

# SUSTAINABLE HOCKERTON



Invitation  
to  
Invest

## Dear potential investors,

Across the globe, and closer to home, there is an increasing realisation of the enormity of the challenges ahead in relation to climate change, energy security and fuel poverty.

Each one of us has a part to play in meeting those global challenges and, along with cutting our energy use, local energy generation from renewable sources is one of the most obvious ways forward.

By investing as little as £250 or up to £20, 000, individuals, organisations and businesses can support the installation of a wind turbine on the outskirts of Hockerton in Nottinghamshire and therefore the move to a lower carbon energy supply.

We have already raised £151 550 (22<sup>nd</sup> June 2009) towards our target, and would welcome further investors. This is a tremendous response from the people of Hockerton, Southwell and beyond. We are now very close to giving the installation of the turbine the go-ahead but are continuing to welcome additional investors.

How will it work?

- The 225 kWh wind turbine is expected to generate enough electricity for more than 50 homes, saving 160 to 200 of tonnes of carbon dioxide each year,
- Electricity is fed into the national grid, with resulting revenue covering costs, providing a return for investors, and income to support additional environmental projects in the area,
- The society used is run by its members on a one member, one vote basis,
- If, as expected, there are a significant number of investors in the Hockerton area, the local economy will benefit,
- 2000 people visit nearby Hockerton Housing Project each year to learn about sustainable living, this turbine will add to their experience and potentially inspire further community projects,
- After 15 to 20 years, the turbine may be decommissioned and it is envisaged that all remaining investments may be repaid in full.

The project may have the option of taking up the Government's "Feed in Tariffs" which are intended to provide a guaranteed price per unit of electricity sold to the national grid from April 2010.

I took the opportunity to join the Hockerton Housing Project in its earliest days, and have helped it grow into an internationally-renowned exemplar of sustainable living. This move to larger scale community energy generation is a natural and necessary next step to give more people the opportunity to take control of their future, and I hope you will take this opportunity to be part of this journey.

Simon Tilley  
(Director, Sustainable Hockerton Limited)

# Investment information for the issue of Shares

This document contains an invitation to subscribe for shares in Sustainable Hockerton Limited. It has been prepared by the Directors, who are responsible for the content. This offer of shares is only available in the UK.

The document includes an application form, which once the contents of this document have been fully considered, can be returned as an application for shares in Sustainable Hockerton Limited.

Prospective investors in Sustainable Hockerton Limited should read this document in detail. It is recommended that, if you intend to invest, you should consider consulting a solicitor, accountant, stockbroker, tax advisor or other professional advisor authorised under the Financial Services and Markets Act 2000.

## Glossary

In this document:

“**SHL**” means the project vehicle, Sustainable Hockerton Limited.

“the **Directors**” means the directors from time to time of SHL,

“**FSMA**” means the Financial Services and Markets Act 2000,

“**Member**” means a holder of Shares and therefore a member of SHL,

“the **Rules**” means the rules of SHL as amended or replaced from time to time,

“**Shares**” means withdrawable shares issued or to be issued by SHL pursuant to this document,

“the **Site**” the agreed location for the construction of the wind turbine

“**ROC**” means renewable obligation certificate,

“**BERR**” means the Department for Business Enterprise and Regulatory Reform

# A Brief Description of Sustainable Hockerton Limited

Hockerton is a small parish close to the town of Southwell in Nottinghamshire. The parish includes a single village, with a scattering of surrounding farms. Fewer than 60 houses gather round a church, pub and village hall. The village is sited on a busy main road and also has a restaurant and conference centre. The local properties range from the carbon neutral housing of the Hockerton Housing Project to converted barns, 1960s and 70s housing together with much older houses and an 18<sup>th</sup> century grade II listed vicarage.

The Sustainable Hockerton group, known locally as SHOCK, was set up as an informal group in 2006 with the aim of reducing the carbon footprint of this small village. A series of meetings followed, attended by more than a quarter of the village population. The group decided that they should aim to erect a wind turbine within the parish boundary, with the intention to produce electricity equivalent to the current estimated consumption of electricity in the Parish. This plan was backed by a survey of residents.

A suitable site was identified, owned by local farmer Simon Christy, who has worked closely with Simon Tilley of Hockerton Housing Project Trading Ltd and other residents to gain planning permission in June 2008 for a Vesta V29 turbine. This planning permission was backed by parish residents, Parish Meeting and Newark and Sherwood District Council.

The average wind speed on the site is predicted to be 5.3m/s at 10 metres above ground level, according to the BERR wind speed database. This should be sufficient for approximately 380 MWh of electricity to be produced annually.

Subsequently, Sustainable Hockerton Limited (SHL) was established in early 2009 as an Industrial and Provident Society for the benefit of the community (30660R). It is registered with the Financial Services Authority under the Industrial and Provident Societies Act 1965 and is for community rather than private benefit in character. As such it is owned by and democratically managed by its Members who are protected by limited liability status. Its constitution is the form of rules approved by and registered with the Financial Services Authority.

Key aspects of SHL are:

- It is primarily run by its Directors for the benefit of the community by generating renewable energy from a wind turbine, and the Directors aim to provide a small return on investments,
- It has a single class of shares with a nominal value of £1 each,
- Shares are not transferable,
- Shares cannot be redeemed by the society for three years from the date of the issue of the shares.
- One member, one vote – however many shares the member holds,
- No member may hold more than the maximum permitted by law - currently £20,000 shares,
- The Board is elected by the Members,
- Only Members are eligible to serve on the Board.

The business address is:

The Watershed, Gables Drive, Hockerton, Newark, Nottinghamshire NG25 0QU.

It was decided that the electricity produced from the turbine would not be sent directly to local residents and businesses, but would be sold to the grid creating an income and any surplus from this (after running costs) would be used in three ways:

- Savings, retained by SHL to either replace the turbine or repay investors' capital after 15 to 20 years.
- Interest payments paid to the investors,
- Further initiatives to support sustainable living within the parish of Hockerton.

SHL is now in a position to look for investors, with a minimum of £250 and a maximum £20 000 per Member. The terms and conditions of any such investment are contained in this document, and the application forms can be found at the end of this document.

## **The Wind Turbine**

The UK Government has a target of sourcing 14.5% of energy from renewable sources by 2020. This target will only be met through the implementation of a rigorous and wide-ranging energy efficiency programme and the development of both large and small scale renewable energy generation schemes.

The current regulatory environment is supportive of the local generation of electricity through the Renewables Obligation (created by the Renewables Obligation Order 2006), and this is likely to improve with the introduction of Feed in Tariffs in April 2010. The Hockerton Housing Project, which works with SHL, has experience of earning income from Renewable Obligation Certificates and is monitoring proposals for Feed in Tariffs and the opportunities they may provide to SHL.

Progress to date includes:

- Local opinions sought through public meetings and a survey,
- Planning consent has been obtained,
- A 25 year lease agreement for the site is being negotiated, which is longer than the predicted lifespan of the wind turbine,
- A management agreement with Hockerton Housing Project Trading Ltd,
- An offer for a 225 kWh Vestas wind turbine has been accepted,
- Estimates have been obtained for the transport of the turbine, installation, grid connection, cabling and ancillary equipment,
- Grid connection has been negotiated,
- Quotes for the sale of energy have been obtained,
- Initial fundraising was required to place the offer on the wind turbine, £62,250 has already been committed to purchase shares ,
- A further £22,000 in loans has also been obtained,
- Potential grant sources have been identified and applications are underway.

SHL decided to proceed with the offer on a wind turbine prior to issuing the invitation to invest as it identified a rare and cost-effective opportunity to buy a second hand Vesta V29. It conducted a local fundraising drive to ensure sufficient funds were in place. This turbine is already in the UK, saving on the environmental and financial costs of importing turbines.

## The Costs

The cost of the wind turbine can be split into set-up costs and running costs.

Current estimates of set-up costs stand at:

<i>Item</i>	<i>Cost</i>
Vestas V29 Turbine	£ 60,000 Quote
Renovation	£ 10,000 Estimate
Foundations	£ 14,204 Estimate
Delivery and Erecting	£ 35,430 Quote
Transformer 690/415V	£ 7,000 Quote
Grid connection charge	£ 58,000 Estimate
G59 panel with protection	£ 7,000 Quote
Co-ordination	£ 5,250 Quote
Bond	£ 4,000 Quote
Share Offer costs	£ 2,600 Estimate
Contingencies	£ 10,000 Estimate
<i>Other items</i>	£ 11,916 Estimate
<b>Total</b>	<b>£ 225,400 Estimate</b>

Note: Explanation of changes to costs in this table compared to the offer document date 1st May 2009. The expected national grid connection costs have increased. Negotiations with the land owner have resulted in the requirement for underground cables to connect the turbine to the grid. This type of connection costs more than the above ground cable quoted for previously, but does reduce risks and improve the aesthetic impact on the environment. We are seeking quotes with an initial estimate obtained from one provider.

## Annual Running Costs

These have been estimated and including such items as servicing, maintenance, share management, accountancy, insurance, land rental and administration, come to about £12,200.

## Income

Using RETScreen international clean energy analysis software, it is possible to predict a high, medium and low annual electricity production for the chosen site depending upon the wind speed at 10 metres above ground level and the single turbine generating at 100% of available generating time. The following table gives these three values alongside the likely unit prices (including ROCs etc), which could be expected and demonstrates the range of annual income generated, which could result. (Good Energy Ltd has quoted for a one year fixed purchase option of 9.657 pence per kWh, 30<sup>th</sup> January 2009.)

Wind speed	Annual kWh Generated	Annual CO <sup>2</sup> reduction	7 pence per unit	9 pence per unit	11 pence per unit
5.0 m/s at 10m	337,000	161 (t)	£24,990	£30,300	£37,070
5.3 m/s at 10m	387,000	185 (t)	£27,090	£34,830	£42,570
5.6 m/s at 10m	437,000	209 (t)	£30,590	£39,330	£48,070

## Financing Proposed

<b>Finance proposed:</b>	
SHL share issue	£193,269 (minimum)
Grants obtained	£ 4,131
Grants applied for	£ 20,000
Loan	£ 8,000
<b>Total finance</b>	<b>£225,400</b>

Note: Explanation of changes to “Financing proposed” table. The changes in this table compared to the offer document date 1st May 2009 are due to the increase in costs explained above and the unsuccessful application for a grant. A new grant has been applied for but for a different amount.

Finally, investing in SHL should be seen as a social and environmental investment. Your money will fund a society the aim of which is to make Hockerton a more sustainable village and reduce the amount of carbon released into the atmosphere. **It is not a suitable investment for you if you require income or guaranteed ready access to your invested capital.** However, assuming a share capital of £193,269, annual income of £34,380 and a minimum annual expenditure of £12,020 the aspiration is to pay a simple interest rate of between 5% and 8% on every Share held, see Interest payments section below.

# Terms and Conditions

## Legal information

This document is issued by SHL, registered number 30660R, as an Industrial and Provident Society, incorporated on the 25<sup>th</sup> March 2009 under the Industrial and Provident Societies Act 1965. The registered office is: The Watershed, Gables Drive, Hockerton Nottinghamshire, NG25 0QU.

SHL is an Industrial and Provident Society for the Benefit of the Community within the meaning of section 1(2) of the Industrial and Provident Societies Act 1965. A copy of the SHL Rules is available upon request.

## Shares Offered

Your investment is not a donation - you will receive Shares and become a Member.

The subscription price for each Share to be issued by SHL is £1. This is the face value of each Share, and does not necessarily mean that each Share is worth £1 (please see below).

The minimum shareholding for which you can apply is £250 (250 Shares of £1 each) and the maximum (set by law) is £20,000 (£20,000 Shares of £1 each). However, you will need to invest a minimum of £500 to be eligible for Enterprise Investment Scheme tax relief.

The Directors are keen to attract Members who are committed to long term investment in SHL. Individuals, companies and other corporate bodies, and nominees of unincorporated associations can apply.

There is only one class of Share. Shares are not transferable, except on death or bankruptcy. The society has the power to redeem Shares (known as withdrawal of shares), but this right for the society to redeem will not exist for the first three years from the date of issue of the shares by the Society in order that the Shares might be eligible under the Enterprise Investment Scheme. This means that Members will be unable to sell or give their Shares (except on death) to anyone else. In the event of SHL ceasing to trade, Members will be repaid up to a maximum of £1.00 for every £1.00 Share owned, once all creditors have been repaid in full. In such circumstances, it is likely that each Member will receive less than £1 for each Share held.

## Enterprise Investment Scheme

The intention of SHL is to apply to register with the HM Revenue & Customs' Enterprise Investment Scheme (EIS). The Directors intend to run its business to enable Members to apply for tax relief under the EIS scheme where applicable. However this will be subject to HM Revenue and Customs agreement after 4 months' trading, and cannot be guaranteed.

Assuming that EIS is applicable, to comply with the requirements of HM Revenue & Customs Members will be required to own not less than £500 Shares and hold their Shares for a minimum period of three years. Please note that SHL and the Directors do not guarantee that any particular investment in SHL will be eligible for tax relief under the EIS scheme. Investors should seek their own independent advice on this and any other tax related issue.

If the EIS status is obtained then an investment by individuals of £500 or more in the Shares will qualify for the Government's Enterprise Investment Scheme tax relief giving tax relief of £100 on every £500 invested for a UK tax payer.

## **Nomination Option**

In the event of the death of a Member, the face value of each Share will normally be added to the estate for probate purposes. A Member may (if he or she wishes) elect to nominate a recipient for his or her Shares and thus under current legislation remove the value of these Shares for probate (not tax) purposes. SHL cannot guarantee that this will be effective though. Please see the nomination form below.

## **Voting**

SHL is owned by and is accountable to the Members. All Members will have an equal say by having one vote at meetings of the Members, regardless of the size of their holding of Shares. The Directors are elected to manage the business and oversee the project.

Information on the progress of SHL will be disseminated to the Members at an Annual General Meeting of the Members which will be held in Hockerton. Voting will take place in accordance with the Rules, which are available to Members and prospective Members on request. There will be no postal voting and a Member may only carry one proxy vote. Members will, within the requirements of the Rules and the law, be kept informed via the Annual General Meeting, and via the website <http://www.sustainablehockerton.org> and by an occasional electronic/postal newsletter. SHL will produce annual reports and accounts as required by law and by the Rules.

## **Interest Payments**

Interest payments in an industrial and provident society are similar to dividend payments in a company. The primary aim of SHL is to benefit the community and the environment, by reducing the carbon footprint of the Parish of Hockerton. This social return benefit will derive from the renewable energy produced from the turbine itself and subsequent benefits derived from the money raised by the sale of electricity. Additionally, it intends to offer a financial return to investors recognising this is a necessary aspect of attracting investment.

The Directors will determine from time to time the rate of interest (if any) to be paid to Members. Interest rates will also be set in accordance with the Rules at a level not exceeding the minimum rate necessary in the opinion of the Directors to obtain and retain the capital of SHL. This level will be reviewed at the Annual General Meeting following each financial year end when the Directors will recommend the rate for the previous year.

The aspiration is to pay a simple interest rate of between 5% and 8% on every Share held, but SHL and the Directors cannot guarantee that interest will be paid at this rate or at all. Cash flow in the first year of operation will be limited when priority will be given to building the maintenance fund, so SHL anticipates starting interest payments after the first year of trading. SHL must retain sufficient funds to reinvest in the turbine such that it will continue to carry out the objectives of SHL. The payment of interest is dependant upon the sale of electricity from a single turbine. If the turbine does not operate the Society cannot receive any income.

The aspiration of SHL is to distribute its revenue in the following order:

1. Pay its maintenance and operational costs,

2. Save to enable the replacement of the turbine and ultimately repay investors if requested - amounts to be determined by the Directors from time to time,
3. Pay interest at a rate of between 5% and 8% on investments,
4. Distribute any remaining money as the Directors see fit primarily to reduce the carbon impact of the residents of the parish of Hockerton in line with the aims and objectives set out in the Rules.

## **Risk Factors**

All investment and commercial activities carry risk. Investors should take appropriate advice and make their own assessment whilst bearing in mind the social and environmental aims of SHL. The Directors wish to inform potential Members of the following risks:

- This is a social rather than a financial investment. The money you invest is at risk. You may not receive it back in full or at all. If you are in any doubt you should consult a professional advisor.
- The price of electricity can go down as well as up, and can be subject to unpredictable changes. This in turn may mean that at times the financial position of SHL is less stable than the Directors would like.
- The existence and value of ROCs are controlled by government legislation and may change as a consequence. Again, this is something out of our control that could impact on the stability of SHL's finances. The present ROCs scheme is due to end in 2027.
- The wind turbine may be eligible for the Feed-in Tariffs due for introduction in April 2010. It is not known what return these will provide, or how they will be applied to existing installations. They may offer a guaranteed return per kWh and as such may reduce the risks of investment in this installation and increase revenues.
- New technologies may drive down the market price for energy. New inventions may be possible, but the likely lead time is unlikely to render existing projects obsolete.
- The wind speed at any site is variable both on a short and long term basis. Long term changes to weather patterns may reduce wind levels which could result in lower than anticipated levels of production. Atypical short-term changes in wind speeds may also affect levels of generation. SHL has carried out research and the Directors believe that the turbine we intend to purchase will, when placed on the intended site, generate sufficient electricity for the project to be successful and SHL to be profitable, but that cannot be guaranteed. The average wind speed on the site is predicted to be 5.3m/s at 10 metres above ground level, according to the BERR wind speed database.
- The project may be delayed due to technical, legal or financial matters outside of our control.
- There may be interruptions in the generation of electricity from the project's wind turbine due to technical, legal or financial matters outside of our control.
- The turbine is a second hand machine and does not come with a manufacturer's guarantee as a new machine might although the turbine has been inspected. The availability of parts could be restricted. We intend to create a fund for maintenance and repair costs.
- The capital costs are our best estimates based wherever possible on quotations and thus changes in these estimates could lead to a need to increase or decrease the funds required by the project by the issue of further Shares, applications for grants or loans.
- The cost of construction may increase between the issuing of this document and the placing of orders.

- Operational costs may rise faster than anticipated during the life of the wind turbine.
- It may be difficult to sell shares quickly and not at all for three years from the date of the investment.
- The return of initial investments at the end of the wind turbines lifespan is dependent on sufficient income being generated to allocate the projected annual contributions from surplus into the depreciation fund.
- Industrial and Provident Society shares are not tradable.
- If the Project does not proceed Application Monies will be returned less offer costs. This means if funds equal to offer costs are not raised then prospective investors would lose their whole investment.

SHL will seek to protect against these risks through prudent management practices.

### **A Social Investment**

It is the aim of SHL to provide a social and a financial return. The Rules and the law of industrial and provident societies prevent SHL from paying excessive rates of interest on the Shares. It is possible that there will be periods when the interest rate is low, and payment could even be halted. It is not suitable for those who require income or guaranteed ready access to their invested capital. Investors should not expect to receive material profits or gains. The shares will not go up in value and may stay the same or go down.

### **Withdrawal of Shares**

Shares cannot be traded and there should be no expectation of them ever being worth more than their face value. Those investors needing to realise the value of their Shares can only do so through withdrawing them, which effectively means redeeming them or selling them back to SHL, if this is possible from time to time (please see below). Investors must be aware that as with any share holding, the value of the Shares can fall and could indeed cease to have any value. With tradable shares this is a result of market forces, but with SHL Shares, their value is linked solely to SHL's ability to redeem them for full or partial value.

In order to comply with the eligibility requirements for the Enterprise Investment Scheme all Shares will not be withdrawable for three years from the date of issue of the shares.

There is no minimum or maximum length of time that you must remain a Member, although SHL is looking for long term investors. The Directors aspire to allow investors to withdraw their Shares at any time, by which they mean that SHL will, upon request redeem the Shares for full value. SHL will require, in accordance with the Rules, three months' notice of intended withdrawals. It is possible to withdraw some, but not all of your Shares, provided that you retain the minimum 250. Withdrawals will be processed in the date order which they are received.

However, should SHL's financial position be unstable or weak at any time, the Directors have the right to suspend withdrawals and a right to fix a longer notice period for withdrawals of Shares. SHL may also need to do this if we receive too many requests for withdrawal at any one time. Should this happen, the intention will be to suspend withdrawals until SHL has sufficient funds to allow withdrawals of Shares to take place. SHL has the right to suspend withdrawals indefinitely, so it is possible that SHL will never be able to redeem your Shares for full or partial value. You should therefore buy Shares only with money that you can afford to tie up for long periods, and you must be aware that there is a possibility that you will lose all or part of your investment.

SHL is not a bank and your investment does not have the benefit of any depositor protection scheme. There is also no formal dispute resolution scheme.

### **Financial Services Legislation**

SHL is not an investment institution authorised under FSMA, and does not accept deposits. You do not have the level of protection that you are offered by investments covered by FSMA.

This document is an offer for Shares which are not transferable securities. It does not require an approved prospectus pursuant to section 85 of FSMA because the Shares are not transferable.

This document has not been approved by an authorised person because the Shares are not a controlled investment since they fall within Paragraph 14 (3) (c) of Schedule 1 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005.

SHL accepts responsibility for the preparation of this document. To the best of the knowledge and belief of the Society the information contained in within this document is in accordance with the facts and contains no omission likely to affect the meaning of such information.

### **Application for Membership**

You cannot withdraw your application for Shares after SHL receives your application form. Any prospective Member should thus ensure they have the financial means to fulfil their application.

The Directors do not have to accept your application for Shares. They may decide not to issue Shares to you or may allocate fewer Shares than you applied for. They do not have to give any reason for their decision.

SHL will bank your cheque on receipt and acknowledge your application but will not issue shares until it is certain that the project will move forward in order to satisfy the Enterprise Investment Scheme requirement that the moneys raised by the issue of shares must be applied for SHL's trade by the end of 12 months from the date of issue of the shares.

In the event of SHL failing to erect or raise enough money to fund the turbine within three years from 26<sup>th</sup> June 2008 (date of planning permission), SHL will return moneys to Members (less issue , administration and other expenses incurred by SHL) as decided by the Directors (If it is not possible to return investments fully they will be returned proportionately to the size of each investment.) No interest will be paid on any money returned to you.

### **Your Promise to SHL**

You warrant, represent and promise to SHL that:

1. Your cheque will be honoured on first presentation.
2. If you are an individual, you are at least 16 years of age.
3. You have authority to sign the application if you are signing it for another person, you will provide the Directors with evidence of your authority to sign if they ask to see it.

4. You will supply SHL with proof of your identity and address, or, if you are a company or organisation, those of your directors or trustees, if the Directors ask for it. They may need to do this in order to comply with the Money Laundering Regulations 2007. The Directors may have to hold back your Shares until they see this.
5. You agree to be contacted at all times and for all purposes by e mail if you supply an active email address on your application form, and to notify SHL if it changes.

## **Dissolution**

You may not benefit financially from your Shares if SHL converts to a different type of legal entity or transfers its business to a third party or is wound up. In this case, the only financial benefits you may receive from your Shares are:

1. The possibility of interest on your Shares (at a modest rate).
2. The possibility of the return of the money you have paid for your Shares.

The Directors draw your attention to the Rules of the Society regarding any retained profits if SHL converts to a different legal entity, transfers its business to a third party or is wound up. Any such moneys surplus to members' Shares will be transferred to a not for profit body having aims and objectives compatible with those of SHL and as required by the Rules.

## **General Matters**

The laws of England applies to this document, your application for Shares, the issue (or non-issue) of Shares to you and any matter arising out of or in connection with such matters. The courts of England and Wales have non-exclusive jurisdiction with regard to any dispute arising out of or in connection with this document, your application for Shares, the issue (or non-issue) of Shares to you.

Costs of issue not exceeding 5% and costs of administration not exceeding 0.5% per annum will be recovered by SHL from the amount raised by issuing Shares pursuant to this document.

Member' details, as provided on their application forms or subsequently provided to SHL will be stored on a computerised database, and will only be used for SHL's purposes and will not be disclosed to a third party. Members may request a copy of the information held about them in SHL's records, and to require SHL to amend any inaccuracies.

## **SHL Rules**

You will be bound by the Rules with respect to your Membership and holding of Shares. Each Member has one vote, regardless of size of their shareholding. Joint Members carry only one vote between them. In the event of a dispute SHL will recognise only the first named person of joint holders for voting purposes.

## **Directors of SHL**

Simon Robert Tilley, Chartered Engineer, Date of Birth 13/2/65

Peter Ashmore Cooke, University Lecturer retired, Date of Birth 19/9/40

Jonathan Mark Bolton, Illustrator, Date of Birth 28/04/68

Patrick Iain Lynn, Farmer, Date of Birth 22/07/78

Elizabeth Lainé, Consumer Advocate, Date of Birth 1/10/74

## **Advisors and Bankers to SHL**

Bank: The Co-operative Bank plc

Accountants: Duncan and Toplis, Newark

Solicitors to SHL: Browne Jacobson, Nottingham

Solicitors to the Offer Document: Wrigleys Solicitors, 19 Cookridge Street Leeds, LS2 3AG

## **How to Invest**

To become a Member requires the purchase of Shares, each Share has the nominal value of £1. The minimum shareholding is £250. The current maximum permissible shareholding is fixed by law at £20,000. If you wish to make a joint application with two or more people, both applicants must sign the form.

Although they would hope not to do so, the Directors must reserve the right to reject any application without giving any reason for doing so.

If the proposed Share issue is oversubscribed it is intended that it will give priority to more local investors.

To apply to become a Member and invest please complete the appropriate form below, and send it with the appropriate accompanying cheque (at your risk) to the registered office of SHL: The Watershed, Gables Drive, Hockerton Nottinghamshire, NG25 0QU. SHL will acknowledge your application. If and when your application is accepted, SHL will send you (at your risk, to the address you give on your application form) a share certificate evidencing your ownership of the Shares issued to you. SHL will retain a Register of Members in accordance with the Rules.

Sending in the application form indicates your acceptance and agreement to the provisions of this document, which supersedes all other information (written or oral) concerning SHL, the project referred to above or the Shares.

## **Timing**

SHL would like to receive your application by the [14<sup>th</sup> July 2009], further investment after this date may be accepted at the Directors discretion.

# Application Form for Individuals and Joint applications

I/We wish to become a Member in SHL in accordance with the Rules and the Offer Document and apply for:

Shares to the value of £  and enclose a cheque in payment of that amount.

(Cheques payable to Sustainable Hockerton Limited)

Name and Address (CAPITALS PLEASE)

Joint Applications

First Name/s in full -----

Last Name -----

Address -----

Postcode -----

Telephone ----- E-mail -----

If you are applying as nominee for an unincorporated association, please give the name of the association:

.....

## Agreement

I warrant and represent to SHL as follows:

- I am/we are at least 16 years old.
- I am/we are making this application on my/our own behalf.
- I/we have read and understood and agree to be bound by the terms and conditions included in the attached document and the Rules. I am/we are making this application on that basis.
- My/our cheque is drawn on a UK bank and will be honoured on first presentation and I/we request that you bank it, and use the funds as set out in the attached document.
- I/we have taken or considered taking appropriate professional advice before submitting this application.
- I/we understand that my/our investment is at risk and may not be returned to me/us.
- I/we understand that my/our investment does not have the benefit of any depositor protection scheme.
- I/we understand that SHL is entitled to reject this application for Shares and is not required to explain the reason for so doing.

## Data protection

I/we accept and agree that the data provided by me/us on this form will be stored on a computerised database, provided that it will only be used by SHL and will not be disclosed to a third party. To ensure compliance with the Money Laundering Regulations 2007, we acknowledge that SHL may at its absolute discretion require verification of identity from any person applying for Shares.

I/we authorise you to contact me/us using the details I/we give on this application form.

**Executed and delivered as a Deed**

in the presence of a witness

Applicant please sign here:

.....

Date .....

Witness please sign here:

.....Witness (signature)

.....Witness (address)

Date .....

For joint applications, second applicant please sign here:

.....

Date .....

Witness please sign here:

.....Witness (signature)

.....Witness (address)

Date .....

**Nomination Form (not necessary for joint applicants)**

If you wish to nominate someone to whom you wish your Shares to be transferred in the event of your death, please tick the box

and fill in the 'Nomination Appointment Form'. SHL cannot guarantee that it will be possible to honour this.

Please return, enclosing your cheque payable to Sustainable Hockerton Limited, to,  
The Watershed, Gables Drive, Hockerton, Nottinghamshire NG25 0QU

**Nominee Appointment Form**

This form should be completed if you wish to nominate a person to receive your Shares on your death.  
(CAPITALS PLEASE)

Your Name .....

Address .....

.....

.....

Postcode .....

Please name your choice of nominee below.

Nominee's full name .....

Nominee's address .....

.....

.....

Postcode ..... E mail address .....

I understand that it may not be possible for SHL to action to action this request and I and my heirs will not hold SHL responsible in this circumstance.

I understand that these instructions can only be revoked or amended by my giving clear written instructions to the Secretary of SHL at the registered office.

I understand that trustees will need to be appointed if my nominee is under 16 years of age.

**Executed and delivered as a Deed**

in the presence of a witness

Applicant please sign here:

Witness please sign here:

.....

.....Witness  
(signature)

.....Witness  
(address)

Date .....

Date .....

Please return, enclosing your cheque payable to Sustainable Hockerton Limited, to,  
The Watershed, Gables Drive, Hockerton, Nottinghamshire NG25 0QU

# Application Form for Corporate Applicants

We wish to become a Member of SHL in accordance with the Rules and the Offer Document and apply for

Shares to the value of £  We enclose a cheque in payment of that amount.

(cheques payable to Sustainable Hockerton Limited)

Official name and correspondence address (CAPITALS PLEASE)

Full official Name .....

Address .....

.....

.....

Postcode ..... Contact Name .....

Telephone ..... E-mail .....

## Agreement

We warrant and represent to SHL as follows:

- We are corporate body registered in the UK.
- We have read and understood and agree to be bound by the terms and conditions included in the attached document and the Rules. We are making our application on that basis.
- Our cheque is drawn on a UK bank and will be honoured on first presentation and request that you bank it, and use the funds as set out in the attached document.
- We have taken or considered taking appropriate professional advice before submitting this application
- We understand that my investment is at risk and may not be returned to us.
- We understand that our investment does not have the benefit of any depositor protection scheme.
- We understand that SHL is entitled to reject this application for Shares and is not required to explain the reason for so doing.

## Data Protection and Money Laundering

We accept and agree that the data provided by us on this form will be stored on a computerised database, provided that it will only be used for SHL's purposes and will not be disclosed to a third party. To ensure compliance with the Money Laundering Regulations 2007, we acknowledge that SHL may at its absolute discretion require verification of identity from any organisation applying for Shares, or from their directors or trustees.

We authorise you to contact us using the details we give on this application form.

## Executed and delivered as a Deed

Applicant please sign here:

.....Director, for and on behalf of .....

Date .....

Witness or second director please sign here:

.....Director, for and on behalf of .....

.....Witness (signature)

.....Witness (address)

Date .....

Please return, enclosing your cheque payable to Sustainable Hockerton Limited, to,  
The Watershed, Gables Drive, Hockerton, Nottinghamshire NG25 0QU