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Locavore Community Interest Company
Registered Office:
66 Nithsdale Road
Glasgow
G41 2AN

BIG PLAN LOANSTOCK

**£150,000 of Big Plan Loanstock issued pursuant to the Rules of Locavore CIC
and following the resolution passed by the company directors on 25/01/2016**

THIS IS TO CERTIFY THAT

<<INVESTORS NAME>>
of
<<INVESTORS MAIN ADDRESS>>
is holder/investor of

<<£ AMOUNT>>
**of fully paid BIG PLAN Loanstock of Glasgow Locavore CIC Limited subject to and with the
benefits of the conditions set out here in this document**

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Witnessed by the following company directors of Glasgow Locavore CIC
on this XX day of XX 20XX

<<PRINT 1ST DIRECTOR NAME>> <<1ST DIRECTOR SIGNATURE>>

witnessed by

<<PRINT 2ND DIRECTOR NAME>> <<2ND DIRECTOR SIGNATURE>>

Amount of Loanstock Issued to Investor is <<£ AMOUNT>>

Rate of Interest agreed with investor is <<XX%>> per annum

with an agreed effective annual rate of <<XX%>>

to be paid as cash

CERTIFICATE NUMBER: XXX

LOANSTOCK IS REPAYABLE ON: XX/XX/20XX

THIS BIG PLAN LOANSTOCK IS NON-TRANSFERABLE.

Locavore CIC is registered as a Community Investment Company

Registered Company No. SC412721 (Scotland)

CONDITIONS OF ISSUE OF LOANSTOCK

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In these conditions

**“the investor” means the individual investor whom is registered on this certificate,
“the company” means Locavore CIC,
and “Loanstock” means ‘Big Plan Loanstock’ as issued under these conditions.**

These terms and conditions of Loanstock shall be governed by and construed in accordance with Scots Law and are subject to the jurisdiction of Scottish Courts.

1. ISSUE

This issue of loanstock was authorised at a meeting of the company directors on 25/01/2016, to be known as ‘Big Plan Loanstock’, to be issued from 01/04/2016 and to mature on 31/03/xxxx. The issue is to be of no more than £150,000 of Loanstock Loanstock is to be issued in whole pounds units only and is non-transferable.

2. INTEREST

Interest shall be paid on the amount of Loanstock invested in as agreed by the investor, at the annual rate agreed by the investor. The annual rate shall not be more than 6%. The interest shall be calculated on 01/03 each year to the nearest penny. The interest shall be payable gross on 31/03 each year in cash. In the case of repayment of loanstock on any date other than XX/XX, the sum repaid shall include interest calculated to the date of repayment.

3. CERTIFICATES

Certificates shall be given to show the issue of loanstock. (*Example on first page of this document*)

4. REPAYMENT OF LOANSTOCK

The loanstock shall be repaid in full on XX/XX/20XX. The company may, at its discretion, accept applications for early repayment of Loanstock subject to the following conditions:

- A. A written notice stating the amount requested to be paid shall be received at the registered office of the company together with the relevant loanstock certificates and investor identification.**

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- B. Repayment shall normally be made after the period of time indicated below, depending on the amount to be repaid and so long as proper notice has been received:**

Less than £500 requested to be repaid: 1 months notice required.

More than £500 requested to be repaid: 3 months notice required.

The company may also reject applications at its discretion.

5. REPAYMENT ON DEFAULT

The company shall repay its loanstock in full immediately, if it should:

- A. Be in breach of these conditions.**
- B. Be overdue on any payment by 45 days or more.**
- C. Pass a resolution for winding up or make an effective instrument of dissolution or go into liquidation or have an administrative receiver appointed over any of its assets or have an administration order made against it (see point 6).**

6. RIGHTS

Holding loanstock confers no rights to attend meetings or participate in any way in the management of the company. Loanstock holders shall receive a copy of Locavore CIC's annual report and accounts.

7. ORDER OF CREDITORS

Note that the order of creditors for a Community Investment Company such as Locavore CIC is legal charges, secured creditors, preferential creditors, floating charges, unsecured creditors (unsecured creditors category includes loanstock, and trade creditors).

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SUMMARY OF CONDITIONS OF ISSUE OF LOANSTOCK

1. Issue commences on XX/XX/20XX.
2. Repayment in full is due on XX/XX/20XX.
3. Interest rate is chosen by lender at a rate of up to 6% per year. (6% Effective Annual Rate)
4. Interest is payable gross on 31st March each year as cash
5. Redemption is possible, at the companies discretion, given the following notice:

Redemption less than £500: 1 months notice given.

Redemption of more than £500: 3 months notice given.

6. Repayment of loanstock is due immediately should these conditions of issue of Loanstock be breached or the company be wound up, go into liquidation, or other such circumstance.

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(Please note that the order of creditors is: legal charges, secured creditors, preferential creditors, floating charges, unsecured creditors (unsecured creditors category includes loanstock, and trade creditors).

7. Loanstock is non-transferable.

8. Holding loanstock confers no rights to attend meetings or participate in the management of the company. However the company intends to send an annual update to all loanstock holders.

SUMMARY OF INTENT

Locavore is a social enterprise which exists to help build a more sustainable local food system which is better for our local economy, the environment and our communities. It's about making the money spent on food do more for the benefit of society and our environment.

If we want to change the food system for the better we need to become a bigger part of it. To do this we need to scale up what we do and start playing in the same field as the established supermarkets.

Launching a supermarket is no small task and will take a lot of work and a lot of money. We've already done loads of research and preliminary work but to take the plan forward we now need to raise the finance needed for everything from taking on property, to buying stock, printing flyers and buying baskets. We're looking to raise the finance required from social lenders, part funding and loan stock bonds from individuals who share our common interest in building a better kind of food system.