

DATED 25<sup>th</sup> March 2013

BURTON VILLAGE LAND LIMITED

and

ITS VARIOUS SHAREHOLDERS

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## **SHAREHOLDERS AGREEMENT**

**Re : Burton Village Land Limited**

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Messrs Josiah Hincks  
Solicitors  
22 De Montfort Street  
Leicester  
LE1 7GB  
Ref : NDH.SJH.B01608-0003

**THIS AGREEMENT** is made the twenty-fifth day of March 2013

**BETWEEN** the various parties whose names and addresses are set out in Schedules 2 and 3 to this Agreement (“the Shareholders”) and **BURTON VILLAGE LAND LIMITED** (Company Registered Number 02851680) whose registered office is situate at Springside House, Scotland Lane, Burton Overy, Leicestershire LE8 9DR (“the Company”)

## RECITALS

- (A) The Company was incorporated in England on 8 September 1993. Further information regarding the Company is set out in Schedule 1.
- (B) The Shareholders wish to enter into this Agreement to record the terms upon which they will each hold shares in the Company and the terms upon which the Company shall operate and be constituted.
- (C) The Company is the owner of a piece of land fronting onto the north western boundary of Scotland Lane, Burton Overy containing 2.42 acres or thereabouts (“the Existing Land”)
- (D) The Company has recently purchased a second piece of land on the west side of Main Street, Burton Overy which said land is registered at the Land Registry under Title Number LT27318 (“the New Land”).
- (E) The New Land was purchased using monies lent to the Company and it is the intention of the Company to repay this loan by issuing new shares.
- (F) The Company may acquire further pieces of land and/or property in or around the village of Burton Overy.

NOW IT IS HEREBY AGREED as follows:

### 1. DEFINITIONS

1.1. In this Agreement unless the context otherwise requires the following expressions shall have the following respective meanings:-

“Agreed Form” in a form agreed by or on behalf of the parties hereto on or prior to the date hereof

“Completion” completion of this Agreement pursuant to Clause 3

“Continuing Shareholders” means the remaining Shareholders

“Director” a director of the Company, including where appointed an alternate director

“Directors” means the directors for the time being of the Company

“Encumbrance” means and includes any interest or equity of any person (including without prejudice to the generality of the foregoing, any right to acquire, option or

right of pre-emption) or any mortgage, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature or in the relevant property other than arising under The Articles

“The Memorandum” the Memorandum of Association of the Company as currently adopted

“The Purpose of the Company” to acquire and manage pieces of land and/or property within the village of Burton Overy and its immediate vicinity for the benefit of the village and of the residents of Burton Overy

“The Shareholders” the Existing Shareholders as detailed in Schedule 2 and the New Shareholders as detailed in Schedule 3

“Shareholding” means all of the Shares held by a Shareholder for the time being

“The Shares” Ordinary Shares of £250.00 each in the capital of the Company

“The Acts” means the Companies Act 1985 and 2006

“The Articles” means the articles of association for the time being of the Company (and any reference to an Article shall be a reference to that article of the said articles of association)

“The Auditors” means the accountants or auditors for the time being of the Company

“The Board” means all of the Directors

“The Land” means the Existing Land, the New Land and any other land and/or property subsequently acquired by the Company.

## **2. CONSIDERATION**

2.1. In consideration of the mutual agreements and undertakings in this Agreement set out the parties having granted the rights and accepted the obligations appearing in this Agreement

2.2. The Shareholders warrant and undertake to each other that they will hold their Shareholding for their own absolute beneficial ownership and not on behalf of any other person

2.3. The Shareholders detailed in Schedule 2 already own shares in the Company, the Shareholders detailed in Schedule 3 agreed to subscribe to the shares detailed against their respective names for the consideration stated

## **3. THE COMPANY**

The purpose of this Agreement is to regulate the relationship of the Shareholders with effect from the Completion and the management of the Company

#### **4. MAJOR MANAGEMENT DECISIONS**

The Shareholders shall exercise their powers in relation to the Company to procure that, save with the prior approval of the members holding 95% or more of the nominal value of the shares giving a right to attend and vote at a duly convened Extraordinary General Meeting of the Company from time to time no action shall be taken by the Company on any of the following matters:

- 4.1. the sale by the Company of its Land and/or Property or any part of its Land and/or Property to any party;
- 4.2. the change of use of the Land and/or Property;
- 4.3. the creation or allowing to subsist of any encumbrance over any of the Company's assets including but not limited to the Land and/or Property;
- 4.4. the Company participating in any joint venture or partnership with any person or merging or amalgamating with any person;
- 4.5. any alteration to the capital of the Company

#### **5. CONDUCT OF NORMAL COMPANY AFFAIRS**

The Shareholders shall exercise their powers in relation to the Company to procure that all other day to day decisions regarding the management of the Company shall be made by passing ordinary and special resolutions as required by the Acts

#### **6. TRANSFER OF SHARES**

6.1. In this paragraph "the Relevant Event" means:-

- 6.1.1.a Shareholder (a) becoming bankrupt or making any arrangement or composition with his creditors generally or (b) dying
- 6.1.2.being in material breach of the terms of this Agreement the Articles and any other documents ancillary or connected thereto
- 6.1.3.purporting to transfer any interest in their Shareholding
- 6.1.4.they are or may be suffering from a disability, permanent incapacity or mental disorder
- 6.1.5.a Shareholder ceasing to be connected with the Company (otherwise than by reason of death or unfair or wrongful dismissal) and for these purposes a Shareholder shall be deemed to be connected with the Company if he is a director or an employee thereof
- 6.1.6.a Shareholder ceasing to own any residential property in the village of Burton Overy

- 6.2. Upon the happening of a Relevant Event to any Shareholder they or their personal representatives shall first offer their entire shareholding in the Company to the purchaser of the Shareholder's residence in the village of Burton Overy, if applicable, and then if such offer is not accepted either in full or in part the balance of the shareholding not accepted shall be offered to the remaining or surviving Shareholders who shall within two years from the date of the Relevant Event purchase the shares from him or his personal representatives on the terms set out below
- 6.3. None of the Shareholders shall dispose of any interest in or create any encumbrance over any of their shares except:-
- 6.3.1. by a transfer of the entire legal and beneficial interest therein;
- 6.3.2. to a transferee or transferees as permitted by the Articles of this Agreement;
- 6.3.3. on terms that the proposed transferee or transferees shall contemporaneously acquire all the Shareholder's shares
- 6.4. The parties hereto shall procure that before any person (other than a person who is already a Shareholder) is registered as a holder of any share in the Company such person shall enter into a deed of adherence (in a form satisfactory to the Shareholders) covenanting with the parties to this Agreement from time to time to observe, perform and be bound by all the terms of this Agreement which are capable of applying to such person and which have not then been performed. The Company shall not register any such person as the holder of any share until such a deed has been executed. Upon being so registered that person shall be deemed to be a party to this Agreement
- 6.5. If any Shareholder, being a company ("the Transferor") shall transfer all its shares to another member of its group ("the Transferee") then:
- 6.5.1. the Transferor shall procure that the Transferee shall observe the provisions of this Agreement; and
- 6.5.2. if there is a breach of this Agreement the Transferor will be liable therefore as if it were a party to this Agreement as a principal
- 6.6. The Company shall not register any transfer made in breach of sub-clauses 6.2 – 6.5 inclusive and the shares comprised in any transfer so made shall carry no rights whatsoever unless and until, in each case, the breach is rectified
- 6.7. The price of the shares sold and purchased shall be such price as may be determined on the occurrence of the Relevant Event (to be a fair value therefore by the Company's Auditor at the time)

6.8. If neither of the options in sub clause 6.2 above is exercised within two years from the date of the Relevant Event the Company will purchase and the remaining or surviving Shareholders shall procure that the Company will purchase such shares of the leaving or deceased Shareholder within three months thereafter.

## **7. THE ARTICLES OF ASSOCIATION OF THE COMPANY**

7.1. If, during the continuance of this Agreement, there shall be any conflict between the provisions of this Agreement and the provisions of the Articles then, during such period, the provisions of this Agreement shall prevail

7.2. Each of the parties hereto undertakes with each of the others fully and promptly to observe and comply with the provisions of the Articles to the intent and effect that each and every provision thereof shall be enforceable by the parties hereto inter se and in whatever capacity

7.3. Nothing contained in this Agreement shall be deemed to constitute an amendment of the Articles or of any previous articles of association of the Company

7.4. The Shareholders shall procure that any transfer of shares in the Company shall be approved by the Directors of the Company if the provisions of this Agreement and the Articles have been complied with

## **8. MISCELLANEOUS**

### **8.1. Successors Bound**

This Agreement shall be binding on and shall enure for the benefit of the successors and assigns and personal representatives (as the case may be) of each of the parties hereto

### **8.2. Assignment**

None of the parties hereto may assign their rights and obligations in whole or in part hereunder without the prior written consent of the other parties hereto

### **8.3. Good Faith**

Each of the parties hereto undertakes with each of the others to do all things reasonably within his power which are necessary or desirable to give effect to the spirit and intent of this Agreement and the Articles of Association of the Company

### **8.4. Entire Agreement**

This Agreement constitutes the entire agreement between the parties hereto with respect to the matters dealt with herein and supercedes any previous agreement between the parties and each of the parties hereby acknowledges that in entering into this Agreement he/she had not relied on any representation or warranties save

as expressly set out herein or in any document referred to herein. No variation of this Agreement shall be valid or effective unless made by one or more instruments in writing signed by such of the parties hereto as would be affected by such variation

**8.5. Law**

This Agreement shall be governed by and construed in accordance with the English Law and the parties hereto irrevocably submit to the exclusive jurisdiction of the English Courts in respect of any dispute or matter arising out of or connected with this Agreement

**8.6. Severability**

Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable the remaining provisions of this Agreement shall continue in full force and effect

IN WITNESS the parties have executed this Agreement as a Deed the day and year first before written

EXECUTED as a DEED by )  
**BURTON VILLAGE LAND LIMITED** )  
acting by two directors or a director )  
and the secretary

..... Director

.....  
Director/Secretary

SIGNED as a DEED by )  
)

in the presence of:

W Signature .....  
I Name .....  
T Address .....  
N .....  
E .....  
S .....  
S Occupation .....

## SCHEDULE 1

### The Company

1	Name of Company	Burton Village Land Limited
2	Place and No of Registration	Companies House No 02851680
3	Date of Incorporation	8 September 1993
4	Authorised Share Capital	£100,000
5	Issued Share Capital	£56,500
6	Directors	Mr A Brown Dr S Gill Mr B Pollard Mr K A Smith Mr S L Weselby
7	Secretary	Mr P Hadfield
8	Registered Office	Springside House Scotland Lane Burton Overy Leicestershire LE8 9DR
9	Mortgages and Charges	None