

**AWESOME ENERGY (DALRIADA) LIMITED**  
**("the Society")**

**MINUTE of a meeting of directors of the Society**  
**held electronically on 14<sup>th</sup> June 2017**  
**("the Meeting")**

Present: Geoff Read  
          Chrissie Sugden  
          Sheila Clark  
          Carol Thomas  
          Peter Thomas

Apologies: Irene MacLounnan – DIG representative  
          Cath Auty – DIG Representative

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1. Quorum

The Chairman recorded that notice of the meeting has been given in accordance with the Society's Rules ("the Rules"), a quorum was present and the meeting was duly convened.

2. Purpose of Meeting

The Chairman reported that the Society proposed to enter into an agreement for development term loan facilities of around £1,100,000 ("the Facilities") with Social Growth Fund LLP ("the Lender") ("the Facility Agreement") in relation to the financing of the proposed development and operation of a hydro-electric scheme at River Avich, Dalavich ("the Project") and that in connection with the conditions of drawdown of the Facilities, the Society was required to enter into various security and other documents in favour of the Lender together with certain other documents relating to the construction and operation of the Project.

The purpose of this meeting was to consider and if thought fit approve the terms of and entry into the Documents (as defined below) by the Society in connection with the Project and to authorise their execution by the Society.

It was noted that all terms defined in the Facility Agreement have the same meaning when used in this Minute, unless otherwise defined herein.

3. Declaration of Interests

3.1 Each of the directors present gave notice of their interest in the matter to be considered at the meeting as a member of the Society;

3.2 In accordance with the Rules, each of the directors present declared the nature and extent of their interests (if any) in the matters to be considered at the Meeting;

3.3 It was noted that regulation 88 of the Rules allow any director so interested to be authorised by the other directors to count towards the quorum present and to vote on any of the matters in which they are interested, provided that any directors so interested would not be entitled to count towards the quorum present or to vote on any resolution authorising the conflict of interest.

3.4 The relevant directors then RESOLVED to authorise the relevant other directors so interested to count in the relevant quorum and vote on such matters in which they have declared an interest.

#### 4. Documentation

4.1 The Chairman tabled drafts of the following documents (“the Documents”):

- a. Lease between the Society and Forestry Commission Scotland (“Scottish Ministers”) over subjects at River Avich aforesaid (the “Lease”);
- b. The facility agreement between the Society (as borrower) and the Lender (as lender), the terms of which include certain representations, warranties and covenants by the Society to the Lender (the “Facility Agreement”);
- c. A bond & floating charge in favour of the Lender in security for the Society’s obligations and liabilities to the Lender;
- d. A debenture in favour of the Lender in security for the Society’s obligations and liabilities to the Lender;
- e. An account charge in favour of the Lender in security for the Society’s obligations and liabilities to the Lender;
- f. A standard security in favour of the Lender over the Society’s interest in the Lease in security for the Society’s obligations and liabilities to the Lender;
- g. assignment in security over certain contracts governed by Scots Law in favour of the Lender in security for the Society’s obligations and liabilities to the Lender;
- h. A turbine supply agreement between the Society and CINK Hydro – Energy k.s. relating to the supply of a crossflow turbine dated 31<sup>st</sup> May 2017 and subsequent dates (“the Turbine Supply Agreement”);
- i. A step-in agreement between the Society, the Lender and other parties relating to the Lease;
- j. *[A collateral warranty between the Society, the Lender and Campbell of Doune Limited in respect of the engineer appointment between the Society and Campbell of Doune Limited; ]*
- k. Other Project Documents (as defined in the Facility Agreement);
- l. All other ancillary documents necessary in connection with the above documents.

4.2 A draft certificate of a director of the Society addressed to the Lender (“the Director’s Certificate”) certifying certain matters in connection with the Facility Agreement, required

pursuant to the Facility Agreement, was also produced to the meeting.

## 5. Corporate Benefit

- 5.1 The meeting then considered the terms and conditions of the Documents in detail. It was noted that:-
- a. the Documents represented the terms and conditions on which the Society had agreed to borrow and secure the Facilities;
  - b. the terms and conditions of the Documents had been fully negotiated on behalf of the Society;
  - c. the directors had each made full disclosure to the Society of any personal interest, direct or indirect, in any of the matters under consideration in accordance with paragraph 3 of this Minute;
  - d. the execution and delivery of the Documents and the performance by the Society of the obligations therein would not result in any breach of any restriction imposed by the Rules;
  - e. the granting of the security contained in the Security Documents (as defined in the Facility Agreement) was a condition precedent to the Facilities becoming available under the Facility Agreement.
- 5.2 After full consideration, the directors were of the unanimous opinion that the Society should enter into the Documents and carry out the obligations therein, in order to make the said Facilities available for the Project, and that it was in the interests of the Society and incidental to the attainment of its objects for it to do so.

## 6. Approval and Execution of Documents

- 6.1 It was thereupon unanimously RESOLVED that:-
- a. the entry into the Documents (and the terms and transactions contemplated therein) be and are hereby approved in the form produced to the meeting, subject to any amendments, deletions or additions agreed in accordance with paragraph (b);
  - b. any director of the Society be and is hereby authorised to agree any amendments, deletions or additions to the Documents;
  - c. any director of the Society be and is hereby authorised to execute and deliver on behalf of the Society such of the Documents (in final form) (duly witnessed if so required) as may be validly executed in that manner on behalf of the Society in accordance with the requirements of the applicable law;
  - d. any director of the Society be and is hereby authorise to approve, complete, execute and deliver any other document and/or notice(s) (duly witnessed if so required) as may be validly executed on behalf of the Society in that manner in accordance with the requirements of the applicable law including without limitation any utilisation request(s) relating to the Facilities and do all such other acts and things as may be necessary pursuant to or in connection with the Documents on behalf of the Society;

- e. any director of the Society or any authorised attorney of the Society, duly witnessed be and is hereby authorised to execute and deliver as a deed on behalf of the Society and any other document(s) which may be necessary pursuant to or in connection with the Documents which may require to be executed as a deed in accordance with the requirements of the applicable law;
- f. any director of the Society be and is hereby authorised, in conjunction with the Society's legal advisers, to procure satisfaction of the conditions precedent contained in the Facility Agreement to enable the Society to effect drawdown and to execute and deliver any utilisation requests to the Lender; and
- g. the terms of the Director's Certificate be approved.

7. Filing

The Chairman resolved to make all necessary and appropriate entries in the books and registers of the Society and to arrange for all necessary filings with the Financial Conduct Authority.

8. Conclusion

There being no further business, the meeting concluded.

**Minutes approved at Board Meeting #008 on 18<sup>th</sup> July 2017.**



**Signed by Sheila Clark: Chair**