



David Winter <davidwinterg8@gmail.com>

Voting Update (21/07/20)

1 message

Croyde Members Info <action@croydemembers.com>
Reply-To: Croyde Members Info <action@croydemembers.com>
To: David <davidwinterg8@gmail.com>

Tue, Jul 21, 2020 at 1:42 PM

Voting Update (21/07/20)

Dear David

Further to yesterdays email, we wanted to clarify you should **only return your completed ballot paper and covering letter**. The membership certificate in Appendix 2 should **not** be returned.

Some members are also concerned the covering letter will be removed by Saltmarsh or the office and so they are also emailing a copy of their covering letter to the Trustees and the accountants. This seems eminently sensible and their email addresses are as follow:

Trustees

n.arthur@sleeblackwell.co.uk

a.burke@sleeblackwell.co.uk

Stevens and Willey (accountants auditing the ballot)

mail@321621.co.uk

Best Wishes

Mark and the team

Dear David

First, we apologise for the time taken to update you regarding the Special General Meeting and the associated resolutions and postal ballot. It seems obtaining sound legal advice takes some time.

Legal Position on Vote

Our counsel has advised while there are many flaws with the proposed amendments to the constitution there is no useful purpose in boycotting the meeting. Voting is unlikely to achieve much in our favour, however it is important to record our objection to the resolutions and we can only do this by returning our ballot paper.

Proposed Resolutions

The Special General Meeting has been called by Saltmarsh as the holder of 504 weeks. There are 10 resolutions proposed, each of which require 468 weeks to pass.

Resolutions 1,2,3 and 4 - Propose amendments to the constitution allowing Saltmarsh the option to purchase the Club's leasehold interest for £2,225,000 within the next 12 months or the prevailing open market value of the leasehold 12 months thereafter. This effectively allows Saltmarsh to acquire the leasehold without it being offered on the open market for its true and fair value.

By way of example, if the leasehold was revalued at £3m then Saltmarsh would be still able to acquire it for £2.225m and if the value of the leasehold reduced say to £1.5m then he could wait and purchase it for the lower price. Saltmarsh has demonstrated admirably his ability to manipulate the valuation of the leasehold over the last 18 months and we see no reason why he would not continue this to his advantage.

In the event Saltmarsh does not exercise his option, the Trustees must then sell either the apartments or the Club itself on the open market.

The option and amendments to the constitution are very much in favour of Saltmarsh and ensure the absolute minimum value after costs will be distributed to remaining members irrespective of the leasehold value.

Resolutions 5, 6 and 7 - These resolutions amend existing clauses to allow the

closure of the Club and the incorporation of the Saltmarsh option.

Resolution 8 - Proposing additional clauses to outline how members will be paid in the event there are any proceeds after the sale of the leasehold interest and the deduction of any associated costs. There is also a clause that allows the constitution to be varied by Saltmarsh (as the majority vote) and it appears he only has to notify us of changes **after** the fact. Saltmarsh can vary the constitution how he sees fit.

Resolution 9 - That the membership certificate is replaced with a new version which removes the reference to the Trustees.

Resolution 10 - That the Club be closed on the 31st October 2020.

How to Vote

Whilst every member is free to vote how they feel, it is our belief members should vote "**NO**" for all the proposed resolutions.

We also recommend you write a polite covering letter to the Committee Chair stating your participation in this vote is without prejudice and you consider the process irregular and that the resolutions, if passed, will not be effective or binding.

Ballot papers have to be received by the 28th July 2020 and so we recommend sending your completed ballot paper and covering letter before the end of this week.

If you have lost, or as some have confessed, ripped up your ballot paper then you can download a [copy here](#).

Way Forwards

Members will remember Clark Willmott [wrote](#) to Charles Russell Speechlys and Slee Blackwell concerning the Special General Meeting. Their [responses](#) were unhelpful as we expected and we are currently in the process of drafting a response pressing our detailed concerns regarding:

- Amendments to the constitution, upon which we are now voting.
- The unlawful transfer of 103 weeks by the Trustees, giving Saltmarsh a voting majority.
- Continued personal borrowing against the Club by Saltmarsh
- Failure of the Trustees to purchase the Freehold for £1.

We will update in due course.

Best Wishes

Mark and the team

This email was sent to davidwinterg8@gmail.com

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Croyde Bay Members Group · c/o Wood Close · Perridge Lane, Longdown · Exeter, Devon EX6 7RT · United Kingdom