LETTERHEAD

[name]
[company
[address] [date]

Dear [ ]

[ ] Limited

I have been reviewing our files and from what I can see you do not appear to have a Shareholder's Agreement in place for XYZ Ltd.

I see lots of instances where business owners – and their families - end up with big problems because there is no Shareholders' Agreement. Often overlooked they are a necessity as they cover the 'what ifs' in the life of a business:

What if:

- a shareholder unexpectedly **dies**?
- **you die prematurely,** what happens to the business? Your family?
- a **shareholder is unable (or unwilling) to work** in the business?
- you **fall out** with a shareholder?
- a shareholder wants to **sell the business**? or sells their **shares to a 3rd party**?
- you have not documented **who can and cannot do what**?
- shareholders do not have the same **business goals** – now or in the future?
- **a shareholder incurs debt or liabilities** for the business without your consent?
- **a shareholder is taking too much money** out of the business?

Having a Shareholders Agreement is particularly important for businesses like yours where the business has a direct impact on the family and that is why I am writing to you.

I think you should put one in place: it would be a sensible thing for you to do.

I work closely with Jane Latham, a commercial lawyer who specialises in Shareholder Agreements. If you would like, I can assist by helping you through the initial process of gathering information and considering the permutations and Jane could then compile the agreement for you.

My advice is that you go ahead and do this.

The costs will depend on the complexity of what you need/want but they will not be onerous.

If you would like me to help you put one in place then all we need to do is schedule a phone call or meeting to go through things; I can take it from there and brief Jane for you.

Let me know if you would like me to help get this in place.

Yours sincerely

[ ]

©2019 Jane Latham. All rights reserved You may not publish or distribute any of the content I provide you with unless you have my written permission