

Procedure for Application

Any individual aged 16 or over and any organisation, may invest in Foundation East by applying to buy shares in and become a member of Foundation East. Applications should be for a minimum of £100 for individuals and £250 for organisations.

Applications should be made using the form overleaf. Please do not photocopy the form; extra copies can be requested by calling 01284 757777.

Your form should be accompanied by a sterling cheque or banker's draft drawn on a bank or UK building society, made payable to Foundation East Limited and sent to our prepaid business response service:

Freepost RRAS-ZZJJ-BXUX
Foundation East
Saxon House
7 Hillside Business Park
Kempson Way
Bury St Edmunds
Suffolk
IP32 7EA

Acceptance of application will be notified by issue of Share Certificates, which will be posted within 21 days of issue.

The Directors reserve the right to reject any applicant in whole or in part, in which case the application monies will be returned by cheque through the post at the applicant's risk.

Important Notice on Money Laundering

It is a term of this offer that, to ensure compliance with the Money Laundering Regulations 2003, and the Proceeds of Crime Act 2002 and such similar legislation, that Foundation East will require verification of identity from any applicant. We will contact you about this following receipt of your application.

If shares are bought on behalf of any third party (i.e. not the named member) verification of this person may also be required. If satisfactory evidence of identity is not provided this may result in delays and may even result in your application being rejected, in which event the money payable on application will be returned without interest to the account at the drawee bank to which such money was originally debited.

You should ideally make payment for your shares from your own account. If this is not practicable and you use a building society cheque, third party cheque or banker's draft you must ask the building society or bank to write on the cheque the name and account number of the person from whose account payment is being made.

This document is dated January 2007 and issued by Foundation East Limited.

www.foundationeast.org



Membership Information Booklet

Investing in Foundation East



Saxon House, 7 Hillside Business Park
Kempson Way, Bury St Edmunds, IP32 7EA

t: 01284 757777
f: 01284 719089
e: info@foundationeast.org
w: www.foundationeast.org

Welcome to Foundation East

Foundation East is a not-for-profit organisation that operates across Cambridgeshire, Essex, Norfolk and Suffolk.

Both individuals and companies who are resident in the United Kingdom and who support our objects can become members.

Becoming a member

Any individual over 16, or any company can apply to become a member of Foundation East. Members have a direct say in how we work, and we welcome hands on involvement from them. Foundation East is a democratic organisation and the Directors are elected from the membership, on a one member one vote basis, at the Annual General Meeting.

Members buy shares in Foundation East, each share costs one pound and the minimum investment is £100 for individuals and £250 for companies. Maximum investment is £20,000. Members agree to be bound by the Rules of Foundation East.

Legal Information

This document is issued by Foundation East Limited, registered number 29722R, an Industrial and Provident Society registered on 2nd April 2004 under the Industrial and Provident Societies Act 1965 to 2004. Foundation East Limited is a society for the benefit of the community and is recognised by the Inland Revenue as an exempt charity with reference number XR74988, it controls a not for profit company limited by guarantee No. 4969336.

Foundation East was previously called Suffolk Regeneration Trust.

Shareholdings

The minimum shareholding is £100 for individual members and £250 for corporate members. The maximum shareholding is £20,000 for individuals and companies. There is no limit on the investment of other Industrial and Provident Societies.

There is no limit on the number of members Foundation East may have and no limit, other than the maximums which a member can hold, on the number of shares which may be issued.

Classes of Shares

There are two classes of shares, ordinary withdrawable shares of £1 each, and CTR ordinary shares of £1. These shares rank equally, and the only difference is in the rules relating to withdrawing your investment and the community investment tax relief (CTR) available for CTR shares.

Withdrawal of Investment - ordinary shares

The ordinary £1 shares are not transferable. The notice period for withdrawals has been set at 90 days. In the case of joint investment, all concerned must agree to a withdrawal. The Directors have the right to change the notice period for withdrawal, or suspend withdrawals, either indefinitely or for a fixed period but they do not presently intend to do so other than in exceptional circumstances. Shares will be repaid at the original price. The Directors have the right to reduce the amount payable on each share when withdrawn if the auditors of Foundation East certify there are more liabilities than assets. In the event of Foundation East ceasing to trade shareholders are paid up to a maximum of £1 for every £1 share, once all creditors have been paid.

Withdrawal of Investment - CTR ordinary shares

Foundation East is an accredited Community Development Finance Institution (CDFI). This means that your investment will qualify for community investment tax relief (CTR) of up to 25% (spread over 5 years) if you invest in the CTR ordinary shares.

CTR shares cannot be withdrawn within 5 years of the date of issue. After the 5 year period, the rules relating to the withdrawal of ordinary shares (see above) will apply.

Voting

Voting is on a one member, one vote basis regardless of the size of shareholding, where shares are held jointly the first named person has priority. Investor members will be kept informed of Foundation East's work through the Annual General Meeting and are welcome in the office during working hours, by appointment, to discuss any aspects of our work.

Interest Payments

Provision is made in the Rules for paying interest on share capital. Any such interest will be paid in the form of shares in Foundation East. The Directors do not expect to pay interest in the foreseeable future.

Risk

The nature of the work of Foundation East is such that it takes risks in lending to bring social benefit. There is a risk that bad debts will exceed provisions made by Foundation East. There is also the risk that Foundation East will not maintain its current record of raising grants and other funding to cover costs not covered by interest and income.

The directors will seek to protect against these risks by implementing prudent management policies.

This is a social investment, not a financial investment. Investors should regard any investment as made primarily to assist the furtherance of Foundation East's objectives. It is not suitable for those who require a guaranteed income or ready access to capital.

The value of your shares will not increase. The value of your shares may fall.

The Directors have taken all reasonable care to ensure that any member (as well as their professional advisors) can have access at all reasonable times to all the information they may reasonably require, and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of Foundation East and of the rights attaching to this investment.

A copy of the Rules of Foundation East together with its latest audited accounts will be available upon written request.

No Investment Protection

Foundation East Limited is not an authorised institution under the Banking Act 1987 and does not accept deposits. This means there is no share or deposit protection scheme for investors. Foundation East is an exempt person from the regulated activity of deposit taking by its issue of shares pursuant to paragraph 24 of the Schedule to Financial Services and Markets Act 2000 ("FSMA")(Exemption) Order 2001. The shares are not a specified investment for the purpose of section 22 of FSMA (what is a regulated activity) pursuant to paragraph 76 of FSMA (Regulated Activities) Order 2001]

The issue of withdrawable shares which are not transferable exempts this document from the requirements for an approved prospectus required by Section 85(1) of FSMA.

An investment in the withdrawable and non-transferable shares of an Industrial and Provident Society is not treated as a controlled investment for the purposes of section 21 of the FSMA(the financial promotion prohibition) pursuant to paragraph 14(3) of Schedule 1 of the FSMA (Financial Promotion) Order 2005.

Foundation East has taken all reasonable care to ensure that every statement of fact or opinion included in this information document is true and not misleading. Foundation East believes (and has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and the documents makes no omission likely to affect the meaning of such information.

Data Protection

By applying for shares you are giving consent to Foundation East to hold information in accordance with current data protection legislation. Foundation East will use your information for the maintenance of its members' register, including sending you information about Foundation East, its work and those third parties who support its objects.

If you are in any doubt about the content of this document, you should consult an authorised person authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on investments of the kind identified in this information document (e.g. an Independent Financial Adviser, Accountant or Solicitor.)

This document is dated January 2007 and issued by Foundation East Limited.

Application for membership and shares in Foundation East



I wish to become members of Foundation East, in accordance with the rules and this information document.

I have read, accepted and understand the terms and conditions set out in this offer and I am aware of the risks involved in investing in Foundation East.

I confirm that I am investing on the basis of the information set out in this information document alone.

I apply for:

£100 £250 £500 £1,000
 £5,000 £10,000 £20,000 Other

of

Ordinary shares CTR ordinary shares

and enclose a cheque payable to Foundation East Limited for the total amount.

Title First name Surname

Address

 Post code

Telephone Email

I understand that Foundation East requires evidence of identity of all applicants for shares.

I understand that interest is not paid in cash but added to my shareholding as new shares and that a withdrawal notice period of three months or longer may be applied. I also understand that the Directors may wish to suspend withdrawals until sufficient cash is available, and that shares may go down in value.

Data protection

I consent to you holding information in accordance with data protection law.

Signature Date

If applying for an organisation, complete the above section with the appropriate contact name and add the following information:

Name of organisation

Registered company, charity or IPS number

Please return the completed application and your cheque (made out to Foundation East Limited) to: FREEPOST RRAS-ZZJJ-BXUX, Foundation East, Saxon House, 7 Hillside Business Park, Kempson Way, Bury St Edmunds, Suffolk. IP32 7EA.