

**Heart of Hastings Community Land Trust Limited (“the Society”)
Investment Application Form**

Issue of up to £600,000 in investment in loan stock and withdrawable shares

I wish to apply to invest

£

- The minimum investment £5,000. There is no maximum limit on investment per person.
- Please note – 90% of the amount you invest will be in unsecured loan stock of the Society, and 10% in the Withdrawable Share capital of the Society.

Withdrawable Share Capital

- The withdrawable share capital will be paid a rate of interest determined by the Board (if any interest is to be paid at all), subject to available funds. The share capital will be withdrawable by the investor upon application to the Board, using a process laid down by them.
- It is at the Board’s discretion as to whether any withdrawal will be allowed for any given year, or at all. If such withdrawal is to be made, the Board has discretion to determine the amount of capital that can be withdrawn in any given year.
- Investors will become members of the Society by paying £25 for 1 share (subject to the minimum investment above), and will be able to exercise all the rights of members as laid down in the Society’s rules which can be found at <http://heartofhastings.org.uk/about/>. Regardless of the value invested in the withdrawable share capital of the society, all members have one vote at Society meetings.

Loan Stock

- The Loan stock will pay 3% interest per annum on the date of the first anniversary of the date of investment, and on the second and third anniversary. Thereafter, interest will be paid at a rate to be determined.
- For the avoidance of doubt, the date of investment is the date by which the Society draws the money into its own bank account.
- Investors shall be given an option after the third anniversary whether the interest shall be paid annually or compounded.
- Investors will be able to choose when to have their investment repaid from after the third anniversary of the date of investment onwards up to 10 years from the date of investment. After the third anniversary of the date of the investment, the investor can withdraw all or part of the funds by giving 6 months’ notice to the Society.

Interest

You may choose to waive your interest payments. Please indicate if you wish to do so.

Yes, I plan to **opt out** of taking any interest attached to my investment

Your Name

Address

Mobile number

Email address

By signing and returning this form, I confirm that I accept the offer conditions below.

Signature

Date

Payment should be made by bank transfer to A/C 32341336 sort code 40-23-18 or by cheque payable to Heart of Hastings Community Land Trust Ltd returned with this application.

Please return this form to shares@heartofhastings.org.uk or addressed to Heart of Hastings CLT, Rock House, 49-51 Cambridge Road, Hastings TN34 1DT

Loan Stock Conditions

- The interest shall be calculated on the anniversary of the date of the funds being cleared in the Heart of Hastings bank account, which will be communicated formally to each investor.
- The Society shall repay the Loan Stock in full immediately, if it (a) is in breach of these Conditions; or (b) is overdue on any Loan Stock payment by 21 days or more; or (c) passes a resolution for winding up or goes into liquidation or has an administrative receiver appointed over any of its assets or has an administration order made against it.
- In the event of insolvency, the loan stock will be repaid alongside the withdrawable share capital after the Society's other creditors have been satisfied. For the avoidance of doubt, the loan stock is **not** secured against the Society's assets.
- Where only part of the amount outstanding under a Loan Stock Certificate is being repaid the Society shall issue to the Lender a new Loan Stock Certificate in respect of the principal amount remaining outstanding to the Lender.
- Loan Stock may be transferred by the Lender with the consent of the Board of Directors.
- Loan Stock capital and interest payments will be funded by the trading revenues of the society, and so any return of funds is contingent on successful trading operations.