

FairShares Company Model: Table of Share Types / Investment Instruments – v2.0



Share Type	Creation Event(s)	Means of Acquisition	Annual Financial Return	Transfer/ Redemption Rights	Transfer/ Redemption Event(s)	Means of Transfer	Extinction / Suspension Event(s)	Means of Extinction	Notes
Founder	Enterprise formed / incorporated	Par Value 1 share per founder	None	None	n/a	n/a	Founder cancels membership, bankruptcy, dissolution (and winding up), insolvency or death	Share deleted from register	
Labour	1. Supplier / Producer / worker / employee achieves a 'qualifying contribution' 2. New share issue to existing shareholders.	Par Value One share for each qualifying contribution - using a policy devised by members.	Dividends (agreed % of surplus after deductions for reserves) Paid to an account of the member's choice	None	n/a	n/a	Cessation of contract or agreement to provide labour (or deliver supplies) or winding up.	Share deleted from register	Volunteers have 'agreements' while suppliers and employees have 'contracts'.
User	1. Customer / service user achieves or maintains a trading threshold / achieves a 'qualifying contribution'. 2. New share issue to existing shareholders.	Par Value One share for each qualifying contribution - using a policy devised by members.	Dividends (agreed % of surplus after deductions for reserves) Paid to an account of the member's choice	None	n/a	n/a	Cessation of trading relationship	Share deleted from register	Organisations may want to frame low trading / non-trading as 'cessation of trading relationship in contracts.
Investor	1. 'Member shares' issued after a 'capital gain'. 2. Member decision to invest. 3. Conversion of investor shares/share dividends to additional investor shares 4. New share issue.	At Fair Price 1. Allocated after a 'capital gain' that triggers 'member share' issue. 2. Purchased with own money 3. Purchased by deductions from salary.	Dividends (agreed % of surplus after deductions for reserves) Paid to an account of the member's choice	1. Transfer to an organisation authorised to buy shares for employee, community or public benefit 2. Transfer to other members under the 'member shares' mechanism.	1. Shares held for more than agreed length of time. 2. Termination of membership 3. Retirement, death or insolvency.	1. Payment of 'fair price' to investor shareholder / investor shareholder's estate and 2. Updating of share owner in register.	Dissolution	Settlement of investor share accounts under the articles for dissolution.	All types of shareholder can purchase further Investor Shares to add to their 'basic' entitlement.