



Cockfield Village Group Ltd

Share Withdrawal Policy

A shareholding in the Cockfield Village Group Ltd (the 'Society') should be regarded as a long-term investment in our community, to save and secure valuable community assets – the Plough & Fleece pub and Cockfield Village Stores – and to maximise their benefits for the community for years to come.

The Society's governance rules set out general principles by which shares may be withdrawn by Members. This policy elaborates the principles and procedures under which withdrawal requests will be managed by the Management Committee.

The rules of the Society specify that shares may be withdrawn by Members following a minimum holding period and at the sole discretion of the Management Committee. In considering any withdrawals, the Committee shall have due regard to the long-term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit.

Share withdrawals must be funded from trading profits and reserves or the issue of new share capital. The Management Committee may permit the withdrawal of shares only if the Society has trading surpluses, reserves or new share capital that match or exceed the value of the shares to be withdrawn, and it is able to pay or otherwise discharge its debts and liabilities at the date of withdrawal and as foreseen during the year thereafter.

The rules of the Society further set out that the Management Committee may specify a maximum total withdrawal for each financial year. Shares shall never be redeemed at more than their value of £25 per share and, subject to the financial circumstances of the Society, may be worth less. The Society may pay interest on shareholdings up to the date of withdrawal but is under no obligation to do so. Any interest payable on share withdrawals is at the sole discretion of the Management Committee, in accordance with the Society's governance rules and the Share Capital Interest Policy, and shall be paid at the same time as any interest is paid to continuing shareholders. The Society may deduct reasonable administrative costs from the monies payable to Members on the withdrawal of shares.

The following procedure has been agreed by the Management Committee to make the share withdrawal process as fair and transparent as possible.



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- Shares cannot be withdrawn until after the third anniversary of ownership (the 'Minimum Holding Period').
- Total withdrawals in any financial year shall be limited normally to 5% of the issued share capital or such other amount as the Management Committee may from time to time specify.
- Following the Minimum Holding Period, applications for share withdrawal shall be considered once per year. Application periods will be notified each year, known as the 'Share Withdrawal Cut-Off Date'. Withdrawals will then be considered within two months of that specified date. Applications received after the Share Withdrawal Cut-Off Date will be deferred until the following year.
- Members may request the withdrawal of shares by completing the Share Withdrawal Form available by requesting a copy from the Treasurer or Secretary. Completed forms should be returned, along with a copy of the share certificates, to the Treasurer or Secretary.
- Following approval of the Society's annual accounts for the prior financial year, the Management Committee, following consultation with the Society's Accountants and Auditors, shall agree an amount of funds (the 'Share Withdrawal Fund') to be set aside for the repayment of share capital. The amount, which normally shall not exceed 5% of the outstanding share capital, shall be determined by the Committee in its sole discretion, based on the financial return from the prior year, the amount of any new share capital, the prudence requirements built into the Society's rules, and the total amount of withdrawals requested by the Share Withdrawal Cut-Off Date.
- Share withdrawals shall be allocated on a pro rata basis, rounded down to the nearest whole share, so that total withdrawals will be limited to the value of the Share Withdrawal Fund each year. For clarification, if the total value of share withdrawal requests is less than the amount set aside in the Share Withdrawal Fund, all requests received that year will be fully satisfied, but if the total value of share withdrawal requests exceeds the amount in the Share Withdrawal Fund, each Member that applied prior to the Share Withdrawal Cut-Off Date shall receive the same proportion of their requested withdrawal, calculated such that the sum of all withdrawals in that year does not exceed the amount in the Share Withdrawal Fund. Members may request the withdrawal of any remaining shares they hold by making a new application in subsequent years.



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- Withdrawal payments will be made each year as soon as possible after the amount of the Share Withdrawal Fund has been agreed by the Management Committee.
- Individuals and organisations wishing to remain Members of the Society and to participate in Members meetings and to retain a vote in the Society's matters must retain the minimum shareholding set out in the Society's governance rules (i.e., 1 share).

The Management Committee may consider any share withdrawal requests resulting from the death of a member or other extenuating circumstances as a priority, outside the framework of the procedures set out above. Under the terms of the Co-operative and Community Benefit Societies Act 2014,, the shareholding of a Member who dies will be dealt with as set out in their will, as instructed by their executors and in accordance with probate.

The Management Committee may at its discretion suspend the right to withdraw shares wholly or partially, indefinitely or for a fixed period, based on its sole consideration of the financial and other circumstances of the Society.

Cockfield Village Group Limited has adopted the Plunkett Model Rules, and these are available on our website; cockfieldvillagehub.co.uk