

Colonial Estates, Inc.
A Resident-Owned Senior Community
12375 S. Military Trail
Boynton Beach, Florida 33436
Phone: (561) 738-0620 • Fax: (561) 735-9791
Email: estatescolonial@yahoo.com

COLONIAL ESTATES, INC. SHAREHOLDER CONSENT

Dear Shareholder:

On behalf of the Board of Directors of Colonial Estates, Inc., we are seeking your consent to the reorganization of the Corporation from a “for-profit” corporation to a “not for profit” corporation. The primary purpose of the reorganization is to allow the reconstituted corporation to take advantage of a State of Florida program to upgrade our property’s water system.

As you may be aware, Colonial Estates is in dire need of a new water distribution system to replace the old and continually failing water distribution system in the park. With a modern distribution system, it is hoped that Boynton Water Utility could eventually connect with and become our service provider in the future. To achieve a new system is costly and we have learned that the Florida Rural Water Association (FRWA) has a funding program in which can greatly offset our costs if we were a not for profit corporation. Hence, in order to be eligible for the grant, Colonial Estates is seeking to convert the Corporation into a not-for-profit corporation.

To accomplish this, the Board of Directors has approved the attached Articles and Plan of Merger. After approval by the shareholders, the Reorganization involves the following steps:

1. The formation of a new not for profit corporation named New Colonial Estates, Inc. The Articles of Incorporation for New Colonial Estates, Inc. (“New Colonial:”) are attached hereto and will be the Articles of Incorporation for the Corporation after the Reorganization.
2. The Corporation and New Colonial will enter into the Plan of Merger and the Articles of Merger will be filed with the Department of Corporations for the State of Florida.
3. In the merger, the Corporation will be merged with and into New Colonial and the surviving corporation will be named Colonial Estates, Inc.

4. The Board of Directors and officers of the Corporation will be the same as prior to the Reorganization.
5. The Reorganization will be effective upon the filing of the Articles of Merger.

Other than the conversion to not for profit status and the updated Articles of Incorporation, the Reorganization is not anticipated to have any other effect on the operation of the Corporation or have any impact on your property or your ability to sell. In fact, the Board of Directors believes that the new water system will enhance the community and add value to the properties.

The Board of Directors will also adopt new bylaws which shall become effective after approval by the shareholders.

The Corporation's current articles of incorporation and bylaws requires a majority vote from the shareholders. If you consent to the terms of the Reorganization, we request that you execute the consent on the following page and return it to Colonial Estates, Inc., 12375 S. Military Trail no later than December 20, 2020. You can also scan your **signed** consent and email it to the Colonial Estates business office at estatescolonial@yahoo.com

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU CONSENT TO THE REORGANIZATION AND PROMPTLY RETURN THE ATTACHED CONSENT.

In summary, I must emphasize that after we merge to a Non Profit, we will be known as Colonial Estates, as we have always been known. The use of "New" is just legal wording necessary to merge the two entities. Nothing will change to Colonial Estates except the change of status to "Non Profit". We are not changing the name or doing anything other than our corporate status for the water grant.

Due to the pandemic and ongoing restrictions, a shareholder meeting will not be held, however, President Mike Ross mikeross1951@hotmail.com or any of the Board of Directors are available to answer any questions that you may have.

Sincerely,

Michael Ross, President
mikeross1951@hotmail.com

COLONIAL ESTATES, INC.

SHAREHOLDER CONSENT

WHEREAS, Colonial Estates, Inc., a Florida corporation (“Corporation”) will convert to not for profit status through a merger with a newly formed not for profit corporation, the result of which will be that the Corporation will be a not for profit corporation (“Reorganization”).

RESOLVED, that the Corporation shall form New Colonial Estates, Inc., a Florida not for profit corporation (“Surviving Corporation”), having the Articles of Incorporation attached hereto.

RESOLVED, that the Corporation shall be merged with and into New Colonial Estates, Inc., a Florida not for profit corporation (“Surviving Corporation”) pursuant to the attached Articles and Plan of Merger.

RESOLVED, that the Articles and Plan of Merger are hereby approved.

RESOLVED, upon the Reorganization, the separate corporate existence of the Corporation shall cease, and the Surviving Corporation shall be the surviving corporation.

RESOLVED, that the Articles of Incorporation of the Surviving Corporation shall continue to be the Articles of Incorporation of the Surviving Corporation, except that the name of the Surviving Corporation shall be Colonial Estates, Inc.

RESOLVED, that the President, Vice President, Secretary and Treasurer of the Corporation (the “Officers”) be, and each of them acting alone hereby is, authorized and directed to execute and deliver on behalf of the Corporation the Articles and Plan of Merger, and such other agreements, instruments, documents and certificates as may be necessary or appropriate to consummate the reorganization, with such amendments, changes or modifications to any of the foregoing as the Officers may deem necessary or appropriate, each of which is hereby authorized and approved, such execution and delivery to be conclusive evidence of such approval on behalf of the Corporation.

RESOLVED, that any and all prior actions taken by any director or officer in connection with the carrying out of the transactions contemplated by these resolutions are hereby ratified, confirmed and approved.

Dated: _____

Signature of Shareholder

Printed Name

Lot Number