

Cornwood Inn Action Group Limited

Community Share Offer

GET



INN!

SHARE LAUNCH:

Stage 1: 21 December 2019.

Stage 2: 1 February 2020.

CLOSING DATE:

Stage 1: 31 January 2020 (or when maximum number of shares sold, if earlier).

Stage 2: 29 February 2020 (or when maximum number of shares sold, if earlier).

MINIMUM TARGET:

£200,000

MAXIMUM TARGET:

£350,000

MINIMUM INVESTMENT:

£50 for local people and organisations
£200 for non-local supporters

MAXIMUM INVESTMENT:

£30,000 (for a single shareholder)

Cornwood Inn Action Group Limited is a community benefit society, registered with the Financial Conduct Authority under registration number 8267. Our website is at:

<https://cornwoodinnag.wixsite.com/ciag>

Capital at risk warning: You could lose some, or all, of the money you invest in this share offer, without recourse to the Financial Services Compensation Scheme or the Financial Ombudsman Service.

INTRODUCTION	5
How to Use this Share Offer Document	5
OUR COMMUNITY PURPOSE	6
Why was Cornwood Inn Action Group Limited (CIAG) set up?	6
What are the aims of CIAG?	6
Whom will CIAG benefit?	6
What are CIAG's longer-range plans and goals?	7
How can I get involved in CIAG?	8
OUR SOCIETY	9
What type of organisation is Cornwood Inn Action Group Limited (CIAG)?	9
Who can be a member of CIAG?	9
What's the difference between a member and a shareholder?	10
How does voting work in CIAG?	10
If it's one member, one vote, but I've invested more than others, how can I protect my investment against decisions by people with less to lose?	10
Who will take all the decisions?	11
How do I know my investment will always benefit the community?	11
Who are the Directors of CIAG?	11
What advice have the current Directors obtained about all this?	12
OUR SHARES	13
What is a share?	13
What is a community share?	13
What is the minimum value of shares I can buy?	13
What is the maximum number of shares I can buy?	13
Are there any other ways to invest?	14
How will CIAG's other borrowing affect my investment?	14
What happens if a shareholder dies?	15

OUR PLANS	16
What will CIAG use the money for?	16
How much money does CIAG need overall?	16
How could CIAG's plans affect my investment?	17
THE SHARE OFFER	19
Why should I invest?	19
When can I buy shares?	19
What's the difference between Stage 1 and Stage 2 of the Share Offer?	19
How much is CIAG trying to raise?	19
What happens if CIAG doesn't raise enough money?	20
What happens if the maximum target is reached?	20
Are there any other circumstances in which the whole thing could be abandoned?	20
Christmas is coming – can I buy shares for other people?	21
YOUR MONEY	22
What financial benefits could investing in CIAG give me?	22
How will interest work?	22
When and how can I get my money back out?	22
How will any tax relief work?	23
Can my shares go up in value?	24
Can my shares go down in value?	24
RISKS & RIGHTS	25
What liability could I have if I invest?	25
Could I lose all my money?	25
What does the "Standard Mark" mean?	25
FURTHER INFORMATION	27
Where can I obtain further information?	27

APPLICATION FORMS.....28

How do I apply? 28

INTRODUCTION

You are invited to invest in Cornwood Inn Action Group Limited, which has been established to secure the long term future of the Cornwood Inn public house. Cornwood Inn Action Group Limited is referred to in the rest of this document as “CIAG”.

This is a once-in-a-lifetime opportunity to do something special: to come together to save our village pub, and see it owned and run by the community, for the community.

This Share Offer document tries to answer some of the main questions you might have. If you want more detail, there is also a Business Plan, which you can download at <https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads>, or you can request a copy by calling John Sykes (CIAG Treasurer) on 01752 837381.

The Share Offer is being run over two Stages. Stage 1 is aimed at local investors (though others can invest in Stage 1 too). Stage 2 aims to broaden the reach of the Share Offer by using an online investment service called Crowdfunder.

Stage 1 is open from 21 December 2019 to 31 January 2020. Stage 2 opens on 1 February 2020 and closes on 29 February 2020. Stage 2 will not happen if we raise the maximum target during Stage 1.

If you want to invest during Stage 1, please choose one of the following options:

- 📄 Go to <https://cornwoodinnag.wixsite.com/ciag/community-share-offer>, where you will find the application form and information about the application process. This is the best option if you can do it.
- 📄 Drop in to one of our weekly Share Offer “Clinics” at the Cornwood Inn, timings of which will be separately, where one of our friendly volunteers can take you through the application process (and try to answer any other questions you may have).
- 📄 If you will struggle with either option above, call John Sykes (CIAG Treasurer) on 01752 837381, leaving a message if necessary, to ask for someone to come and help with your application.

If you want to invest during Stage 2, please go to our dedicated Crowdfunder page at <https://www.crowdfunder.co.uk/get-inn-save-the-cornwood-inn>. (NB that you will not be able to invest here until 1 February 2020 and, as stated above, Stage 2 won’t happen if the maximum target is reached during Stage 1.)

How to Use this Share Offer Document

You might have one or more specific question(s) – in which case, please use the table of contents above to navigate to the answers.

If you want a more comprehensive view of the Share Offer and the opportunity as a whole, you can read through this Share Offer document in order.

If you really want to get into the detail, this Share Offer document can also be read alongside the full Business Plan – please see the end of this document for information on how to access that.

It just remains to say... **GET INN!**

OUR COMMUNITY PURPOSE

Why was Cornwood Inn Action Group Limited (CIAG) set up?

Following a public meeting in the Village Hall on 1 February 2019, introduced and supported by the Parish Council, about how to save the Cornwood Inn (which had been on the market since November), a number of people volunteered to form the “steering group” to lead the charge on behalf of the community. Those people became the founder members and directors of Cornwood Inn Action Group Limited in its first format – a type of company called a company limited by guarantee. (The directors are unsalaried volunteers, who will only benefit to the extent that they also buy community shares in CIAG, like everybody else.)

A company was needed to create a valid legal entity through which the steering group could act, protecting the volunteers in the steering group from any personal liability. That particular type of company was chosen because it was relatively easy to set up and, with a change to its rules to ensure that it couldn’t share profits back out to its members, it qualified to trigger the moratorium which prevented the pub being sold to any non-community groups for a 6-month period.

CIAG successfully became the owner of the Cornwood Inn on 27 September 2019, using money from short-term benefactor loans (loans provided by members of the local community), but now needs to raise the money necessary to pay back those loans and re-open the pub.

The plan was always to convert from a company to a community benefit society (or “CBS”) if we ever reached the point of selling shares – firstly, because it’s much easier to legally promote shares in a CBS (community shares), but more importantly because a CBS is really well-suited to a community ownership model, including the key principle of “one member, one vote”.

Cornwood Inn Action Group Limited therefore converted to become a CBS on 19 December 2019.

What are the aims of CIAG?

CIAG was set up specifically to benefit the local community served by the Cornwood Inn. The stated overall aim of CIAG (described as its “objects” in its governing constitution) is *“to benefit the community by pursuing this mission: funding, managing and operating the purchase, refurbishment (as appropriate) and running of the property and business of the Cornwood Inn as a social and cultural hub, benefitting the whole of the parish of Cornwood and its surrounding area, with an emphasis on inclusiveness and combatting rural isolation, together with any other enterprise or activity that complements or supports or is consistent with that core mission”*.

By supporting this share offer, you will enable CIAG to:

- ▣ Secure the Cornwood Inn’s future as a village pub, saving it from developers.
- ▣ Transform the pub into a vibrant, welcoming place.
- ▣ Ensure that the Cornwood Inn becomes more than just a pub, running “**Innclusive**” initiatives for the benefit of the community (please see the answer to the following question for more about what **Innclusive** means).

None of that will be possible without investment, including a healthy level of investment in community shares.

Whom will CIAG benefit?

Everyone in the local community stands to benefit from CIAG's activities, whether or not they become members of CIAG by buying community shares. (Where this Share Offer document refers to "the local community", that means people living and / or working in the parish of Cornwood, but also (because of the rural nature of the parish and surrounding area, meaning that the Cornwood Inn's economic catchment area is larger than it would be if it was a city-centre pub) the surrounding area – which, for these purposes, means an area 10 miles outside the parish boundaries.)

Obviously, people who enjoy the traditional offerings of a village pub will benefit from having the pub secured for the future and re-opened, run in a way which listens and responds to what local people want.

Less regular pub-goers will benefit too. One of the great things about a community-owned pub (compared to a bog-standard one) is the freedom to do exciting things which help the community but which wouldn't necessarily occur to a purely private enterprise. CIAG aims to benefit the community by being "**Innclusive**".

To be **Innclusive** means to use the Cornwood Inn as a venue and rallying point for all members of the community (and visitors) to come together and, crucially, to reach out to people who might otherwise face social, physical, financial or emotional isolation, or other threats to their wellbeing – in short, for the pub to be an active force for good in the community.

There are three core strands to the **Innclusive** banner, and you can read more about them in the Business Plan.

Even those who never attend the pub stand to benefit: a large number of sources agree that the presence of a pub in the village can be a significant positive influence on both property values and how well houses will sell.

What are CIAG's longer-range plans and goals?

CIAG's overall mission is a long-term one. This mission consists of 4 main phases:

- ▣ **Phase 1 – Secure the Cornwood Inn** – Completing the repayment of the benefactor loans used to purchase of the freehold of the Cornwood Inn from the previous owner (Ei Group plc), including raising the necessary finance.
- ▣ **Phase 2 – Re-Opening** – Undertaking any necessary repairs, refurbishment and re-stocking needed to re-commence trading as a village pub, reflecting the community's feedback on basic priorities, as well as appointing a professional manager and conducting initial staff training.
- ▣ **Phase 3 – Adding Value** – Having secured the basic operation of the Cornwood Inn as a thriving and sustainable village pub, expanding and improving its offering (including undertaking any necessary further building improvements) to both:
 - ▣ offer more community services and benefits; and
 - ▣ further improve the Cornwood Inn's commercial value.
- ▣ **Phase 4 – Sustaining Success** – Having achieved the first 3 phases above, shifting the emphasis to consolidating earlier successes, ensuring that the Cornwood Inn continues to be run as a community-focused, viable business long into the future.

There are no current plans to raise more share capital in the future, though that remains an option if any especially exciting initiatives are identified which require additional funding (and a further share offer is identified as both realistic and a good way to fund that initiative).

CIAG plans to trade for as long as the business remains sustainable – hopefully a long way into the future, meaning that an investment in community shares now could leave a positive and lasting legacy for the community.

How can I get involved in CIAG?

Buying community shares in CIAG means that you become a member. Members of CIAG are eligible to stand for election as directors and will have a say in the key decisions of the society, including at its Annual General Meetings.

However, even non-members can support the aims and success of CIAG – you don't have to be a member to volunteer (for example, to help keep the grounds of the pub looking attractive, promoting the pub to a wider audience, or helping at one-off events).

And of course, you can get involved simply by using the pub and joining in with the **Inclusive** initiatives it runs!

Longer term, we will be looking at ways of involving the local community in certain day-to-day decisions, whether or not they were able to invest in community shares – for example, by voting on the guest beer or wine of the week.

OUR SOCIETY

What type of organisation is Cornwood Inn Action Group Limited (CIAG)?

CIAG is an independent entity, owned and controlled by its member shareholders – which, following this share offer, will mostly be the local community (though there may be some out-of-area investors as well). CIAG is not owned by, and does not own, any other companies.

Shareholders have voting rights in the key decisions of CIAG – for example, appointing (or removing) directors, approving accounts, and agreeing any big investments or changes to the governing rules. In addition, all shareholders can participate in Annual General Meetings, which are an opportunity to look back at the previous year and agree priorities for the coming year.

In order to ensure that everyone has a say, and nobody can simply “buy” more influence to drown out those with less money, CIAG (like every other community benefit society) operates on the core principle of “one member, one vote”.

In addition, CIAG is governed by rules (all community benefit societies have to adopt an FCA-approved set of rules) – known as the “Somerset Rules” – which contain a feature known as the “Commonwealth Council” – as described in those Rules: *“The Commonwealth Council is an oversight body that does not operate immediately following incorporation, but which can be activated at a later date, for example if the society has become larger and more complex; plays an important role in the co-operative sector locally; is facing divisive or controversial decisions; or wishes to offer an additional voice to minority groups or classes within the membership.”*

Please see the end of this document for details of how to access a full copy of the Somerset Rules.

Who can be a member of CIAG?

The Share Offer is open to all people aged 18 or over, living or working within 10 miles of the parish of Cornwood or having some other interest (for example, a property or a business) in that area, or to anyone who met those criteria in the last 10 years. It is also open to companies, clubs and other legal entities based within 10 miles of the parish of Cornwood – these “corporate” shareholders must nominate an individual who will vote and otherwise act on their behalf.

Alternatively, the share offer is open to individuals and organisations who confirm their support of the objects of CIAG.

There will be two classes of shares – one for individual shareholders meeting the geographical criteria described above, as well as for corporate and club shareholders meeting those criteria (the “local” share class), and the second for “supporters”.

The minimum investment for the “local” class is just £50, to help ensure that membership of CIAG is as accessible as possible to the local community. The minimum investment for the “supporter” class is £200.

Joint memberships (other than through a club or society as described above) are not possible, and unfortunately membership is not available to under-18s.

Shares can be bought as gifts for anyone who meets the requirements described above – the application forms and process contain more details about exactly how to do this, but the main points are that the gift recipient must be eligible and they must confirm that they want to be a member within a specified period (the investment made on their behalf will be returned if they don't).

What's the difference between a member and a shareholder?

There's no difference – a shareholder in CIAG is a member of CIAG.

How does voting work in CIAG?

As referred to above, all members of CIAG have a single vote, regardless of how much they invest. This principle of "equal voice" is a fundamental principle of community-run societies like this.

If it's one member, one vote, but I've invested more than others, how can I protect my investment against decisions by people with less to lose?

This is a fair question, and one to which we have given a lot of thought. We've worked hard to come up with an innovative solution.

Of course, it's worth pointing out to start with that just because someone has put in less money, that doesn't necessarily mean they have less to lose – for someone with less money to start with, £50 could be a very significant sum, whilst some people may be fortunate enough to not worry much about what happens to a £500 investment.

That said, it's fair to say that people putting in £50 may well, in general, have a different risk appetite to people putting in, say, £5,000 (or even more).

As stated above, the idea of "one member, one vote" is fundamental to community benefit societies and cannot (and should not) be overridden. However, we have developed a structure which enables investors who buy £2,500 or more of community shares to then invest a further £2,500 or more as shareholder loans (so this applies to overall investments of £5,000 or more). Whilst those loans are unsecured, the agreements covering those shareholder loans contain additional protections against decisions which could significantly increase CIAG's liabilities or otherwise make it less likely that people's investments will be paid back if it all goes wrong. In other words, whilst investors in these shareholder loans won't have more say in the decisions of CIAG, they can essentially stop certain big / risky decisions, specifically:

- any decision which would, or would be materially likely to, result in the total level of debt secured against the property owned by CIAG exceeding £140,000 (or, if higher, 50% of the independently-assessed valuation of that property, on a "Market Value – Closed" basis);
- any decision which would, or would be materially likely to, result in the ratio of CIAG's total debt to CIAG's total shareholding and shareholder loans exceeding 50%; or
- any decision which would, or would be materially likely to, result in CIAG becoming insolvent.

In other words, this ability to stop certain decisions is limited to decisions with large, negative effects on CIAG's financial strength, which all investors (not just those with shareholder loans) are likely to be concerned about anyway. In practice, therefore, this also serves as an additional protection for everyone.

People wanting to invest £5,000 or more don't have to put any of that in to these shareholder loans – it simply exists as a mechanism for those higher-level investors who want it.

It's worth noting that (as explained in more detail below, under "Your Money – How will any tax relief work?"), we will be applying for attractive tax relief for investments – one of the key features of the specific type of tax relief we will apply for is that it applies to loans as well as to shares, so if we are successful in applying for that tax relief, those who invest partly by way of shareholder loans won't be any worse off in terms of tax relief.

Who will take all the decisions?

Whilst the members of CIAG will have overall control, it clearly wouldn't work to have a hundred or more people voting on every single decision.

The members (the shareholders) will vote on key decisions, including electing the Directors. (More information about what counts as a key decision is contained in the governing rules of CIAG – please see the end of this document for details of how to access those.) The members will also set the overall priorities of CIAG.

The Directors will then make most of the decisions about how CIAG is run as a company, including how best to give effect to the priorities set by the members. This will include decisions on key appointments, such as hiring the pub manager.

The pub manager will take the day-to-day decisions about running the pub, in accordance with the instructions of the Directors and the overall priorities set by the members. The pub manager is accountable to the Directors.

It's important to emphasise that just because you buy shares in CIAG, that doesn't give you any rights to directly boss the pub manager around (for example, demanding that a particular favourite beer of yours is always stocked!). Of course, if the membership as a whole thinks that a particular issue is important enough for all members to vote on it, then that will happen, and the Directors and pub manager will have to give effect to that decision – but it simply wouldn't be realistic or practical for all shareholders to be involved in every decision.

The overall aim is to achieve a culture of accountability without interference.

How do I know my investment will always benefit the community?

One of the key features of CIAG is that it has something known as an "asset lock". This is a legally binding rule that basically works so that any residual assets of CIAG (which means assets – including money – left over after all investors and lenders etc have been repaid) must be either kept by CIAG or used for the benefit of the community (for example, by giving those residual assets to another community body). So, apart from any interest payments on your shares (or shareholder loans) along the way, you will never get back more than you originally put in.

This helps to ensure a longer-term, community-focused approach – rather than, for example, developing the pub site into offices and houses for a huge profit, sharing that profit out between the shareholders, and running for the hills!

Who are the Directors of CIAG?

The current Directors are those people who originally volunteered to form the steering group following the community meeting on 1 February 2019, plus and minus a few who withdrew or volunteered to join along the way.

As stated above, the Directors are all unpaid volunteers, though they have a range of skills between them – their biographies are set out in the Business Plan.

The governing rules of CIAG state that at least half of the current Directors must resign at the first Annual General Meeting of the members (though they can stand for re-election if they want to). The members of CIAG will then elect the new Directors at that Annual General Meeting. At every Annual General Meeting after that, the longest-serving half of the Directors will resign (and, again, can stand for re-election). The aim is to strike a balance between ensuring that the board of Directors remains accountable to the members, and providing a degree of continuity.

The Directors can also co-opt people to serve as Directors at any time, though they must either resign or have their appointment confirmed by the members at the next Annual General Meeting.

There must always be 3 to 12 Directors.

All members of CIAG are entitled to stand for election as a Director (and, for members which are companies, clubs, societies or other organisations, the person nominated to represent them as shareholders is entitled to stand for election as a Director).

What advice have the current Directors obtained about all this?

One of the current Directors, Al Goodwin, is a qualified solicitor, so it hasn't been necessary to obtain external legal advice (apart from on the purchase transaction for the Cornwood Inn, where the solicitors' firm Clarke Willmott acted for CIAG).

The pub was independently valued by a specialist surveyor, MJD Hughes. His valuation included an assessment of both the value of the land and buildings, and of the level of business achievable by the pub (the "Fair Maintainable Trade").

The financial model underpinning the Business Plan has been reviewed by a chartered accountant.

The Directors have benefited enormously from the support of a specialist adviser funded by the Plunkett Foundation, Chris Buckham, who has considerable experience of supporting community groups in the acquisition and operation of their local pub.

The Directors have also consulted extensively, but less formally, with a wide range of experts and people in the trade, on everything from running a pub, to marketing, to building issues.

OUR SHARES

What is a share?

A share is a defined share in the ownership and profits of a legal entity. If that legal entity goes bust, the person who bought the share loses what they paid for that share, but no more.

What is a community share?

If you're familiar with shares, it's probably in the context of shares in a limited company, including shares traded on a stock exchange. Community shares are like those shares in many ways, but there are some key differences.

Firstly, community shares are non-transferable. This means that you can't sell your shares to anyone else. That in turn means that they don't typically go up or down in value – unless the Directors (in accordance with the society's governing rules) reduce the value of shares, they will always be worth exactly what was paid for them.

Secondly, community shares can be withdrawn – i.e. you can ask for your money back from the society which issued the shares – but subject to clear rules aimed at protecting the society from everyone withdrawing their money all at once and making the society go bust.

Thirdly, as explained above (in the section headed "Our Society"), it doesn't matter how many shares you buy – you will only ever have one vote.

What is the minimum value of shares I can buy?

This depends on whether or not you meet the requirements for a "local" shareholder – people living or working within 10 miles of the parish of Cornwood or having some other interest (for example, a property or a business) in that area, or to anyone who met those criteria in the last 10 years, or companies, clubs and other legal entities based within 10 miles of the parish of Cornwood.

If you do, the minimum value of shares you can buy is £50.

If you don't meet those requirements, but you support the aims of CIAG, the minimum value of shares you can buy is £200.

These values have been chosen to:

- Make membership of CIAG as accessible as possible to the local community (whilst still requiring a degree of financial commitment).
- Require non-local investors to evidence their support for CIAG's aims through a more significant financial contribution.

In addition, as explained above (under the section headed "Our Society"), investors buying £2,500 or more worth of shares are also entitled to invest a further £2,500 or more (so an overall minimum of £5,000 for this structure) by way of shareholder loans, rather than shares, with the aim of giving higher-level investors the option of some additional protections (without adversely affecting other investors).

What is the maximum number of shares I can buy?

For both classes of shareholder the current maximum investment is £30,000. Higher investments are possible (up to a legal maximum of £100,000), but that requires a resolution by the board of Directors in each case (to help avoid over-reliance on any individual member without a clear plan for addressing that).

These numbers refer to total investment, whether that's all as shares, or a mixture of shares and shareholder loans.

The maximum of £30,000 reflects feedback from our community consultation about how much people might be willing to invest, and the need to avoid anyone becoming a "connected person" (which basically means that they would lose any tax relief on their investment). However, it is expected that most investments will be well below this maximum threshold.

Are there any other ways to invest?

As already explained in various places above, people looking to invest a total of £5,000 or more can do so by way of a mixture of shares and shareholder loans (a minimum of £2,500 for each). This is purely optional – people can still invest £5,000 or more just in shares.

Shareholder loans will pay interest at the same rate as for shares, but interest on shareholder loans is mandatory, whereas interest on shares is discretionary. The shareholder loans will not attract any regular repayments along the way – they will be repaid in full after 7 years.

At the other end of the spectrum, if you want to support CIAG but not to the extent of the £50 minimum investment for local shareholders, you can always make a donation. That doesn't give you the rights of a member, but it still helps with the aims of CIAG – every penny counts.

How will CIAG's other borrowing affect my investment?

At the moment CIAG has loans in place with a number of local benefactors who lent the money needed to save the Cornwood Inn from being sold to a non-community group at auction. Those loans are secured against the pub (by way of a mortgage in favour of the benefactor lenders). However, the first aim of the Share Offer is to raise the money needed to repay those loans (and so remove the mortgage), securing the pub for the long-term future.

Nonetheless, unless the Share Offer is far more successful than expected, CIAG is likely to still need money from other sources as well. Viable sources which have been identified include:

- 🏠 A grant of up to £50,000 from the Plunkett Foundation's "More Than A Pub" programme. This doesn't have to be repaid and will not be secured against the pub, so will not affect your investment (except in a positive way, by making the whole thing more viable).
- 🏠 A loan of up to £50,000, again from the Plunkett Foundation's "More Than A Pub" programme. Our understanding is that this won't be secured against the pub, so will not affect how much money there would be to repay your investment if things went wrong and the pub had to be sold. It will, however, attract monthly repayments (including interest) – those repayments have been factored into the Business Plan, but they do mean that there will be less money than there would otherwise be to pay interest to shareholders.
- 🏠 A possible commercial loan of £100,000 (or more) from Triodos Bank. This loan would not be taken out if the Share Offer and the other two sources of finance mentioned above raise enough to fulfil CIAG's aims. However, if it is taken out, it is likely to be secured against the pub (i.e. with a mortgage), meaning that if things went wrong and the pub had to be sold, Triodos would be repaid first, which would mean there is less left over to repay your investment (though that doesn't necessarily mean there won't be enough to still repay your investment in full – it just means that Triodos would be repaid first). Again, this loan would attract monthly repayments (including interest) – as above, those repayments have been factored into the

Business Plan, but they would mean that there will be less money than there would otherwise be to pay interest to shareholders.

The financial model assumes a total loan of £100,000, which would be made up of whichever blend of the two loans described above offers the cheapest overall funding. The interest rate indicated by Triodos Bank is 4.7%, which is likely to be cheaper than the rate offered by the “More Than A Pub” loan, so that is the figure that has been used in our financial model.

Finally, as already mentioned above, the interest payable on shareholder loans will be mandatory. Again, although interest payments have been factored into the Business Plan, they do mean that there will be less money than there would otherwise be to pay discretionary interest on shares. In addition, the fact that the shareholder loans are repayable after 7 years means that, although there are no regular repayments along the way, we will need to build up enough reserves to pay back those loans when they become due, or otherwise refinance the society by taking out additional lending to enable the shareholder loans to be repaid.

For more information about all of the above, please see the Business Plan.

What happens if a shareholder dies?

When someone dies, the starting point is that their membership is cancelled, but they can nominate who receives the benefit of their shareholding (up to a maximum of £5,000, including any shareholder loans). We will contact all shareholders after the Share Offer closes with details of the process for nominating someone in this way. This then plays out differently depending on the circumstances:

- 📦 If their shareholding is £50, that money is paid immediately to their nominated person or whoever’s executing their will.
- 📦 If it’s a higher amount and is eligible for withdrawal in accordance with the general rules / policy on withdrawal of shareholdings at that time, the money is paid out, as above, according to the timescales of the withdrawal rules / policy (see below under “Your Money – When and how can I get my money back out?”).
- 📦 If it’s a higher amount and withdrawal isn’t allowed, but the deceased’s nominated person qualifies for membership in their own right (including the deceased’s shareholding being at least £200 if the nominated person is out of area), the nominated person can become a shareholder in their own right.
- 📦 It’s also worth noting that people can nominate CIAG to be the beneficiary of their shareholding – in other words, when they die, their investment is essentially gifted to CIAG.
- 📦 If none of the above scenarios apply, the deceased’s shareholding becomes a loan owed to their nominated person or estate, repayable within 2 years.
- 📦 For nominations with a total value of more than £5,000, the nomination will need to be dealt with as part of the deceased person’s estate (i.e. dealt with through probate).

OUR PLANS

What will CIAG use the money for?

The main thing the money raised will be used for is to repay the benefactor loans which enabled CIAG to save the pub from being auctioned. That will give CIAG long-term ownership of the Cornwood Inn, a valuable asset in its own right, but also essential to CIAG's aims of running a community-owned village pub.

On top of that, money is needed to enable the pub to re-open and start trading. Some of that will be spent on the building itself (minor repairs, some redecoration), some on buying the stock and additional equipment needed to start trading, and some on marketing and promoting the pub to help generate custom.

In addition, a sum is needed (as "working capital") to cover the first few months of running costs (including staff costs).

Those sums should all ultimately add value to the business (by starting and growing its trade), but will add little, if any, value to the building itself.

Depending on how much is raised, money may also be spent on more significant refurbishments of the pub. As well as (hopefully) increasing the pub's ability to generate income, those refurbishments should add value to the building itself (and therefore the value of the assets owned by CIAG and, ultimately, its shareholders).

Details of the sums involved, and the different scenarios which might apply, are set out in the Business Plan.

How much money does CIAG need overall?

The total amount of money which CIAG needs to raise (based on 3 different levels of success in the Share Offer – "Minimum", "Optimum" and "Maximum") is set out in the table below:

Capital Funding Requirements	Optimum (£)	Maximum (£)	Minimum (£)
Property purchase	253,000	253,000	253,000
Benefactor loan repayment ^{Note 1}	7,000	7,000	7,000
Fixtures and fittings	40,000	40,000	20,000
Renovation costs	30,000	120,000	30,000
Working capital / contingencies	70,000	80,000	40,000
Total Capital Requirements:	400,000	500,000	350,000

Note 1: Benefactor loan repayment amount covers all sums, in addition to the property purchase sum, needed to pay back the benefactor loans, including interest, legal, professional and auctioneer fees, Stamp Duty Land Tax and initial insurance costs.

The likely sources of that money are set out below:

Funding Source	Optimum (£)	Maximum (£)	Minimum (£)
Community Investment ^{Note 1}	250,000	350,000	200,000
Grant Funding ^{Note 2}	50,000	50,000	50,000
Term Debt (Loan) ^{Note 3}	100,000	100,000	100,000
Total	400,000	500,000	350,000

Note 1: The term “community investment” includes, for these purposes, both shares and shareholder loans.

Note 2: Although other potential sources exist, the most likely source of grant funding is from the “More Than A Pub” funding, provided by Power To Change and distributed by the Plunkett Foundation. An application has been submitted for this funding and is under consideration (having successfully cleared the first stage of acceptance).

Note 3: The main potential sources of borrowing identified are: (a) the loan component under the “More Than A Pub” scheme referred to above (which would be unsecured but attracts interest, so has been categorised for the purposes of the financial model as a “commercial loan”) – this is also under consideration; and / or (b) a loan from Triodos Bank (which would most likely be secured against the property).

As stated in the notes above, our application for both grant and loan funding from the “More Than A Pub” scheme has been submitted and is under consideration (having been successfully accepted at the first stage of the process). Therefore, by the time you are reading this, the outcome may be known – we will communicate that via our website, Facebook page, twitter account, email distribution list and blackboards outside the pub.

After initial, positive discussions with Triodos Bank we have been invited to submit our Business Plan and have done so. We will continue to progress a full application as quickly as possible during the Share Offer period and hope to know the outcome before the Share Offer closes. Again, we will communicate the outcome via the channels described above.

The total amount of additional finance we are applying for exceeds the total amount needed, which provides a degree of contingency in case either (or both) of our applications is unsuccessful, or less successful (in terms of the amount made available) than we have included in our financial model. There is also the option of pursuing other sources of finance, including commercial lending from other lenders (such as the Co-operative Bank), but it is not appropriate to pursue too many lending applications at once.

More detail about the fundraising targets and the likely funding mix to support those targets can be found in the Business Plan.

How could CIAG’s plans affect my investment?

CIAG will be taking a relatively long-term approach to managing its finances. This means, in particular, that money will be spent each year on maintaining and improving the fabric of the building and the overall set-up needed to trade effectively, rather than focusing on sharing out as much profit as possible as quickly as possible – any early profits will, on the whole, be reinvested in the business and the building.

This makes it less likely that there will be spare money to pay interest on shares in the early years (we do not envisage paying interest on shares until Year 3), but, because of the investment in the main asset (the pub itself) and the viability of the business itself, the overall value of what CIAG owns (either a “going concern” business which could be sold on, or just the bricks and mortar of the pub) should increase. That in turn should make it more likely that:

- ▣ Others will want to invest, meaning you are more likely to be able to withdraw your shares later on if you want to.
- ▣ If everything went wrong and the pub and / or business had to be sold to repay investors, there would be enough to repay you in full.

Again, please see the Business Plan for more details, including financial projections for the first 5 years – or you can download Profit & Loss projections and Balance Sheet projections for the Minimum and Maximum funding levels (in addition to the projections for the Optimum

funding level shown in the Business Plan) at:

<https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads>.

THE SHARE OFFER

Why should I invest?

To be perfectly honest, an investment in community shares is first and foremost a “social” investment, rather than a purely financial one. Put simply, without a successful Share Offer the pub will be lost (definitely as a community-owned asset, and possibly as a pub at all); with a successful Share Offer, we can do all the exciting, **Inclusive** things the community want to do.

In addition, by investing you get a say in the overall direction and priorities of the pub – you become a part-owner of the Cornwood Inn.

There are still financial benefits, described in more detail in the following section, but most people choose to invest for social reasons primarily, with the financial benefits being a nice bonus.

When can I buy shares?

Stage 1 of the Share Offer starts at 08.00 on 21 December 2019 and ends at 23.59 on 31 January 2020 (unless the maximum target is reached before then). Stage 2 of the Share Offer (via Crowdfunder) starts at 09.00 on 1 February 2020 and ends at 17.00 on 29 February 2020 (in each case, unless the maximum target is reached before then).

You can buy shares under either Stage of the Share Offer.

If Stage 2 ends and either the minimum target has not been reached, or the minimum target has been reached but not the maximum (and there is evidence of investments continuing to come in), the board of Directors has discretion to extend the Share Offer period (Stage 2) by up to a further 3 weeks.

What’s the difference between Stage 1 and Stage 2 of the Share Offer?

The main difference is how the Share Offer is being promoted (which in turn is likely to affect who sees it and responds to it by investing).

Stage 1 is a “self-service” part of the Share Offer, run and promoted entirely by CIAG. Stage 2 is promoted via the Crowdfunder platform, which enables us to more easily reach potential investors outside the local area, with Stage 2 investors paying in via Crowdfunder.

As stated above, any investor can participate in the Share Offer under either Stage.

However, it is worth noting that:

- 📦 Stage 2 won’t go ahead if the maximum target is achieved in Stage 1.
- 📦 Investments made in Stage 2 attract a fee, payable to Crowdfunder, calculated as a percentage of what is raised on their platform, as well as some banking fees – we therefore get to keep more of what is raised in Stage 1 than in Stage 2 (we only receive around 94% of investments through Crowdfunder, unless investors opt to cover Crowdfunder’s fees).

How much is CIAG trying to raise?

The finances have been modelled against three different levels of success in the Share Offer:

- 📦 £250,000 – Optimum
- 📦 £350,000 – Maximum
- 📦 £200,000 – Minimum

(In each case, this is the level of community investment (through shares and associated shareholder loans), not the total level of capital required.)

Achieving the Optimum level of subscription would enable CIAG to repay the benefactor loans used to purchase the property and carry out the 1st phase of the proposed refurbishment programme (essentially ground floor improvements). As a credible “middle-ground” level of investment via the Share Offer, this Optimum level has been used for the more detailed financial modelling which you can see in the Business Plan.

The Maximum level of subscription would enable CIAG to bring forward 2nd phase plans to refurbish the 1st floor, which would open up opportunities to generate additional revenue streams.

Whilst the Minimum level of subscription would enable CIAG to secure its purchase of the property, it would mean that the planned 1st phase of the capital expenditure / improvement programme would need to be significantly reduced (and deferred to / spread across later years).

What happens if CIAG doesn't raise enough money?

If the Share Offer does not meet its minimum target, including after any extension to Stage 2 as described above, all monies will be returned to investors without any deductions. This protects investors by ensuring the project will only go ahead if it meets the minimum requirements for financial viability.

Monies raised under Stage 1 will be kept in a separate account of CIAG (and any investments by cheque will not be cashed until it is known that the minimum target has been reached). CIAG's only projected costs during the period of the Share Offer are the costs of owning the pub (insurance, business rates, etc) and those are all fully-funded already, meaning there will be no need to dip into the Share Offer account.

Monies raised under Stage 2 will be retained by Crowdfunder until the minimum target has been reached, meaning they will never be exposed to the liabilities of CIAG unless and until the Share Offer is successful.

What happens if the maximum target is reached?

As soon as the maximum target is reached it will no longer be possible to invest in shares (or shareholder loans) under the Share Offer – the Share Offer will be closed at that point. Any applications received after that point will be rejected (and, if relevant, any monies paid in respect of a rejected application will be returned).

As already mentioned above, this means that if the maximum target is reached during Stage 1, Stage 2 will not go ahead.

Are there any other circumstances in which the whole thing could be abandoned?

Since the pub is already owned by CIAG, there is no current risk of losing it to another buyer.

CIAG's plans and financial model also depend on successful applications for funding under the Plunkett Foundation's “More Than A Pub” programme and / or for commercial lending from Triodos Bank – at the time of the Share Offer opening, the “More Than A Pub” application has been submitted, but the outcome is not yet known, and the Triodos Bank application is in progress, but similarly incomplete. In the (hopefully) unlikely event that:

- the application for this combination of funding is unsuccessful, or less successful than we have assumed for our financial model to the extent that the overall money available is less than the £400,000 needed under our “Minimum” model; and

- no alternative funding can be confirmed during the Share Offer or sourced by 26 March 2020,

the Share Offer will be closed and treated as if it had failed to meet the minimum target (even if that's not actually the case).

There are no other known circumstances (apart from failure to meet the minimum target) in which the Share Offer would be abandoned.

Christmas is coming – can I buy shares for other people?

Yes, and this is an excellent idea for a gift – (late!) Christmas or otherwise! The application form for shares when you're buying for someone else is slightly different, and the person you're buying for must be eligible to be a shareholder.

They will then have until 14 March 2020 to confirm they agree to being members of CIAG – when they confirm, they (not the original buyer) will be sent confirmation of their membership. If they don't confirm by that date, the original buyer will be refunded. (In the fairly unlikely event that so many shares have been bought as gifts that they could make the difference between the minimum target being achieved or not achieved, we will wait until 14 March 2020 before confirming whether or not the minimum target has been met.)

You can also download a gift card, to print and give to the gift recipient, from our website, at <https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads>.

YOUR MONEY

What financial benefits could investing in CIAG give me?

Firstly, interest is payable on shares in CIAG, depending on the financial success of the business. (This replaces the concept of dividends on more traditional shares.) Interest is also payable on any shareholder loans.

Secondly, there is the possibility of tax reliefs based on your level of investment in CIAG.

How will interest work?

Interest on shares will only be paid if there is enough money to do so without jeopardising the overall financial health of the business. The financial model underpinning the Business Plan assumes that no interest will be paid (or be earned) on shares until Year 3, when it will start to be paid at the annual rate of 2% of your shareholding within 1 month of the end of each Year (subject to there being enough money – the financial model projects that there will be).

Although the board of Directors has discretion about whether or not to pay interest on shares, CIAG's governing rules state that any reduction of the rate of interest below that annual 2% must be approved as a key decision, requiring 75% of members to vote in favour.

The board of Directors can also increase the rate of interest on shares, but CIAG's governing rules prevent that rate being more than the interest rate charged by Co-Operative and Community Finance on the loans it provides (currently 10%). Also, the rate cannot be more than 3% above the rate of inflation without being approved as a key decision. In general, the interest rate will not be higher than it needs to be to attract investment.

Interest on any shareholder loans will be at the same rate as for shares (2% annually, unless varied as described above), but the financial model assumes that this category of interest will always be paid. Interest on shareholder loans will also be paid from Year 1 (unlike for shares where, as stated above, interest is not projected to start until Year 3) – again, within 1 month of the end of each Year. Interest on shareholder loans is subject to the same restriction as share interest in CIAG's governing rules in terms of not exceeding the interest rate charged by Co-Operative and Community Finance.

Interest on both shares (if any) and shareholder loans will be paid annually, unless the board of Directors decides to pay it more frequently.

When and how can I get my money back out?

If you have invested at the minimum level (for the "local" class of shareholders) of £50, you can write to the Board to request cancellation of your membership. Your £50 will then be refunded, but you will no longer be a member of CIAG.

Otherwise, withdrawal of any of your shares is at the discretion of CIAG's board of directors. According to CIAG's governing rules, the Directors may:

- ▣ Repay a fixed percentage of all shares in a specific class ("local" or "supporter").
- ▣ Allow withdrawals on request, subject to whatever limits and notice periods the board thinks prudent.
- ▣ Suspend any right to withdraw shares.

According to the Business Plan, no withdrawals of shares (except cancellations of £50 memberships, as described above) will be allowed for the first 3 years. After that, the business is projected to have built up enough reserves to allow withdrawals on request, subject to an overall annual limit of £25,000, on a pro rata basis – though this will not necessarily be possible

if the business performs less well than expected. If withdrawals are permitted, a deadline will be given each year (after Year 3) for you to submit a request to withdraw some or all of your shares. If the total value of shares that everyone wants to withdraw is less than £25,000 (or any other limit set by the board based on how well the business is doing), you will be able to withdraw everything you asked to. If the total value of everyone's requests is higher, withdrawals will be allowed based on the proportion of the overall withdrawal amount that each person asked to withdraw, up to the relevant total limit.

If you invest in shareholder loans, they have a fixed, 7-year duration and it is not possible to get your money out during that period.

You should also note that the availability of any tax relief will depend on your money remaining invested for at least 3 years.

How will any tax relief work?

CIAG's structure and activities have been carefully designed to ensure compliance with the requirements for Social Investment Tax Relief (SITR).

SITR is the government's tax relief for social investment, which encourages individuals to support social enterprises and helps them access new sources of finance. You can find out more at <https://www.gov.uk/government/publications/social-investment-tax-relief-factsheet/social-investment-tax-relief>.

It is not possible to formally apply for SITR until the business has been trading for at least 4 months, but "advance assurance" from HMRC has been applied for and there is good reason to believe that it will be given (though no guarantee of advance assurance is given or implied here and it may not be forthcoming until after the Share Offer closes). Please see the Business Plan for a more detailed breakdown of the key requirements for SITR eligibility and how we believe CIAG's investment structure and Business Plan meet those requirements

In terms of the benefits of SITR, you should seek your own professional advice, but in summary:

- ▣ Income Tax Relief – 30% of the amount invested is deducted from the investor's income tax liability for the year in which the investment is made.
- ▣ Capital Gains Tax Deferral – if a chargeable gain is re-invested into a SITR-qualifying investment, the CGT liability on that gain is deferred until the SITR investment is disposed of.
- ▣ Tax Free Gains – gains made on disposal are free of capital gains tax. But this only applies to capital gains – e.g. on sales of shares. Interest and redemption premium on debt would be taxed as income, so are not tax free.
- ▣ Inheritance Tax Relief – investments in shares may qualify for exemption from inheritance tax if they have been held for at least two years before death. Investments by way of loans will not qualify for any exemption from IHT.
- ▣ Loss Relief – investments in shares may qualify for loss relief against income or capital gains tax, but debt will not qualify for loss relief against income tax and only qualifies for relief against capital gains in certain circumstances.

So, if, for example, you invested £500, you would be eligible to reduce your tax bill by £150. If you used a capital gain to make the investment, you'd also reduce your capital gain tax liability on it from £140 to £98, giving a combined tax benefit of £192, equivalent to 38% of the investment value.

Further information can also be found at: <https://www.gov.uk/government/publications/social-investment-tax-relief-factsheet/social-investment-tax-relief>

Can my shares go up in value?

CIAG's rules state that the shares' face value of £1 cannot be exceeded.

Community shares are non-transferable, withdrawable shares in a society with an asset lock. Because your shares will be non-transferable, there is no "market" for them (they can only be withdrawn, by members, in accordance with the rules of the society (please see above under "When and how can I get my money back out?")).

In addition, the "asset lock" that applies to CIAG means that any money left over after all investors and lenders have been repaid must be applied for the benefit of the community and not distributed to members.

Can my shares go down in value?

In exceptional circumstances, the board of Directors can devalue the shares (to less than their original £1-per-share value), but only where independent accountants certify that CIAG's liabilities, plus issued withdrawable share capital, have become more than the value of its assets. The financial model is based on that situation never arising, and it's also worth noting that the shareholder loan agreements will also allow shareholder lenders to stop any decision to increase CIAG's liabilities to that level (offering another layer of protection against this happening).

RISKS & RIGHTS

What liability could I have if I invest?

Your only liability as an investor is the value of your investment – if CIAG went bust you may not get all of your money back, but you wouldn't owe any more than your original investment.

Could I lose all my money?

CIAG already owns a valuable asset – the Cornwood Inn has been professionally valued at £280,000 on a non-trading basis, with its value potentially going up to £450,000 if sold as a successfully trading business. Both values assume no significant improvements to the building which add any value (in other words, there is scope to increase both valuations).

If the worst happened and CIAG needed to be wound up, its assets (primarily the pub, and any business trading out of it) could be sold in order to cover CIAG's liabilities. The fact that there was a competing offer (at higher than the price paid by CIAG) during the purchase process suggests that willing buyers exist.

The financial model only assumes a maximum of £100,000 of commercial lending secured against the pub (if any), which would still leave a significant amount of value in the assets left over to repay other creditors and investors. It is therefore unlikely that you would lose all your money if the worst should happen – though you may not get it all back.

Nonetheless, although the circumstances in which this could happen are hard to foresee, it is at least theoretically possible that you could lose all your money. As the official line goes: *"Any money you invest in community shares is fully at risk. You could lose some or all your money if the society gets into financial difficulties."*

What does the "Standard Mark" mean?



The Community Shares Standard Mark is awarded by the Community Shares Unit (CSU). To receive Standard Mark a society (i.e. a community benefit society, like CIAG) must comply the national standards for offer documents. For further details see:

www.communityshares.org.uk/standards.

The Standard Mark does not entail any form of business appraisal or professional due diligence of the society's business operations.

Any money you invest in community shares is fully at risk. You could lose some or all your money if the society gets into financial difficulties.

Community share offers are exempt from, or outside the scope of, statutory regulations that apply to the public offer of shares and other financial promotions. Applicants have no recourse to the Financial Services Compensation Scheme, or the Financial Ombudsman Service.

However, you do have the right of complaint to the CSU if the share offer carries the Standard Mark.

Further details about the Community Shares Unit, the Community Shares Standard Mark, the code of practice and the complaints procedure can be obtained from:

www.communityshares.org.uk.

FURTHER INFORMATION

Where can I obtain further information?

You can view and download free copies of all of the following supporting documents at <https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads>:

- 📄 The governing rules of CIAG.
- 📄 The Business Plan.
- 📄 This Share Offer document.
- 📄 The form of loan agreement for shareholder loans.
- 📄 An investment application form (though online applications are preferred, where possible).
- 📄 Profit & Loss and Balance Sheet projections for Minimum, Maximum and Optimum funding levels.

You can also obtain copies of all of the above documents by calling John Sykes (CIAG Treasurer) on 01752 837381.

There is also a detailed guide for investors in community shares at: <https://communityshares.org.uk/guide-investing-community-shares>

Finally, existing members of CIAG will be available at drop-in “clinics”, at the Cornwood Inn, at dates and times which will be publicised (on the CIAG website and Facebook page, and via local posters).




APPLICATION FORMS

How do I apply?

If you have internet access, the best way to apply is using our online form at:

www.bit.ly/ciagshares_apply.

If not, please complete whichever form on the following pages best fits your situation – there is a different form for each of the following:

-  **People buying shares (and investing in shareholder loans, if relevant) for themselves.**
-  **People buying shares for another person.**
-  **People buying shares on behalf of their organisation.**

Please return your completed application form to Cornwood Inn, The Square, Cornwood, PL21 9PU, or by hand to any CIAG board member.

Cornwood Inn Action Group Limited

Community Shares Offer – Application Form (Individuals)

Use this form if you are buying for yourself (not an organisation or a gift for someone else.)

How to complete this form: Please write clearly and complete all items marked with a “*”.

Privacy Notice: All personal data on your completed form will be processed in accordance with the Privacy Policy of Cornwood Inn Action Group Limited, which is available at <https://cornwoodinnag.wixsite.com/ciag/privacy> or by calling 01752 837381 and requesting a copy.

1.	Your Name:*	
2.	Your Home Address	
	House Name / No. and Street:*	
	Address Line 2 (Optional):	
	Town:*	
	Postcode:*	
3.	Your Telephone Number: <i>(Optional – by providing a telephone number you are consenting to us using it to contact you about this share offer.)</i>	
4.	Your Email Address: <i>(Optional, but much easier if you give one – by providing an email address you are consenting to us using it to contact you about this share offer.)</i>	
5.	Your Age (in Years):* <i>(You must be 18 or older.)</i>	
6.	Local Connection <i>Please note that you may be asked to provide proof of any connection to the local area. By answering this question, you confirm that you agree to provide that proof on request (if relevant).</i>	✓
	Which of the following applies to you?* <i>For the purposes of this question, the "local area" is defined as an area 10 miles beyond the boundary of the parish of Cornwood. Please see the pictures at the end of this form for a map of the Cornwood parish boundary and an idea of the extent of this "local area" (noting that the parish is not actually circular, so this is just a rough approximation).</i> <i>People with a connection to the local area qualify for a particular class of community shares. Don't worry if you don't have any connection to the local area - you're still very welcome to invest, and there is a "supporter" class of shares for you.</i> <i>Please tick as relevant.</i>	
	I live in the local area some or all of the time.	
	I used to live in the local area within the last 10 years.	
	I have (or had, within the last 10 years) some other connection to the local area (for example a property or a business).	
	I have no connection to the local area, but commit to supporting the aims of Cornwood Inn Action Group Limited, as described below. <i>(This is a requirement of being able to invest as a non-local supporter.)</i>	

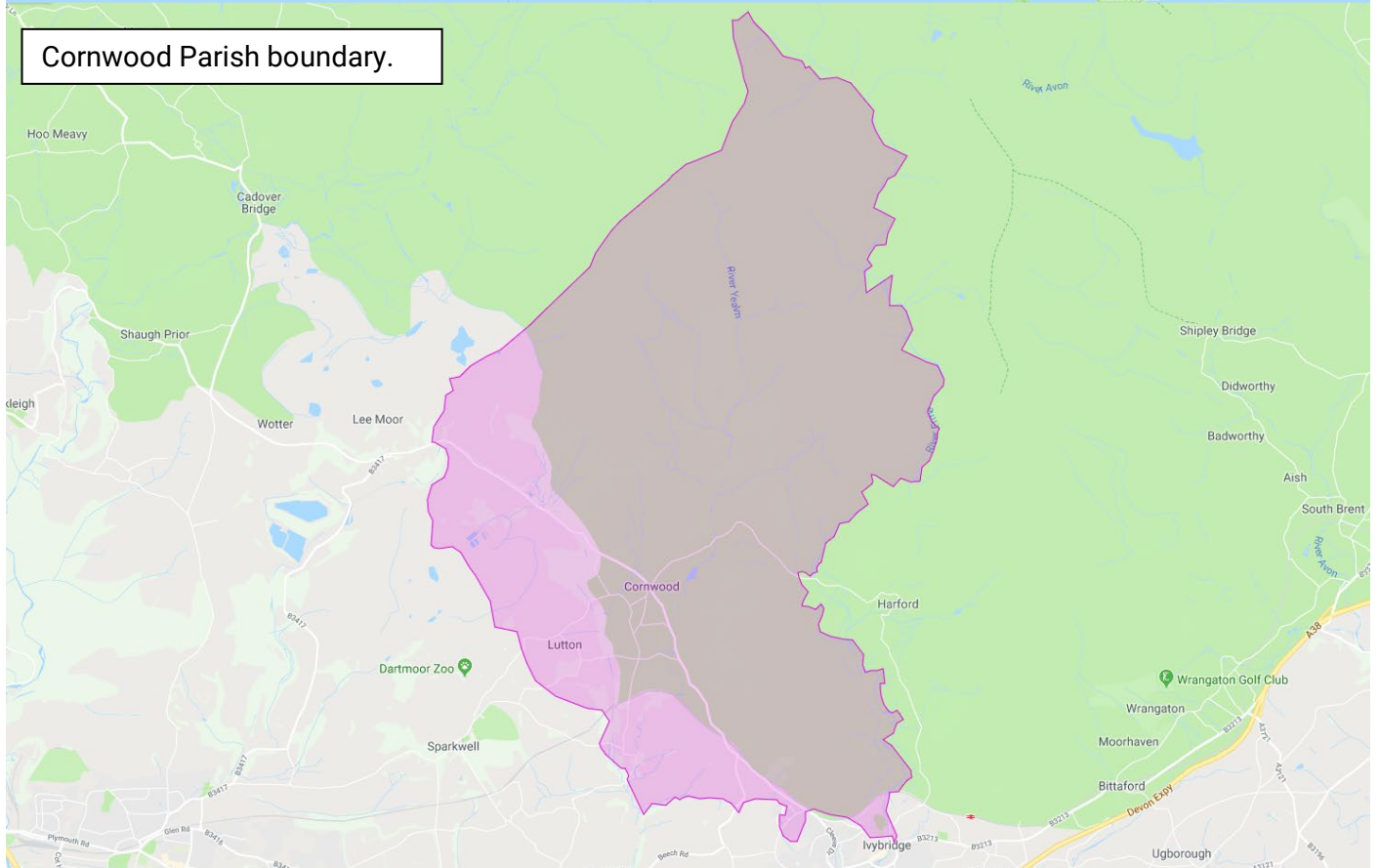
(Continued overleaf)

7.	<p>If your home address is not in the local area, please provide details of the address which gives you a local connection.^(*) <i>(In other words, your old address if you used to live in the local area, or your other property or business address in the local area. Please leave blank if your home address is in the local area.)</i></p>	
	Local House Name / No. and Street: ^(*)	
	Local Address Line 2 (Optional):	
	Local Town: ^(*)	
	Local Postcode: ^(*)	
8.	<p>How much do you want to invest in community shares?[*] <i>(The minimum investment is £50 for people with a connection to the local area and £200 for everyone else; the maximum total investment is £30,000. Whole numbers only please.)</i></p>	£
9.	<p>How much (if anything) do you want to invest in shareholder loans? <i>(To invest in shareholder loans, you must invest at least £2,500 in community shares. The minimum investment in shareholder loans is £2,500. The maximum total investment (community shares plus shareholder loans) is £30,000. Whole numbers only please.)</i></p>	£
<p>Confirmation: I confirm that I wish to invest, in the amount described in this application, and that I agree to be bound by the governing Rules of Cornwood Inn Action Group Limited. I acknowledge that, by signing, I am making a legally binding commitment.[*] <i>(The governing Rules of Cornwood Inn Action Group Limited are available at https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads or by phoning 01752 837381 and requesting a copy.)</i></p>		<p>Signed:</p> <p>_____</p>
<p>Please now return your form to Cornwood Inn, The Square, Cornwood, PL21 9PU, or by hand to any CIAG board member.</p>		

CIAG Aims:

The aims of Cornwood Inn Action Group Limited are to benefit the community by funding, managing and operating the purchase, refurbishment (as appropriate) and running of the property and business of the Cornwood Inn as a social and cultural hub, benefiting the whole of the parish of Cornwood and its surrounding area, with an emphasis on inclusiveness and combating rural isolation.

CIAG "Local Area":



Cornwood Inn Action Group Limited

Community Shares Offer – Application Form (Gifts)

Use this form if you are buying as a gift for someone else.

How to complete this form: Please write clearly and complete all items marked with a “*”.

Privacy Notice: All personal data on your completed form will be processed in accordance with the Privacy Policy of Cornwood Inn Action Group Limited, which is available at <https://cornwoodinnag.wixsite.com/ciag/privacy> or by calling 01752 837381 and requesting a copy.

Your Details

1.	Your Name:*	
2.	Your Home Address	
	House Name / No. and Street:*	
	Address Line 2 (Optional):	
	Town:*	
	Postcode:*	
3.	Your Telephone Number: <i>(Optional, but much easier if you give one – by providing an email address you are consenting to us using it to contact you about this share offer.)</i>	
4.	Your Email Address: <i>(Optional – by providing an email address you are consenting to us using it to contact you about this share offer.)</i>	

Gift Recipient's Details

5.	Gift Recipient's Name:*	
6.	Gift Recipient's Home Address	
	Their House Name / No. and Street:*	
	Their Address Line 2 (Optional):	
	Their Town:*	
	Their Postcode:*	
7.	Gift Recipient's Age (in Years):* <i>(They must be 18 or older.)</i>	

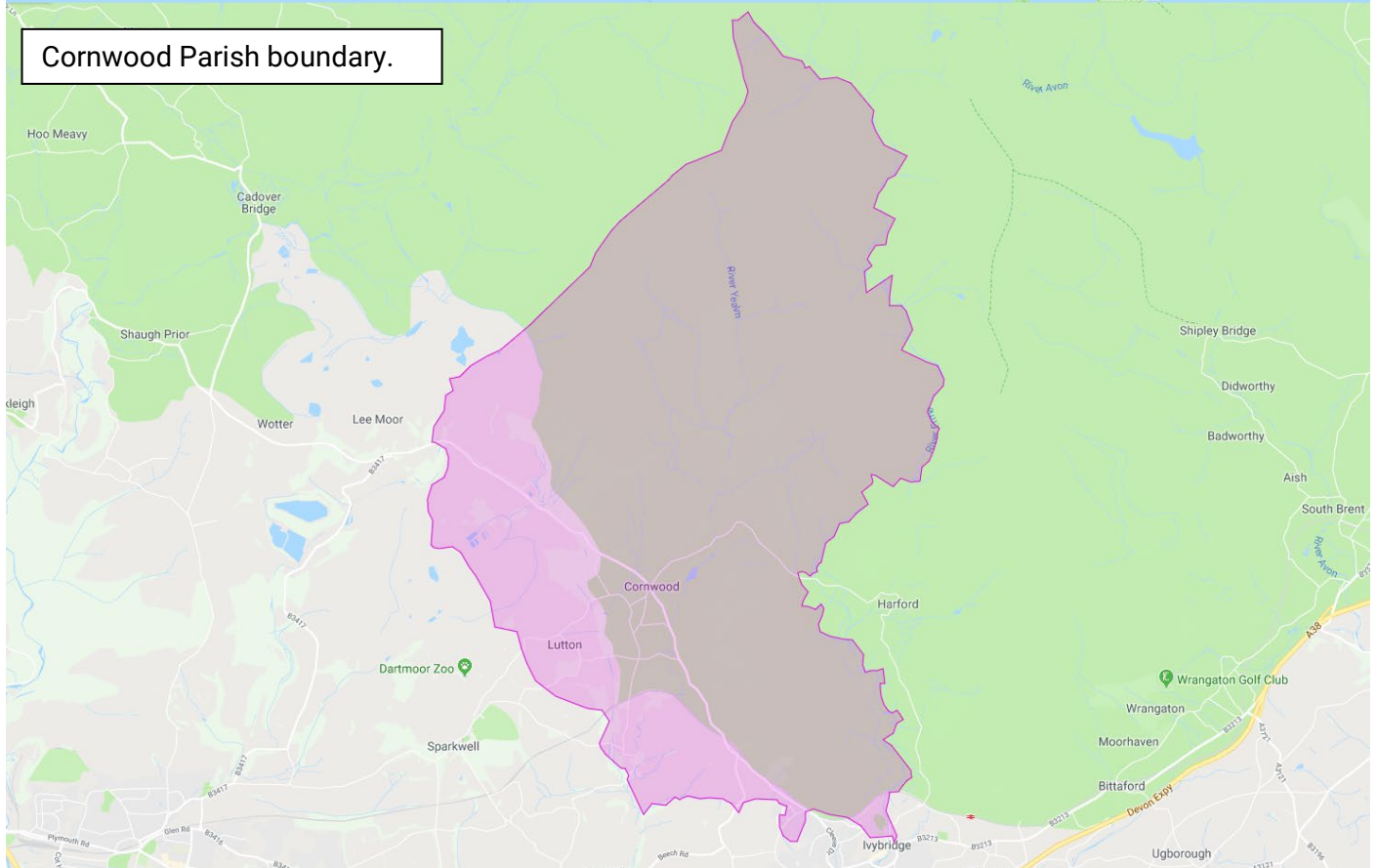
(Continued overleaf)

8.	Local Connection – Gift Recipient <i>Please note that you may be asked to provide proof of any connection to the local area. By answering this question, you confirm that you agree to provide that proof on request (if relevant).</i>		✓
	Which of the following applies to the gift recipient?* <i>For the purposes of this question, the "local area" is defined as an area 10 miles beyond the boundary of the parish of Cornwood. Please see the pictures at the end of this form for a map of the Cornwood parish boundary and an idea of the extent of this "local area" (noting that the parish is not actually circular, so this is just a rough approximation).</i> <i>People with a connection to the local area qualify for a particular class of community shares. Don't worry if the gift recipient doesn't have any connection to the local area - you're still very welcome to invest, and there is a "supporter" class of shares for them.</i> <i>Please tick as relevant.</i>	They live in the local area some or all of the time. They used to live in the local area within the last 10 years. They have (or had, within the last 10 years) some other connection to the local area (for example a property or a business). They have no connection to the local area, but I understand they will need to commit to supporting the aims of Cornwood Inn Action Group Limited, as described below. <i>(If they don't, your money or cheque will be returned to you.)</i>	
9.	If the gift recipient's home address is not in the local area, please provide details of the address which gives them a local connection. (*) <i>(In other words, their old address if they used to live in the local area, or their other property or business address in the local area. Please leave blank if the gift recipient's home address is in the local area.)</i>		
	Local House Name / No. and Street: (*)		
	Local Address Line 2 (Optional):		
	Local Town: (*)		
	Local Postcode: (*)		
10.	How much do you want to invest in community shares?* <i>(The minimum investment is £50 for gift recipients with a connection to the local area and £200 for everyone else; the maximum total investment is £30,000. Whole numbers only please.)</i>	£	
Confirmation: I confirm that I wish to invest, in the amount described in this application, and that the gift recipient will need to agree to be bound by the governing Rules of Cornwood Inn Action Group Limited. I acknowledge that, by signing, I am making a legally binding commitment.* <i>(The governing Rules of Cornwood Inn Action Group Limited are available at https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads or by phoning 01752 837381 and requesting a copy.)</i>		Signed: _____	
Please now return your form to Cornwood Inn, The Square, Cornwood, PL21 9PU, or by hand to any CIAG board member.			

CIAG Aims:

The aims of Cornwood Inn Action Group Limited are to benefit the community by funding, managing and operating the purchase, refurbishment (as appropriate) and running of the property and business of the Cornwood Inn as a social and cultural hub, benefiting the whole of the parish of Cornwood and its surrounding area, with an emphasis on inclusiveness and combating rural isolation.

CIAG “Local Area”:



<p align="center">Cornwood Inn Action Group Limited</p> <p align="center">Community Shares Offer – Application Form (Organisations)</p> <p align="center"><i>Use this form if you are buying on behalf of an organisation</i></p>			
<p>How to complete this form: Please write clearly and complete all items marked with a “*”.</p>			
<p>Privacy Notice: All personal data on your completed form will be processed in accordance with the Privacy Policy of Cornwood Inn Action Group Limited, which is available at https://cornwoodinnag.wixsite.com/ciag/privacy or by calling 01752 837381 and requesting a copy.</p>			
1.	Your Name:*		
2.	Your Organisation’s Legal Name:*(<i>(If your organisation has a trading name which is different to its legal name, please ensure you use the legal name, NOT the trading name.)</i>		
3.	Your Organisation’s Address		
	Building Name / No. and Street:*		
	Address Line 2 (Optional):		
	Town:*		
	Postcode:*		
4.	Your Telephone Number: <i>(Optional – by providing a telephone number you are consenting to us using it to contact you about this share offer.)</i>		
5.	Your Email Address: <i>(Optional, but much easier if you give one – by providing an email address you are consenting to us using it to contact you about this share offer.)</i>		
6.	Your Organisation Type:*(<i>(Please tick the one which applies.)</i>	Limited company (limited by shares or guarantee) - non-charitable / non-CIC <input type="checkbox"/>	Community Interest Company <input type="checkbox"/>
Limited liability partnership <input type="checkbox"/>		Co-operative society <input type="checkbox"/>	
Partnership <input type="checkbox"/>		Community benefit society <input type="checkbox"/>	
Charity <input type="checkbox"/>		Unincorporated club or society <input type="checkbox"/>	
Charitable Incorporated Organisation <input type="checkbox"/>		<input type="checkbox"/> Other:	
7.	Full name of your organisation's nominated representative:*(<i>This is the person who will exercise shareholder rights on behalf of your organisation. By giving their name, you confirm that they are authorised to act in this capacity and have consented to it.</i>		

(Continued overleaf)

8.	Local Connection <i>Please note that you may be asked to provide proof of any connection to the local area. By answering this question, you confirm that you agree to provide that proof on request (if relevant).</i>	✓
	Which of the following applies to your organisation?* <i>For the purposes of this question, the "local area" is defined as an area 10 miles beyond the boundary of the parish of Cornwood. Please see the pictures at the end of this form for a map of the Cornwood parish boundary and an idea of the extent of this "local area" (noting that the parish is not actually circular, so this is just a rough approximation).</i> <i>Organisations with a connection to the local area qualify for a particular class of community shares. Don't worry if your organisation doesn't have any connection to the local area - it is still very welcome to invest in the "supporter" class of shares. Please tick as relevant.</i>	<input type="checkbox"/> My organisation is headquartered in the local area. <input type="checkbox"/> My organisation has a branch or other permanent presence in the local area. <input type="checkbox"/> My organisation has no connection to the local area, but commits to supporting the aims of Cornwood Inn Action Group Limited, as described below. <i>(This is a requirement of being able to invest as a non-local supporter.)</i>
9.	How much does your organisation want to invest in community shares?* <i>(The minimum investment is £50 for organisations with a connection to the local area and £200 for everyone else; the maximum total investment is £30,000. Whole numbers only please.)</i>	£
10.	How much (if anything) do you want to invest in shareholder loans? <i>(To invest in shareholder loans, your organisation must invest at least £2,500 in community shares. The minimum investment in shareholder loans is £2,500. The maximum total investment (community shares plus shareholder loans) is £30,000. Whole numbers only please.)</i>	£
Confirmation: I confirm that my organisation wishes to invest, in the amount described in this application, and agrees to be bound by the governing Rules of Cornwood Inn Action Group Limited. I acknowledge that, by ticking the box below, I am making a legally binding commitment on behalf of my organisation and I confirm that my organisation can validly invest as described in this application.* <i>(The governing Rules of Cornwood Inn Action Group Limited are available at https://cornwoodinnag.wixsite.com/ciag/community-share-offer-downloads or by phoning 01752 837381 and requesting a copy.)</i>		Signed: _____
<p style="text-align: center;">Please now return your form to Cornwood Inn, The Square, Cornwood, PL21 9PU, or by hand to any CIAG board member.</p>		

CIAG Aims:

The aims of Cornwood Inn Action Group Limited are to benefit the community by funding, managing and operating the purchase, refurbishment (as appropriate) and running of the property and business of the Cornwood Inn as a social and cultural hub, benefiting the whole of the parish of Cornwood and its surrounding area, with an emphasis on inclusiveness and combating rural isolation.

CIAG "Local Area":

