



Cricklade Development Foundation

Membership Application



Membership Shares Application Form



Before you sign this form, you must carefully read and ensure that you have understood the terms and conditions of membership as set out below.

Membership Rules

The rules of Cricklade Development Foundation Limited are important, they define your rights as a member. You are encouraged to read them. They set out in detail your rights and obligations as well as the way in which the Society is run. A copy is available on request or can be found at, and downloaded from, www.crickladefoundation.org.uk

Who can Join

Any individual over the age of sixteen, or organisation, is eligible to become a member.

Foundation Membership Shares

To become a Foundation Member, applicants are required to complete an application form and buy one or more shares in the Society. Application forms are available from the Society. Each share costs £50 and members are limited to a maximum purchase of 2,000 shares i.e. £100,000. Irrespective of the number of shares purchased members only have one vote at the Annual General Meeting.

It is important to note that the value of the shares will not increase. The only financial benefit for members is any interest payment.

Transfer & Withdrawal of Shares

The shares are not transferable and cannot be sold. The only way to recover the value of the shares purchased is to give three months' notice of withdrawal to the Society. Shares cannot be withdrawn until at least two years have elapsed from the date that the share purchase is recorded on the Share Register and then only at the discretion of the Society and subject to appropriate reserves being generated. The Society may however consider withdrawal requests within the first two years if no property has been purchased.

Shares are not transferable except on a member's death or bankruptcy and are withdrawable at the sole discretion of the Society in accordance with the Rules. All withdrawals will be paid from trading surpluses or new share capital. The Society may refuse a withdrawal request if it would endanger the business.

Interest Payments on Shares

The Society will pay interest on member's shares once the total number of Foundation Membership shares held is 50 or more. Interest is earned and accrued from this qualifying date but will not be paid for a period of two years from the qualifying date. Any such interest payment will be proposed by the Directors within the limits specified in the Rules and put to a vote at the Annual General Meeting. Any such proposal will be based on the performance of the Society and if approved will be accrued and/or paid gross to the member by the Society and it is each member's responsibility to declare such earnings to HMRC if appropriate.

Interest Rate

It is the intention, subject to an appropriate surplus being available, that interest will be paid at a rate of 2% but not less than the Bank of England's monthly average of UK resident banks' sterling weighted average interest rate for new time deposits from individuals and individual trusts or such other index that the

Directors may decide from time to time, and with a maximum of 5%. These rates will be reviewed at the Annual General Meeting of the Society. Members should however note that there is unlikely to be a trading surplus during the development stage of the initial project and that it is therefore likely that the declared rate of interest will be 0% during the first two years.

The Risks



A risk that you could lose all or part of your investment

This will only happen if Cricklade Development Foundation Limited's liabilities exceed its assets. For example; we have no lease/rental income, yet we still have loan payments. It might be that if the Society eventually sells the premises it owns there is no surplus after repaying creditors. The Society could not in those circumstances repay your share capital. Your liability, however, is limited to the value of your shares.

We think this situation is very unlikely because:

- a) the Society will take professional advice such as obtaining valuations, undertaking building surveys and employing experienced solicitors on any relevant undertakings to satisfy ourselves that we are paying an appropriate price and will have good title to any property we purchase.
- b) the Society will not be trading from the premises we purchase so that there will not be trading losses from any commercial business leasing the premises. The Society will simply own the property and lease/rent it.

Nonetheless you must understand that there is a risk that you may not get all your money back and you should take that into account in deciding whether to purchase shares.



A risk that you may not be able to withdraw your shares

The Rules permit withdrawals only in certain circumstances, and only after 2 years. Thereafter, if many people want to withdraw their money in a particular year, then not everyone will be able to withdraw their money in that year. In those circumstances, the repayments will be made in the order in which notice to withdraw was received.



A risk that you see no returns

Another possible, albeit unlikely, outcome, is that there is no scope to pay interest on the investment for several years. The best way to avoid this is to generate sufficient lease/rental income and to minimise lease/rental voids.

Consumer Protection

Membership shares are exempt from the Financial Services and Markets Act 2000 and subsidiary regulations. This means that there is no right of complaint to an ombudsman. A Community Benefit Society is registered with, but not authorised by, the Financial Conduct Authority and therefore the money paid for shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. As the whole of your investment could carry a risk, please consider it carefully and, if necessary, seek independent financial advice.

Status Disclosure

Cricklade Development Foundation Limited is a Community Benefit Society registered under the Co-operative and Community Benefit Societies Act 2014, Registered No. 7847, Registered Office: Cricklade Town Hall, Cricklade SN6 6EA.

Application Form



To become a member of Cricklade Development Foundation Limited, a Community Benefit Society, and invest in our venture, please complete this Application Form and send it, with your cheque made payable to Cricklade Development Foundation to Mr David Tetlow (Society Treasurer), 1 Pleydells, Cricklade, Wiltshire SN6 6NG. Please note that each individual must complete a separate form. Alternatively, payment can be made via electronic funds transfer – details are available on request.

Membership shares are £50 each and the minimum purchase is one share. Above this you may buy as many as you like to a maximum of £100,000.

I wish to purchase shares (minimum 1, maximum 2,000) at £50 each to the value of £.....

Surname:

Forenames:

Address:

Postcode:

Tel No:

Email:

I apply to become a member of Cricklade Development Foundation Limited and confirm that I have read the notes on Foundation Membership and the Cricklade Development Foundation Limited Rules and that I am over 16 years of age.

Signature:

Date:

Please note: by requesting that I become a member of the Society, I agree to my name, address, phone numbers, email address and the number of shares I am purchasing being held securely on a computer database. This information will only be used for the purpose of maintaining a register of members and for posting notices regarding the activities of the Society. This information will not be passed to third parties.

If you would like any interest on your shares paid direct to your bank account, please enter your bank details below: please consider doing this as it will make administration considerably easier.

Name on Bank Account:

Sort Code:

Account Number: