

Summary of Terms and Conditions

Issue of £3,000,000 Unsecured Loanstock maturing on 30th October 2022

The Stock

You may inspect the legal documents which create the Stock and govern this Offer document during our normal business hours at our registered office.

Repayment

We will repay the Stock in full on the 30th October 2022, or beforehand at the end of the fixed term as specified on the application, and may repay all or part of the Stock at 90 days' notice. We may buy in Stock by a general offer, by individual negotiation, or at par if you die. You must surrender your Loanstock Certificate before we will pay you or meet any redemption requests.

Transfer

You may transfer your Stock to another person in multiples of £100 and of not less than £1,000. This limit does not apply if you transfer your entire holding of Stock. The above transfer details must be notified in writing to Equfund (IPS) Limited within 21 days of the transfer. There is no intention at present to list the Stock on any exchange.

Application

You may apply to buy Stock solely or jointly if you are an individual over the age of 18 years or are an organisation. You must subscribe a minimum of £1,000 or more in multiples of £100. The Offer will close and the Stock will be allocated at 12 noon on 30th October 2017. We will not present your cheque or draft before the closing date and the Stock will be issued not later than 14 days thereafter. We reserve the right not to accept your application, or to accept it in part. We will accept applications only on the terms and conditions set out in this document.

Cancellation of application

If you wish to cancel your application you should write to us within 14 days of submission of the application. You cannot withdraw your application once this time period has elapsed.

Payment

You may pay for your Stock by cheque or bank draft payable to Equfund (IPS) Limited which may be post-dated to 30th October 2017. Please write your name and address on the reverse of the cheque.

Loanstock Certificates

Your application will be acknowledged within 14 days of receipt of your cheque and completed application. We will either send you a Loanstock Certificate for the full amount of your application, or a refund of any balance of your money with a Loanstock Certificate if your application is accepted in part, or a full refund, or return your cheque or bank draft, through the post at your own risk.

Interest

Interest shall be paid on the Stock at the annual rate specified on the Application Form.

Interest payment

The interest shall be calculated on the 30th October each year. Interest may be credited to each Stock holder by the allotment of further Stock provided that no amount less than £1 shall be credited by way of further Stock and in any such event the amount of interest not credited as further Stock shall stand as a debt of Equfund (IPS) Limited to the holder and be added to further interest payments. As an alternative, interest payment may be made via cheque or standing order. The choice is yours.

Repayment on Default

The Loanstock will be due for repayment in full immediately if, amongst other things, Equfund (IPS) Limited:-

(1) is in breach of these Terms and Conditions; or (2) is overdue on any payment by 21 days or more; or (3) passes a resolution for winding up or goes into liquidation or has an administrative receiver appointed over any of its assets or has an administrative order made against it or an effective instrument of dissolution is made by members of Equfund (IPS) Limited.

Trustee

Equfund Limited (company number 02518230) ("Trustee") is appointed as trustee for the holders of the Stock pursuant and subject to the instrument which creates the Stock.

The Trustee holds the various promises given by Equfund (IPS) Limited in respect of the Stock (including the promise to repay the Stock on the relevant repayment date) on trust for the Stock holders. The role of the Trustee is as an administrative agent of the Stock holders. The Trustee does not investigate and has not investigated the credit-worthiness of Equfund (IPS) Limited. The Trustee accepts no liability – beyond its duty as Trustee – in the event that repayment in full on the Stock is not made on the relevant repayment date.

The terms of the Trustee's appointment as Trustee are set out in the instrument which creates the Stock.

Security

The Stock is secured by way of a fixed charge over a bank account of Equfund (IPS) Limited. That fixed charge is set out in the instrument which creates the Stock and is granted in favour of the Trustee. We are required to ensure that upon the Stock (or any part of it) becoming due for repayment, an amount at least equal to the amount of the Stock to be repaid is held within that account. Save for this charge, the Stock is unsecured.

General

These conditions shall not give the Stock holder any rights to attend meetings or participate in any way in the management of Equfund (IPS) Limited. An Annual Review of the Business will be sent to all Stock holders when available. We do not sell or exchange mailing lists.

In these Terms and Conditions 'we' means Equfund (IPS) Limited. 'You' means the first named applicant on the attached form together with any joint applicants where the context so requires. This Offer is dated 26th September 2017.

The registered office address is detailed below.

EQUFUND[©]
• Social Investments & Finance •

Community Bond OFFER DOCUMENT

This document is issued by Equfund (IPS) Limited a community benefit society under the Co-operative and Community Benefit Societies Act 2014. The Society has limited liability. It is not authorised to take deposits and is not an investment institution authorised under the Financial Services and Markets Act 2000 ("the Act").

The Society is permitted to issue this communication pursuant to the exemption to Section 21(1) of the Act contained in paragraph 35 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005. The Society is exempt from the requirement to issue an approved prospectus pursuant to Section 85 (5) of the Act pursuant to paragraph 7(2)(d) of Schedule 11A of the Act.

The Directors of the Society accept responsibility for the preparation of the document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained within this document is in accordance with the facts and the document makes no omission likely to affect the context of such information.



*We believe in decent
affordable homes for all*

ALL LOANSTOCK HOLDINGS SHOULD BE SEEN AS A SOCIAL INVESTMENT WHICH IS NOT COVERED BY A FINANCIAL SERVICES COMPENSATION SCHEME. PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE. IF IN DOUBT, CONSULT A FINANCIAL ADVISER.

Please forward all stock and administrative enquiries to:
Equfund (IPS) Limited
Hammond House, North Road, West Kirby, CH48 4DE
Tel: 0151 625 0800 Fax: 0151 625 0801

Offer for subscription by Equfund (IPS) Limited
(A community benefit society under the Co-operative and Community Benefit Societies Act 2014 - no: 29088R) for £3,000,000 Unsecured Loanstock
(to be issued at par payable in full upon allocation)

Loanstock 25 Application

Please use BLOCK CAPITALS

THE PROBLEM

Housing conditions in the United Kingdom are now considered to be among the worst in Western Europe; there is a chronic shortage of affordable homes leading to overcrowding and a rise in homelessness.

The Government's target of there being one million new homes built by 2020 has been dealt a severe blow when just over 50% of the required 250,000 houses were registered as new build 'starts' for the 2015-2016 financial year. Failure to meet such housing targets has left an estimated 1.7 million people on housing waiting lists; many living in squalid conditions with no long term security.

The Empty Homes Agency estimates that there are over 600,000 empty homes across the United Kingdom; 200,000 of which have been vacant for over six months. Disturbingly, both un-inhabitable homes and properties due for demolition are not included in these statistics; abandonment of this scale is bad for local communities as it denies homes for those in housing need and encourages crime and anti-social behaviour.

GOVERNMENT RESPONSE

The Government's thrust to empower private developers and Registered Social Landlords to achieve new building quotas has taken priority over the refurbishment of existing stock. Whilst it continues on its path of austerity, funding for new or existing housing projects remains restricted; lack of investment here is fuelling increases in both crime and homelessness. Empty home renovation offers the most cost effective solution to the housing problems stated above.

The social, financial and environmental savings to retain existing, structurally sound, empty properties, that can be upgraded at low cost, makes viable, economic and ecological sense. For this reason, we have chosen to focus our activities and resources in Merseyside; a housing action area with some 20,000 empty homes and 15,000 people on the housing waiting list.

OUR PLAN

Working in conjunction with local housing renewal plans, our overall aim is to bring a minimum of 100 long-term empty properties back into habitable use as affordable housing. Over the last four years, we have purchased and renovated 75 properties in the Merseyside area; each refurbishment has been professionally managed to ensure a high standard of workmanship and a timely completion. We take particular care to ensure that the properties are renovated beyond the Decent Homes Standard; increasing energy efficiency and limiting any environmental impact. The completed properties are then let at an affordable rent to people in housing need. We intend to recoup our investment in the long term by selling properties to a housing association, charity or similar organisation who are committed to retaining them on a long term affordable housing basis.

Our policy of sustainable investment is designed to deliver benefits to the community by generating economic, environmental, social and financial value in regeneration areas.

COSTINGS

During the fifteen years that we have been undertaking empty property renovations, the purchase and refurbishment costs have been both qualified and quantified. Within the Merseyside area, £80,000 is the average expenditure we anticipate that will be required to purchase and refurbish a traditional two to four bedroomed terraced house; this figure has been calculated using economies of scale for all properties within the planned project.

FUNDING

As a community benefit society, we are able to raise money by issuing Loanstock. This permits us to borrow money from socially aware investors whose primary expectations are of a social dividend rather than a financial gain. Monies raised from this Loanstock issue will be used to fund property purchases and refurbishment works in order to achieve our Plan; these monies will be repaid by our refinancing the properties upon works completion.

OUR OFFER

You can help us by investing in this Loanstock issue and choosing the gross level of interest, ranging from 0% to 5% (inclusive), the term and the method of payment you wish to receive; clearly, the less interest we have to pay, the more money we have to achieve our objects.

KEY RISKS

Some of the risks you should consider prior to subscribing to Loanstock are:
 a) Your investment is not covered by any financial services compensation scheme. so repayment of your investment is not guaranteed.
 b) Past performance is no guarantee of future performance.
 c) If we are unable to complete works on the properties or we are unable to refinance a completed property, you may not receive some or all of the Loanstock repayment or interest accrued on it.

If you are in any doubt whether Loanstock is right for you, seek guidance from an independent financial adviser.



SUPPORT

Excess income generated from sales or lettings will be used to support The Homesavers Charity which offers assistance to people on low income who are unable to provide a tenancy or deposit guarantee; this allows vulnerable tenants to move out of inadequate housing and into higher quality homes. During winter times, the Charity also provides food and clothing to homeless people sleeping rough on the streets.

We hope that you are able to subscribe to this issue and will be happy to answer any questions you may have in this regard via either our telephone helpline, by email or by post to the address detailed below.

Complete all boxes below then send this application, along with your payment, to:

Equfund (IPS) Limited
 Hammond House, North Road, West Kirby, Wirral CH48 4DE

First Applicant	Joint Applicant	Professional Adviser's Details
Full Name	Full Name	Contact
Title (Mr/Mrs/Ms/Miss/Office)	Title (Mr/Mrs/Ms/Miss/Office)	Title (Mr/Mrs/Ms/Miss/Office)
Organisation	Organisation	Organisation
Address	Address	Address
Postcode:	Postcode:	Postcode:
Tel:	Tel:	Tel:

This application is in: one name joint names

I/we wish to subscribe £
 (minimum £1,000)

for Stock issued by Equfund (IPS) Limited at par fully paid upon allocation subject to the Terms and Conditions of the Instrument creating the Stock and of the Terms and Conditions contained in the Offer Document.

I/we attach a cheque or existing Loanstock transfer request in favour of Equfund (IPS) Limited for the above amount.

I/we wish to receive the following annual gross rate of interest on each anniversary of the issue date:-

(Tick boxes ✓)

0% 1% 2% 3% 4% 5%

I/we would like my/our interest to be credited by:-

Stock allotment Cheque Standing Order

over this period of time:-

3 years 4 years 5 years

I/we confirm that I am/we are at least 16 years of age. I/we agree to be bound by the Terms and Conditions of the Instrument creating the Stock and the Terms and Conditions contained in the Offer Document. I/we understand that the board of Equfund (IPS) Limited may reject my/our application and does not have to tell me/us why it has been rejected. I/we give permission to Equfund (IPS) Limited to use the information supplied in this application form to verify my/our identity to meet the Society's policy to prevent money laundering.

Signed by:

First Applicant:

Joint Applicant:

Date:

The data provided by you on this form will be stored within a computerised database. This data will only be used for Equfund (IPS) Limited's purposes and will not be disclosed to a third party, unless required by law. In signing this form, you are confirming that Equfund (IPS) Limited may hold any personal data submitted in this form in accordance with the Data Protection Act 1998.

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The Loanstock telephone helpline number is 0151 625 4549

Equfund (IPS) Limited
 Hammond House, North Road
 West Kirby, Wirral CH48 4DE
 Email: support@equfund.co.uk