

The legal agreement

Dated 29 October 2014 Debenture Deed Oakapple Berwickshire plc

This Deed is made on 29 October 2014

by

Oakapple Berwickshire plc, a company incorporated and registered in England and Wales under registered number 9059446 whose registered office is situated at Oakapple House, 1 John Charles Way, Leeds, LS12 6QA (the **Issuer**).

Background

(A) The Issuer has resolved, pursuant to a resolution of its board of directors dated 10 October 2014, to create and issue the Debentures in connection with its investment in the Project.

(B) The Issuer has determined to constitute the Debentures in the manner set out in this Deed.

Now this deed witnesses as follows:

1 Definitions and Interpretation

1.1 In this Deed, unless the subject or context requires otherwise, the following expressions shall have the meanings set out opposite them below:

Abundance means Abundance NRG Limited a private limited company incorporated in England and Wales with company number 07049166 and its registered address at Threshold & Union House, 65-69 Shepherds Bush Green, London W12 8TX; and which is authorised and regulated by the Financial Conduct Authority (“**FCA**”) with FCA registration number 525432.

Abundance Service means the website, services and the Bulletin Board operated by Abundance at www.abundancegeneration.com.

Abundance Terms and Conditions means the terms and conditions governing the operation of the Abundance Service, from time to time, the latest copy of which can be found at www.abundancegeneration.com.

Additional Interest has the meaning given in clause 5.

Annual Interest Amount means an amount equal to the sum of the Issue Amount multiplied by the relevant Annual Interest Rate.

Annual Interest Rate means the annual interest rate (rounded to the nearest two decimal points) listed in the table in Schedule 4 (Annual Interest Rate) that applies in relation to the corresponding two Cash Return Periods shown in that table.

Annual Principal Repayment means an amount equal to one twentieth (1/20th) of the Issue Amount.

Back-up Service Provider has the meaning given in the Abundance Terms and Conditions.

Business Day means a day other than a Saturday, Sunday or English public holiday.

Cash Account has the meaning given in the Abundance Terms and Conditions.

Cash Return Period means the First Cash Return Period, the Final Cash Return Period and each six month period between those two periods in respect of which repayments of Principal and payments of Interest and Additional Interest are calculated and payable in accordance with this Deed.

Change of Control means a change whereby either the beneficial ownership of more than 50% of the issued or allotted share capital of the Issuer ceases to be held by the same shareholder(s) of the Issuer as at the date of this Deed or the legal power to direct or cause the direction of the general management of the Issuer ceases to be held by the person or persons holding such power as at the date of this Deed and **Controlled** shall be construed accordingly.

Client Money Service Provider has the meaning given in the Abundance Terms and Conditions.

Conditions means the conditions of the Debentures set out in Schedule 1 (as from time to time amended) and **Condition** shall be construed accordingly.

Costs has the meaning set out in part 1 of the Conditions.

Debenture means each Debenture constituted by this Deed.

Deed means this Deed and the Schedules to this Deed as amended from time to time.

Deferred Amount means a payment of Principal and/or Interest deferred (in whole or part) in accordance with clauses 3 and 4 (respectively).

Eligible EEA Country has the meaning given to it in the Abundance Terms and Conditions.

Feed-in Tariff Scheme means the feed-in tariff scheme established and operated pursuant to the terms of The Feed-in Tariffs Order 2012 (as amended from time to time).

Final Cash Return Period means the Cash Return Period beginning 1 October 2034 and ending on the Maturity Date.

Final Repayment Date means the date falling 10 weeks after the Maturity Date and is the date by which all outstanding Principal and all other sums due but unpaid under this Deed must be repaid.

First Cash Return Period means the Cash Return Period beginning on 1 June 2015 and ending on 30 September 2015.

Holder means the person entered in the Register as the holder of each Debenture from time to time.

Individual Let Area means, in relation a Lease Agreement and a designated building identified in that Lease Agreement, the airspace above the roof of the relevant building under that Lease Agreement, to a height of three metres above the highest part of the roof of such building.

Initial Period means the period from and including the date of the Offer Document until and including 31 May 2015.

Interest means an amount of interest payable to a Holder in accordance with clause 4 of this Deed.

Issue Amount means the principal or face amount of the Debentures issued under this Deed, from time to time, before and excluding any repayments of Principal made under the Deed but less any amount the Issuer has redeemed early in accordance with the Conditions.

Lease Agreement means a lease (substantially in the form attached to the Option Agreement) that has been entered into between Berwickshire Housing Association and the Issuer in relation to, among other things, the lease of roof-top air-space in relation to social houses that form part of the Portfolio.

Maturity Date means 31 March 2035.

Minimum Threshold Amount means that Investors have indicated a willingness to invest at least £500,000 in the Debentures via the Abundance Service in accordance with clause 8 of the Abundance Terms and Conditions.

Offer Document means the document produced by the Issuer relating to the Debentures dated on or about the date of this Deed, as amended or updated from time to time.

Option Agreement means the option agreement comprising an exchange of missives between the solicitors for Berwickshire Housing Association and the Issuer dated on or about the date of this Deed in relation to the entry into one or more Lease Agreement(s) by those parties for the purpose of the Project.

Ordinary Resolution means a resolution passed at a meeting of the Holders duly convened and held in accordance with the Provisions and carried by a simple majority of the eligible votes cast upon a show of hands or on a poll.

Partial Renunciation means a renunciation of an Individual Let Area under the terms of a Lease Agreement.

Portfolio means a portfolio of up to 749 roof-mounted solar photovoltaic installations of 4 kWp or less (together with all associated equipment and infrastructure) owned by the Issuer that form part of the Project and located at social housing residences owned by Berwickshire Housing Association.

Principal means, as the context requires, the principal amount of the Debentures for the time being outstanding or the principal amount of the Debentures held by any Holder.

Project means the design, purchase, installation, operation and maintenance of a portfolio of up to 749 roof-mounted solar photovoltaic installations of 4 kWp or less (with an aggregate size of up to 2,595 kWp), to be located at social housing residences owned by Berwickshire Housing Association throughout Berwickshire and all of the associated equipment and infrastructure for those installations (as described more fully in the Offer Document).

Register means the register of Holders of Debentures.

Relevant Surplus has the meaning given in part 1 of the Conditions.

Reserve has the meaning given in the Conditions.

Reserved Matters means the matters specified in Schedule 3.

Restricted Person means any person who does not fulfil any criteria of eligibility to invest and/or to hold Debentures set out in the Abundance Terms and Conditions from time to time including without limitation: (i) any US Person; or (ii) any person who, by reason of any Tax or Regulatory Requirement, the Issuer (or Abundance acting on behalf of the Issuer) has determined is ineligible to acquire or hold the Debentures because of a Tax or Regulatory Requirement. A further summary of those eligible to invest and/or hold Debentures is given at paragraph 6.2 of Part 2 of the Conditions.

Retail Prices Index means the domestic measure of inflation in the UK compiled by the UK Office of National Statistics.

Revenues has the meaning given in Part 1 of the Conditions.

Schedule means a Schedule to this Deed.

Supplier Loan Agreements means each of the supplier loan agreements each with a facility limit of £100,000 and entered into on or about the date of this Deed between (1) the Issuer and (2) Edison Energy Limited; and (A) the Issuer and (B) Oakapple Renewable Energy Limited, respectively.

Special Resolution means a resolution passed at a meeting of the Holders duly convened and held in accordance with the Provisions contained and carried by a majority consisting of not less than three-quarters of the eligible votes cast upon a show of hands or on a poll.

Sterling or **£** means the lawful currency of the United Kingdom.

Subsequent Cash Return Period means, in relation to any Cash Return Period, the Cash Return Period immediately following that Cash Return Period (and **Subsequent Cash Return Periods** means, in relation to any Cash Return Period, each of the Cash Return Periods following that Cash Return Period).

Tax or Regulatory Requirement means a resolution passed at a meeting of the Holders duly convened and held in accordance with the Provisions contained and carried by a majority consisting of not less than three-quarters of the eligible votes cast upon a show of hands or on a poll.

US Person has the meaning given in clause 6 of Part 2 of the Conditions.

1.2 In this Deed unless the contrary intention appears:

1.2.1 Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;

1.2.2 Words denoting the singular include the plural;

1.2.3 Words denoting persons include corporations;

1.2.4 A reference to one gender includes the other gender;

1.2.5 References to clauses and Schedules are to the clauses and Schedules of this Deed which form part of this Deed and shall have the same force and effect as if set out in the body of this Deed and any reference to this Deed shall include the Schedules;

1.2.6 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made (including where it has been amended, extended, re-enacted or adopted by Scottish Parliament) from time to time under that statute or statutory provision;

1.2.7 The terms **including**, **include** and **in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of words preceding those words.

1.2.8 A reference to **accrue** or **accrued** in the context of any calculation of Interest in this Deed (other than Interest accrued in relation to the Initial Period) shall be taken to mean the relevant pro-rata proportion of Annual Interest Amount that is owed for that period which is calculated as follows:

accrued Interest (for a period) = Annual Interest Amount (relevant to the period) x (Number of Days in the Period / 365)

1.3 Where indicated in this Deed, terms will have the meaning given to them by the Abundance Terms and Conditions; and

1.4 Other terms will have the specific meaning given to them in the Schedules to this Deed.

2 Issue and Status

2.1 The aggregate principal amount of the Debentures is limited to a maximum of £3,100,000.

2.2 Subject to this Deed, as and when issued, the Debentures shall constitute unsecured and unsubordinated obligations of the Issuer and shall rank pari passu, equally and rateably with the other unsecured and unsubordinated obligations of the Issuer, without any preference among themselves.

2.3 The Debentures are issued to, and can only be held by, Members of Abundance (as defined in the Abundance Terms and Conditions) in accordance with the Abundance Terms and Conditions.

2.4 The Debentures are issued in amounts or multiples of one pound Sterling (£1.00) in nominal amount.

3 Repayment of Principal

3.1 Subject to this Deed, the Issuer shall repay Principal by making the Annual Principal Repayment in semi-annual instalments following the end of each Cash Return Period as follows:

3.1.1 For Cash Return Periods which end on 30 September, the instalment amount will be seventy per cent. (70%) of the Annual Principal Repayment; and

3.1.2 For Cash Return Periods which end on 31 March, the instalment amount will be thirty per cent. (30%) of the Annual Principal Repayment.

3.2 Repayments of Principal may be deferred in accordance with this clause 3.

3.3 The making of any repayments of Principal (including any Deferred Amounts) or their deferral following the end of any Cash Return Period (other than the Final Repayment Date) depends on the amount of Relevant Surplus of the Project in that Cash Return Period. As soon as is reasonably practicable following the end of each Cash Return Period, the Issuer shall perform the calculation of its Relevant Surplus in Part 1 of the Conditions, to determine what (if any) repayment of Principal is to be made in respect of that Cash Return Period at that time.

3.4 If, because there is sufficient Relevant Surplus in a Cash Return Period on the basis of the calculation referred to in clause 3.3, the Issuer determines that a repayment of Principal is to be made in respect of that Cash Return Period, the Issuer shall make that payment within ten weeks of the end of that Cash Return Period. Payments of Principal will be apportioned by Abundance and/or the Client Money Services Provider and paid to Holders in proportion to their holdings of Debentures.

3.5 If, because there is both insufficient Relevant Surplus in a Cash Return Period (on the basis of the calculation referred to in clause 3.3) and insufficient Reserve (in accordance with clause 6.5), no repayment of Principal is to be made in respect of that Cash Return Period, or the amount is less than the instalment amount provided in clause 3.1, the shortfall shall be deferred and become due and payable within 10 weeks of the end of the Subsequent Cash Return Period (unless further deferred where such further deferral is permitted by this clause). Any Deferred Amounts shall, however, bear Additional Interest in accordance with clause 5. No amount of unpaid Principal may be deferred for a period of more than three years from the date on which it would have been due and payable if not first deferred under this Deed and when, at the end of that three year period, it shall finally become due and payable under this Deed.

3.6 All outstanding Principal (including any Deferred Amounts) must be repaid by the Issuer no later than the Final Repayment Date.

4 Interest

4.1 Subject to this Deed, the Issuer shall pay interest following the end of each:

4.1.1 month during the Initial Period; and

4.1.2 Cash Return Period,

in accordance with this clause.

4.2 The Issuer will commence to issue Debentures during the Initial Period provided that the Minimum Threshold Amount has been reached.

4.3 Where Debentures are issued to (and purchased by) Holders during the Initial Period, then such Debentures will bear interest at a rate of seven per cent. per annum (7% p.a.) calculated on the basis that such interest accrued from and including the date on which those Holders indicated their intention to invest in the Debentures in accordance with clause 8 of the Abundance Terms and Conditions) until and including the last day of the Initial Period (or, if earlier, the date that such Debentures are repaid or redeemed in full). No interest shall be payable under this clause 4.3 where a Holder has exercised any right of cancellation within clause 5 and/or clause 8.5 of the Abundance Terms and Conditions with the result that their indication of intention to invest and/or purchase Debentures is cancelled.

4.4 Interest payable in accordance with clause 4.3 shall be paid monthly in arrear within 20 Business Days of the end of each calendar month during the Initial Period except that, for the period from the date of the Offer Document until the date that the Minimum Threshold is reached, interest will become payable within 20 Business Days of the end of the month in which the Minimum Threshold Amount is reached.

4.5 For each Cash Return Period, the Issuer shall pay Interest equal to the Annual Interest Amount to the Holders in semi-annual instalments following the end of that Cash Return Period as follows:

4.5.1 For Cash Return Periods which end on 30 September, the amount of interest will be equal to seventy per cent. (70%) of the Annual Interest Amount; and

4.5.2 For Cash Return Periods which end on 31 March, the amount of interest will be equal to thirty per cent. (30%) of the Annual Interest Amount.

4.6 Payments of Interest may be deferred in accordance with this clause 4 except that no payments of interest payable in respect of the Initial Period in accordance with clauses 4.3 and 4.4 may be deferred. For the avoidance of doubt, clauses 4.7 to 4.9 (inclusive) shall not apply to interest payable in respect of the Initial Period.

4.7 The making of any payment of Interest (including any Deferred Amounts) or its deferral following the end of any Cash Return Period (other than the Final Repayment Date) depends on the amount of Relevant Surplus of the Project in the relevant Cash Return Period. As soon as is reasonably practicable following the end of each Cash Return Period, the Issuer will perform the calculation of its Relevant Surplus in Part 1 of the Conditions to determine what (if any) payment of Interest is to be made in respect of that Cash Return Period at that time.

4.8 If, because there is sufficient Relevant Surplus for a Cash Return Period (as calculated in accordance with clause 4.7), the Issuer is required to make a payment of Interest in respect of that Cash Return Period, the Issuer shall make that payment within ten weeks of the end of that Cash Return Period. Payments of Interest will be apportioned by Abundance and/or the Client Money Services Provider and paid to Holders in proportion to their holdings of Debentures.

4.9 If, due to both insufficient Relevant Surplus for a Cash Return Period (as calculated in accordance with clause 4.7) and insufficient Reserve (in accordance with clause 6.5), no payment of Interest is required to be made in respect of that Cash Return Period, or the amount of Relevant Surplus is less than the amount of Interest provided in clause 4.5, the shortfall shall be deferred and become due and payable within 10 weeks of the end of the Subsequent Cash Return Period (unless further deferred where such further deferral is permitted by this clause). Any Deferred Amounts shall, however, bear Additional Interest in accordance with clause 5. No amount of unpaid Interest may be deferred for a period of more than three years from the date on which it would have been due and payable if not first deferred under this Deed and when, at the end of that three year period, it shall finally become due and payable under this Deed.

4.10 All due but unpaid Interest (including any Deferred Amounts) shall be payable on the Final Repayment Date.

4.11 Interest shall be calculated and accrue on the basis of the actual number of days elapsed in the relevant period and a 365 day year.

5 Additional Interest

5.1 The Issuer shall pay Additional Interest on any Deferred Amounts of Principal or Interest (excluding Interest in respect of the Initial Period) at a rate of 3% over the published Base Rate of Barclays Bank PLC (or, if that rate is unavailable from Barclays Bank PLC, the equivalent base rate of another major UK retail bank of comparable size chosen by the Issuer) from the date when payment of such amount of Principal or Interest would have been made in accordance with clauses 3 or 4 (as the case is) until actual payment, after as well as before judgment.

5.2 In respect of the any unpaid amount of Interest in respect of the Initial Period, the Issuer shall pay Additional Interest (at the same rate set out in clause 5.1) on those unpaid amounts of Interest outstanding during that period, within 30 days of the end of the month immediately following the end of the month in which the payment of Interest fell due. Nothing in this clause shall prevent Holders from taking any action referred to in clause 7.2 where interest payable in respect of the Initial Period (under clause 4.3 and 4.4) is not paid in accordance with this Deed.

5.3 In respect of each Cash Return Period, the Issuer shall pay Additional Interest on Deferred Amounts outstanding during that Cash Return Period, within 10 weeks of the end of such Cash Return Period except that, if there is insufficient Relevant Surplus (in accordance with the Issuer's calculations in Part 1 of the Conditions) for that Cash Return Period to make such payment in full, such shortfall may be deferred on the same basis as applicable to payments of Principal and Interest in accordance with clauses 3 and 4 save that any deferred Additional Interest will not itself bear Additional Interest.

5.4 Additional Interest shall accrue on a daily basis and on the basis of a 365 day year.

5.5 All due but unpaid Additional Interest (including any Deferred Amounts) shall be payable in accordance with 5.2 and 5.3 (as the case may be) and by no later than the Final Repayment Date.

6 Payments

6.1 Any payments to the Holders under this Deed shall be allocated in the following order of priority:

- 6.1.1 first to Additional Interest on any unpaid payments of Interest in respect of the Initial Period;
- 6.1.2 then to payments of Interest in respect of the Initial Period;

6.1.3 then to Additional Interest on Deferred Amounts on Principal (in reverse order of Deferred Amounts outstanding with Additional Interest in relation to the oldest being paid first);

6.1.4 then to Additional Interest on Deferred Amounts of Interest (in reverse order of Deferred Amounts outstanding with Additional Interest in relation to the oldest being paid first);

6.1.5 then to Deferred Amounts of Principal (in reverse order of Deferred Amounts outstanding with the oldest being paid first);

6.1.6 then to Deferred Amounts of Interest (in reverse order of Deferred Amounts outstanding with the oldest being paid first);

6.1.7 then to any repayments of Principal; and

6.1.8 then to payments of Interest.

6.2 Any repayments of Principal or payments of Interest or Additional Interest shall be paid to the Cash Account of the Holder (as defined in the Abundance Terms and Conditions) and such payment shall be a good discharge of the payment obligations of the Issuer under this Deed.

6.3 If the Issuer is required by applicable law to make any withholding or deduction, it shall make such deduction or withholding and account to the relevant authority in respect of the amount withheld or deducted. The Issuer shall not be required to increase or gross-up any amount payable to the Holder under this Deed.

6.4 The Issuer may, at any time, make any payment of any Deferred Amount(s) or Additional Interest in advance of its due date, provided there is sufficient Relevant Surplus to do so (with the effect that it may make such payments in priority to any Costs other than amounts due to Abundance (as described in paragraph 1.5 (c) of the Conditions).

6.5 Subject to paragraph 1.7 of the Conditions, if there is either:

6.5.1 a shortfall in Relevant Surplus for the Issuer to make any required payment to Holders under clauses 3 to 5 (inclusive) of this Deed; or

6.5.2 at the time of making any required payment to Holders under clauses 3 to 5 (inclusive) of this Deed, there is less cash freely available to the Issuer than the amount of Relevant Surplus available to make that payment,

(each such shortfall in Relevant Surplus or cash in the sub-paragraphs above, being a “**Relevant Shortfall**”),

the Issuer shall make that required payment out of the Reserve in an amount no greater than the Relevant Shortfall.

If the Reserve is insufficient for the Issuer to make any of the payments referred to in clauses 6.5.1 or 6.5.2 above in full, any remaining shortfall in those payments (after application of the then current Reserve) shall be deferred in accordance with clause 3.5, 4.9 or 5.3 (as applicable).

6.6 The Issuer agrees and acknowledges that any indebtedness created by the Shareholder Loan is subordinated to the Debentures and accordingly undertakes to the Holders that it will comply with the covenants set out in paragraph 2 of Schedule 3.

7 Redemption and Early Repayment

7.1 The Issuer may redeem all or any of the Debentures in accordance with Part 2 of the Conditions or as otherwise specified in this Deed.

7.2 Any Holder may require immediate payment of all outstanding Principal together with all unpaid accrued Interest, all Deferred Amounts, all unpaid accrued Additional Interest and any other sum then due and payable on such Debenture in the circumstances set out in paragraph 3 of Part 2 of the Conditions.

8 Form of Debentures and Register

8.1 Debentures will be held in electronic form, represented by book entries in the Register. Holders will be issued with an electronic confirmation of their holding via the Abundance Service.

8.2 The Issuer will only recognise each registered Holder as the absolute owner of his Debentures and is not bound to take notice of any trust to which any Debenture may be subject.

8.3 No notice of any trust, except as required by applicable law, will be entered on the Register in respect of any Debentures.

8.4 Subject to clause 8.5, the personal representatives of a deceased Holder shall be the only persons recognised by the Issuer as having any title to, or interest in, that Debenture on the death of such Holder, and will be so recognised subject to their becoming Members of Abundance in accordance with the Abundance Terms and Conditions.

8.5 Any person becoming entitled to a Debenture in consequence of the death or bankruptcy of any Holder or otherwise by operation of law, may, upon producing such evidence that he is so entitled as the Issuer may reasonably require, be registered himself as the Holder subject to his becoming a Member of Abundance in accordance with the Abundance Terms and Conditions.

8.6 The Issuer shall maintain arrangements so that any changes to the Register required under this clause shall be made by Abundance in accordance with the Abundance Terms and Conditions.

9 Transfer

The Debentures may only be transferred in accordance with the Abundance Terms & Conditions or, if applicable, in accordance with clauses 8.4 and 8.5.

10 Notices

The Issuer will give each notice, and will send any other document, to a Holder using the Abundance Service. Each Holder agrees that the Issuer may rely on Abundance to deliver any such notice in accordance with the Abundance Terms & Conditions.

11 No Dealings

The Debentures are not capable of being dealt or listed on any stock exchange or other public market in the United Kingdom or elsewhere and no application has been, or is intended to be made, for the Debentures to be listed or otherwise traded on any such stock exchange or other public market.

12 Rights and Obligations

12.1 This Deed does not confer rights on any persons other than the Holders and the Issuer.

12.2 Each Holder shall be entitled to sue for the performance and observance of the provisions of this Deed as far as his holding of Debentures is concerned.

12.3 Where under this Deed any matter is to be decided by a meeting of Holders, then the provisions of Schedule 2 will apply.

12.4 Any or all of the Reserved Matters set out in Schedule 3 must be approved by a Special Resolution of the Holders as set out in that Schedule.

12.5 For the avoidance of doubt, Abundance is not a party to this Deed and has no obligations under it. Subject to paragraph 8 of the Part 2 of the Conditions, Abundance:

12.5.1 provides services in accordance with arrangements it has with the Issuer; and

12.5.2 operates the Abundance Service in accordance with the Abundance Terms and Conditions as agreed by Members (as defined in the Abundance Terms and Conditions).

13 Inspection

A copy of this Deed shall be kept at the registered office of the Issuer and any Holder and any person duly authorised in writing by a Holder may at all reasonable times during office hours inspect it.

14 Endorsement

A memorandum of execution of any deed supplemental to this Deed shall be endorsed by the Issuer on this Deed.

15 Governing Law and Jurisdiction

15.1 This Deed and the Debentures are to be governed by and construed in accordance with English law.

15.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim, whether contractual or non-contractual, arising out of or in connection with this Deed or the Debentures.

This document is executed as a deed and is delivered by the Issuer or its duly authorised representatives on the date written at the beginning of it.

Executed as a deed by)

Oakapple Berwickshire plc)

acting by a director)

.....
Director

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

Schedule 1 The Conditions

Words and expressions defined in the Deed shall bear the same meanings when used in these Conditions.

Part 1 – Calculation of Relevant Surplus, Revenues and Costs

1 The Issuer shall calculate any amounts payable to the Holders under this Deed in the manner set out in the following sub-paragraphs:

1.1 The First Cash Return Period ends on 30 September 2015. Subsequent Cash Return Periods following the First Cash Return Period will be periods of six months following the First Cash Return Period, as set out in the Deed. The Final Cash Return Period ends on the Maturity Date.

1.2 Within 10 weeks of the last day of the each Cash Return Period, the Issuer will calculate its **Relevant Surplus, Revenues and Costs** in such Cash Return Period.

1.3 The Issuer's Relevant Surplus for the purposes of the calculation in paragraph 1.2 is the total of:

(a) the sums receivable by the Issuer as Revenues during that Cash Return Period; plus

(b) any sum actually receivable by the Issuer during that Cash Return Period in relation to rebate or repayment of any Costs incurred during any previous Cash Return Period; less

(c) the Costs incurred by the Issuer in respect of that Cash Return Period.

1.4 The Issuer's **Revenues** for the purpose of the calculation in paragraph 1.2 shall be any sums receivable by the Issuer in respect of the generation or sale of any electricity produced by the Project including (i) any proceeds receivable by the Issuer in relation to any power purchase agreement, a Lease Agreement, under the Feed-in Tariff Scheme, any Renewable Energy Guarantee of Obligation, Levy Exemption Certificate or embedded benefit; and (ii) any other sums receivable by the Issuer in connection with the Project under performance bonds, letters of credit, bank interest, claims under any insurance policy, liquidated damages or other sums receivable by the Issuer under any contract relating to the Project.

1.5 The Issuer's **Costs** for the purposes of the calculation in paragraph 1.2 shall be the costs and expenses of the Issuer (excluding capital expenditure) incurred in respect of any given Cash Return Period, including (without double counting):

- a) operating costs and expenses (including administrative, legal, management and accounting);
- b) tax liabilities (including any tax liability arising as a result of the receipt by the Issuer of any Revenues) where such liabilities fall due for payment in that Cash Return Period (but excluding where such liabilities have been incurred by the Company but are not due for payment during that Cash Return Period);
- c) fees and expenses payable to Abundance or any other third party incurred by the Issuer in the establishment of the Debentures;
- d) maintenance costs and expenses incurred in respect of the Project;
- e) lease rental payments relating to the Project;
- f) insurance premium incurred relating to the Project; plus
- g) any contribution into the contingency reserve referred to in sub-paragraph 1.8 below.

1.6 If there is positive Relevant Surplus in respect of a Cash Return Period then the Issuer shall in all events use any such Relevant Surplus to make any payments to Holders under this Deed.

1.7 The Issuer will at all times that any amount is outstanding under this Deed and until the Final Repayment Date maintain an amount in free cash (the "Reserve") consisting of an amount equal to two point five per cent. (2.5%) of the total amount of the Issue Amount at the relevant time (to be used solely for repayment of Principal and payment of Interest, Additional Interest or Deferred Amounts) provided that if the Issuer makes any payment out of the Reserve in accordance with clause 6.5, the amount of Reserve shall temporarily reduce and the resulting shortfall in the Reserve shall be funded out of the Relevant Surplus.

1.8 The Issuer will at all times that any amount is outstanding under this Deed and until the Final Repayment Date set aside an amount in free cash equal to:

1.8.1 £5,000 per annum for a minimum of 10 years from the date of issue of the Debentures as an operational contingency reserve to be used solely for the normal running of the Project and for meeting any decommissioning liabilities over the life of the Project; and

1.8.2 the Pound Sterling equivalent of the sum of four and a half times (4.5x) the amount in kWp of the Portfolio then installed (up to a maximum of £11,677.50) per annum for the life of the Project as a contingency reserve to be used for the replacement of inverters and any other material replacement parts of the photovoltaic systems in the Project that are not able to be funded out of the operational contingency reserve in sub-paragraph (b)(i) above.

Part 2 – Other Conditions including Redemption or Early Repayment

2 Early Redemption by the Issuer

2.1 The Issuer shall be entitled at any time following (i) a Change of Control; and/or (ii) a Tax or Regulatory Requirement by issue of an irrevocable notice ("Notice of Redemption") to the Holders (or, in the case of a Tax or Regulatory Requirement, to any Holder affected by such event) giving not less than 20 Business Days' notice (which shall be given via the Abundance Service) of its intention to redeem the Debentures or, in the case of the affected Debentures for a Tax or Regulatory Requirement, redeem the affected Debentures and the date for the proposed redemption.

Following the Notice of Redemption, on the date of redemption, the Issuer will redeem the affected Debentures and repay the Principal then outstanding on those affected Debentures together with any accrued Interest and/or Additional Interest then owing in relation to those affected Debentures.

Where the Issuer has issued a Notice of Redemption in respect of a Change of Control, the Issuer will pay a further percentage amount of such Principal amount to be determined by an independent valuer appointed in accordance with paragraph 2.2 below (the "Independent Valuer") on any Debenture registered in that Holder's name. Subject to giving such notice and upon the expiry of such notice, the Issuer shall be entitled and bound to pay off that part of those amounts in respect of which such notice of redemption has been given.

2.2 The Independent Valuer shall be appointed by the Issuer, acting reasonably, and shall be a firm of Chartered Accountants who have not been engaged by the Issuer to provide professional services to it within a period of 5 years prior to the Issue of the Notice of Redemption. Following the appointment of the Independent Valuer the Issuer shall inform the relevant Holders of the identity of the Independent Valuer as soon as reasonably practicable.

2.3 The Independent Valuer shall determine the percentage of premium payable in addition to the Principal amount having regard to all reasonable circumstances including the period of time remaining until the Final Repayment Date and the likely amount of Interest that would have been payable but for early redemption, discounted to present value in a commercially reasonable manner.

Save in the case of manifest error the decision of the Independent Valuer shall be final and binding on the Issuer and the relevant Holders and any applicable premium shall be paid by the Issuer within 28 days of the date the Issuer is notified of the Independent Valuer's determination.

2.4 The costs of the Independent Valuer shall be payable by the Issuer.

Termination or Partial Renunciation under a Lease Agreement

2.5 Where Berwickshire Housing Association (the "Landlord") exercises its rights under a Lease Agreement to either effect a Partial Renunciation in relation to an Individual Let Area or terminate that Lease Agreement, in each case with the effect that the Issuer can no longer receive the applicable Feed-in-Tariff revenue for the PV System for the relevant Individual Let Area(s), the Issuer shall promptly issue a Notice of Redemption (via the Abundance Service) informing the Holders that a Partial Renunciation or termination of that Lease Agreement (as the case may be) has been effected by the Landlord and stating the Principal amount of the Debentures

which will be redeemed and the date upon which redemption will take place (which shall be a date within 20 Business Days of the Notice of Redemption being issued). The amount of Principal which will be redeemed shall be calculated as follows:-

$$P \times (S/T)$$

where P is the amount of Principal outstanding at the date of redemption, T is the total output (in kWp) of the solar PV installations in the Project and S is the output (in kWp) of the PV System located at the relevant social housing residence for which a Partial Renunciation under or a termination of the relevant Lease Agreement is being effected.

For the purposes of this clause, the terms Individual Let Area, Partial Renunciation and PV System each have the meanings given in the Lease Agreement.

2.6 Any redemption made pursuant to paragraph 2.5 above shall be made repaying a pro-rata amount of Principal held by each Holder and any sum so redeemed shall be paid together with any Interest and/or Additional Interest accrued or owing on such sums up until the date of redemption. For the avoidance of doubt Holders shall not be entitled to any Interest and/or Additional Interest on any sums redeemed pursuant to paragraph 2.5 above with effect from the date of redemption of those sums.

Portfolio Conditions

2.7 The Issuer may only use funds raised from Debentures issued under this Deed to fund the costs of the Project (including, without limitation, the costs of purchasing and installing the PV Systems forming part of the Portfolio).

2.8 The Issuer will ensure that, for all PV Systems that are purchased using funds from Debentures issued under this Deed, Lease Agreements are entered into for each of the relevant properties (or the individual let areas relating thereto) to which those PV Systems relate.

2.9 The Issuer may only purchase PV Systems (that will form part of the Portfolio) with funds raised from the Debentures on the basis that, on or prior to any date that it intends to utilise those funds (**a Relevant Date**), It has executed an option under the Option Agreement (in order for a Lease Agreement to be entered into with Berwickshire Housing Association) in relation to each of the properties in connection with which those PV Systems are being purchased;

2.10 On the earlier of:

2.10.1 the date falling at the end of the Option Period (as defined in the Option Agreement) (the "**Option End Date**"); or

2.10.2 any date, prior to the Option End Date, that the Issuer determines (acting reasonably, in good faith and after consultation with Abundance NRG Ltd and Berwickshire Housing Association) that there are Excess Funds,

the Issuer will promptly (and, in any event, within 20 Business Days of the next month end date if the determination date in clause 2.10.2 falls within the Initial Period or, the next payment date for the relevant Cash Return Period if such determination date or the Option End Date (as relevant) falls in another period) apply all Excess Funds to redeem the Debentures (in the amount of those Excess Funds) by repaying Principal held by Holders in the reverse order in which Principal was committed by the issue of Debentures to the Holders. Any amount of Principal so redeemed shall be paid together with any Interest and/or Additional Interest accrued or owing on such sums up until the date of redemption.

For the purpose of this clause, **Excess Funds** means any funds that have been raised from Debentures issued under this Deed cannot be utilised during the Option Period (as defined in the Option Agreement) by the Issuer to fund PV Systems (in accordance with this Agreement).

3. Repayment on Default

3.1 If, at any time and for any reason, any of the following events ("Events of Default") has occurred and is outstanding, any Holder shall be entitled by notice in writing ("Default Notice") to the Issuer to require that the Principal payable in respect of each Debenture (or part thereof) that he holds, together with all unpaid and/or accrued Interest, all Deferred Amounts and any other sum then payable on such Debenture, shall become due and payable immediately. If a Holder gives such a Default Notice, then such Principal, unpaid and/or accrued Interest and Deferred Amounts and any other sum then payable on such Debenture shall be immediately due and payable by the Issuer and the Issuer shall immediately pay or repay such amounts to such Holder on receipt of the Default Notice. The Events of Default are:

- any failure by the Issuer to pay in full any amount payable to such Holder in respect of the Debentures within 14 days after the due date for its payment (and, for the avoidance of doubt, the due date for any Deferred Amount shall be determined in accordance with clause 3, 4 or 5 (as applicable) of this Deed and shall in no circumstances be later than the third anniversary of the date which that payment would, but for any first deferral of that payment under this Deed, have been due); or

- the Issuer failing duly to perform or comply with any obligation (other than an obligation to pay any amount payable in respect of the Debentures) expressed to be assumed by it in this Deed and (except where such failure is incapable of remedy) such failure continues for 14 days after the earlier of (a) written notice has been given by any Holder requiring remedy of such failure; or (b) the date that the Issuer has become aware of such failure; or
 - an effective resolution being passed or an order being made for the winding up or dissolution of the Issuer (other than (a) a solvent winding up for the purposes of amalgamation or reconstruction; or (b) a members' voluntary winding up on terms previously approved by a Special Resolution); or
 - an encumbrancer (being a person enforcing an encumbrance as defined in Schedule 3 taking possession of, or a trustee, receiver, administrator or similar officer being appointed or an administration order being made in respect of, the Issuer or the whole or substantially the whole of the property or undertaking of the Issuer and such person not being paid out or discharged within 14 days; or
 - if the Issuer proposes, makes or is subject to an arrangement or composition with its creditors generally, an application to a court of competent jurisdiction for protection from its creditors generally or a scheme of arrangement under Part 26 of the Companies Act 2006 (other than in the latter case for the purpose of a solvent voluntary reconstruction or amalgamation); or
 - if the Issuer is insolvent for the purposes of section 123(1)(e) or section 123(2) of the Insolvency Act 1986, whereupon the Principal amount of such Debentures (together with all other amounts due but unpaid including, Interest, Deferred Amounts and Additional Interest) shall forthwith become immediately payable; or
 - the Issuer ceasing to carry on the business or a substantial part of the such business that it carries on at the date of this Deed or the Issuer abandons the Project or ceases to carry on the Project; or
 - any representation, warranty or statement made by the Issuer in this Deed or in the Offer Document is (or proves to have been) incomplete, untrue, incorrect or misleading in any material respect; or
 - it is or becomes or will become unlawful for the Issuer to perform or comply with any of its obligations under this Deed, or any such obligation is not or ceases to be legal, valid and binding.
- 3.2 The Issuer shall as soon as practicable notify the Holders of the happening of any Event of Default.
- #### 4 Purchase
- The Issuer or a party associated with the Issuer may at any time by agreement with the relevant Holder purchase any Debentures at any price by tender, private treaty or otherwise.
- #### 5 Cancellation
- Any Debentures repaid, redeemed or purchased by the Issuer shall forthwith be cancelled and shall not be available for re-issue.
- #### 6 Registration and Transfer
- 6.1 The Debentures will be registered and transferable only in accordance with the Abundance Terms and Conditions.
- 6.2 The Debentures may be acquired and/or held only by Members of Abundance (as defined in the Abundance Terms and Conditions) who are eligible to invest in accordance with the Abundance Terms & Conditions, which includes:
- 6.2.1 individuals aged 18 years or over who have their permanent residence in an Eligible EEA Country (but excluding any Restricted Person); or

6.2.2 those who are not individuals, being persons who have a permanent place of business in an Eligible EEA Country and are duly incorporated, authorised, established or formed in accordance with the relevant European laws and regulations;

6.2.3 other Members of Abundance who fulfil any criteria of eligibility to invest and/or to hold Debentures in accordance with the Abundance Terms and Conditions from time to time.

6.3 The Debentures may not be acquired by any Restricted Person. For the avoidance of doubt, individuals who are resident, or businesses that have their permanent place of business or are otherwise incorporated or established in, any of the Channel Islands or the Isle of Man, are not eligible to hold the Debentures.

6.4 Without limiting Conditions 6.1 to 6.3, the Debentures will not be registered under the United States Securities Act of 1933 or the securities laws of any country, jurisdiction, state or territory outside the United Kingdom.

6.5 The Issuer, or Abundance on its behalf, may require reasonable evidence that a proposed transfer is exempt from or not subject to a registration or similar requirement in the United States or any other jurisdiction outside the United Kingdom and is not to, or for the benefit of, a Restricted Person.

6.6 The Issuer may require redemption of any Debenture that reasonably appears to it to be held by, or for the benefit of, a Restricted Person.

6.7 For the avoidance of doubt, references to a "US Person" include those who are US Persons for the purposes of US tax law or US securities laws. The Issuer may reasonably determine whether a person acquiring or holding Debentures is a US Person or a Restricted Person in accordance with applicable law at the time it makes such determination (but summaries of the relevant requirements at the date of this Deed are provided in Conditions 6.8 to 6.9).

6.8 For the purposes of United States tax law, a summary of the definition of "US Person" is:

6.8.1 a citizen or resident of the United States;

6.8.2 a US domestic partnership;

6.8.3 a US domestic corporation;

6.8.4 any estate other than a foreign estate for the purposes of US tax law;

6.8.5 any trust if:

6.8.5.1 a court within the United States is able to exercise primary supervision over the administration of the trust, and

6.8.5.2 one or more United States persons have the authority to control all substantial decisions of the trust;

6.8.6 any other person that is not a foreign person for the purpose of US tax law.

6.9 For the purposes of US securities laws, a **US Person** is as defined in Regulation S (promulgated under the Securities Act of 1933) in Section 902(k)(1) namely:

6.9.1 any natural person resident in the United States;

6.9.2 any partnership or corporation organized or incorporated under the laws of the United States;

6.9.3 any estate of which any executor or administrator is a U.S. person;

6.9.4 any trust of which any trustee is a U.S. person;

6.9.5 any agency or branch of a foreign entity located in the United States;

6.9.6 any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

6.9.7 any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

6.9.8 any partnership or corporation if:

6.9.8.1 organized or incorporated under the laws of any foreign jurisdiction; and

6.9.8.2 formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a)) who are not natural persons, estates or trusts.

7 Modification of Rights

7.1 The provisions of this Deed (including the Conditions and the content of any Schedules) may from time to time be modified, abrogated or compromised in any respect by the Issuer with the sanction of a Special Resolution or in accordance with this Condition 7.

7.2 Subject to Condition 7.3, where the Offer Document permits the Issuer to extend, restrict or modify the period during which the Debentures are available for subscription (and only in such circumstances) the Issuer may (by deed expressed to be supplemental to this Deed) make such amendments as it reasonably considers necessary to reflect such extension, modification and restriction including (but not limited to) changing the dates for First Cash Return Period or Subsequent Cash Return Periods (including the dates on which they begin and end) and/or or the date given as the Maturity Date.

7.3 The Issuer may only make such amendments as are referred to in Condition 7.2 where it is reasonably satisfied: (i) that it is necessary to do so in order to reflect any such changes as are referred to in Condition 7.2; and (ii) that Holders are not materially prejudiced by such amendments which reflect the same economic basis on which the Debentures are offered in the Offer Document. Without limitation, the Issuer shall not, by virtue of Condition 7.2, be entitled to change the following as set out in this Deed and these Conditions (“Restricted Conditions”): frequency of Cash Return Periods; definitions of and/or the method of calculation and/or amounts of repayments of Principal, Interest and Additional Interest; definitions and calculations of Relevant Surplus, Revenues and Costs; any provisions relating to deferral or Deferred Amounts; the 10 week period for performing any calculations or making any payments or any Reserved Matters in Schedule 3 and any provision that would be reasonably likely to materially impact the economic basis on which Debentures are offered. For the avoidance of doubt, the Issuer may change Restricted Conditions with the sanction of a Special Resolution.

7.4 Additionally, the Issuer may amend any provisions of this Deed including the Conditions, the Provisions or any of the Schedules, by supplemental deed expressed to be supplemental to this Deed where, in the reasonable opinion of the Issuer and the opinion of the Issuer’s legal advisers, the amendment is considered to be of a formal, minor or technical nature or to be necessary to correct a manifest error.

8 Alternative Service Provider

8.1 If for any reason, Abundance ceases to provide the Abundance Service and it is not provided by the Back-up Service Provider or Abundance ceases to maintain the Register or there is any other material change to the nature of the Abundance Service or the involvement of Abundance which has a material effect on any matter relating to the Debentures, then for the avoidance of doubt the obligations of the Issuer will remain valid and binding subject to Condition 8.2.

8.2 In the circumstances set out in Condition 8.1, the Issuer shall make such arrangements as it reasonably considers appropriate and may amend this Deed by deed expressed to be supplemental to this Deed (but only so far as is reasonably necessary to incorporate the revised arrangements for the matters listed in paragraphs 8.2.1-8.2.4).

The Issuer shall take reasonable steps as soon as practicable to inform the Holders of any changes to:

8.2.1 the arrangements for maintaining the Register;

8.2.2 the procedures for making payments (but not the amount of any payment or how such amount is calculated) to Holders;

8.2.3 the procedures for transfer (including acceptance of any instrument in common standard form) of Debentures; and/or

8.2.4 how notices can be given to Holders.

9 Representations and Warranties

The Issuer hereby represents and warrants that:

(i) Status: as at the date of this Deed, it is duly incorporated, validly existing and in good standing under English law and it has full power and authority to carry on its business and activities as presently conducted or anticipated to be conducted; and

(ii) Power and Authority:

(aa) as at the date of this Deed, it has the power and authority to enter into, exercise its rights under and perform and comply with its obligations under this Deed and it has taken all necessary shareholder, corporate and other action to authorise the execution, delivery and performance of this Deed; and

(bb) as at the date of a Lease Agreement, it has the power and authority to enter into, exercise its rights under and perform and comply with its obligations under that Lease Agreement and it has taken all necessary shareholder, corporate and other action to authorise the execution, delivery and performance of that Lease Agreement.

(iii) Information: as at the date of the Offer Document (or any supplement to it) the information in the Offer Document (or any supplement to it) is:

(a) if it is factual information, complete, true and accurate in all material respects; and

(b) if it is a financial projection or forecast, prepared on the basis of recent historical information or, where there is no recent historical information, on the basis of reasonable assumptions and was arrived at after careful consideration.

Schedule 2 Meetings of Holders

1 The Issuer may (and will on the request in writing of a person or persons holding not less than 10% of the aggregate Principal) convene a meeting of the Holders. Any such meeting shall be held at the registered office of the Issuer or such other convenient place as the directors of the Issuer may decide.

2 At least 14 days' clear notice, or when the meeting is being convened for the purpose of passing a Special Resolution at least 21 days' clear notice, of every meeting shall be given to the Holders. The notice shall specify the place, date and time of meeting and the general nature of the business to be transacted, but except in the case of a Special Resolution it shall not be necessary to specify in the notice the terms of any resolution to be proposed. The accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.

3 At any meeting Holders present in person or by proxy holding or representing 50% of the aggregate Principal shall form a quorum for the transaction of business except for the purpose of passing a Special Resolution. The quorum for passing a Special Resolution shall be Holders present in person or by proxy holding or representing 75% of the aggregate Principal. No business (other than the election of a chairman) shall be transacted at any meeting unless the necessary quorum is present at the commencement of business. If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of Holders shall be dissolved.

In any other case it shall stand adjourned to such day and time not being less than 7 clear days thereafter and to such place as may be decided by the chairman and at such adjourned meeting the Holders present in person or by proxy and entitled to vote whatever their number and whatever the Principal Sum held by them shall be a quorum for the transaction of business including the passing of Special Resolutions. At least 3 days' clear notice of any adjourned meeting of Holders at which a Special Resolution is to be submitted shall be given in the same manner as for the original meeting and the notice shall state that the Holders present at the adjourned meeting whatever their number and whatever the aggregate Principal amount of the Debentures held by them will form a quorum.

4 The chairman or any other director of the Issuer shall preside at every meeting, but or if no chairman or director is present within 5 minutes after the time appointed for holding the meeting or is unwilling to act, the Holders shall choose one of their number to be chairman. Any director, the secretary, the auditors of the Issuer and the solicitors of the Issuer and any other person authorised to do so by the Issuer may attend any meeting.

5 The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

6 At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by one or more Holders present in person or by proxy and holding or representing not less than 10% of the aggregate Principal. Unless a poll is so demanded a declaration by the chairman that a resolution has been carried or carried unanimously or by a particularly majority or lost shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. If a poll is duly demanded it shall be taken forthwith or at such time and in such manner as the chairman may direct, and the result of such a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

7 In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Holder.

8 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

9 On a show of hands every Holder who is present in person shall have one vote and on a poll every Holder who is present in person or by proxy shall have one vote for every £1 or part thereof of the Principal of which he is the Holder.

10 In the case of joint registered holders of Debentures, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

11 On a poll votes may be given either personally or by proxy and a Holder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same manner.

12 The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or in the case of a corporation under the hand of a duly authorised officer or attorney.

13. A person appointed to act as a proxy need not be a Holder.

14. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed shall be delivered to the chairman not less than 24 hours before the time appointed for the meeting (or adjourned meeting) and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after 3 months from the date named in it as the date of execution or signature.

15 An instrument appointing a proxy may be in the usual or common form or in such other form as the directors may from time to time prescribe or accept and need not be witnessed. The proxy shall be deemed to confer the right to demand or join in demanding a poll. A proxy shall unless it states otherwise be valid for the meeting to which it relates and for any adjournment of that meeting.

16 Any company or corporation which is a registered holder of any of the Debentures may by resolution of its directors or other governing body authorise any person to act as its representative at any meeting of the Holders, and such representative shall be entitled to exercise the same powers on behalf of the company or corporation which he represents as he would be entitled to exercise if he was himself the registered holder of such Debentures. A company or corporation attending by such a representative shall be deemed to be present in person.

17 A meeting of the Holders shall have the following powers exercisable by Special Resolution:

17.1 power to sanction any modification or compromise or any arrangement in respect of the rights of the Holders against the Issuer, whether such rights arise under this Deed or otherwise;

17.2 power to assent to any modifications of the Conditions to which the Debentures are subject and/or of the provisions contained in this Deed proposed or agreed to by the Issuer;

17.3 power to sanction any agreement for postponing or advancing the time for the making of any payment under this Deed or for changing the basis on which any payments are to be calculated or for the capitalising of any amount that would otherwise be payable;

17.3 power to appoint any persons (whether Holders or not) as a committee to represent the interests of the Holders and to confer upon such committee any powers or discretions which the Holders could themselves exercise;

17.4 power to sanction the exchange of the Debentures for or the conversion of the Debentures into shares, stock, debentures or other obligations or securities of the Issuer or any other Issuer formed or to be formed;

17.5 power to give consent to any of the Reserved Matters in Schedule 3.

18 Every other matter to be determined at a meeting of Holders shall be decided by Ordinary Resolution.

19 A resolution passed at a meeting of the Holders duly convened and held in accordance with this Deed shall be binding upon all the Holders whether or not present at the meeting and each of the Holders shall be bound to give effect to it accordingly.

20 The expression 'Ordinary Resolution' means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions contained in this Instrument and carried by a simple majority of the votes cast upon a show of hands or on a poll.

21 The expression 'Special Resolution' means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions herein contained and carried by a majority consisting of not less than three-quarters of the votes cast upon a show of hands or on a poll.

22 A resolution in writing signed by all the Holders together holding not less than 50% or 75% of the aggregate Principal shall for all purposes be as valid and effective as an Ordinary Resolution or Special Resolution respectively passed at a meeting duly convened and held in accordance with the provisions contained in this Instrument. Any such resolution in writing may be contained in one document or in several documents in similar form each signed by one or more Holders and the effective date of any such resolution shall be the date of the last signature to it

Schedule 3 Reserved Matters

1 Subject to the terms of this Deed, the Issuer shall not, without Holder prior approval by way of Special Resolution:

1.1 amend the basis on which Relevant Surplus, Revenues and/or Costs are calculated;

1.2 form, enter into, terminate or withdraw from any partnership, consortium, joint venture or any other incorporated or unincorporated association for the purposes of any business or form or acquire any subsidiary undertaking (as defined in section 1162 of the Companies Act 2006);

1.3 enter into, or increase or extend any liability under, any guarantee or indemnity other than an indemnity under a contract for goods or services entered into in the ordinary course of carrying on the Project;

1.4 make, increase or extend any loan or advance or grant any credit to any person other than trade credit in the ordinary course of carrying on the Project;

1.5 grant, create or allow to arise or continue any encumbrance over any of its assets other than those arising by operation of law in the ordinary course of carrying on the Project;

1.6 borrow any monies or incur any indebtedness other than (i) trade credit in the ordinary course of carrying on the Project; or (ii) indebtedness under the terms of the Supplier Loan Agreements subject to paragraph 2 below;

1.7 establish any pension or life insurance scheme, or any bonus, profit sharing, share option or other incentive scheme for directors;

1.8 make any payment, whether by way of emoluments for services or otherwise (but not including reimbursement of expenses reasonably and properly incurred) to, or on behalf of, any director of the Issuer;

1.9 acquire or dispose of any freehold or leasehold property (other than as may be required for in the ordinary course of the Project), grant a lease or licence in respect of any property or take or omit to take any action that would be reasonably likely to prejudice the continuation of any such lease or licence;

1.10 undertake any business other than the Project or make or permit any material change in the nature or scope of the Issuer's business; or

1.11 enter into any contract or arrangement with any member of its Group other than on arm's length terms and in the ordinary course of its business,

provided that the Issuer may undertake any of the matters set out in paragraphs 1.3, 1.4, 1.5, 1.6 or 1.11 of this Schedule 3 without the approval of a Special Resolution in circumstances of urgency where, in the Issuer's reasonable opinion:

(a) any delay in acting would or would be likely to have a material adverse impact on the Project or the likelihood of generating Revenues; and

(b) any of those matters undertaken by the Issuer would not be materially prejudicial to the Holders, and where the Issuer has done so, it shall notify the Holders via the Abundance Service of the action it has taken as soon as reasonably practicable after it has done so.

2 Notwithstanding anything to the contrary in this Deed, the Issuer may permit to exist, and make payments under, each of the Supplier Loan Agreements, provided that the Issuer covenants that it:

(a) shall at all times comply with the provisions of the Supplier Loan Agreements and shall use its best endeavours to procure that all other parties to the Supplier Loan Agreements do so; and

(b) shall agree to no changes to a Supplier Loan Agreement which might in any way adversely affect Holders of the Debentures without the prior approval of a Special Resolution.

For the purposes of these Reserved Matters:

“assets” means all or any material part of the Issuer’s business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital; and

“encumbrance” means any mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of carrying on the Project), hypothecation, right of set-off (except 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.

“Group” means in relation to the Issuer from time to time the Issuer itself, any subsidiary undertaking or any parent undertaking of the Issuer, and any subsidiary undertaking of a parent undertaking of the Issuer. The terms subsidiary undertaking and parent undertaking shall be as defined in section 1162 Companies Act 2006; and

“Indebtedness” includes any obligation (whether incurred as principal or surety and whether present, future, actual or contingent) for the payment or repayment of any money.

Schedule 4 Annual Interest Rate

Cash Return Period(s)	Annual Interest Rate
First and Second	3.30%
Third and Fourth	3.41%
Fifth and Sixth	3.52%
Seventh and Eighth	3.64%
Ninth and Tenth	3.76%
Eleventh and Twelfth	3.88%
Thirteenth and Fourteenth	4.01%
Fifteenth and Sixteenth	4.14%
Seventeenth and Eighteenth	4.28%
Nineteenth and Twentieth	4.42%
Twenty-First and Twenty-Second	4.57%
Twenty-Third and Twenty-Fourth	4.72%
Twenty-Fifth and Twenty-Sixth	4.87%
Twenty-Seventh and Twenty-Eighth	5.03%
Twenty-Ninth and Thirtieth	5.20%
Thirty-First and Thirty-Second	5.37%
Thirty-Third and Thirty -Fourth	5.55%
Thirty-Fifth and Thirty-Sixth	5.73%
Thirty-Seventh and Thirty-Eighth	5.92%
Thirty-Ninth and Fortieth	6.12%

Our service providers

Oakapple Berwickshire plc

Company registration number: 09059446

Registered address:

Oakapple House
1 John Charles Way
Leeds LS12 6QA

Our service providers:

Oakapple Renewable Energy Ltd

Oakapple House
1 John Charles Way
Leeds LS12 6QA

Edison Energy Ltd

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Glasgow G32 8HJ

Legal counsellor to Issuer:

Bond Dickinson LLP

1 Whitehall Riverside
Leeds LS1 4BN

Independent technical expert:

BVBA Challoch Energy

Dennenboslaan 2600
3090 Overijse
Belgium

Abundance NRG Limited

Threshold House, 65-69 Shepherds Bush Green
London W12 8TX

Legal counsellor to Abundance:

Keystone Law LLP

Second Floor, Audley House, 13 Palace Street
London SW1E 5HX

The following documents are available on request at our registered address:

- Option Agreement (for BHA Leases) and example Lease
- The Design Agreement
- The Operations and Maintenance Contract
- The EPC Contract

Terms and conditions for the use of the Abundance service available at www.abundancegeneration.com

We would like to thank you for taking the time to read our offer document. We the Directors accept responsibility for the information it contains, which is true to the best of our knowledge and belief (having taken all reasonable care to ensure this is so) and reflects the facts without omitting anything which could affect its importance.



Philip, David, Gary, Fraser and Chris
Directors of Oakapple Berwickshire plc