

Nympsfield Community Pub Limited

Share Withdrawal Policy

Approved by the Management Committee (24/09/24)

Version	Date	Details
1	24/09/24	First version

1. Introduction and Purpose

Nympsfield Community Pub Limited (NCPL) is owned by its members. The principle of the Society is that a member's share investment should be for the long-term. According to the Society Rules, shares are not transferable except in cases of death or bankruptcy.

Should a member nevertheless wish to withdraw part or all of their share capital, this policy governs the procedure. The Management Committee endeavours to manage the process as fair and transparent as possible.

This policy is intended as a supplement to the Society Rules and is related to the Reserves and Distribution policy.

This policy takes account of the FCA Cooperative and Community Benefit Society Act 2014.

2. General Principles

Withdrawals of shares are possible from trading profits, existing reserves or new share capital. The Management Committee specifies a maximum total withdrawal for each financial year and ensures that the Society does not face financial difficulties as a result of these withdrawals. The Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period if there is a risk that the Society would subsequently be unable to meet its financial obligations.

Based on the principle of "one member one vote, regardless of their share capital", the Management Committee defines an annual withdrawal ceiling per individual. Larger shareholders will be informed that NCPL can fulfil their withdrawal requests up to the individual ceiling in any given financial year.

All withdrawals will be paid in the strict order in which the notices were received, up to the maximum total withdrawal specified for the financial year.

Following the minimum holding period of three years, applications for share withdrawal shall be considered once per year. Applications received by 30th June will be considered in July or August of the same year, those received after that date will be deferred until the following year.

3. Share Withdrawal Process

To ensure the withdrawal process is conducted correctly, the following procedure should be followed:

- Shares may be withdrawn by members who have held them for a minimum period of three years
- Application for withdrawal must be made on not less than three months' notice using the official form, available on the Society's website
- The completed form, along with a copy of the share certificate must be sent to the Treasurer of NCPL
- The date of receipt of the application determines the withdrawal priority
- To retain membership a minimum share capital of fifty shares must be maintained
- In the case of partial withdrawal, a new share certificate will be issued to the member
- If a withdrawal is not approved or is delayed for any reason, the member will be notified in writing

Separate provisions apply in cases of death or bankruptcy of a member.

4. Death or Bankruptcy of a Member

4.1. In case of death the Management Committee should adopt Act 2014. What happens on a member's death depends on two factors:

- Where the total investments at the time of the member's death are £5,000 or above, the Society must wait to be informed by the member's executors as to what should happen to their investments.
- Where the investments are less than £5,000, then the Management Committee is allowed by the Act to decide what happens next, which is governed by whether or not the member has made a nomination prior to their death as to which individual(s) should receive their investment.

4.2. A trustee in bankruptcy may claim the shares of a bankrupt member, when entitled to any property of the bankrupt party. The trustee will direct disposal of the shares.

If an application for withdrawal, whether partial or full, arises from death or bankruptcy, the Management Committee prioritises and handles such a request ahead of any other withdrawal requests.

5. Review

This policy will be reviewed on an annual basis by the Management Committee.