

THIS DOCUMENT IS IMPORTANT- IF YOU ARE IN ANY DOUBT ON THE ACTION YOU SHOULD TAKE, PLEASE SEEK APPROPRIATE FINANCIAL ADVICE



Registered under the Co-operative and Community Benefit Societies Act 2014 with number 31265R

Registered Office: c/o Energy4All Limited, The Old Music Hall, 106-8 Cowley Road, Oxford, OX4 1JE

2024 Bond Offer

- **Roll your maturing 2019 bond into a new 5 year bond offering 6.25% pa interest**
- **Exclusive offer for existing bondholders**
- **Additional 0.5% pa interest available on first £1,000 held by local bondholders (as defined in the terms of the 2024 bond)**
- **Enabling Westmill Solar to expand member trading opportunities and support the growth of both the co-operative and the wider community energy sector**
- **IF-ISA eligible**

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Dear Bondholder

Continue the journey – act now to roll your maturing bond into a new 2024 Bond offering 6.25% pa

Firstly, thank-you for the support you have provided Westmill Solar since you purchased your bond in 2019. It has been a tumultuous few years but Westmill Solar has continued to thrive despite the challenges that COVID-19 and the war in Ukraine have created - for the world at large and the UK energy sector.

Your 2019 bond matures on 31 December 2024. Unless you choose otherwise, all your bond capital will be returned (with the interest due for 2024) shortly after that date.

However, in the battle against climate change much remains to be done. Westmill Solar is developing a strategy to 'do more' collectively - expanding local trading opportunities, reducing carbon emissions and supporting more sustainable lifestyles and the wider community renewables sector. We would like you to continue with us on that journey.

We are therefore offering all bondholders the opportunity to 'roll over' part or all of your existing bond into a new 5-year bond on similar terms - and with a higher interest rate to reflect the increase in prevailing rates since 2019.

As Westmill Solar members, you have received copies of all our reports, accounts and communications over the past 5 years. This document sets out more detail on Westmill Solar's current situation and our plans (including outline financial projections for the next 5 years). You will also find a copy of the formal terms of the 2024 bond.

As mentioned above, **you must apply for the new bond (it will NOT be issued to you automatically) and this offer is exclusively for existing bondholders. The offer period closes on 29 November 2024.** If you have any questions, please feel free to contact us at info@westmillsolar.coop.

We look forward to your continuing support.

Yours in co-operation

A handwritten signature in black ink, which appears to read "Tom Parkinson". The signature is written in a cursive style with a horizontal line underneath the name.

Tom Parkinson
Chair

2. General information

Westmill Solar is a pioneering energy co-operative that operates a 4.9MW ground-mounted solar installation in south-west Oxfordshire. Since the solar park was acquired in October 2012, it has usually generated around 5 million kWh of electricity each year, which is the equivalent of the average electricity consumption of around 1,700 medium sized UK households.

Generation varies from month to month and year to year depending primarily on weather conditions. The majority (over 80%) of our income comes from Feed-in-Tariff subsidies that are expected to continue until 2036. Most of the rest of our income comes from the sale of our electricity to the wholesale markets through a power purchase agreement (PPA) which is normally renewed every couple of years.

The operational and financial performance of Westmill Solar has been consistently strong. Our 2023 income totalled £2,687,118 and our operating surplus for the year was £1,419,891.

As a co-operative, our vision and the way in which we operate are just as important as our financial performance. We seek to put into practise the seven internationally recognised co-operative principles, which include democratic member control, member economic participation, education, training and information and co-operation amongst co-operatives. Westmill was the UK's first community-owned solar park and we have sought to maintain this pioneering spirit, being one of the founder members of Community Energy England in 2014, the first energy co-operative to join the Climate Coalition and (with Westmill Wind and Your Co-op Energy) introducing the first member trading dividend in the energy sector in 2020.

The seventh co-operative principle is concern for community and we have a well-established community funding programme. In the past decade, this has allocated over £825,000 to more than fifty projects ranging from developing free educational materials for schools, insulating nearby community buildings and supporting local sustainable food projects.

Westmill Solar has around 1,600 members, each of whom has one vote, irrespective of the number of shares held. It is governed by a board of up to seven, all of whom are members and who are subject to regular re-election by members.

3. Update on 2024 generation and other recent developments

In the nine months to 30 September 2024, the solar park generated 3,904,000kWh of electricity. This is slightly below our generation for the same period in 2023 and 13% below what we had budgeted. The main reason for this shortfall was problems over the summer with two of our seven inverters which took much longer to diagnose and repair than we had hoped. However, the plant has been back running at full capacity since 26 September and your board has ordered a substantial additional stock of spare parts to expedite future repairs.

Although our income has been impacted by the lower than expected generation, we have benefitted in 2023 and 2024 from the relatively high price received for our electricity under our current PPA which was negotiated in the summer of 2022 and which expires in January 2025. We have recently agreed an extension of this PPA until the end of September 2025 which reflects the lower market prices that now prevail.

Our income for the year to 31 December 2024 is forecast to be just over £3 million and our operating surplus for the year is forecast to be around £1.7 million. Further information on this – and our financial forecasts for the 5 year term of the bond to 31 December 2029 – are set out in section 5.

A key focus for Westmill Solar in 2024 has been our capital restructuring, which involves a number of different elements and is intended to enable the co-operative to fulfil members' desire for us to 'do more'. Last month, we entered into a new loan of up to £5 million with REScoop MECISE to replace our previous loan with LPPI Credit Investments LP. The new loan will continue until 2034 with a fixed interest rate of 6% throughout this period, providing Westmill Solar with much more certainty regarding our future loan repayments and helping to underpin our ongoing development which is described in more detail in section 4.

We have initially drawn down only £4.5 million of this loan in the expectation that many bondholders will 'roll over' their 2019 bonds into the new 2024 bond. However, the remaining £500,000 of the loan will be drawn down should your board decide that this is required.

4. Development plans

Westmill Solar was established over a decade ago by members who wanted to do something practical to address climate change. Since then, the impact of global warming has become increasingly obvious but there has been a tendency in the past couple of years for governments and others to scale back their climate ambitions.

Westmill Solar's members recognise that we need to accelerate the phasing out of fossil fuels and the transition to a zero carbon future. Member questionnaires in April 2021 and December 2023 showed a strong desire to 'do more' collectively and a number of ideas were also presented and discussed at a members' event in Didcot in October 2022.

The three areas of development for which members have previously indicated the greatest support are:

- developing future revenue streams;
- supporting new renewable generation initiatives; and
- promoting sustainable lifestyles

and there are a number of proposals currently under consideration (mostly in conjunction with Westmill Wind) that would align with these goals including:

- the longer-term expansion or repowering of the Westmill site;
- installing batteries at the Westmill site alongside our existing generation;
- expanding our member trading dividend scheme and/or enabling some kind of local electricity supply to members and/or the wider local community;
- increasing investment in third-party installation of community renewables (whether through REScoop MECISE and/or other organisations);
- working in partnership with other organisations to support eg home retrofit or other decarbonisation initiatives; and
- expanding our community funding scheme

With the new REScoop MECISE loan in place, we can now move forward towards the implementation of this kind of initiative. The Westmill Solar board expects to present various options to members during the first half of 2025 so that these can be properly discussed and prioritised.

These plans will underpin a proposed share offer to be launched later in 2025. This offer will be primarily intended to attract new members although we expect that existing members will also be invited to participate.

5. Outline financial forecasts 2024-2029

	2024	2025	2026	2027	2028	2029
Generation (MWh)	4,536	4,703	4,680	4,656	4,633	4,610
	£	£	£	£	£	£
Income	3,121,000	2,832,000	2,883,000	2,940,000	2,998,000	3,053,000
Operating expenditure (inc depreciation)	(1,389,000)	(1,329,000)	(1,381,000)	(1,440,000)	(1,497,000)	(1,562,000)
LPPI / MECISE loan interest	(1,611,000)	(256,000)	(229,000)	(202,000)	(176,000)	(148,000)
Bondholder interest	(51,000)	(48,000)	(48,000)	(48,000)	(48,000)	(48,000)
Trading dividend	(8,000)	(10,000)	(12,000)	(14,000)	(16,000)	(18,000)
Community funding	(96,000)	(141,000)	(143,000)	(145,000)	(148,000)	(151,000)
Founders bond interest	0	(91,000)	(111,000)	(99,000)	(87,000)	(75,000)
Member share interest	(384,000)	(299,000)	(293,000)	(285,000)	(277,000)	(269,000)
(Deficit)/Surplus before tax	(418,000)	658,000	666,000	707,000	749,000	782,000
Outstanding MECISE loan at year end	4,500,000	4,050,000	3,600,000	3,150,000	2,700,000	2,250,000
Cash at year end	2,088,000	3,669,000	4,061,000	4,506,000	5,004,000	4,802,000

Notes: These forecasts have been prepared for the Westmill Solar board, have not been externally reviewed and do not reflect the potential costs or other impact of the development initiatives referred to in section 4.

These forecasts are also based on various assumptions, in particular:

- generation for 2025 is based on the solar park's average annual generation for 2020-2024 and reduces annually thereafter by 0.5%
- income and operating expenditure for 2025-2029 (excluding depreciation) will increase in line with inflation at 2.5% per annum
- the 2024 bond raises £750,000 at an average annual interest rate of 6.35%
- £1m of existing share capital is exchanged into founders' bonds in March 2025
- £1m of new share capital is raised and issued in December 2025

6. Key features and risks

Key features

The 2024 bond is only being offered to existing 2019 bondholders - who may 'roll over' part or all of their existing 2019 bond into the new 2024 bond. To keep the process simple, no bondholder may apply for a greater amount of 2024 bonds than he or she currently holds as a 2019 bond.

Also to keep matters straightforward, the terms of the 2024 bond are very similar to the terms of the 2019 bond, except that the interest rate is higher to reflect the increase in prevailing interest rates since 2019 and provisions have been included to facilitate the holding of online meetings of bondholders.

Key features include:

- interest rate of 6.25% pa
- additional interest of 0.5% pa payable on the first £1,000 of bonds held by local members¹
- 5 year term - capital repayable on 31 December 2029
- IF-ISA eligible (including for those bondholders who did not choose this option in respect of their 2019 bond)
- subordinated to Westmill Solar's new loan with REScoop MECISE (which has replaced our previous loan with LPPI Credit Investments Limited)
- bondholders who were issued with a single share in Westmill Solar as part of their acquisition of the 2019 bond and who 'roll over' into the new 2024 bond will retain this share to enable them to participate fully as members of Westmill Solar

Risks

As with any business activity and investment, the 2024 bond involves risk. The directors of Westmill Solar believe the following risks are the most significant - but this is not a complete list and is not presented in any particular order or priority.

General investment risks:

- Your capital is at risk and not safeguarded by the Financial Services Compensation Scheme (FSCS)
- There is no guarantee that Westmill Solar's strong past financial performance will continue during the term of the 2024 bond

¹ 'Local' for this purpose means having a primary residence in one of the following postcodes: SN1, SN2, SN3, SN4 0, SN4 9, SN5 1, SN5 5, SN5 7, SN5 8, SN6 6, SN6 7, SN6 8, SN7 7, SN7 8, SN7 9, SN25, SN26, GL7 3, GL7 4, OX12 9, OX18 2 and RG17 8

- The 2024 bond is unsecured and subordinated to all outstanding amounts owed under the loan from REScoop MECISE
- The 2024 bond is transferable but is not traded on a recognised exchange and any early repayment requires the approval of the Westmill Solar board

Operational and financial risks:

- The amount of electricity generated by the solar park depends primarily on the weather, which varies from month to month and from year to year
- Technological or other failure of the panels, transformers, inverters or other equipment can reduce generating capacity significantly (as has happened in the past three years) and our insurance policies do not cover all losses
- More than 80% of Westmill Solar's income comes from Feed in Tariffs which should continue until 2036 but there is no guarantee that rates will not be retrospectively reduced or removed
- Income from our Power Purchase Agreement (PPA) varies substantially depending on market prices prevailing at the time that the agreement is renewed
- Although the new loan from REScoop MECISE offers a fixed interest rate, increases in inflation and interest rates impact our other costs as well as the amounts we receive from the Feed in Tariffs
- Electricity generation and supply is a highly-regulated sector and ongoing legislative and regulatory developments (not least on the status of co-operatives) may impact Westmill Solar's operating abilities and opportunities

The full terms and conditions of the 2024 Bond are set out in the Appendix to this document

Appendix
Terms of the 2024 bond

DATED

6 NOVEMBER

2024

WESTMILL SOLAR CO-OPERATIVE LIMITED

BOND INSTRUMENT

constituting

up to £1,000,000 fixed rate unsecured subordinated transferable bonds 2024

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THIS DEED IS DATED

6 November

2024

BY

WESTMILL SOLAR CO-OPERATIVE LIMITED, a registered society under the Co-operative and Community Benefit Societies Act 2014, whose registered number is 31265R and whose registered office is situated at C/O Energy4All Limited, The Old Music Hall, 106-108 Cowley Road, Oxford OX4 1LH ("**Issuer**").

BACKGROUND

The Issuer has, by resolution of its board of directors, resolved to create up to a maximum nominal amount of £1,000,000 fixed rate unsecured subordinated transferable bonds 2024, to be constituted in the manner set out below. Those bonds will be used by the Issuer to refinance up to £1,000,000 fixed rate unsecured subordinated transferable bonds 2019 created by it ("**2019 Bonds**").

AGREED TERMS

1. Definitions and interpretation

1.1 The definitions and rules of interpretation in this clause apply in this instrument.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Bondholder: each person for the time being entered in the Register as a holder of any Bonds.

Bonds: up to £1,000,000 fixed rate unsecured subordinated transferable bonds 2024 constituted by this instrument or, as the case may be, the amount of such Bonds for the time being issued

and outstanding.

Conditions: the conditions set out in Schedule 2 as from time to time amended and **Condition** shall be construed accordingly.

Directors: the board of directors/committee of management of the Issuer for the time being.

Event of Default: any of those events specified in clause 10.

Group: the Issuer and any subsidiary or holding company from time to time of the Issuer, and any subsidiary from time to time of the Issuer's holding company (and the expression **member of the Group** shall be construed accordingly).

Interest Payment Date: 31 December in each year.

Local Bondholder: a Bondholder whose primary residence is, at the date of this instrument, to the satisfaction of the Issuer, located in one of the following postcodes: SN1, SN2, SN3, SN4 0, SN4 9, SN5 1, SN5 5, SN5 7, SN5 8, SN6 6, SN6 7, SN6 8, SN7 7, SN7 8, SN7 9, SN25, SN26, GL7 3, GL7 4, OX12 9, OX18 2 and RG17 8.

Minimum Bondholding: the meaning given to such term in clause 3.2.

New Member Bondholder: a Bondholder who, immediately before becoming a holder of 2019 Bonds was not a member of the Issuer, meaning that they did not hold legal title to

any of the share capital of the Issuer at that time.

Register: the register of Bondholders kept and maintained by the Issuer in accordance with clause 8.

Repayment Date: 31 December 2029.

Senior Lender RESCOOP MECISE SCE and/or any other lender under a Senior Loan Agreement (or any of their respective successors, transferees or assignees).

Senior Loan Agreement: the loan agreement dated 1 October 2024 between the Issuer and RESCOOP MECISE SCE and any subsequent loan agreement(s) which refinance the same (in each case as modified, amended, varied, novated, supplemented, substituted, replaced, extended, restated or refinanced from time to time).

Special Resolution: a resolution passed at a meeting of the Bondholders duly convened and held in accordance with the provisions of this instrument and carried by a majority consisting of not less than 75% of the persons voting at such meeting.

Virtually: by telephone link, video link, or other technology enabling all participants to communicate with one another in real time without being physically present in the same place.

1.2 Any reference in this instrument to:

1.2.1 **Bondholder(s) meeting or meeting of the Bondholder(s)** includes, except where inconsistent with any legal obligation, a

physical meeting and/or a meeting held Virtually (or by other electronic means);

- 1.2.2 **electronic means** includes email, video links and secure authenticated web-site transactions;
- 1.2.3 the **assets** of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
- 1.2.4 an **encumbrance** shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;
- 1.2.5 **indebtedness** shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
- 1.2.6 this **instrument** or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this instrument or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in each case, in accordance with its terms;
- 1.2.7 a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where

any such period would otherwise end on a day that is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month;

- 1.2.8 a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- 1.2.9 **repayment** includes redemption and vice versa and the words **repay, redeem, repayable, redeemed** and **repaid** shall be construed accordingly;
- 1.2.10 a reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006;
- 1.2.11 **tax** shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
- 1.2.12 the **winding-up, dissolution** or **administration** of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business;
- 1.2.13 **£** denotes the lawful currency of the United Kingdom; and

- 1.2.14 a reference to **writing** or **written** includes email and any other written electronic means approved by the Issuer for the relevant purpose.
- 1.3 References to any statute or statutory provision:
- 1.3.1 shall be construed as a reference to it as amended, extended or re-enacted from time to time; and
- 1.3.2 shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.4 In construing this instrument general words introduced by the word **other** shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word **including** shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
- 1.5 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 1.6 References to the **Bonds** include references to all and/or any of the Bonds.
- 1.7 Clause, Schedule and paragraph headings shall not affect the interpretation of this instrument.
- 1.8 References to clauses and Schedules are to the clauses of and Schedules to this instrument and references to paragraphs are to paragraphs of the relevant Schedule.

1.9 The Schedules (including, for avoidance of doubt, the Conditions) form part of this instrument and shall have effect as if set out in full in the body of this instrument. Any reference to this instrument includes the Schedules.

2. **Amount of Bonds**

The principal amount of the Bonds is limited to £1,000,000.

3. **Description of Bonds**

3.1 The Bonds shall be known as fixed rate unsecured subordinated transferable bonds 2024 and shall be issued in integral multiples of £50 by the Issuer.

3.2 The minimum amount of Bonds that may be held by a Bondholder is £250, unless otherwise agreed by the Issuer ("**Minimum Bondholding**").

3.3 The maximum amount of Bonds that may be issued by the Issuer to a Bondholder and/or that may be held by a Bondholder is £2,500, unless otherwise agreed by the Issuer.

4. **Status of Bonds**

4.1 The Bonds when issued shall rank pari passu equally and rateably without discrimination or preference among themselves and as an unsecured obligation of the Issuer.

4.2 The Bonds, and the Issuer's and the Bondholders' rights and obligations in relation thereto, are subject to the Senior Loan Agreement(s) and the Bonds are subordinated to all of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s) (meaning that on any winding up of the Issuer, amounts will not be payable to the Bondholders in respect of the Bonds until the claims of the Senior Lender(s) under the Senior Loan Agreement(s) have been paid in full).

5. **Repayment of Bonds**

- 5.1 When the Bonds become payable in accordance with the provisions of this instrument, the Issuer shall, subject to the terms of the Senior Loan Agreement(s), pay to the Bondholders the full principal amount of the Bonds to be repaid together with any accrued interest on such Bonds (less any tax which the Issuer is required by law to deduct or withhold from such payment) up to and including the date of payment.
- 5.2 All payments under this instrument, whether of principal, interest or otherwise, shall be made by the Issuer to the Bondholders entitled to such payments as provided in paragraph 8 of Schedule 3.
- 5.3 Where any payment to a Bondholder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day that is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

6. **Interest on Bonds**

Until the Bonds are repaid in accordance with the provisions of this instrument, interest shall accrue and, subject to the terms of the Senior Loan Agreement(s), be paid on the principal amount of the Bonds which are outstanding at the rate and in the manner set out in the Conditions.

7. **Certificates**

- 7.1 Each certificate for Bonds shall:
- 7.1.1 bear a denoting number;

- 7.1.2 be issued to a Bondholder in the form (or substantially in the form) set out in Schedule 1, or such other form as may be approved by the directors of the Issuer; and
- 7.1.3 have the Conditions endorsed on, or attached to, or referenced on, it.
- 7.2 Each Bondholder shall be entitled to receive without charge one certificate for the Bonds registered in their name.
- 7.3 The Issuer shall not be bound to register more than four persons as the joint holders of any Bonds and, in the case of Bonds held jointly by several persons, the Issuer shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Bondholder shall be sufficient delivery to all joint holders of the Bonds in respect of which such certificate has been delivered.
- 7.4 When a Bondholder transfers or redeems part only of their Bonds, the old certificate shall be cancelled and a new certificate for the balance of such Bonds shall be issued without charge.

8. **Register**

- 8.1 The Issuer shall, at all times, keep a Register at its registered office (or at such other place as the Issuer may from time to time have appointed for the purpose and have notified to the Bondholders). The Register may be kept in hard copy and/or electronic format.
- 8.2 The Register shall contain the following details:
 - 8.2.1 the names and addresses of the Bondholders for the time being;
 - 8.2.2 the principal amount of the Bonds held by each Bondholder;
 - 8.2.3 the date at which the name of each Bondholder is entered in respect of the Bonds registered in their name;

8.2.4 the date of issue of each Bond; and

8.2.5 all transfers and changes of ownership of the Bonds.

8.3 Any change of name or address by any Bondholder that is notified to the Issuer at its registered office above (or at such other place as the Issuer may from time to time have appointed for the purpose and have notified to the Bondholders) shall be entered in the Register.

8.4 Any Bondholder may at all reasonable times during office hours and on reasonable notice inspect, and take copies of, the Register.

9. **A Shares**

9.1 At the time that each New Member Bondholder became a holder of 2019 Bonds (including as a consequence of the issue by the Issuer of 2019 Bonds to that New Member Bondholder, or of the transfer of 2019 Bonds to that New Member Bondholder by an existing holder of 2019 Bonds), the Issuer issued that New Member Bondholder with one withdrawable and transferable share (which, as at the date of this instrument, is defined in the rules of the Issuer as an "A Share") of £1 in the share capital of the Issuer ("**A Share**").

9.2 Unless as may otherwise be determined by the Directors, at the time that a New Member Bondholder ceases to be a Bondholder, they shall be deemed to have requested the withdrawal of their A Share in accordance with the rules of the Issuer, the Issuer shall withdraw that New Member Bondholder's A Share, and the New Member Bondholder shall do, or procure that there be done, all such things as may be required to give full force and effect to that withdrawal.

10. **Default**

10.1 The following are Events of Default:

- 10.1.1 **Non-payment:** The Issuer fails to pay any principal or interest on any of the Bonds within 10 Business Days after the due date for payment thereof;
- 10.1.2 **Breach of undertaking:** The Issuer fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest in respect of the Bonds) expressed to be assumed by it in this instrument and such failure continues for 10 days after written notice has been given by any Bondholder requiring remedy thereof;
- 10.1.3 **Cross-default:** Any indebtedness of the Issuer or any member of the Group in each case in an aggregate amount of £50,000 is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Issuer or any member of the Group becomes entitled to declare any such indebtedness in each case in an aggregate amount of £50,000 due and payable prior to its specified maturity;
- 10.1.4 **Insolvency:** The Issuer or any member of the Group is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts (as defined in section 123 of the Insolvency Act 1986), stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness or makes a general assignment for the benefit of, or composition with, any of its creditors (or any class of its creditors) or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;

- 10.1.5 **Enforcement proceedings:** A distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the assets of the Issuer or any member of the Group and is not discharged or stayed within 10 days;
- 10.1.6 **Winding-up:** The Issuer or any member of the Group takes any corporate action or other steps are taken or legal or other proceedings are started for its winding-up, dissolution or re-organisation (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by Special Resolution) or for the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or of any or all of its assets;
- 10.1.7 **Analogous proceedings:** Anything analogous to or having a substantially similar effect to any of the events specified in clause 10.1.4 to clause 10.1.6 inclusive shall occur under the laws of any applicable jurisdiction;
- 10.1.8 **Encumbrance enforceable:** Any encumbrance on or over the assets of the Issuer or any member of the Group becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance;
- 10.1.9 **Cessation of business:** The Issuer or any member of the Group ceases to carry on the business it carries on at the date of this instrument or a substantial part thereof; and
- 10.1.10 **Illegality:** It is or becomes or will become unlawful for the Issuer to perform or comply with any of its obligations under this instrument, or any such obligation is not or ceases to be legal, valid and binding.

11. **Acceleration**

11.1 Subject to clause 11.2, if, at any time and for any reason, any Event of Default has occurred, the Bondholders may by Special Resolution or by written notice to the Issuer from at least 75% of the Bondholders, at any time while such Event of Default remains unremedied and has not been waived by a Special Resolution, direct that the principal amount of all Bonds, all unpaid accrued interest and any other sums then payable on such Bonds shall become due and payable immediately. If the Bondholders give such a direction under this clause, then the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds (in each case less any applicable taxes) shall be immediately due and payable by the Issuer and the Issuer shall immediately pay or repay such amounts to the Bondholders.

11.2 At all times whilst any of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s) are outstanding, the Bondholders may not, without the Senior Lender(s) prior written consent, take any action referred to in clause 11.1 (or otherwise seek to recover any amounts due, owing or incurred to them from the Issuer in respect of the Bonds) unless the Event of Default in relation to which those rights arise, is that referred to in clause 10.1.1, and the relevant payment is permitted under the terms of the Senior Loan Agreement(s).

12. **No set-off**

All amounts due under this instrument from the Issuer to the Bondholders shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

13. **Meetings of Bondholders**

The provisions for meetings of the Bondholders set out in Schedule 4 shall be deemed to be incorporated in this instrument and shall be binding on the Issuer

and the Bondholders and on all persons claiming through or under them respectively.

14. **Enforcement**

14.1 From and after the date of this instrument and so long as any amount is payable by the Issuer in respect of the Bonds, the Issuer undertakes that it shall duly perform and observe the obligations on its part contained in this instrument.

14.2 The Bonds shall be held subject to and with the benefit of the provisions of this instrument, the Conditions and the Schedules (all of which shall be deemed to be incorporated in this instrument). All such provisions shall be binding on the Issuer and the Bondholders and all persons claiming through or under them respectively, and shall enure for the benefit of all Bondholders, their personal representatives, successors and permitted assigns.

14.3 Except as expressly provided in clause 14.4, no-one other than a party to this instrument shall have any rights to enforce any of its terms.

14.4 This instrument and the Bonds are enforceable by each Bondholder and their personal representatives, successors and permitted assigns.

15. **Modification**

15.1 Subject to clause 15.2, the provisions of this instrument and the Conditions and the rights of the Bondholders may from time to time be modified, abrogated or compromised in any respect (including in any manner set out in paragraph 17.1 of Schedule 4) with the sanction of a Special Resolution and with the consent of the Issuer.

15.2 The provision of this instrument and the Conditions may not be amended without the prior written consent of the Senior Lender(s) at

any time whilst any of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s) are outstanding.

16. **Governing law and jurisdiction**

16.1 This instrument and the Bonds and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with any of them or their subject matter or formation shall be governed by, and construed in accordance with, the law of England and Wales.

16.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this instrument or any Bond or their subject matter or formation.

This instrument has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1
Form of Bond



Westmill Solar Co-operative Limited

Registered under the Co-operative and Community Benefit Societies Act
2014

Registration Number: 31265R

This is to certify that **John Smith** residing at:

**Test Address 1
Address linke 2
London
Eh1 123**

is the registered holder of **£250.00** worth of 6.25% Unsecured Bonds
maturing on the 31 December 2029

Duly signed by or on behalf of Westmill Solar Co-operative Ltd by;

A handwritten signature in black ink, appearing to read "Tom Parkinson", with a horizontal line underneath.

Thomas Parkinson, Chair

Registered office:
The Old Music Hall, 106-108 Cowley Rd, Oxford, OX4 1JE

CERTIFICATE NO:
1

Issued on
{{DATE}}

SCHEDULE 2

The Conditions

1. Repayment

On the Repayment Date, the Issuer shall, subject to the terms of the Senior Loan Agreement(s), redeem the principal amount of Bonds issued pursuant to this instrument. Any redemption of the Bonds under this Condition 1 shall, subject to the terms of the Senior Loan Agreement(s), be made together with accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment), accrued on the relevant Bonds up to (and including) the date of such repayment by the Issuer. Any redemption of Bonds under this Condition 1 may, at the relevant Bondholder's discretion, include the refinancing of those Bonds by way of the issue of further bonds on such terms and conditions as may be agreed between the relevant Bondholder and the Issuer.

2. Voluntary early repayment

2.1 The Issuer may at any time, but subject to the terms of the Senior Loan Agreement(s), by giving the Bondholders not less than thirty days written notice, repay the principal amount of all or a portion of the Bonds on the date specified in such notice.

2.2 The Issuer shall, subject to the terms of the Senior Loan Agreement(s), also pay to the Bondholders all unpaid interest accrued on the Bonds to be redeemed up to and including the date of such redemption (in each case less any taxes required by law to be deducted or withheld from such payments).

2.3 Any payment made under the provisions of Condition 2.1 shall be treated as reducing the principal amount of the repayments under Condition 1 proportionately (or in such other manner as may be determined by the Issuer).

- 2.4 Any redemption of the Bonds under the provisions of Condition 2.1 shall be made pro rata to the holdings of all Bondholders (or in such other manner as may be determined by the Issuer).
- 2.5 A Bondholder may, by giving the Issuer not less than thirty days written notice, request the repayment of the principal amount of all or a portion of the Bonds on the date specified in such notice. However, whilst the Issuer shall consider any such request acting reasonably and in good faith, the receipt by the Issuer of such notice shall create no obligation on the behalf of the Issuer to repay the Bonds referred to in that notice, and the decision as to whether to repay the Bonds, following the receipt of such notice, shall (subject to the terms of the Senior Loan Agreement(s)) be made at the sole discretion of the Issuer. If the Issuer does repay the Bonds, it shall also pay to the Bondholder all unpaid interest accrued on the Bonds to be redeemed up to and including the date of such redemption (in each case less any taxes required by law to be deducted or withheld from such payments).

3. **Cancellation**

All Bonds repaid, prepaid or purchased by the Issuer shall be cancelled and the Issuer shall not reissue the same.

4. **Payment of interest**

- 4.1 Until the Bonds are repaid in accordance with these Conditions, interest on the principal amount of the Bonds outstanding from time to time shall accrue at the rate of 6.25% per annum, save that interest on the principal amount of up to £1,000 of the Bonds held by a Local Bondholder outstanding from time to time shall accrue at the rate of 6.75% per annum.

- 4.2 The Issuer shall, subject to the terms of the Senior Loan Agreement(s), pay accrued interest to the Bondholders in cash and in arrears on each Interest Payment Date.
- 4.3 Interest shall be calculated on the basis of the actual number of days elapsed in the relevant period and a 365 day year.
- 4.4 If the Issuer fails to pay any amount of interest or principal on any Bond when such amount is due, interest at the rate applicable under the Conditions plus 1 per cent., shall accrue on the unpaid amount from the due date until the date of payment.
- 4.5 Interest on any Bonds repaid by the Issuer in accordance with these Conditions shall cease to accrue as from the date of such repayment.

5. **Subordination**

- 5.1 The Bonds, and the Issuer's and the Bondholders' rights and obligations in relation thereto are subject to the Senior Loan Agreement(s) and the Bonds are subordinated to all of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s).
- 5.2 The Issuer shall not be permitted to make any payment, and no Bondholder shall be permitted to receive, any payment on or in respect of the Bonds unless permitted under the terms of the Senior Loan Agreement(s) and this instrument.
- 5.3 At all times whilst any of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s) are outstanding, no Bondholder may, without the Senior Lender(s) prior written consent, take any action to recover any amounts due, owing or incurred to them from the Issuer in respect of the Bonds unless permitted under the terms of this instrument.

- 5.4 On the occurrence of any of the events or circumstances described in clause 10.1.4 to 10.1.8 (inclusive) of this instrument, the claims of the Bondholders will be subordinate to, and rank subordinate in priority of payment to, the claims of the Senior Lender(s) under and in respect of the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s), and such amounts will not be payable to the Bondholders in respect of the Bonds until the claims of the Senior Lender(s) under the Senior Loan Agreement(s) have been paid in full.
- 5.5 If any Bondholder receives any amount on or in respect of the Bonds in breach of, or which is otherwise not permitted under, this Condition 5 it shall promptly pay such amount to the Senior Lender(s) and, until such payment, shall hold such amount on trust for the Senior Lender(s).
- 5.6 In the event that the Issuer is unable to pay any amount due, owing or incurred to the Bondholders in respect of the Bonds (whether because such payment is not permitted under the terms of the Senior Loan Agreement or otherwise), those amounts will remain due, owing and incurred and payable by the Issuer and interest and default interest will accrue on missed payments in accordance with the terms and conditions of the Bonds, despite any term or condition that might postpone, subordinate or prevent payment of that amount.

6. **Negative Pledge**

Except in favour of the Senior Lender(s), to secure the Issuer's liabilities to the Senior Lender(s) under the Senior Loan Agreement(s), the Issuer shall not create or allow to exist any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect on the whole or any part of its business, assets, properties and/or undertakings.

7. **Dealings**

The Bonds shall not be capable of being dealt in or on any stock exchange in the United Kingdom or elsewhere and no application has been or shall be made to any stock exchange for permission to deal in or for an official or other quotation for the Bonds.

8. **A Shares**

8.1 At the time that each New Member Bondholder became a holder of 2019 Bonds (including as a consequence of the issue by the Issuer of 2019 Bonds to that New Member Bondholder, or of the transfer of 2019 Bonds to that New Member Bondholder by an existing holder of 2019 Bonds), the Issuer issued that New Member Bondholder with one A Share.

8.2 Unless as may otherwise be determined by the Directors, at the time that a New Member Bondholder ceases to be a Bondholder, they shall be deemed to have requested the withdrawal of their A Share in accordance with the rules of the Issuer, the Issuer shall withdraw that New Member Bondholder's A Share, and the New Member Bondholder shall do, or procure that there be done, all such things as may be required to give full force and effect to that withdrawal.

9. **Further Issues**

The Issuer will be entitled at its option at any time and from time to time without the consent, or any right of pre-emption in favour, of the Bondholders to raise further funds by the issue of further bonds or equity.

SCHEDULE 3

Provisions as to registration, transfer and other matters

1. Recognition of Bondholder as absolute owner

1.1 The Issuer shall recognise as absolute owner the registered holder of any Bonds. The Issuer shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Bonds may be subject.

1.2 The receipt of the registered holder for the time being of any Bonds or, in the case of joint registered holders, the receipt of any of them, for the principal payable in respect of such Bonds and for the interest from time to time accruing due in respect of such Bonds or for any other moneys payable in respect of such Bonds shall be a good discharge to the Issuer notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Bonds, interest or moneys.

1.3 The Issuer shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Bonds.

2. Transferability of Bonds

The Bonds are transferable by instrument in writing (in such form as the Directors may approve) in amounts and multiples of £50, provided that:

2.1 the Issuer has consented to the transfer in writing; and

2.2 as a result of such transfer, no Bondholder holds less than the Minimum Bondholding.

There shall not be included in any instrument of transfer any Bonds other than the Bonds constituted by this instrument.

3. **Execution of transfers**

Every instrument of transfer shall be duly signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Bonds to be transferred until the transferee's name is entered in the Register in respect of such Bonds.

4. **Registration of transfers**

Every instrument of transfer shall be left for registration at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument), together with such other evidence as the Directors or other officers or agents of the Issuer authorised to deal with the transfers may require to prove the title of the transferor or their right to transfer the Bonds and, if the instrument of transfer is executed by some other person on their behalf, the authority of that person to do so. All instruments of transfer which are registered shall be retained by the Issuer. No transfer shall be registered by the Issuer in respect of which a notice of repayment has been given under Condition 2.

5. **No fees for registration of transfers**

No fee shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Bonds or for making any entry in the Register relating to or affecting the title to any Bonds, unless the Issuer has given the Bondholders prior written notice of any such fees.

6. **Recognition of personal representatives**

The executors or administrators of a deceased Bondholder (not being one of several joint registered holders) and in the case of the death of one or more of several joint registered holders the survivor or survivors of such joint registered

holders, shall be the only person(s) recognised by the Issuer as having any title to such Bonds.

7. Transmission of Bonds

7.1 Any person who becomes entitled to any of the Bonds as a result of the death or bankruptcy of any Bondholder, or of any other event giving rise to the transmission of such Bonds by operation of law may, upon producing such evidence that they sustain the character in respect of which they propose to act under this Condition or of their title as the Directors shall think sufficient, be registered themselves/themselves as the holder of such Bonds or, subject to the preceding Conditions as to transfer, may transfer such Bonds.

7.2 The Issuer may retain any payments paid upon any such Bonds which any person under this provision is entitled to, until such person is registered as the holder of such Bonds or has duly transferred the Bonds.

8. Payment of interest and principal

8.1 The payments of principal, interest or other sums payable in respect of the Bonds may be paid by:

8.1.1 electronic transfer in immediately available cleared funds on the due date for payment, to the account specified for the purpose by the Bondholder or joint Bondholders in writing to the Issuer;
or

8.1.2 if the Issuer is unable to make such payment by way of electronic transfer, by cheque, warrant or bankers' draft made payable to and sent to the registered address of the Bondholder or in the case of joint registered holders, made payable to the order of and sent to the registered address of that one of the joint registered holders who is first named on the Register or

made payable to such person and sent to such address as the registered holder or all the joint registered holders may in writing direct.

8.2 Every such cheque, warrant or bankers' draft may be sent through the post at the risk of the registered Bondholder or joint registered holders. Payment of the cheque, warrant or bankers' draft shall be a good discharge to the Issuer.

8.3 All payments of principal, interest or other moneys to be made by the Issuer shall be made after any deductions or withholdings for or on account of any present or future taxes required by law to be deducted or withheld from such payments.

9. **Receipt of joint holders**

If several persons are entered in the Register as joint registered holders of any Bonds then the receipt of any one of such persons for any interest or principal or other moneys payable in respect of such Bonds shall be as effective a discharge to the Issuer as if the person signing such receipt were the sole registered holder of such Bonds.

10. **Replacement of certificates**

If the certificate for any Bonds is lost it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require.

11. **Notice to Bondholders**

11.1 Any notice or other document (including certificates for Bonds) may be given or sent to any Bondholder by the Issuer sending the same either by email to the email address supplied by them to the Issuer for the giving of notice to them, or by post in a prepaid, first-class letter addressed to such Bondholder at their registered address in the United Kingdom or (if they have no registered address within the United

Kingdom) to the address (if any) within the United Kingdom supplied by them to the Issuer for the giving of notice to them. The decision as to whether a notice or other document to be given or sent to any Bondholder should be given or sent by email or post shall be for the Issuer to determine.

11.2 In the case of joint registered holders of any Bonds a notice given to the Bondholder whose name stands first in the Register in respect of such Bonds shall be sufficient notice to all joint holders.

11.3 Notice may be given to the persons entitled to any Bonds as a result of the death or bankruptcy of any Bondholder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative or trustees of such Bondholder at the address (if any) in the United Kingdom supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

12. **Notice to the Issuer**

Any notice or other document (including certificates for Bonds and transfers of Bonds) may be given or sent to the Issuer by sending the same by email or other electronic means determined by the Issuer to the email address or destination of other electronic means supplied by the Issuer to the Bondholders for the giving of notice to it.

13. **Service of notices**

Any notice, communication or document sent by post shall be deemed to have been delivered or received on the second Business Day following the day on which it was posted. In proving such delivery or receipt it shall be sufficient to prove that the relevant notice, communication or document was properly addressed, stamped and posted. Any notice, communication or document sent

by email or other electronic means shall be deemed to have been delivered on transmission.

SCHEDULE 4

Provisions for meetings of Bondholders

1. Calling of meetings

The Issuer may at any time and shall on the request in writing signed by at least one tenth of the holders of the Bonds for the time being outstanding convene a meeting of the Bondholders to be held in such manner (and if by way of a physical meeting, at such place) as the Issuer shall determine. For the purposes of this paragraph 1, the Issuer may determine that a meeting of the Bondholders may be held by way of;

- 1.1 a physical meeting, where all participants are present in the same room;
- 1.2 a virtual meeting, where all participants access the meeting Virtually (or by other electronic means);
- 1.3 a hybrid meeting, where some participants attend physically and some Virtually (or by other electronic means);
- 1.4 a satellite meeting, where there are two or more physical venues linked Virtually (or by other electronic means) and all participants are physically with at least one other participant;
- 1.5 an electronic ballot;
- 1.6 a postal ballot; or
- 1.7 any combination of the above.

2. Notice of meetings

- 2.1 At least 14 clear days' notice specifying the manner, place (if relevant), day and time of the meeting and, if applicable, the arrangements for accessing the meeting Virtually (or by other electronic means), shall be given to the Bondholders of any meeting of Bondholders in the manner provided in Schedule 3. Any such notice shall specify the general nature

of the business to be transacted at the meeting thereby convened and the terms of any resolutions to be proposed. The accidental omission to give notice to any Bondholder shall not invalidate any resolution passed at any such meeting.

2.2 Without prejudice to paragraph 2.1 above, any notice of any meeting of the Bondholders to be held either in whole or in part by way of postal ballot or electronic ballot shall:

2.2.1 state the purpose of the ballot, the closing date and time of the ballot;

2.2.2 be accompanied by a voting paper or, in relation to an electronic ballot, an explanation as to how a Bondholder votes for the purposes of that ballot; and

2.2.3 be given to the Bondholders not less than 14 clear days before the closing date of the ballot.

3. **Chair of, and other attendees at, meetings**

3.1 A person nominated by the Issuer shall be entitled to take the chair at any such meeting and if no such nomination is made, or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting, the Bondholders present shall choose one of their number to be Chair.

3.2 The Directors and the Secretary and legal advisers of the Issuer and any other person authorised in that behalf by the Directors may attend at any such meeting.

4. **Quorum at meetings**

4.1 At any such meeting convened for any purpose, other than the passing of a Special Resolution, a person or persons holding or representing by proxy (if permitted) one-tenth of the Bondholders (in number) for the

time being outstanding being present at that meeting (in person or by proxy (if permitted)) shall form a quorum for the transaction of business.

4.2 At any meeting convened for the purpose of passing a Special Resolution, twenty-five per cent (25%) of the Bondholders (in number) being present at that meeting (in person or by proxy (if permitted)) shall form a quorum. No business (other than the choosing of a Chair) shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

4.3 For the purposes of determining whether a meeting of the Bondholders is quorate for the purposes of paragraphs 4.1 or 4.2 above, any Bondholders participating in that meeting (in person or by proxy (if permitted)): by way of physical meeting; Virtually (or by other electronic means); by way of electronic ballot; and/or by way of postal ballot (in each case to the extent relevant), shall be included.

5. **Absence of quorum**

If within 30 minutes from the time appointed for any meeting of the Bondholders a quorum is not present the meeting shall, if convened upon the requisition of the Bondholders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than 14 days and not more than 42 days thereafter) and to such place (if relevant) as may be appointed by the Chair and at such adjourned meeting two Bondholders present in person or by proxy (if permitted) and entitled to vote, whatever the principal amount of the Bonds held by them, shall form a quorum.

6. **Adjournment of meetings**

The Chair may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place (if relevant). No business shall be transacted at any adjourned meeting other than business that

might lawfully have been transacted at the meeting from which the adjournment took place.

7. **Notice of adjourned meetings**

Notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided for in this instrument. Such notice shall state that two Bondholders present at that meeting in person or by proxy (if permitted) and entitled to vote at the adjourned meeting whatever the principal amount of the Bonds held by them shall form a quorum.

8. **Voting**

Every question submitted to a meeting of Bondholders shall be decided:

- 8.1 by a show of hands (if the meeting (or part thereof) is held by way of a physical meeting or Virtually (or by other electronic means));
- 8.2 by votes at an electronic ballot (if the meeting (or part thereof) is held by electronic ballot);
- 8.3 by votes at a postal ballot (if the meeting (or part thereof) is held by postal ballot); or
- 8.4 by the aggregate of the Bondholders voting by way of a show of hands and/or by way of electronic ballot and/or by way of postal ballot (if the meeting is held by way of a combination of all or some of those means).

In case of an equality of votes the Chair shall not have a casting vote.

9. **Proxies**

Proxy voting shall be permitted at the sole discretion of the Directors.

10. **Demand for poll**

At any physical meeting of Bondholders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the Chair or by one or

more Bondholders present in person or by proxy (if permitted), a declaration by the Chair that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact.

11. **Manner of taking poll**

If at any such physical meeting a poll is so demanded it shall be taken in such manner as the Chair may direct. The result of such poll shall be deemed to be the resolution of the physical meeting at which the poll was demanded. The demand for a poll may be withdrawn.

12. **Time for taking poll**

Any poll demanded at any such physical meeting shall be taken at that meeting without adjournment. The demand for a poll shall not prevent the continuance of a physical meeting for the transaction of any business other than the question on which the poll has been demanded.

13. **Persons entitled to vote**

13.1 The registered holders of any of the Bonds or, in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy (if permitted) and in the latter case as if such joint holder were solely entitled to such Bonds.

13.2 If more than one of such joint holders is present at any meeting either personally or by proxy (if permitted) the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

14. **Instrument appointing proxy**

Every instrument appointing a proxy (if permitted) shall be in writing, signed by the appointor or their attorney or, in the case of a corporation, signed by its

attorney or a duly authorised officer and shall be in such form as the Directors may approve. Such instrument of proxy shall, unless the contrary is stated thereon, be valid both for an adjournment of the meeting and for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Bondholder.

15. **Deposit of instrument appointing proxy**

15.1 The instrument appointing a proxy (if permitted) and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited with the Issuer at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument) or at such other place as may be specified in the notice convening the meeting before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

15.2 A vote given in accordance with the terms of an instrument appointing a proxy (if permitted) shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Bonds in respect of which it is given unless previous intimation in writing of such death, incapacity, revocation or transfer shall have been received by the Issuer at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument). No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

16. **Votes**

Every Bondholder who is entitled to vote and is present at a meeting of the Bondholders shall have one vote, regardless of the number of Bonds held by such person.

17. **Power of meetings of Bondholders**

17.1 In addition to any other powers it may have, a meeting of the Bondholders may, by Special Resolution:

17.1.1 sanction any compromise or arrangement proposed to be made between the Issuer and the Bondholders;

17.1.2 sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Bondholders against the Issuer or its property whether such rights shall arise under this instrument or otherwise;

17.1.3 sanction any scheme or proposal for the sale or exchange of the Bonds for, or the conversion of the Bonds into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Issuer or any other entity formed or to be formed, and for the appointment of a person with power on behalf of the Bondholders to execute an instrument of transfer of the Bonds held by them in favour of the person to or with whom the Bonds are to be sold or exchanged (as the case may be);

17.1.4 assent to any modification or abrogation of the provisions contained in this instrument that shall be proposed by the Issuer and authorise the Issuer to execute an instrument supplemental to this instrument embodying any such modification or abrogation; and

17.1.5 give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.

17.2 No resolution that would increase any obligation of the Issuer under this instrument or postpone the due date for payment of any principal or interest in respect of any Bond shall be effective without the consent of the Issuer.

18. **Resolutions binding on all Bondholders**

A resolution (including a Special Resolution), passed at a meeting of Bondholders duly convened and held in accordance with the provisions of this schedule, shall be binding on all the Bondholders whether or not present at such meeting and each of the Bondholders shall be bound to give effect to such resolution (including a Special Resolution) accordingly. The passing of any such resolution (including a Special Resolution) shall be conclusive evidence that the circumstances justify the passing of such resolution (including a Special Resolution).

19. **Minutes of meetings**

19.1 Minutes of all resolutions and proceedings at every such meeting of the Bondholders shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer.

19.2 Any minutes which purport to be signed by the Chair of the meeting at which such resolutions were passed or proceedings held or by the Chair of the next succeeding meeting of the Bondholders shall be conclusive evidence of the matters contained in such minutes.

19.3 Unless the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at such meetings to have been duly passed.


This instrument is executed and delivered on the date stated at the beginning.

The Issuer

**EXECUTED AS A DEED by
WESTMILL SOLAR CO-OPERATIVE LIMITED**

By:


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Tom Parkinson (Nov 6, 2024 14:35 GMT)


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A Crawford (Nov 6, 2024 15:17 GMT)

Tom Parkinson
Director

Andy Crawford
Director