

Company number 07188883

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

Watson and Watson Health and Safety Consultants Limited ("**Company**")

SATURDAY



A08

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26/01/2019

#136

COMPANIES HOUSE

23 January

2019

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions set out below be passed as a special resolution ("**Resolutions**").

#### **SPECIAL RESOLUTION**

"THAT:

1. the Company amend its Articles of Association by the following:

- Replacement of Article 49 with:

#### **49 Events of automatic pre-emption**

49.1 A member is deemed to have served a Transfer Notice pursuant to Article 48.2 immediately before any of the following events:

- 49.1.1 an order being made for the member's bankruptcy, or an arrangement or composition being made with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; and
- 49.1.2 the member lacking capacity (under section 2 of the Mental Health Act 2005 or any later amendment or re-enactment) to make decisions in relation to the Company or his shareholding.
- 49.1.3 the member being diagnosed with a critical or chronic illness permanently affecting their ability to effectively fulfil their duties as an employee and director and in the event of any dispute the written opinion of the said member's general practitioner or in the failure to provide such opinion an independent doctor appointed by the Company shall be final and binding save for manifest error.

- 49.2 The remaining member shall have the right to purchase the other member's shares (Sale Shares), for the Sale Price.
- 49.3 The directors shall elect, within the 15 working day period after the date of the service of the Transfer Notice, the Valuer to report on the Sale Price being the Market Value of the Sale Shares at the date of service of the Transfer Notice, pursuant to Article 48 such Sale Price shall be deemed to have been determined and agreed on the date of the receipt of the Valuer's report.
- 49.4 The Company shall use its reasonable endeavours to procure that the Valuer delivers their written opinion of the Market Value to the directors and to the Seller within 28 days of being requested to do so.
- 49.5 The Valuers' fees for reporting on their opinion of the Market Value of the Sale Shares shall be borne pursuant to Article 48.7.
- 49.6 The other member or their estate shall have no right to revoke the Transfer Notice following the events in Article 49.1 and shall have no right to refuse the remaining member's entitlement to purchase the Sale Shares at the Market Value agreed or determined pursuant to Article 49.2 or Article 49.3.
- 49.7 The directors shall at least 10 working days after and no more than 20 working days after the Sale Price has been determined give an Offer Notice to the remaining member, including:
- 49.7.1 Specifying the Sale Price;
  - 49.7.2 Containing the other details included in the Transfer Notice; and
  - 49.7.3 Inviting the remaining member to respond in writing, before the expiry of the Offer Notice, to purchase the other member's shares and the proposed payment terms, pursuant to Article 49.8 and Article 49.9.

The Offer Notice shall expire 20 working days after its service.

- 49.8 The remaining member shall have the right to purchase the other member's shares by such payment terms agreed between the remaining member and the other member or their estate.
- 49.9 In the event that such payment terms cannot be agreed then the remaining member, in their absolute discretion, may choose to settle the Sale Price wither by a one-off payment or by equal monthly instalments over 3 years with an interest rate of 3% per annum above the base lending rate from time to time of Lloyds Bank Plc.
- 49.10 After the expiry of the Offer Notice, assuming the remaining member has accepted purchasing the Sale Shares; the directors shall allocate the

Sale Shares to the remaining member and give notice in writing (Allocation Notice) to the other member of the agreed Sale Price, completion date and proposed payment terms.

- 49.11 Completion of the sale and purchase of the Sale Shares shall take place at the registered office of the Company at the time specified in the Allocation Notice, upon payment of the Sale Price or the first instalment payment, as in Article 49.9 the other member or their estate shall transfer the Sale Shares and deliver the relative share certificate(s) to the remaining member.
- 49.12 If the remaining member does not wish to purchase the Sale Shares in accordance with this Article 49, the Company shall, during a period of 20 working days immediately following the expiry of the Offer Notice, have the right to buy-back the Sale Shares at a price not less than the Sale Price, without any reductions, rebate or allowances.
- 49.13 If pursuant to Article 49.12, the Company cannot or does not wish to buy-back the Sale Shares the other member or their estate may, during the period of 30 working days immediately following the expiry of Article 49.12, sell all or any of the Sale Shares, for which an Allocation Notice has not been given, by way of bona fide sale of the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee, in either case at any price per Sale Share which is not less than the Sale Price, without any deductions, rebate or allowance to the proposed transferee, provided that the other member or their estate may not transfer such Sale Shares and the directors shall not register any transfer to a transferee who is not at the date a member unless such transferee is first approved in writing by the directors.
- 49.13 If the other member or estate fails for any reason to transfer the Sale Shares when required pursuant to Article 49.11, the directors may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the other member for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the other members behalf. The Company may receive the purchase money for such Sale Shares from the remaining member and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the remaining member as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the other member or their estate but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the remaining member who shall not be bound to see to the application of it, and after the name of the remaining member has been entered in the register of members in purported exercise of the power conferred by this Article 49.13 the validity of the proceedings shall not be questioned by any person.
- 49.14 Nothing in these Articles releases the other member or their estate from any liability in respect of a share solely or jointly held by that member."

- The following be inserted as a new Article 49A:

#### 49A **Illness and/or early retirement**

Should a member be unable to fulfil their duties as an employee and a director due to any illness or incapacity or a member wishes to take retirement before their 65<sup>th</sup> birthday or any other like reason, then otherwise as provided for pursuant to Article 49 above, all members shall endeavour to negotiate in good faith to agree a suitable arrangement in the best interests of the Company for such member to exit the Company as a shareholder and director

### **AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, a person entitled to vote on the Resolution on [ 23 January ]2019 hereby irrevocably agrees to the Resolution:

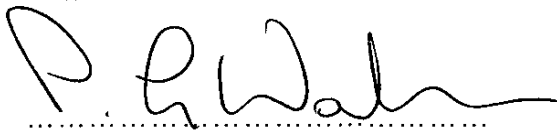
Signed by John Watson

 .....

Date

23 January 2019 .....

Signed by Peter Watson

 .....

Date

23 January 2019 .....

### **NOTES**

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning the signed version either by hand, by post to 1st Floor 49, High Street, Hucknall, Nottinghamshire, NG15 7AW.

You may not return the Resolution to the Company by any other method.

If you do not agree to the Resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.

3. Unless, by [ 30 January ] 2019, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.