

The logo for Grand Panama Beach Resort features a circular emblem on the left containing the letters 'GP'. To the right of the emblem, the words 'GRAND PANAMA' are stacked vertically in a large, serif font. Below this, the words 'BEACH RESORT' are written in a smaller, all-caps, serif font, separated from the text above by a thin horizontal line.

GRAND
PANAMA
BEACH RESORT

September 29, 2018

To All Owners:

On Saturday, November 3, 2018, at 10:00 AM, in the Grand Panama Event Center at the Grand Panama Beach Resort, 11800 Front Beach Road, Panama City Beach, FL 32407, a Meeting of the Association will be held for the purpose of authorizing the consolidation of all reserve accounts and items into a "pooled" reserve account and for approving or disapproving changes to three (3) items in the Declaration of Condominium for Grand Panama Beach Resort Condominium.

Amendments to our Declaration require at least eighty percent (80%) of the votes allocated to the membership (Articles 16.03). If you will not be in attendance at the November 3rd meeting, the enclosed limit proxy allows you to appoint a proxy or designate the Secretary of the Association as your proxy. The limited proxy with your voting preference is to be enclosed in the provided envelop with the unit number printed on the left hand corner of the envelop and then inserted in the envelop addressed to Grand Panama COA Office at 11800 Front Beach Road, Panama City Beach, FL 32407. If you have more than one unit, each proxy must be in the separate envelope but can be included in the envelope addressed to the COA. Votes must be received by November 2, 2018 in order to count.

The following is a quick overview of the changes you will be voting on.

Item 1. The board recommends you vote "YES" for consolidation of all the reserve amounts into a "pooled" reserve. Under the line item method reserve funds can only be used for the item it was specified and may result in a special assessment if funds are required for another line item. A "pooled" reserve still requires expenditures be presented and approved by the board.

Item 2. "Exhibit A" Voting "yes" for the change to the pets in residential units will NO LONGER ALLOW GUESTS OR TENANTS TO BRING PETS.

Item 3. "Exhibit B" Voting "yes" for the change to the balconies, windows, terrace and doors item will allow plants to be on balconies.

Item 4. "Exhibit C" Voting "yes" for the change to amendments reduces the approval for changes to the declaration from 80% to 66 2/3, which is the requirement by Florida Statute.

Grand Panama Board of Directors

11800 Front Beach Road
Panama City Beach, FL 32407
Phone: (850) 234-2002 Fax: (850) 249-1255

LIMITED PROXY

The undersigned, owner(s) or designated voter of Unit No(s). _____ of Grand Panama Beach Resort Condominium, a Condominium ("Condominium"), appoints _____ or, if no name is filled in, the Secretary of the Grand Panama Beach Resort Condominium Association, Inc., a Florida not-for-profit corporation ("Association"), as my proxy holder to attend the meeting of the members of the Association to be held at 10:00 a.m. (Central Time) on Saturday, November 3, 2018, at the Grand Panama Conference Room located at 11800 Front Beach Road, Panama City Beach, Florida. The proxy holder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that proxy holder's authority is limited as indicated below.

LIMITED POWERS. (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUES, YOU MUST INDICATE YOUR PREFERENCE IN THE BLANK(S) PROVIDED BELOW):

I SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXYHOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS INDICATED BELOW:

1. Do you authorize the consolidation of all reserve amounts and items in the budget into a "pooled" reserve account as allowed under current accounting principles, now and in the future, for all purposes including for accounting and budgeting purposes?

_____ YES _____ NO

2. Do you authorize an Amendment to Article 8, Section 8.20 of the Declaration of Condominium for Grand Panama Beach Resort Condominium, as set forth in the document attached hereto and made a part hereof as Exhibit "A"?

_____ YES _____ NO

3. Do you authorize an Amendment to Article 8, Section 8.24 of the Declaration of Condominium for Grand Panama Beach Resort Condominium, as set forth in the document attached hereto and made a part hereof as Exhibit "B"?

_____ YES _____ NO

4. Do you authorize an Amendment to Article 16, Section 16.03(a) of the Declaration of Condominium for Grand Panama Beach Resort Condominium, as set forth in the document attached hereto and made a part hereof as Exhibit "C"?

_____ YES _____ NO

DATE: _____, 2018.

SIGNATURE(S) OF OWNER(S) OR
DESIGNATED VOTER

SUBSTITUTION OF PROXY HOLDER

The undersigned, appointed as proxy holder above, designates to substitute for me in voting the proxy set forth above.

DATE: _____, 2018.

Signature of Proxy Holder

THIS PROXY IS REVOCABLE BY THE UNIT (APARTMENT) OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

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 ASSESSEMENTS REGARDING THOSE ITEMS.

Language added to an existing section is printed in underscoring type, and language deleted is printed in ~~struck-through~~ type.

EXHIBIT "A"

1. Article 8, Section 8.20 of the Declaration is amended

to read as follows:

8.20 Pets in Residential Units.

Owners must register all pets with the Association. Owners are granted a license to maintain not more than a total of two (2) pets per Unit provided such pets are (a) permitted to be so kept by applicable laws and regulations, (b) not a breed considered to be dangerous by the Board of Directors or the Association's insurance carrier, (c) dogs and cats only, except as set forth below. This license may be revoked by the Board of Directors of the Association. Tenants and guests are not allowed to bring or keep a pet on the Property or in a Unit. The Board of Directors is authorized from time to time to make such rules restricting or permitting pets on the Property, including without limitation, rules relating to the size or weight of such pets. Pets shall not create a nuisance to other Owners by any behavior, including but not limited to, continuous and repeated barking, whining, crying or other disturbance. No pet will be permitted on the Property which creates a nuisance. Pet sitting for outside pets is permitted as long as the number of pets maintained within an individual Unit does not exceed two (2).

All permitted pets must be caged or on a short leash at all times when they are on any portion of the Property (except the Owner's Unit). Pets are not allowed to roam freely or play in the hallways or any other interior common area. Pets must be on the grass before the pet is permitted to stop and relieve itself. At no time may a pet relieve itself in the breezeway, hallway or in or around any elevator. Owners should not allow landscape areas adjacent to the buildings or the building structures themselves to be used for elimination. Owners are required to pick up, remove and properly dispose of litter deposited by their pets on the Property.

Animals that are typically kept in cages or containers wholly within the Unit such as small caged birds, fish lizards, turtles and hamsters may be maintained provided such animals are of a breed or variety commonly kept as household pets in similar buildings, are not kept or bred for any commercial purpose, and are kept in strict accordance with the rules and regulations outlined in this policy and in accordance with applicable law.

If any such pets become a nuisance, the Board of Directors shall have the right, but not the obligation, to require their removal. Wild animals, exotic animals, farm animals and poisonous creatures are not allowed, including but not limited to any variety of pigs, skunks, tarantulas and similar animals and snakes.

Neither the Board, Developer, nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing rules and regulations governing pets and every Owner maintaining a pet on the Property agrees to defend, indemnify and hold the Association, Board of Directors, Developer, each Owner and the management company and their employees harmless against any loss, claim, damage or liability of any kind or character whatsoever arising or growing out of the privilege of having a pet on the Property. Any landscaping damage or other damage to the Property, caused by an Owner's pet must be promptly repaired by the Owner. The Association retains the right to effect said repairs and charge the Owner therefore.

A violation of the provisions of this Section shall entitle the Association and the Board of Directors to all of its rights and remedies available under the Declaration, Bylaws, Florida Statutes and any applicable rules and regulations, including, but not limited to, the right to fine Owners and/or to require any pet to be permanently removed from the Property.

EXHIBIT "B"

2. Article 8, Section 8.24 of the Declaration is amended to read as follows:

8.24 Balconies, Windows, Terraces and Doors.

Subject to Section 8.11, nothing shall be dropped, thrown, swept, or otherwise expelled from any window, door balcony or terrace. No Residential Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, lanais or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, window tinting, furniture, fixtures and equipment) without the prior written consent of the Board of Directors. ~~No plants, pots, receptacles or other decorative articles shall be kept, placed, hung or maintained on any ledge, balcony or terrace.~~ Balconies, lanais and/or patios shall be kept clean and uncluttered. Approved items allowed on a balcony, lanais and/or patio shall consist of patio furniture, outdoor rugs (not affixed) and plants with water catch basins. No clotheslines or clothes shall be hung on balconies or railings. Climbing or leaning on balcony railings is prohibited.

EXHIBIT "C"

3. Article 16, Section 16.03(a) of the Declaration is amended to read as follows:

16.03 Amendments.

(a) Except for provisions of this Declaration regarding the rights and obligations of Developer, which may not be amended without Developer's prior written consent, and subject to the rights of Mortgagees under Article 14 above, Owners may amend any provision of this Declaration at any time by a vote of at least ~~eightytwo-thirds~~ percent—(80%^{2/3}) of the votes allocated to all Memberships. If the necessary votes and consent are obtained, the Association shall cause an amendment to the Declaration to be recorded in the Bay County records in accordance with the terms and conditions of the Act.

2018 Limited Proxy Count

Number of proxies needed to count votes for Item 1. Pool Reserves per bylaws pertaining to financial management, majority of voters (50%=1). Eligible Voters: $294 * 50\% + 1 = 148$

Number of proxies need to count votes for Items 2-4 Pets, Balconies and Reduction of percentage from 80% to 66 2/3% for amending the declaration. Eligible Voters $294 * 80\% = 235$

Proxies Received

Limited Proxy Count 2018	Tower 1		Tower 2		Non Residential		Total All		% Received
	Total	Remaining	Total	Remaining	Total	Remaining	CumTotal	Remaining	
# of Units	187		112		6		305		
Ineligible Units	-5		-3				-8		
Ineligible Units -	-1		-2				-3		
Eligible Units	181		107		6		294		
Proxies Received 10/31	73	108	47	60	6	0	126	168	43%
Proxies Received 11/1	9	99	3	57	0	0	138	156	47%
Proxies Received 11/2	2	97	0	57	0	0	140	154	48%
Proxies Received 11/5	2	95	3	54	0	0	145	149	49%
Proxies Received 11/8	3	92	0	54	0	0	148	146	50%
Proxies Received 11/9	2	90	0	54	0	0	150	144	51%
Proxies Received 11/13	10	80	6	48	0	0	166	128	56%
Proxies Received 11/14	2	78	4	44	0	0	172	122	59%
Proxies Received 11/17	9	69	4	40	0	0	185	109	63%
Proxies Received 11/19	1	68	1	39	0	0	187	107	64%
Proxies Received 11/27	4	64	5	34	0	0	196	98	66%
Proxies Received 11/29	3	61	0	34	0	0	199	95	68%
Proxies Received 12/3	2	59	2	32	0	0	203	91	69%
Proxies Received 12/4	1	58	0	32	0	0	204	90	69%
Proxies Received 12/5	2	56	2	30	0	0	208	86	71%
Proxies Received 12/6	2	54	2	28	0	0	212	82	72%
Proxies Received 12/7	1	53	2	26	0	0	215	79	73%