

NOTICE OF ANNUAL MEETING AND REQUEST FOR PROXY OR BALLOT AND ARTICLES OF INCORPORATION AMENDMENT

December 8, 2023

Dear HNWS Member:

The Holley Navarre Water System Inc. (HNWS) will hold its Annual Membership Meeting and Election of Directors on January 16, 2024, in the Corporate Office, Board Room, at 8574 Turkey Bluff Road. The election will be open from 7:30 A.M. until 7:00 P.M. This election will also include a proposal to update our Articles of Incorporation.

One of the items of business at this year's annual meeting will be the election of two Directors. We have a total of seven Directors serving staggered 3-year terms. This year, two of the seven Directors' terms have expired, with both directors serving 3-year terms. These Directors are Mark Miller and Bill Thiel.

This election will also include a proposal to update our Articles of Incorporation. Members will have the opportunity to vote on amending Article IX and Article X to resolve a discrepancy between our Articles of Incorporation and the By-Laws via proxy during Proxy and Absentee Voting and an "Articles Ballot" on Election Day.

Important Notice:

All voting Corporations must provide an authorization letter or resolution which states who will be its voting representative. The authorization letter or resolution must be signed by a Corporate Officer and can be submitted to the Holley Navarre Water System, Inc. by 4:00 P.M. on December 22, 2023, with Proxy and Absentee Voting, or brought to the annual meeting held on January 16, 2024, in order to vote. The Corporate officer/registered agent will be verified.

If for any reason you are unable to attend the Annual Meeting on January 16, 2024, the Directors of the Corporation respectfully request that you appoint one of the Directors or an active member of your choice to serve as your proxy to vote. Please contact Holley Navarre Water System by calling (850) 939-2427 ext. 237, by email at election@hnws-fl.com, or in person to request a "Director" and "Article" Proxy or Absentee "Director" Ballot between 7 A.M. - 4 P.M. Monday – Friday at the Corporate Office, 8574 Turkey Bluff Rd. Any and all Proxy and Absentee Voting member or spouse requests will be requested to verify active membership with either their Web ID or driver's license.

The deadline to mail voter requests from HNWS is December 6, 2023. Proxies MAY BE used to vote for the Articles of Incorporation update. The "Articles Ballot" is only available on Election Day.

By assigning your proxy to someone else, you are giving them the authority to vote for a candidate of their choice, as well as, if they agree to the 2024 Articles of Incorporation Amendment or not.

The "Director" proxy, "Article" proxy and Absentee "Director" Ballot must be received by Holley Navarre Water System Corporate Office, 8574 Turkey Bluff Rd., no later than 4:00

P.M., December 22, 2023, for your vote to count. The following candidates are running for election to the Board of Directors in 2024:

Rob Low, Mark Miller, Wes Siler, William Thiel

HNWS accepts no responsibility for lost, stolen, damaged, or late proxies / absentee ballots.

2024 Articles of Incorporation Amendment

The current wording of the Articles of Incorporation requires a majority of the members to amend the by-laws. The By-Laws were last updated in 1986, and both Members and Directors have expressed interest in being able to update the By-Laws. Future changes to the By-Laws have not been decided upon and will be discussed in Open Meeting Workshops of the Board of Directors, such that interested members will be able to participate in the process.

What Are the Proposed Updates to the Articles of Incorporation?

Article IX governs the altering of the by-laws and restricts the act by a vote of a majority of the membership. The proposed update to Article IX is as follows:

"The bylaws of the corporation shall be made and upon a good faith notice to members, may be altered or rescinded, by a vote of a majority of the members casting a vote, except that no such changes shall be effective unless at least five (5.00%) percent of the members of the corporation (as shown by the corporate records on the day the votes are counted) participated by casting a vote."

Article X pertains to the process of making amendments to the Articles of Incorporation by proposing to the Board of Directors with a majority vote made by the Membership. The proposed update to Article X is to the first sentence only as follows:

"Amendments to these Articles of Incorporation may be proposed to the board of directors by a vote of a majority of the members casting a vote, except that no such changes shall be effective unless at least five (5.00%) percent of the members of the corporation (as shown by the corporate records on the day the votes are counted) participated by casting a vote."

We urge every member to actively participate in this decision-making process by casting your vote on Election Day. HNWS exists to serve its members, and participating in the election process ensures that each member can have a voice in shaping the future of the organization.

Should you have any questions concerning this letter, the proxy process, or Holley Navarre Water System, Inc., please contact me at 850-939-2427.

Sincerely,
/s/ Jeff Crigler
Jeff Crigler, PE, CEO

Holley Navarre Water System, Inc
2023 Board of Directors
Mark Miller, Don Linnell, Mike Matthews, Daryl Lynchard, Bill Thiel, David Crumbley, Joe Campbell.