

Share Issues

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- BWB has advised Energy4All since its early days
 - helping E4All design its approach
 - advice on legal structure and co-op law
 - advice on corporate and commercial issues
 - advice on offer documents and financial promotion
 - verification
 - compliance with COBS rules
 - formal approval
 - prospectuses and adverts

A Collaborative Engagement

- BWB provided templates and guidance
- Energy4All has honed and fine-tuned its approach
- An efficient, well-worked engagement
- Transferable shares
 - Require approval by an FCA authorised person
 - Conform to expectations of best practice
 - A high degree of trust
- A large network of good investor relationships
- A little known success story

FCA Consultation – CP 14/22

- On its 'registration function' under CCBS Act 2014
- Applies to co-operatives and bencoms
 - Business, industry or trade
 - Motivation for joining
 - Interest rates
- Bona fide co-operative
 - Active member participation

Public limited companies

- Will we see more co-operative *company* offers?
- Community shares – mostly non-transferable and exempt
- BWB
 - a co-operative PLC set of Articles
 - a CIC co-operative PLC set of Articles
- More triple bottom line social enterprises?
 - Ethical Property Company
 - Café Direct
 - Traidcraft
 - Centre for Alternative Technology

Sister Society/Company Option

- Where there is a venture with retail appeal
- Set up a capital raising sister entity
 - Allows for separate risk management
 - Not a controlled entity
 - Not a subsidiary or group company
- Democratically owned
 - Overlapping governance
 - Management agreement
 - Lease agreement / memorandum of understanding
- Influence and symbiotic relationship

Subsidiary Company Option

- Where there is a venture with retail appeal
- Set up a subsidiary company
 - Allows control to be maintained
 - Allows investors to participate
- Share classes
 - Charity holds voting shares
 - Retail investors hold non-voting shares
- Raise patient capital and retain control

Bond / Debt Issuance

- More attractive and relatively simple for non-profits
- Usually asset backed / certainty about revenue streams
- Legal structure and issues
 - Contractual relationships
 - Loan documentation
 - Security documentation
 - Intercreditor documentation
 - Financial promotions
 - Crowdfunding rules
- SITR may present new opportunities

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