

PALM WORTH, INC
2025 ANNUAL MEETING OF MEMBERS
Palm Worth Clubhouse
February 18, 2025, 7:00 PM

AGENDA

- 1. Call to Order / Roll Call**
- 2. Proof of Notice of Meeting**
- 3. Determination of Quorum**
- 4. Reading and approval of minutes of previous annual meeting**
- 5. New Board Members 2025**
- 6. Bylaw Change Discussion & Vote**
- 7. Reports of Officers**
 - A. President's Report**
 - B. Secretary's Report**
 - C. Treasurer's Report**
- 8. Committee Reports**
 - A. Beautification**
 - B. Social**
 - C. Laundry**
 - D. Legal**
 - E. Building/Windows**
- 9. Manager's Report**
- 10. Shareholder Questions / Comments**
- 11. Adjournment**

SECOND NOTICE OF ANNUAL MEETING
&
SHAREHOLDER VOTE

January 29, 2025

Dear Shareholder,

This letter serves as the official second notice for our annual Shareholders meeting that will be held at Palm Worth, 2850 South Ocean Boulevard, Palm Beach, Florida 33480 on Tuesday, February 18, 2025 at 7 P.M.

There will not be an election this year as there were only three candidates for the three open Director positions.

Incumbent Directors are Barbara Altenburg, Denise Callahan, and Louis Lessard.

The above-named Directors will serve for a term of 2 years expiring at the 2027 Annual Meeting.

The three appointed Board members who also volunteered to continue to serve as Directors for a term of 1 year are: Sue Apostolico, Karen Wallis, Glenn Watson, Bruce Whitely.

Please note that a majority of all Association Members (a “Quorum”) must be present at the meeting, in person or by proxy, in order for business to be conducted. It is therefore very important that you either ATTEND OR PROVIDE A PROXY in order to conduct business. Please return your proxy in the enclosed envelope whether or not you expect to attend. This can be returned to you when you appear at the Annual Meeting to sign in. A Ballot will be available for those shareholders who are attending the meeting. Included in this packet are the proposed Bylaw changes.

This meeting will be followed by an Organizational Meeting of the new Board of Directors as required by the By-Laws.

We are looking forward to seeing you all on February 18th.

Sincerely,

THE BOARD OF DIRECTORS OF PALM WORTH

Included With This 2nd Notice:

- President’s Letter
- Treasurer’s Report
- Proposed Bylaw Amendments
- * Electronic Consent
- * Agenda
- * Limited Proxy



Palm Worth

2850 South Ocean Blvd., Palm Beach, Florida 33480
561-582-5815 • Fax: 561-582-8008

ANNUAL LETTER FROM THE PRESIDENT

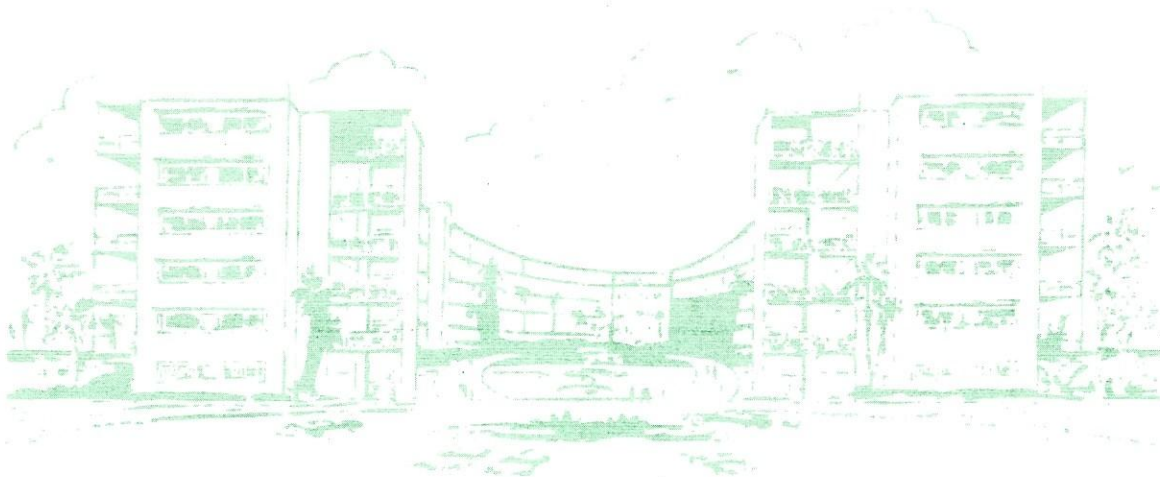
28 January 2025

TO: All Shareholders

The 14 years I have served on the Palm Worth Board have been rewarding to witness all our shareholders, through necessary assessments and participation, working together to keep Palm Worth intact physically and socially. I believe this “gem” of a building is an example where good architectural design coupled with the importance of sustained maintenance has provided all Palm Worth shareholders a residence to be proud of.

What the Boards have accomplished not just these past years but over the many years from the porch replacements, the concrete restoration of walls, railings, support columns and stairwells plus working thru negotiations with Palm Beach to ensure our access gates to the park are all important milestones. This effort and oversight have allowed Palm Worth to pass and submit the Milestone Report in Phase 1 and the Structural Reserve Report ahead of the submission deadline. Palm Worth, as described by our Engineer, is a well-maintained building.

As I previously reported, the roof has been replaced, the elevators redone to meet State requirements, the parking lot redone with required drains installed, the 40-year Electrical Inspection passed and completed. There will always be areas that will require repairs to this building on the ocean such as the recent need to replace the metal exterior maintenance room doors, the drain pipe in the Ladies locker room, and additional maintenance to the East stairwell but with a well supervised maintenance program Palm Worth will have just begun to “live”.



The past year was one that did test all of the shareholders' patience and "noise level" endurance. I want to thank all the shareholders who understood the necessity for Palm Worth's roof replacement in order to qualify for a better insurance rate and also for all those complaints I did not get!

I cannot begin to express the gratitude and importance of all these years when I have relied upon the support and advice of specifically a Jim Apostolico and a Glenn Keller.

Also, when I have reached out to previous Board members for their expertise and advice it was readily given and available. My belief is that Palm Worth has a wealth of expertise in their shareholders which has and should be utilized. The Palm Worth Board of Directors understands the importance and responsibility of making sure all aspects of the Palm Worth's Bylaws and House Rules are followed.

This encompasses many cases of dual duty such as Glenn Watson who is Vice President but also our Window Committee Chairman who has spent many hours inspecting and on occasion fixing windows. Our Secretary, Sue Apostolico, has had a busy year correlating and ensuring all the mailers and notices for the many meetings are sent to the shareholders. She has also been a Board member on the premises when needed.

Glenn Keller, our Treasurer, has more than filled the position as our money man! He monitors and keeps me informed on our financial status, works up the Annual Budget (no small task), and someone I call and rely upon for that other opinion/advice.

The Board members of Louis Lessard, Karen Wallis, and Bruce Whitely have brought so much expertise and willingness to serve the best interests of Palm Worth. Thank you all for your many hours of contributing to a successful year for Palm Worth.

Committees are formed to help cover the many areas of Palm Worth that require time and attention. Little did Scot Northrup anticipate as Building Maintenance Committee Chairman, that he would be the laborer also on refurbishing the 5 story walkways. Scot spent hours all off-season working with David and Kevin restoring, by the 3-step process recommended by the engineer, the walkways. Work was halted except for touch up, etc. during season. Thanks to Scot for all his support, expertise, and free labor.

Vickie and Dave Gerwig agreed to head up the Beautification Committee another year but, of course, I hope their retirement was a passing thought. Again, they have made Palm Worth's gardens and atrium area a beautiful oasis. There are many hours spent going from one garden center to another to find the combinations they expertly put together in our pots and along the fountain area. Thank you for all the time, labor, and caring you give to Palm Worth and, in turn, to the shareholders.

And, let me not forget the importance of our Social Committee headed by Mary Anne O'Bryan and assisted by Sandy Moran. The planned parties and social events they put together enable all of us to continue the spirit of enjoying our time at Palm Worth by socializing with fellow shareholders.

The importance of having a Legal Committee consisting of Valerie Nemirow and Karen and David Twadell for their legal knowledge and counsel is valuable. Thanks for responding to my questions and your interpretation of issues.

And, of course, last but not least is the Laundry Room Committee of Linda Auld and Corinne Watson. Their management of that all-important room has proven very successful. Funds from the machines were used to have a new fountain custom made very similar to the original one at Palm Worth. I personally appreciate their taking over and monitoring the machines' intake and repair as needed.

Most difficult part of this last letter of mine as President of the Board is remembering the loss of two very special Palm Worth residents who died on their way back to Palm Worth and another winter season so many of us enjoy spending together. Carol and Lenny Lilyholm added so much to our community. Age had not stopped Lenny from still enjoying his ice hockey nor Carol from doing her dance moves to the music at our annual parties. Let us all remember the important part they have played in the history of Palm Worth. The Palm Worth community also lost three of our longtime shareholders who were an important part, not just of the community, but of the history of Palm Worth.

The Madsen family from Minnesota were a part of the original shareholders to own a Palm Worth unit and Grace Madsen contributed so much to our community. I considered Grace not only a friend but the link that to this day, through her daughter, Joan Fleming, continues Palm Worth's history of many States joining together as a community.

And, Barbara Koehl, is remembered for so much more than just Debbie Sergeant's mother. Barbara was an independent woman who took charge not just as a founding partner in the Beautification Committee but co-chaired the renovation of the Clubhouse, and actively participated in whatever committee or area of Palm Worth that needed her assistance. Barbara understood that a successful community relies on its shareholders' active involvement.

What other community could possibly claim a unique shareholder like our Mary Lou Grinnell? The passing of Mary Lou, Sailor, Model, Olympian, has brought to an end a very special Palm Worth shareholder's presence at Palm Worth. I cannot begin to share, explain, or understand all the areas of Mary Lou's life that made her this unique person. But, I can and do believe, Mary Lou's presence at Palm Worth was a valuable part of our history.

As Palm Worth moves forward with a new generation of shareholders, let us remember these shareholders who made the building the special place it is and is enticing to new shareholders.

Protection of the "Palm Worth" by ensuring its structure, its plumbing, and electrical system are maintained has also protected its existence. Shareholders who are residents of Palm Worth for what it does provide such as community, beauty and location on the beach understand the need to protect this "gem". However, lack of vigilance by this Board or any Board in putting "necessities over niceties" could result in what many Condos and Co-ops on the South End are facing millions of dollars in assessments to meet the Milestone Inspection.

And, this added protection of Palm Worth being Landmarked not only recognizes the uniqueness and beauty of our Edgar Wortman designed building but provides protection that the color of the building, the designed railings, and physical structure cannot be changed. In addition, the Town's Preservation Office will work with Palm Worth in researching options for the jalousie windows' replacement when and if necessary. The main goal is to ensure there is not a hodgepodge of windows facing the atrium area with various replacement windows. The Board has had numerous committees researching these options and welcomes assistance with this concern for the future.

In closing, I want to thank all the shareholders who have supported and understood the importance of this Board and all Boards' mandate in maintaining this building and upholding the House Rules and Bylaws that have protected its existence.

Thanks,

Juanita Leary
Pres., Palm Worth
Board of Directors

PALM WORTH INC.
TREASURE'S REPORT FOR THE YEAR ENDED 12/31/2024

The attached income statement and balance sheet are bookkeeper prepared and are subject to change from the final audit which is usually completed in April.

Following are highlights of the statements. The operating revenue was \$576,456 and after expenses of \$733,217. We had a net operating loss of \$156,760. The special assessment of \$182,602 for the insurance premium shortfall and the cement and stucco work performed during the summer, resulted in a net income of \$25,841.

Listed below are expense accounts that were either over or under budget by \$1,000 or more.

Accounts over Budget

Electricity	\$2,900
Property manager	\$6,700
Elevator & Phone	\$5,200
Lawn Pest Control	\$4,100
Fire Alarm Monitoring	\$3,400
Tree Trimming	\$1,900
Building Repairs	\$54,900
Housekeeping	\$15,400
Fire Alarm Repairs	\$9,100
Bookkeeping	\$5,500
Legal	\$7,300
Insurance	<u>\$95,000</u>
	\$211,400

Accounts under Budget

Gas	\$4,000
P/T Wages	\$7,000
Cable TV	\$39,000
Landscaping	\$2,000
Building Supplies	<u>\$1,500</u>
	\$53,500

The under budget accounts helped offset the over budget accounts which along with the assessment of \$182,600, yielded a net income of \$25,841.

Following is an explanation of the over accounts:

Electricity: Rate increases and weather affect usage.

Property Manager: 2024 was a transition time with a new manager and the prior manager staying on part time to assist.

Elevator & Phone: There were more service calls and repairs than anticipated.

Lawn and pest control: Needed a special shrub treatment around the pool.

Fire Alarm Monitoring: An un-budgeted inspection was needed on the system.

Tree Trimming: Needed an extra cut on the sea grapes plus a rate increase on trimming.

Building Repairs: The entire overage is due to the concrete and stucco repair that was needed to pass the Milestone Inspection.

Housekeeping: This is where we recorded the hours of our additional maintenance worker. We approved him for more hours than anticipated as he was a great assistant on the sidewalk project.

Fire Alarm Repairs: A major system module was replaced in March along with 9 other service calls during the year.

Bookkeeping: Besides the services of the bookkeeper, the account also includes annual software costs and monthly fees.

Legal: Most of the legal costs relate to the by-law changes relating to shareholder votes needed to sell the property and the change in ownership and responsibility for the porch windows.

The Balance Sheet at year end showed operating cash of \$36,052. After adjusting for accounts receivable, accounts payable, prepaid and shareholder deposits we had available operating cash of \$11,944.

Palm Worth reserve accounts had a balance of \$143,752. This is allocated over 14 specific reserve accounts. The recent state mandated reserve study renamed some of our existing accounts and added a couple of new ones. Foundation and fire protection are new and plumbing and electrical were separated.

Following is a recap of activity in the reserve accounts:

Roofing reserve: All expenses and revenue for the new roof went through this account which ended up with a year end balance of \$13,400.

Concrete and Stucco: Engineering expenses for the milestone required work, were taken from this account. The year end balance was \$12,400.

Foundation: New account. Balance of \$1,250 at year end.

Fire Protection: New account. Balance at year end was \$1,250,

Plumbing: Now separated from electrical. It started the year with a balance of \$2,600. After contributions of \$12,000 and deductions for sewer pipe repair and electrical work on the roof, the year end balance was \$3,600.

Electrical: Now separated out. We had a year end balance of \$4,000.

Waterproof and exterior Paint: \$2,300 was taken out of the account for sidewalk paint. The year end balance was \$49,900.

Windows: The year end balance was \$11,195.

Paving: No expense activity. Year end balance was \$15,100.

Elevator: No expense activity. Year end balance was \$11,100.

Pool: no expense activity. Year end balance was \$1,285.

Laundry: started the year with \$16,000. Used \$7,000 for the dune restoration and \$7,000 for the fountain. Balance at year end was \$5,200.

Clubhouse AC: No activity. Balance at year was \$7,592.

Report submitted by Glenn Keller, Treasurer

Palm Worth Inc.
Profit & Loss Budget vs. Actual
January through December 2024

	Jan - Dec 24	Budget
Ordinary Income/Expense		
Income		
4050 · Maintenance Assessment Income	576,026.40	576,052.00
4100 · Interest Income	0.00	0.00
4215 · Application Fees Sales/Rentals	300.00	0.00
4220 · Late Fee Income	0.00	0.00
4225 · Owner Legal Fees	130.00	
Total Income	576,456.40	576,052.00
Gross Profit	576,456.40	576,052.00
Expense		
5000 · UTILITIES EXPENSE		
5015 Water & Sewer	39,740.37	40,500.00
5025 Trash	543.41	360.00
5030 Gas	6,016.62	10,000.00
5010 · Electricity	13,331.85	14,000.00
Total 5000 · UTILITIES EXPENSE	59,632.25	64,860.00
5200 · PAYROLL EXPENSES		
5210 · Property Manager	48,751.96	42,000.00
5240 · Payroll Tax Expense	5,763.59	5,525.00
5585 · P/T Wages Cleaning & Maint	29,082.00	36,000.00
Total 5200 · PAYROLL EXPENSES	83,597.55	83,525.00
5500 · CONTRACTS EXPENSES		
5556 · Dune Restoration	0.00	0.00
5515 · Elevator Contract	10,223.14	5,000.00
5520 · Pest Control-Common Area	2,463.35	2,040.00
5525 · Lawn/Grounds Pest Control	8,665.00	4,600.00
5535 · Cable Television	16,243.70	55,000.00
5536 · Comcast Office Phone	5,119.61	4,600.00
5545 · Pool Service Maintenance	10,558.07	9,550.00
5555 · Beach Cleaning	1,969.20	1,925.00
5560 · Lawn Maintenance	20,600.00	21,600.00
5565 · Fire Alarm and Monitoring	4,194.47	702.00
5570 · Roof Inspection Annual	0.00	0.00
Total 5500 · CONTRACTS EXPENSES	80,036.54	105,017.00
6000 · REPAIRS & MAINTENANCE		
6013 · Housekeeping	15,438.50	
6005 · Tree Trimming	9,025.00	7,500.00
6010 · Building Repairs	84,905.92	30,000.00
6012 · Contingency	19,546.06	20,000.00
6020 · Pool Supplies & Repairs	750.00	500.00
6030 · Pool Furniture	749.42	
6035 · Landscaping	3,143.08	4,500.00
6040 · Fire Alarm Repairs	11,626.95	2,500.00
6095 · Building Supplies	0.00	2,500.00
Total 6000 · REPAIRS & MAINTENANCE	145,184.93	67,500.00

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Accrual Basis

Palm Worth Inc.
Profit & Loss Budget vs. Actual
January through December 2024

	Jan - Dec 24	Budget
7000 · ADMINISTRATIVE EXPENSES		
7010 · Audit & Tax Preparation	5,450.00	5,450.00
7012 · Bookkeeping	5,553.63	0.00
7015 · Legal Fees	8,877.54	1,500.00
7020 · Social Committee Expenses	415.72	1,000.00
7025 · Annual Fees	3,615.31	3,000.00
7035 · Office Supplies Expense	2,281.89	3,200.00
7040 · Bank Charges	1,140.39	1,000.00
7045 · Miscellaneous	2,239.80	0.00
7060 · Income & Property Tax	0.00	0.00
7510 · Insurance General Expense	335,191.65	240,000.00
Total 7000 · ADMINISTRATIVE EXPENSES	364,765.93	255,150.00
Total Expense	733,217.20	576,052.00
Net Ordinary Income	-156,760.80	0.00
Other Income/Expense		
Other Income		
2236 · Special Assessment- Insurance	182,602.00	
2235 · Special Assessment- 2023 Roof	0.00	0.00
2230 · Special Assessment-INCOME	0.00	0.00
Total Other Income	182,602.00	0.00
Other Expense		
9999 · Void Check	0.00	
Total Other Expense	0.00	
Net Other Income	182,602.00	0.00
Net Income	25,841.20	0.00

Palm Worth Inc.
Balance Sheet
As of December 31, 2024

	Dec 31, 24
ASSETS	
Current Assets	
Checking/Savings	
1000 · CASH OPERATING	
1005 · Truist Operating 6018	36,052.97
Total 1000 · CASH OPERATING	36,052.97
1500 · CASH RESERVES	
1009 · Truist Reserve 1104	110,428.74
1012 · Wells Fargo RESERVE 8651	18,476.89
1013 · Wells Fargo RESERVE 6287	14,847.03
Total 1500 · CASH RESERVES	143,752.66
Total Checking/Savings	179,805.63
Accounts Receivable	
A/R ASSESSMENTS	
1200 · A/R Monthly Assessments	542.45
1205 · A/R Special Assessment	1,001.04
Total A/R ASSESSMENTS	1,543.49
Total Accounts Receivable	1,543.49
Other Current Assets	
1430 · Prepaid Expense	264.00
1435 · Prepaid Insurance	90,950.25
Total Other Current Assets	91,214.25
Total Current Assets	272,563.37
Fixed Assets	
1800 · Balcony Restoration	2,962,339.50
1801 · Laundry Equipment	6,148.00
1802 · Pool Furniture	14,730.09
1900 · Building Improvements	818,118.38
1810 · Accumulated Depreciation	-2,468,458.90
Total Fixed Assets	1,332,877.07
TOTAL ASSETS	1,605,440.44
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	3,825.27
Total Accounts Payable	3,825.27
Other Current Liabilities	
2005 · Insurance Payable	57,840.08
2010 · Audit & Tax Fees Payable	5,025.00
2030 · Prepaid Assessments	22,158.23
2040 · Payroll Taxes Payable	-38.17
2110 · Direct Deposit Liabilities	-3,357.47
Total Other Current Liabilities	81,627.67
Total Current Liabilities	85,452.94
Total Liabilities	85,452.94

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Accrual Basis

Palm Worth Inc.
Balance Sheet
As of December 31, 2024

	<u>Dec 31, 24</u>
Equity	
3000 · RESERVE FUNDS	
3101R · Reserve-ROOFING	13,416.80
3102R · Reserve- CONCRETE & STUCCO REPA	12,406.52
3104R · Reserve- FOUNDATION	1,250.00
3105R · Reserve- FIRE PROTECTION SYSTEM	1,251.00
3106R · Reserve-PLUMBING	3,588.20
3107R · Reserve- ELECTRICAL SYSTEMS	4,000.00
3108R · Reserve-WATERPROOF & EXT PAINT	49,955.66
3109R · Reserve-WINDOWS	11,195.39
3110R · Reserve-PAVING	15,120.00
3111R · Reserve-ELEVATOR	11,146.28
3112R · Reserve-POOL REMARCITING	1,284.73
3113R · Reserve- LAUNDRY	5,188.03
3114R · Reserve-CLUBHOUSE A/C	7,592.35
3120 · Reserve-INTEREST	2,984.78
Total 3000 · RESERVE FUNDS	140,379.74
3004 · Retained Earnings	1,346,766.56
3050 · Transfers	7,000.00
Net Income	25,841.20
Total Equity	1,519,987.50
TOTAL LIABILITIES & EQUITY	<u>1,605,440.44</u>

PROPOSED AMENDMENTS TO THE BYLAWS OF PALM WORTH, INC.

(Language being added shown as underlined;
language being deleted shown as ~~stricken through with hyphens "----"~~)

1. Proposed amendment to Article 11 adding Section 11.3 thereto as follows:

11. ARTICLE 11: BILLS, NOTES, AND OTHER WRITTEN INSTRUMENTS AND SALE OR CONVEYANCE OF CORPORATION/COOPERATIVE PROPERTY AND/OR TERMINATION OF THE CORPORATION .

11.3 Stockholder Approval for Sale or Conveyance of Corporation/Cooperative Property and/or Termination of the Corporation and Residential Cooperative.

Except as provided in Section 19.3(b) of these Bylaws regarding termination of the Cooperative after a casualty, the Cooperative Property (as such term is defined in Chapter 719, Florida Statutes, as amended or renumbered from time to time) owned by the corporation cannot be sold or otherwise conveyed or transferred, and/or the corporation cannot be terminated nor shall the Cooperative (as such term is defined in Chapter 719, Florida Statutes, as amended or renumbered from time to time) operated by the corporation be terminated without the consent or approval of the total voting interests of all (one hundred percent (100%)) of the stockholders, and the consent or approval of any and all holder(s) of any and all mortgage(s) or lien(s) upon the Cooperative Property or any portion thereof. Such stockholder approval must be obtained at a duly noticed meeting of the stockholders or by written consent in lieu of a meeting. Notwithstanding anything to the contrary set forth in these Bylaws, this Section 11.3 may not be amended without the consent or approval of the total voting interests of all (one hundred percent (100%)) of the stockholders which may be obtained at a meeting of the stockholders or by written consent in lieu of a meeting, and the consent or approval of any and all holder(s) of any and all mortgage(s) or lien(s) on the Cooperative Property or any portion thereof. As used in this section 11.3, the consent or approval of the total voting interests of all (one hundred percent (100%)) of the stockholders does not mean the consent or approval of the stockholders present at a meeting in person or by proxy, but means the consent or approval of the total voting interests of all (one hundred percent (100%)) of the stockholders of the corporation.

2. Proposed amendment to Article 17, Section 17.5 as follows:

17.5 Subleasing

The stockholder shall not sublease his/her unit except with the prior consent of the Board of Directors and under the following terms and conditions:

- a) The subleasing stockholder shall submit to the Board of Directors an application stating his/her intention to sublease. This application shall be in a form prepared and approved by the Board of Directors which shall contain a reference to the Bylaws and the restrictions herein contained and an acceptance of the same by the proposed sublessee.
- b) Subleasing is not permitted to persons under 55 years of age.
- c) A unit may not be subleased more than once in any twelve (12) month period (commencing at the date of the proposed lease and running for the consecutive twelve months thereafter). The lease shall not be for a period or term of less than three (3) consecutive months nor more than twelve (12) consecutive months.
- d) A written lease is required between the unit owner and the sublessee in which the sublessee agrees to follow all Palm Worth Bylaws and House Rules. Such lease shall be submitted to the Board of Directors for approval.
- e) The proposed sublessee shall submit such personal information as the Board of Directors may reasonably deem necessary to ensure the good character of the sublessee. Such information may be submitted on a Form designated by the Board of Directors.
- f) The proposed sublessee shall be interviewed by at least one member of the Board of Directors, or a shareholder designated by the Board of Directors to conduct such an interview. A form will be provided by the Board to be utilized during the interview.
- g) Purchasers of a share in Palm Worth are prohibited from subleasing their newly purchased unit until more than 24 months have passed since the new shareholder was recorded as owner with Palm Beach County.
- h) Any renewal of a sublease with the existing tenant(s) and occupant(s) shall be subject to the prior written consent of the Board of Directors in the same manner as any other sublease of a unit pursuant to this Section 17.5 provided, however, unless otherwise provided by Chapter 719, Florida Statutes, as amended from time to time, no application or transfer fee shall be charged by the corporation for a renewal with the same sublessee(s)/tenant(s).

3. Proposed amendment to Article 22 as follows:

22. Except as otherwise provided in these Bylaws, ~~These~~ Bylaws may be altered, or amended ~~or repealed~~ at any regular or special meeting of the stockholders by a two-thirds (2/3) majority vote of all the stockholders (and not merely by a two-thirds

(2/3) majority vote of the stockholders attending the meeting) provided that a copy of the proposed alteration, amendment or repeal of any bylaw be set forth in full in the notice of said meeting and the notice of said meeting at which said change, amendment or repeal is to be acted upon shall be served upon or mailed to each stockholder as provided for in Article 2.3 of the Bylaws.

**PROPOSED AMENDMENT TO ARTICLE V
OF THE ARTICLES OF INCORPORATION OF PALM WORTH, INC.**

*(Language being added shown as underlining;
language being deleted shown as stricken through with hyphens "----")*

ARTICLE V

This corporation shall have perpetual existence. The corporation and the Cooperative (as such term is defined in Chapter 719, Florida Statutes, as amended from time to time) may only be terminated and/or the Cooperative Property (as such term is defined in Chapter 719, Florida Statutes, as amended or numbered from time to time) owned by the corporation sold or otherwise conveyed or transferred pursuant to (1) the provisions of Section 19.3(b) of the Bylaws regarding termination of the Cooperative after a casualty, or (2) the consent or approval of one hundred percent (100%) of the total voting interests of the stockholders of the corporation, and any and all holder(s) of any and all mortgage(s) or lien(s) upon the Cooperative Property or any portion thereof. Such stockholder approval must be obtained at a duly noticed meeting of the stockholders or by written consent in lieu of a meeting. This Article V may not be amended without the written consent or approval of one hundred percent (100%) of the total voting interests of the stockholders of the corporation, and any and all holder(s) of any and all mortgage(s) or lien(s) upon the Cooperative Property or any portion thereof. As used in this Article V, the consent or approval of one hundred percent (100%) of the total voting interests of the stockholders of the corporation does not mean the consent or approval of the stockholders present at a meeting in person or by proxy, but means the consent or approval of the total voting interests of all (one hundred percent (100%)) of the stockholders of the corporation.

LIMITED PROXY

The undersigned stockholder of the designated unit in Palm Worth, Inc. hereby appoints _____ as my proxy (or, if I have not appointed a proxy above or my designated proxy holder is not present at the meeting, I hereby appoint the Secretary of the Association, on behalf of the Board of Directors), with full powers of substitution, for all matters to come before the **Annual Meeting of the Stockholders/Membership, of Palm Worth, Inc. (the "Corporation")**, to be held on **Tuesday, February 18, 2025 at 7:00 p.m. at the Social Room/Clubhouse of the Palm Worth Cooperative located at 2850 South Ocean Blvd., Palm Beach, FL 33480** and any lawful adjournment thereof. The proxy shall vote as specifically directed below. For all other matters, as provided by law, my proxy shall have general powers to exercise my vote, on my behalf as well as represent my appearance at the meeting for quorum purposes.

I hereby instruct my proxy to vote as follows as to the following issues:

- 1. Vote on proposed amendment to Article V of the Articles of Incorporation concerning the vote and approval required to terminate the corporation (Palm Worth, Inc.) and/or sell or convey the cooperative property and/or terminate the cooperative:**

- YES (FOR)
- NO (AGAINST)

- 2. Vote on proposed amendment to Article 11 of the Bylaws, adding Section 11.3 thereto, regarding the vote and approval required to sell, convey or transfer the cooperative property and/or terminate the corporation (Palm Worth, Inc.) and/or the cooperative:**

- YES (FOR)
- NO (AGAINST)

- 3. Vote to amend Article 17, Section 17.5 of the Bylaws to provide that the term of a sublease of a unit shall be not more than (12) consecutive months, and that renewal of a sublease of a unit with the same tenant(s) and occupant(s) shall be subject to the approval of the Board of Directors**

- YES (FOR)
- NO (AGAINST)

4. **Vote to amend Section 22 of the Bylaws regarding the amendment of the Bylaws**

- YES (FOR)
- NO (AGAINST)

Dated this _____ day of _____, 2025.

Stockholder/Member or Trustee of share of stock owned by a trust

Unit _____

(for use by the proxy holder in the event the proxy holder needs to appoint a substitute)

SUBSTITUTION OF PROXY

The undersigned, appointed as proxy above, does hereby designate _____ to substitute for me in the proxy set forth above.

Dated: _____

PROXY