

SLAITHWAITE COOPERATIVE LIMITED
14 Carr Lane, Slaithwaite, Huddersfield, HD7 5AN
Registered in England and Wales No: 30700R

29 May 2009

To: All who have expressed interest in shares in Slaithwaite Cooperative Limited

Dear Supporter

Offer Of Shares In Slaithwaite Cooperative Limited No.30700R

You have expressed an interest in purchasing shares in Slaithwaite Cooperative Limited (Society No: 30700R). The purposes of the co-operative are to:

- a) a) lease premises at 14 Carr Lane in Slaithwaite and operate them as a retail business.

Shares in the Society are now available to purchase. I would therefore be grateful if you could complete the attached form and return it together with your cheque for the number of shares you wish to purchase to:

Slaithwaite Cooperative Limited
14 Carr Lane
Slaithwaite
HD7 5AN

Your cheque should be made payable to '*Slaithwaite Cooperative Limited*'.

If it is more convenient feel free to drop your form and cheque in to the shop.

Further information on this share offer is enclosed with this letter. I would ask that you read this information carefully. If you have any further queries on this matter, please ring the Society's advisor, Dave Hollings of CMS, on 07967 815322.

Yours sincerely

Camilla Govan
Secretary

Share Issue Offer Notes

1. This proposal is made by Slaithwaite Cooperative Limited, an Industrial and Provident Society registered with the Financial Services Authority in England, registered number 30700R.
2. The minimum shareholding for membership is one £1 share. In order to ease the administration of members' shareholdings, the board requests that applications be for a minimum of ten £1 shares. A person can apply for up to 20,000 £1 shares, this being the maximum allowable within the law.
3. The purchase of shares will entitle a person to be a full member of the cooperative. Each member has one vote regardless of the size or value of their shareholding.
4. Shares are ordinary withdrawable shares and are not transferable. Shares will only be redeemed at face value by the cooperative in accordance with its Rules. Shares shall not be withdrawable until June 2011 in order to avoid the risk of weakening the cooperative's capital base during the initial period of trading. From June 2011 onwards thirteen weeks notice shall be required of any withdrawal. In the event that more than 10% of the total share capital of the cooperative shall be under notice of withdrawal in any one calendar year the right to withdrawal may be suspended by the board of directors.
5. The board of directors has the right to write down the value of the shares if the liabilities of the cooperative exceed its assets. Members applying to withdraw their shares in this period would receive only the written down value of their shares.
6. In the event of the cooperative ceasing to trade members will be paid up to a maximum of £1 for each £1 share owned once all the creditors have been paid in full. In the event that the cooperative cannot pay its creditors in full members may lose some or all the value of their shares.
7. The cooperative aims to lease premises at 14 Carr Lane in Slaithwaite and operate them as a food retail business as set out in the accompanying business plan.
8. The board of directors of the cooperative has prepared a business plan based on an analysis of the population of the area and experience of similar shops and markets serving communities of similar sizes. The development of the business plan has been supported by independent professional advice from Cooperative and Mutual Solutions Limited and Cooperative and Community Finance (ICOF Ltd.).
9. The main risk factors identified by the board are:
 - 9.1. That it will take significantly longer than planned to achieve profitability.
 - 9.2. That the shop will not be able to offer a range and pricing structure attractive to a sufficiently large customer base to enable it to be sustainable.
 - 9.3. That we will be unable to compete effectively with other retailers that offer some overlap with areas of our planned product range.
10. The primary purpose of the cooperative is to secure the future of the shop for the benefit of the whole community, and not to make returns on capital invested. The maximum dividend payable on shares according to the Rules of the cooperative is 10%.
11. This proposal is not regulated by the Public Offer of Securities Regulations 1995 because the shares in the co-operative are not 'securities' for the purpose of those regulations.
12. If you are in any doubt about your investment you should consult an Independent Financial Advisor authorised under the Financial Services and Markets Act 2000.

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Share Issue Application Form

Please complete this form and return it along with your payment.

Shares are available at £1 each.

I am/We are interested in purchasing shares to the value of:£_____

Name/s

Address

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Postcode

Telephone

E-mail

Please complete and return this form with your payment.