

# Open an account that counts: The Local Community Bond

**Are you a Charity, Voluntary Sector Organisation or Social Enterprise?**

**Do you bank in the high street?**

**Is your money earning you interest?**

**More importantly is your money really helping your Community?**



Its time to put you money to work for you and your Community.

Invest between £10,000 and £500,000 into a Local Community Bond with us.

The Bond will consist of two elements:

## 1. Subordinated Loan

70% of "The DotComUnity Bond" will be setup as a 10 year Subordinated Loan with DotComUnity Credit Union, paying annual interest as per the table (bottom right).

## 2. Deferred Shares

The remaining 30% of "The DotComUnity Bond" will be held with DotComUnity Credit Union as Deferred Shares and may receive an annual dividend, based upon the financial performance of the Credit Union.

We will ensure that your money is reinvested into the community to achieve the social purpose defined by The DotComUnity Bond.

You can invest into an existing Bond or subject to a minimum investment of £10,000; you can set up your own Bond for the benefit of your community.

DotComUnity Credit Union is an exciting new way of Banking. Our 'Banking in a Box' solution allows Local Communities, Charities, Voluntary Sector Organisation and Social enterprises, help bring banking back into the heart of their community.

Become a DotComUnity Centres Branch and setup your own Local Community Bond. We also offer savings, loans and specialist accounts for individuals, businesses, landlord and tenants. These products and services are available for people of all ages and abilities.

**Not just a Bank, we are a Credit Union.**

### Interest to be paid over the term

Year 1 – 2%	Year 2 – 2%
Year 3 – 3%	Year 4 – 3%
Year 5 – 4%	Year 6 – 4%
Year 7 – 4%	Year 8 – 4%
Year 9 – 5%	Year 10 – 5%



Open an account that counts.

DotComUnity Credit Union, 4 Trinity, 161 Old Christchurch Road, Bournemouth, BH1 1JU

T: 01202 611 367 E: [centres@dotcu.org.uk](mailto:centres@dotcu.org.uk) W: [www.dotcu.org.uk](http://www.dotcu.org.uk)

DotComUnity Credit Union reserves the right to change product and service definitions and information and amend or remove terms and conditions without prior notice.

Always check [www.dotcu.org.uk](http://www.dotcu.org.uk) for the latest information.

# Product Conditions:

DotComUnity Credit Union can only provide Local Community Bonds to members. You must become a Branch Member, Information and Advice point or Business Member of DotComUnity Centres, to access all the member benefits including the Credit Union.

Local Community Bonds are subject to a minimum investment of £10,000 and a maximum single investment of £500,000.

## How are the funds used?

As a regulated Credit Union the Bond will be used to show that the Credit Union has the Capital and Reserves to both support the business and its members.

## The DotComUnity Bond is split into 2 parts:

1. 70% of the Bond is a 10 year Subordinated Loan to the Credit Union, paying an annual interest on the anniversary of the loan, as per the rates indicated, with the interest being paid out or rolled over.
2. The remaining 30% is held as Deferred Shares in the Credit Union, which may receive an annual dividend, depending on the financial performance of the Credit Union, any dividend paid would be paid out or rolled over.

Each Local Community Bond has to include a Social Impact Statement which defines the social purpose of the bond.

The Bond is a long-term investment, early repayment is not usually possible and the Bond is not covered under the Financial Services Compensation Scheme ([www.fcsc.org.uk](http://www.fcsc.org.uk)).

## THE LOCAL COMMUNITY BOND CALCULATION - SPLIT 70% SUB-ORD LOAN & 30% DEFERRED SHARES

INTEREST, AND WHERE APPLICABLE, DIVIDEND PAID OUT ANNUALLY					INTEREST, AND WHERE APPLICABLE, DIVIDEND ACCUMULATED ANNUALLY					
		Sub-Ord Loan £70,000		Deferred £30,000		Sub-Ord Loan £70,000			Deferred £30,000	
	Interest Rate		Divided possibly		Interest Rate		Accumulative	Divided possibly		Accumulative
Year 1	2%	£1,400	0%	£-	2%	£1,400	£71,400	0%	£-	£30,000
Year 2	2%	£1,400	0%	£-	2%	£1,428	£72,828	0%	£-	£30,000
Year 3	3%	£2,100	2%	£600	3%	£2,185	£75,013	2%	£600	£30,600
Year 4	3%	£2,100	2%	£600	3%	£2,250	£77,263	2%	£612	£31,212
Year 5	4%	£2,800	3%	£900	4%	£3,091	£80,354	3%	£936	£32,148
Year 6	4%	£2,800	3%	£900	4%	£3,214	£83,568	3%	£964	£33,113
Year 7	4%	£2,800	3%	£900	4%	£3,343	£86,911	3%	£993	£34,106
Year 8	4%	£2,800	3%	£900	4%	£3,476	£90,387	3%	£1,023	£35,129
Year 9	5%	£3,500	4%	£1,200	5%	£4,519	£94,906	4%	£1,405	£36,535
Year 10	5%	£3,500	4%	£1,200	5%	£4,745	£99,652	4%	£1,461	£37,996
<b>Total Interest</b>		<b>£25,200</b>		<b>£7,200</b>		<b>£29,652</b>			<b>£7,996</b>	
<b>Average p.a.</b>		<b>3.6%</b>		<b>2.4%</b>		<b>4.2%</b>			<b>2.7%</b>	
<b>Capital</b>		<b>£70,000</b>		<b>£30,000</b>		<b>£70,000</b>			<b>£30,000</b>	
<b>Total Return</b>		<b>£95,200</b>		<b>£37,200</b>		<b>£99,652</b>			<b>£37,996</b>	

For full terms and conditions, please contact DotComUnity Centres on 01202 611 367 or visit [www.dotcu.org.uk](http://www.dotcu.org.uk).



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