member.

b. The Family Resident Guest must reside in the owner’s unit, without cost or consideration paid to the shareholder/owner and must register and complete an application 30 days prior to occupancy;

c. The Family Resident Guest or the shareholder/owner permitting the occupancy is required to provide legal documentation to support the asserted relationship. Failure to substantiate the relationship to the Board of Directors’ satisfaction, through legal documentation (e.g. birth certificates, adoption certificates, marriage certificates, etc.) or otherwise, shall be considered a rebuttable presumption that the familial relationship does not exist. The Board and management may act upon this presumption and deny such occupancy until such documentation is presented.

d. Family Resident Guests shall, upon fulfilling the obligations in paragraph c, above, agree to submit to and pay for a background check (including but not limited to criminal background check on all occupants 18 years of age or older) if the Family Resident Guests are to stay longer than 30 days in any 12-consecutive month period. Anyone not submitting to such background check shall be in violation of these By-laws and unable to receive a badge that allows them access to common property. Badges, upon approved residency, will be available for a reasonable fee to be determined by the Board of Directors from time to time.

e. Family Resident Guests may receive mail in the owner’s mailbox. Family Resident Guests may have privileges of clubs, and social events.

f. Shareholders, understand, acknowledge and accept that Briny Breezes, Inc. may demand the removal of any Family Resident Guests who becomes a nuisance or annoyance to other residents of Briny Breezes as

outlined elsewhere in these Bylaws and/or violate the provisions of the Corporation's Articles of Incorporation, Proprietary Lease, Bylaws, Rules and/or State and Federal Laws. If the Shareholder fails to remove the immediate family member upon thirty (30) days written notice, the Corporation will seek their removal in the Circuit Court and the Shareholder will be responsible for the Corporations Attorneys' fees and costs at all trial, administrative, appellate, and bankruptcy levels.

In Plain Language

This addition to our By-Law requires the Corporation to verify the relationship of the Family Resident Guest by requesting birth certificates, adoption papers, marriage licenses etc. that document the claimed familial relationship to the Stockholder. This amendment also changes the definition of the term "Family Resident Guest" so that only children (including step or adopted children) and parents of the stockholders of record are considered Family Resident Guests and are entitled to live in Briny year-round **as long as** they do not pay rent. The required 30-days' notice provides the time necessary to verify the purported family relationship and to process the necessary paperwork prior to occupancy. (As a reminder: Any stockholder can have a guest live in his/her mobile home for a maximum of 2 weeks without the shareholder present.) Unlike our current Rule, this By-Law strengthens the Corporation's position to remove a Family Resident Guest if he or she is unable or unwilling to abide by our governing documents.

Reason for Vote

In the past, a few stockholders have used the Family Resident Guest rule as a way to rent their units year-round. This new By-Law give the Corporation a method to determine if the claimed family relationship is valid and will simplify processing and enforcing the requirements for Family Resident Guests.

What Your Vote Means

- A **YES** vote means Family Resident Guests will be restricted to the immediate family of the stockholder(s) where the stockholder can demonstrate this relationship by producing a copy of a legal document(s) so indicating. If the By-Law Amendment is approved, Briny Rule A.1.c will be rescinded to avoid any potential conflict.
- A **NO** vote means that resident guests criteria and enforcement will continue to be governed by the current Briny Rule A.1.c which may be revised from time to time by the Board of Directors.

Ballot Item 8: Should the Corporation approve an amendment to By-Law Section 7.80 (a) which will prohibit Stockholders who have not paid their assessments or fines owed to the Corporation from renting any of their units until all outstanding fees and fines are paid in full. (Underlined text below reflects proposed additions to the existing By-Law Section 7.80.)

Section 7.80:(a) The term "sublease" shall be used interchangeably with the term "rent" and shall mean the agreement by which the Shareholder transfers occupancy of mobile home site to a Tenant or Lessee for consideration. Any shareholders with outstanding fines or delinquent fees will not be allowed to rent or lease their units until all fines/assessments are paid in full. All rental rules and procedures must then be followed once these fines and/or fees have been paid.

In Plain Language

Shareholders who have outstanding fines and or are delinquent is paying their assessments will not be able to offer their units for rent until all fees and fines are paid in full. The existing rules and procedures for the rental of units in Briny (e.g. 30 days prior to the start of the rental) continue to be applicable.

Reason for Vote

- Given the change in Florida’s Statutes in 2015, we are no longer able to place a lien on stockholders or their property for failure to pay assessments or fines. If someone chooses not to pay a fine levied by the Board of Directors and upheld by the Appeals Committee, we are required to follow a legal process that burdens the corporation and its stockholders with legal fees and court costs. This new By-Law will, at least, penalize those who have been fined and continue to be delinquent in paying those fines or assessments by denying their ability to rent their unit(s). Our existing By-Laws address situations where stockholders are delinquent in assessment fees, but penalties are limited to denying access to Briny common property/facilities in those cases.

What Your Vote Means

- A **YES** vote means that if someone has outstanding assessments or fines, they will not be allowed to rent their unit or have access to our common elements until such time these debts have been paid in full.
- A **NO** vote means that if a stockholder(s) has not paid assessments or fines duly-levied by the Corporation, that stockholder(s) may continue to rent their unit(s).

Ballot Item 9: Should the Corporation approve a new By-Law, Section 3.21 that will require title (for mobile homes) and ownership documents (for Modular Homes), the lease and the related stock certificates to be held in the same name(s) or by a single trust (as permitted in Section 3.70 of the By-Laws)? (The wording of the proposed, new By-Law Section 3.21 follows.)

Section 3.21: Any mobile or qualified modular home existing on a Mobile Home Site or to be placed on a Mobile Home Site in Briny Breezes must be held and/or titled in the same owner(s) names or in a single trust, as permitted in Section 3.70 of these By-Laws, that appear on the stock certificate and the proprietary lease for that Mobile Home Site. A copy of the title for a manufactured home or the ownership documents for a qualified modular home shall be furnished to the Corporation within thirty days of closing. In the event of subsequent changes in ownership, a copy of the new title or new ownership documents, as appropriate, must be furnished to the Corporation within 15 days of issue. All stockholders not in compliance with this By-Law on the date of its approval (2-28-18) must take action necessary within ninety (90) days from February 28, 2018 to change these documents to comply with the above provision (no grandfathering after this adjustment period which ends May 28, 2018).

In Plain Language

Proposed Section 3.21 to our By-Laws is similar to the existing Rule C.1.3. (vi) requiring title, lease and ownership documents be held in the name of the same persons or permitted trust. This By-Law, if approved by the Stockholders, will require any stockholders not in compliance to make changes to their ownership documents, title, lease and/or stock certificates so that all these documents show the same owner(s) and lessors within 90 days after the By-Law is approved. Rule 1.C.c (vi) states that: “A mobile home placed on a lot must be titled in the same name(s) as appears on the stock certificate/lease for that location unless a waiver is provided to the Corporation signed by any person whose name is on the mobile home title but not on the stock certificate. A copy of the title shall be furnished to the Corporation. In the event of title changes, a copy of the new title must be furnished to the Corporation.” Note that the provision for wavers is not included in the proposed By-Law. This section of our Rules will be rescinded if Section 3.21 is approved.

Reason for Vote

Some stockholders in Briny hold title/ownership to their unit(s) in different names/trusts than appear on the leases and stock certificates related to their unit(s). This complicates legal and other actions necessary to enforce compliance with our Rules, By-Laws and Lease provisions.

What Your Vote Means

- A **YES** vote means that all ownership, lease and stock certificate documents must be held in the name of same person(s) or a trust as permitted in Section 3.70.
- A **NO** vote means the Corporation will continue to rely on Rule 1.C.c (vi) to enforce compliance of the requirement to hold every stock certificate, lease, and ownership document related to a Briny lot per Rule C.c (vi) until such a time that Board chooses to amend this rule.

Ballot Item 10: Should the Corporation amend Section 3.10 of the By-Laws to document the requirements for and responsibilities of Board-authorized, Briny Breezes Clubs? (Underlined text reflects proposed additions and strikeouts indicate deletions to the existing By-Law Section 3.10.)

SECTION 3.10: BRINY BREEZES, INC. shall carry on its their social activities under the name of Briny Breezes Club~~The Board of Directors may approve clubs for the purpose of carrying on social and charitable activities that are not otherwise represented. Such approval must be documented in the minutes of a duly called Regular or Special Meeting of the Board of Directors each fiscal year.~~

1. All clubs authorized by the Board of Directors must first present a club charter that delineates its purpose, its operating procedures and a list of officers who are current stockholders (including at a minimum, a President and Treasurer) for review and approval by the Board of Directors
2. All such Briny Clubs must submit statements of income and expense receipts with a copy of their bank statement to the Corporation on a monthly basis to remain a Corporate-approved, Briny Breezes Club.

In Plain Language

Existing By-Law Section 3.10 is irrelevant since there is no Club in Briny named “the Briny Breezes Club”. The current version of By-Law also it fails to address the requirements for Board-approved clubs carrying on activities in Briny Breezes. The proposed amendment to By-Law Section 3.10 uses the criteria that has been practice for Board-approved clubs. Every club currently using the Corporate EIN must submit statements of income and expense receipts along with a copy of their club bank statement to the Briny Bookkeeper each month in order for the Corporation provide this compliance information to our accountants for the preparation and filing of Corporate tax returns, as necessary. The continued use of Corporate EIN numbers by Board-sanctioned clubs is under review and this practice could change in the future. An intent of this amendment is to approve clubs that have a new or a different mission than Board-approved clubs that currently exist.

Reason for Vote

No such requirements for Board-approved Briny Clubs are documented in our By-Laws or Rules.

What Your Vote Means

- A **YES** vote means the Corporation will have documented requirements for Board-sanctioned, Briny Clubs
- A **NO** vote means requirement for such clubs will only be documented in Corporate or Board Procedures that can be changed at any time by the Board of Directors.

Ballot Item 11: Should the Corporation amend Section 7.80 (d) of the By-Laws as shown below?

(Underlined text reflects proposed additions to the existing By-Law Section 7.80.)

SECTION 7.80: SUB-LEASING: All sub-leasing or renting of mobile home sites and the mobile homes thereon shall be governed by the following provisions. *(as amended 2/24/16)*

d. No Shareholder acquiring stock certificates to a lot in Briny Breezes and title ownership documents to a mobile or modular home on that lease ~~or~~ after the effective date of this amendment (2/28/18) may sublease the mobile home for a period of one (1) year [twelve (12) consecutive calendar months] from the date that the lease title is approved ~~acquired~~. This one (1) year moratorium period shall run from the date of recording of any instrument transferring any ownership interest in ~~title to the stock~~ or any lease for the lot upon which the mobile home is situated, except for transfers to add or remove members of the ~~Stockholder's Unit Owner's~~ immediate family ~~as titleholders~~ with the Stockholder(s) Unit Owner or to a trust where such transfers were undertaken for the purpose of estate planning. The only other exceptions to the foregoing moratorium are for stock certificates, leases, and Mobile or Modular Homes Units obtained by beneficiaries or heirs of the previous unit owner when title was acquired through inheritance or devise. This restriction shall not apply to Units acquired by the Corporation while the Units are owned by the Corporation. If at the time of transfer of any interest in title to a mobile home or/and a mobile home site that is already sub-leased pursuant to a sub-lease agreement entered into by the previous Shareholder/owner, the aforementioned one (1) year period during which the mobile home may not be sub-leased shall commence at the expiration of the current term of the existing sub-lease which may not be renewed, extended, or sub-subleased.

In Plain Language

This amendment simply reflects the intent of Section 7.80 of our By-Laws to require a 1-yr moratorium on renting after any transfer of stock certificates, leases and mobile home where none of the subsequent owners were prior owners, lessors, stockholders or in the immediate family of the prior owners.

Reason for Vote

Because the language in the current By-Law only applied to the title to a mobile home, this section of the By-Laws needs to be amended to cover transfers of stock certificates, leases and ownership documents for Modular homes which are not titled by the Florida Department of Motor Vehicles. The prior version referred to changes in title for imposing the one-year moratorium but did not cover modular home which do not received DMV titles. Also, the Corporation does not receive notification from the DMV on title changes which normally occur outside of closing.

What Your Vote Means

- A **YES** vote means that any change of lessors, stock ownership or title/ownership of a unit (excluding transfers by inheritance /devise) that does not include at least one former owner or immediate family member of the former owner will not be able to rent that unit for a period of one year after the date the Board approved the transfer of stock ownership and lessor.
- A **NO** vote means that this 1-year moratorium regulation will be more problematic to enforce.

Ballot Item 12: Should the Corporation approve a Material Alteration to install up to two Tiki umbrellas on our Beach at no cost to the stockholders?

In Plain Language

The Beach Club has offered to pay for a new Tiki umbrella (similar to the existing one) to be purchased and installed on the North section of the Corporation's beach. If approved, this will be done at no cost to the stockholder. This proposition would also cover an additional Tiki umbrella should the Beach Club propose to pay for and install a second Tiki umbrella in the future.

Reason for Vote

It is possible that installing a Tiki umbrella could be considered a material alteration of our common elements per our By-Law Section 7.52 which requires approval by 51% of the outstanding shares of the Corporation.

What Your Vote Means

- A **YES** vote means that the Corporation can allow the Beach Club to purchase and install a Tiki umbrella on our beach at a mutually (Corp and Club) agreeable location and at no cost to the stockholders.
- A **NO** vote means that the Corporation may not be able to take advantage of the Beach Club's offer.

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Ballot Item 13: Should the Corporation amend By-Law Section 13.25 as shown below?

SECTION 13.25: DISPOSITION OF YEAR-END BUDGET OPERATING CASH SURPLUSES *(as amended 2/25/15)*: When the final audited financial results of the prior fiscal year are presented to and approved by the Board of Directors and the audit indicates that there is prior-year cash remaining in excess of the operating expenditures for the year after depreciation and without considering surpluses and or deficits related to Club accounts, the Board of Directors will vote to transfer these funds to one or more of the following current year accounts based on the needs of the Corporation:

1. Catastrophe Fund
2. Briny Breezes Reserve Accounts
3. Park Improvement Fund
4. Prepaid Assessments to reflect a reduction of the Stockholder Operating Assessment

In Plain Language

By eliminating the words "after depreciation" in By-Law 13.25, the Board will be able to transfer any amount of year-end operating surpluses as determined by our independent auditors to one of four accounts regardless of the amount on depreciation (for book or tax purposes) in the prior fiscal year. The added words regarding Club accounts are to make it clear that Briny Clubs accounts that are recorded as a surplus or deficit on Corporation financial accounts are not included in the calculation of year-end annual surplus cash that are subject to transfer to any of the four accounts/funds listed in By-Law 13.25

Reason for Vote

The intent of By-Law 13.25 is to transfer any year-end operating surpluses as determined by the Corporation's independent auditors at the end of each fiscal year to one of the four accounts and funds listed in By-Law 13.25. Operating surpluses are determined without considering depreciation which is relevant to Corporate taxes and books but unrelated to operating accounts. Without this change, YE operating surpluses cannot be transferred in years where depreciation is equal to or greater than the amount of the YE operating surplus.

At present, some Briny Club Bank Accounts use our EIN number to open and maintain Club bank accounts. We have been advised that Generally-accepted Accounting Practices (GAAP) require us to include the value of these accounts on our Corporate records. This money is controlled by the Clubs and is not related to any

operating surplus related to the Corporation expenditures. Thus, it should not be considered in the calculation of year-end operating surpluses for transfer to one of the four accounts/funds listed in Section 13.25.

What Your Vote Means

- A **YES** vote means that the Corporation will be able to transfer YE operating surpluses to one of the four accounts or funds listed in By-Law 13.25 without considering depreciation or Club surpluses
- A **NO** vote means that the Corporation can only transfer YE operating surpluses to the funds and accounts listed in By-Law 13.25 in years where the surplus exceeds annual depreciation and, but Club surpluses would have to be considered in the determination of Fiscal Year operating surplus (or deficit).

*******END OF BALLOT INFORMATION DOCUMENT*******

STOCKHOLDER PETITION

Resolutions To Be Added To The By-Laws

This petition is to place 3 resolutions with guidelines on the next agenda of any regular or special Board Of Directors meeting in order to amend section 3:10 in the Briny Breezes Inc. Bylaws.

AMENDMENTS TO SECTION 3.10 GENERAL BY-LAWS

1. SECTION 3.10 BRINY BREEZES , INC., SHALL CARRY ON ITS SOCIAL ACTIVITIES UNDER THE NAME OF Briny Breezes Club and BRINY BREEZES INC. shall carry on its marketing activities to sell BRINY BREEZES, INC. through THE BRINY BREEZES FUTURE CLUB.

- a) BRINY BREEZES INC. will be listed for sale on the open market BY OWNER and AS-IS with THE BRINY BREEZES FUTURE CLUB FOR \$1,000,000,000 (One Billion Dollars) and no compensation will be paid to anyone for producing a buyer.
- b) The Briny Breezes FUTURE Club will utilize a multimedia marketing platform, including but not limited to a video and website.

2) GENERAL NON NEGOTIABLE TERMS OF SALE

- a) No offer under \$1,000,000,000 (One Billion Dollars) will be accepted for a minimum of 60 days after an offer is received. All offers must include a non-refundable deposit no less than 3% of the purchase price, to be considered.
- b) The deposit will become nonrefundable when a final vote is made and the offer is accepted.
- c) In the event of a default by the buyer, the retained deposit will be dispersed to Briny Breezes Inc, and then to each shareholder based on pro-rata shares.
- d) All offers presented will be cleared funds after all closing costs and corporate taxes.

3) GENERAL NEGOTIABLE TERMS OF SALE

- a) Buyer will have 90 days to close after shareholder approval (80%) vote.
- b) Shareholders will have 120 days to vacate and/or remove their mobile home at their own risk/expense after closing.
- c) Buyer will be responsible for all closing costs including but not limited to all corporate taxes.

<p><input type="checkbox"/> YES I am for this petition and agree to the amendments to Section 3:10 of ByLaws.</p> <p><input type="checkbox"/> NO I am against this petition and the amendments.</p>	<p>Print Name: _____</p> <p>X _____</p> <p>Date: ___/___/___ Unit #: _____</p> <p>Shares _____</p>
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**FLORIDA STATUTES IMPACTING
STOCKHOLDER PETITION TO MARKET BRINY**

FLORIDA BUSINESS CORPORATION ACT

Section 607.1202 Sale of assets other than in regular course of business.—

(1) A corporation may sell, lease, exchange, or otherwise dispose of all, or substantially all, of its property (with or without the good will), otherwise than in the usual and regular course of business, on the terms and conditions and for the consideration determined by the corporation’s board of directors, if the board of directors proposes and its shareholders of record approve the proposed transaction.

(2) For a transaction to be authorized:

(a) The board of directors must recommend the proposed transaction to the shareholders of record unless the board of directors determines that it should make no recommendation because of conflict of interest or other special

circumstances and communicates the basis for its determination to the shareholders of record with the submission of the proposed transaction;

MOBILE HOME PARK LOT TENANCIES

Section 723.061(1)(d)(2), Florida Statutes.

(d) 2. The park owner gives the affected mobile home owners and tenants at least 6 months' notice of the eviction due to the projected change in use and of their need to secure other accommodations.