

# EN10ERGY

CLEAN COMMUNITY ENERGY

# Share offer 2019



This share offer in EN10ERGY Ltd, is for the amount of £9,000 to top up the cost of our newly-installed 30kWp solar PV array at Fortismere School, Tetherdown, Muswell Hill. The offer will open on 20th May 2019 and close on 14<sup>th</sup> June 2019, or when the target amount is reached, whichever occurs first.

### **Investment Risks**

*Those interested in investing should do so only after **reading this document in full and taking appropriate financial and other advice**. Community shares are fully at risk, and you could lose some or all of the money you invest. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.*

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- **Electricity savings** - helping school budgets
- **Carbon savings** - helping UK contributions to slow Climate Change
- **Case studies** - for pupils to learn about energy from the sun
- **Green investment** - opportunity for local London community

*Note: Technical and project specific words and phrases used in this Offer Document are defined in the Glossary at Appendix B.*

## INVITATION TO INVEST FROM EN10ERGY LTD

### Dear potential investor

**en10ergy** was set up by Muswell Hill Sustainability Group in 2009 with the following aims: to install renewable energy in Muswell Hill and surrounding areas, to raise awareness of Climate Change issues and to encourage local residents to take action. It was originally established as an Industrial and Provident Society in 2009, now, under new legislation, is defined as a Registered Society under the [Co-operative and Community Benefit Societies Act 2014](#). Our projects are funded through the sale of Community Shares, and all shareholders become members of the Society for the duration of their shareholding. We have over 130 shareholders, mostly based in Muswell Hill and surrounding areas.

en10ergy has installed solar panels on the roofs of Marks & Spencer in Muswell Hill Broadway (operating since 2010), the Methodist Church in Pages Lane (operating since 2011), Woodside School, White Hart Lane (operating since 2017) and Fortismere School, Tetherdown (operating since April this year).

We generate income through the Feed In Tariff from our solar roofs, and this is spent on local community benefit initiatives, in accordance with our constitution as a society. These initiatives, through Muswell Hill Sustainability Group, include energy efficiency workshops, green open home weekends, and provision of low cost energy-saving equipment. We promote local installers of energy efficient measures and work alongside Haringey Council, with whom we have a history of successful collaboration.

The funds raised by this offer are specifically to be used to complete the funding for the installation of 105 photovoltaic panels on the Science block roof at Fortismere School, Muswell Hill. This new initiative provides for a substantial installation of PV panels, saving the school around £25K over 20 years and reducing carbon emissions by 16 tonnes per year. The output from this installation is sold to the school at a lower rate than they pay for commercial electricity. The project will last for twenty years — the length of time it will receive a Feed In Tariff, and the panels will then be donated to Fortismere to receive the electricity free during the remaining life of the panels.

This is en10ergy's third share offer, with a rate of return of 3%, expenses and payments to shareholders ringfenced. In the current regulatory environment the abolition of the Feed In Tariff scheme, aimed at supporting UK growth of renewable power, has made it difficult to recompense investors in the early years of a solar scheme. Hence en10ergy has decided to use some of its current income from existing installations to support our initial repayments to investors. This enables the scheme to be viable, and the outlay will be recouped from our revenue in later years.

The generosity of our investors has been crucial in establishing en10ergy as a social enterprise, recognising the value not only of its commercial return, but also the 'social dividend' of progress towards meeting the communal challenges of energy use and climate change. We very much hope that you will support the work of en10ergy Limited by subscribing to this new offer.

Signed by: Dermot Barnes (chair of en10ergy)

### Declaration

This document has been prepared by the Directors of en10ergy. The Directors of en10ergy Ltd have taken all reasonable care to ensure that the information contained in this Offer Document is to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its overall meaning.

## SUMMARY OF KEY FACTS OF THIS SHARE OFFER

The capital raised through this community share offer will top up the funding of an array of solar panels on the science block of Fortismere School in Tetherdown, N10. Interest will be paid on the shares out of income derived from a Power Purchase Agreement (PPA) with the school for the electricity from the panels that they use; Feed In Tariff (FIT) deemed export and a subscription from en10ergy from income and reserves.

en10ergy is therefore able to offer an accelerated payback period of 12 years, rather than the 20 years usual for projects of this nature. One-twelfth of an investor's capital will be returned each year, together with the annual interest payment calculated on the remaining capital investment amount.

Facts	Explanation
<b>PURPOSE</b>	To fund the installation of solar panels on roofs at Fortismere School.
<b>INTEREST PAYMENT</b>	The target interest rate is 3% <i>of the remaining capital investment</i> . It will accrue from the day that the share certificates are issued. It will be paid out annually upon approval of the Board, as long as the funds ring fenced for this scheme are available. The first interest payment will be made one year after the date that investor certificates are issued. The interest is subject to risks as outlined at Appendix A.
<b>PERIOD OF INVESTMENT</b>	The investment will be for 12 years. During this time one twelfth of the investment will be repaid annually together with interest as described above. After this time investors will no longer be en10ergy shareholders unless they rejoin as ordinary members.
<b>ELIGIBILITY</b>	Shareholders must be over 16 years of age. Adults may purchase shares on behalf of a child, as per Rule 12. "A member can hold shares on behalf of somebody who is under 16. The society has to treat those shares as belonging to that member. Following that person's 16th birthday, they may become a member of the society and those shares can pass on to them."  This share offer will give priority to parents and staff of Fortismere school.
<b>RIGHTS</b>	Purchase of shares entitles the holder to full member rights as outlined in en10ergy's Rules which are available at <a href="http://www.en10ergy.org.uk/en10ergy-rules/">www.en10ergy.org.uk/en10ergy-rules/</a> .
<b>WITHDRAWAL</b>	Shares are withdrawable, subject to funds being available and at the discretion of the Members and Board of en10ergy. Shares cannot be transferred or sold and are not listed on a Stock Exchange.

<b>MINIMUM INVESTMENT PER APPLICANT</b>	£250
<b>MAXIMUM INVESTMENT PER APPLICANT</b>	£1,000
<b>TARGET SUM TO RAISE</b>	£9,000. In the case that there is a shortfall against the minimum or target sum en10ergy directors will consider making up the difference with personal loans.
<b>TAX RELIEF</b>	<p>1) As at April 2019 “every basic-rate taxpayer can earn £1,000 interest without paying tax on it (higher rate £500)” <a href="https://www.gov.uk/apply-tax-free-interest-on-savings">https://www.gov.uk/apply-tax-free-interest-on-savings</a></p> <p>2) In the case of death, gains on selling the shares back to en10ergy will be £0 as their value is fixed. <a href="https://www.gov.uk/tax-sell-shares/work-out-your-gain">https://www.gov.uk/tax-sell-shares/work-out-your-gain</a></p> <p>3) Shares in unlisted companies qualify for business relief from inheritance tax, where these shares have been passed on during a person’s lifetime or as part of their will, as en10ergy is an unlisted company. (source: <a href="https://www.gov.uk/business-relief-inheritance-tax/overview">https://www.gov.uk/business-relief-inheritance-tax/overview</a> ) Note: that, investors can nominate a beneficiary to receive their en10ergy shares on their death (up to £5,000) using the form at Appendix D.</p> <p>4) Shares are no longer eligible for Enterprise Investment Scheme (EIS) tax relief, for schemes that receive Feed In Tariffs.</p> <p>Note: You should seek further advice from a financial advisor or accountant to understand Tax implications for this investment.</p>
<b>TIMELINE</b>	The offer will remain open until 14 <sup>th</sup> June, or until sufficient funds have been raised. Installation took place in April 2019 with the shortfall in funds covered at the Directors risk.
<b>APPROVALS AND AGREEMENTS</b>	en10ergy Ltd has established with Ofgem that it can receive the FIT rate for the installation of 30kWp of Solar PV, as a Community Energy society at this site and has prepared a licence agreement with Fortismere School as the owner of the site.
<b>HOW TO APPLY</b>	Applications can be made via the paper application form at Appendix C.

**Investment Risks**

Those interested in investing should do so only after **reading this document in full and taking appropriate financial and other advice**. Community shares are fully at risk, and you could lose some or all of the money you invest. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

## **ABOUT FORTISMERE SCHOOL**

This solar scheme is a partnership between en10ergy and Fortismere School.

Fortismere School came into being in 1983 and is an 8-11 mixed, comprehensive foundation secondary school and sixth form in Muswell Hill. The site has a number of buildings, with some built in the 1970s and 80s and some more recently. The solar panels have been installed on the roof of the school's science block. The school already has solar panels on the sports block – owned and installed by Haringey Council.

The School recognises the educational value of solar panels and is pursuing suitable displays showing the activity of the panels.

## **SOCIAL IMPACTS OF THE SCHEME**

Climate change is one of the most serious challenges facing us, socially and individually. One reason for our failure to adequately deal with it so far is concern about the economic costs of doing so. Investment in community energy projects is a way of contributing to the necessary changes while actually reducing the costs of energy to our important institutions such as schools, health centres, churches, or shops.

The Fortismere School scheme will contribute to the decarbonisation of London's energy supply, while the school will benefit from a reduction of electricity costs. The money saved on electricity bills will be re-directed to teaching and learning resources for the school. Carbon savings of 16 tonnes per year will be delivered by the project.

By demonstrating the viability of this and similar investment schemes, en10ergy is taking a lead in increasing renewable power generation in London. The community energy sector faces difficult circumstances in the energy market and government policy. It is therefore important that we continue to develop new approaches to the generation and distribution of renewable energy, and investment in this process makes a real contribution to the growth of alternatives to the damaging dominance of corporate suppliers. In our on-going relationship with Haringey Council we can offer a credible model of engagement and co-operation with local authorities and officials to exploit the numerous opportunities to install solar PV on public buildings, on new developments and on refurbishment projects. Your support will help us make this happen.

Income from the project will also contribute to the campaigning work of Muswell Hill Sustainability Group. Much of MHSG's work has been around domestic energy use and insulation, through draught-busting workshops, recommendations of trusted suppliers and installers and open-homes sessions where those who have made

energy-efficiency improvements to their homes can offer advice and encouragement to others who would like to. MHSG has also been campaigning about single-use plastics, and holds public speaker meetings for information and discussion of issues connected with environmental science and policy, often organising events jointly with other community groups, and local political or administrative organisations. It is a regular contributor to the Haringey Climate Forum.

## **HOW THE INVESTMENT WORKS**

The shares offered are Community Shares, which differ from commercially traded shares as described in the section **Terms of the share offer** below. By purchasing these shares you become a member of en10ergy for the period of your investment. All members have one equal vote in its affairs at annual general meetings or extraordinary general meetings, regardless of their shareholding. Members have the right to scrutinise the management of the society and to propose and approve the projects it undertakes.

Shares are held from our founding share offer of 2010 (non-interest shares), and the second share offer of 2017 (which pay interest), but the membership rights are otherwise the same for all classes of shares. See the Rules on the [en10ergy web site](#). 'Interest shares' bought for this scheme will only be held until all the capital has been repaid at the end of 12 years, and all the accounts for this scheme will be ringfenced so that the returns will not affect the previous shares. If en10ergy takes on another scheme during the life of this one the shares will again be identified separately and those accounts also ringfenced. After the end of this scheme shareholders in the Fortismere scheme would have to hold non-interest bearing shares to remain members.

If subscriptions to this Share Offer fall short of the target, the remaining shares will be bought by the Directors.

Shares will be allocated on a first-come first-served basis, with Fortismere School parents and staff given priority, but may be refused without explanation. In the event that applications exceed the target amount, unsuccessful applicants will be placed on a waiting list and be given priority for en10ergy's next share offer, should one take place. Directors may decide to allocate a proportion of the total shares applied for, depending on how many applications are received.

The Directors of en10ergy will be managing the share offer. Once the money has been raised, Ethex will handle all investor matters over the period of the investment and will issue electronic share certificates once the share offer is closed.

## TERMS OF THE SHARE OFFER

### Expected returns

The table below gives the expected rates for each year in this cycle.

#### Example investment of £1,000 at 3%

Example of cashflow for £1,000 investment	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10	Yr11	Yr12
Members interest at 3% of remaining balance of £1,000	£30	£28	£25	£23	£20	£18	£15	£13	£10	£8	£5	£3
Capital repayment	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83	£83
Total Income assuming capital + interest	£113	£111	£108	£106	£103	£101	£98	£96	£93	£91	£88	£86

**NOTE 1** According to en10ergy's calculations the incomes and the variable subscription from en10ergy should allow a fixed 3% return, based on capital investment. If the income is reduced, due to risks outlined at Appendix A the Board may have to decide at its annual review to reduce the return for that year.

**NOTE 2** Tax payers' personal savings allowance mean that they do not need to pay tax on the first £1,000 of interest (first £500 for higher rate taxpayers) <https://www.gov.uk/apply-tax-free-interest-on-savings>

#### **NOTE 3 Investment Risks**

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### Timetable

20th May 2019	Share Offer launched
14th June 2019	Final acceptance of forms
17th June 2019	Allocation of shares
21 <sup>st</sup> June 2019	Payment for shares

## FINANCE: ASSUMPTIONS AND MODELLING

Summaries of income, expenses, school savings and the assumptions used are shown below.

### Income stream

Income	Yr1-5	Yr6-10	Yr11-15	Yr16-20	Yr 1-12	Yr 1-20
<i>FITs over time</i>	£5,445	£5,717	£6,056	£6,452	£13,538	£23,669
<i>Income from selling kWh</i>	£12,661	£12,041	£13,861	£13,376	£30,305	£51,938
<i>Income from deemed export</i>						
<b>Total Income</b>	<b>£21,740</b>	<b>£21,573</b>	<b>£23,959</b>	<b>£24,134</b>	<b>£52,879</b>	<b>£91,406</b>

based on the following assumptions:

- en10ergy will charge Fortismere School 9.75p per kWh charged to Fortismere School over the full 20 years
- en10ergy will provide a small subscription each year of the 12 year investment to make a shortfall of income to keep investor repayments at a steady 3% plus one twelfth of remaining capital
- the average yield of the panels in kWh will be as estimated by the MCS

- Feed In Tariff's RPI increase will average 2% over 20 years
- the percentage exported is deemed to be 50% of generation.
- en10ergy will provide a subscription for the first 12 years sufficient to enable a 3% return to investors, based on initial capital investment and also the return of one twelfth of the investment.
- en10ergy's financial position as of 31st March 2018:  
For the last financial year ending 31st March 2018, turnover was £15,386, mostly from Feed In Tariff income from existing installations. The society made a surplus of £347 in the year under review. Cash at bank and in hand was £61,908. Members' share capital was £110,911.
- for the final eight years en10ergy will earn around £4,800 a year from the sale of electricity to the school.

### Maintenance and administration costs

<u>Expenditure .</u>	Yr1-5	Yr6-10	Yr11-15	Yr16-20	Yr 1-12	Yr 1-20
annual expenses, inc fund for inverter replacement	£3,788	£3,788	£5,788	£5,788	£9,890	£19,150
Cost of repaying investors	£18,454	£16,325	£5,934	£0	£40,712	£40,712
<b>Net cash needed for interest payment, annual capital repayment and expenses</b>	<b>£22,242</b>	<b>£20,112</b>	<b>£11,721</b>	<b>£5,788</b>	<b>£50,602</b>	<b>£59,862</b>

based on the following assumptions:

- en10ergy will take out a maintenance contract that would include the replacement of inverters, remote monitoring and alerts for reduced generation.
- en10ergy will not be liable to pay business rates for the solar panels
- Naturesave will be used for insurance and Ethex for handling share tasks
- The administration for handling VAT and bookkeeping will be provided by Red Desk.
- Any additional costs for educational materials or software would not be provided by this scheme

### Expected results for the school

<u>Savings for Fortismere at 9.75p per kWh for en10ergy solar electricity</u>	Yr1-5	Yr6-10	Yr11-15	Yr16-20	Yr 1-12	Yr 1-20
Annual kWh usage from solar.	129,857	123,492	118,469	114,323	301,244	486,141
Utility cost for these at Day Rate:	£17,771	£18,659	£19,766	£21,059	£44,187	£77,256
en10ergy charge for these:	£12,661	£12,041	£13,861	£13,376	£30,305	£51,938
<b>Savings on Fortismere Electricity:</b>	<b>£5,110</b>	<b>£6,619</b>	<b>£5,905</b>	<b>£7,683</b>	<b>£13,882</b>	<b>£25,317</b>

based on the following assumptions:

- The current Day Rate electricity cost (excluding standing charge) is 13.154p kWh
- Yearly increase of 2% for grid electricity
- With Fortismere School using a steady amount of solar generated electricity and paying en10ergy a steady amount, whilst grid prices increase, this gives Fortismere School savings of £856 in first year and £25,317 over 20 years – essentially hedging against grid price increases.

## HOW TO APPLY FOR SHARES

- read this share offer thoroughly
- apply using form at Appendix C
- receive email stating accepted investment sum and en10ergy bank details
- transfer investment sum to en10ergy
- await electronic share certificate from Ethex/Avenir
- receive annual payments and notifications from en10ergy

If you are applying to hold shares on behalf of a child you will need to fill in the additional form at Appendix D. Every application needs a new application form to be completed and a separate payment so for instance, in the event that that an individual wants to buy shares for both themselves and for a child, two application forms would be needed.

## MANAGEMENT AND BOARD OF EN10ERGY LTD.

The Directors are volunteers, and receive no remuneration from en10ergy. Rule 23.2 of [en10ergy Rules](#) relates to conflicts of interest, and none have been declared.

### Chair: **Dermot Barnes**



Dermot was a founding member of MHSG and played a central role in the team which made the applications to the GLA which allowed en10ergy to install their first two solar roofs on the Muswell Hill M&S and Methodist Church. He also set up the Low Carbon Buying Group which allowed local residents to buy energy saving solutions at reduced prices and is always happy to share his passion for all things Green. Dermot was until recently the CEO of Ecodomus which supplies and installs windows insulation and renewable energy systems, helping its customers on the road to a more sustainable life.

### Secretary: **Pamela Harling**



Pamela Harling is a resident of Tottenham and has lived in Haringey for 25 years. With a degree in Natural Sciences, she has worked for a variety of environmental organisations, including the Woodland Trust, the International Institute for Environment and Development and the International Council for Science. Having become concerned about climate change around 2004, she has been reducing her carbon footprint ever since, and through the Sustainable Haringey network is active in encouraging others to do the same. Community energy and local food growing are particular areas of interest. She lives in a carbon neutral house.

### Director: **Cara Jenkinson**



Cara has 20 years of experience in IT project and budget management, but since 2010 has focused on sustainability. She has been Chair of Muswell Hill Sustainability Group since 2012, and has organised many workshops and events relating to home energy efficiency and renewables.

She is recently completed an MSc in Economics and Policy of Energy and the Environment at UCL and now works for environmental charity Ashden. Cara was a school governor at Fortismere School, is a magistrate and is active in local politics.

Director: **Dr Alan Morton**



Alan has longstanding interests in energy and climate change. He helped set up both MHSG and en10ergy Ltd to encourage local action on these issues. With a Ph.D on the history of nuclear physics, he later worked as curator of energy and modern physics at both the Science Museum, London and Smithsonian, Washington DC. Currently he lectures at the U3A and researches the history of energy use.

Director: **Stewart McIlroy**



Stewart is a management consultant and a long standing member of Muswell Hill Sustainability Group and runs the wood group. He has carried out a comprehensive retrofit of his house and manages his own wood in the Chilterns.

Director: **Alex King**



Alex King is a retired archivist. He has had a long involvement in the running of trade union and community organisations, and is currently membership secretary of Muswell Hill Sustainability Group, and treasurer of Alexandra Park Community Website - a local information and discussion forum. He and his partner Annabel also run a (very) small publishing business. He has lived in Wood Green for 25 years.

Director: **Sydney Charles**



Sydney is active in groups around Muswell Hill and Highgate on projects that combat Climate Change and Air Pollution. She holds an MBA and her background is in business strategy, IT financial analysis and commercial purchasing. She worked with Power Up North London on their project to install solar panels on the roof of St Anne's church in Highgate, as well as Woodside High School and Fortismere school for en10ergy. Sydney is secretary of Community Energy London, and is active in the Highgate Society Sustainable Living Group and works on initiatives that increase clean electricity, clean travel, clean air.

## APPENDIX A RISK FACTORS

The en10ergy Board has considered the risks associated with the Fortismere solar PV installation scheme, and listed these below together with mitigation factors. Note that we cannot guarantee that these are exhaustive.

RISK	COMMENTS AND MITIGATIONS
<b>INVESTMENT RISK TO CAPITAL</b>	
The money you pay for shares is not safeguarded by any depositor protection scheme such as the Financial Services Compensation Scheme (FSCS)	This share offer is exempt from regulations under the Financial Services and Markets Act 2000 or by the Prospectus Regulations 2005 and therefore you do not have the protection provided by these acts. This means that there is no right to complain to an Ombudsman; and this share offer has not needed to be approved by an approved person under the Act. Note that the shares are not tradeable and the full value would not be returned if the risks to income described below were to come about.
<b>INVESTMENT RISK TO INTEREST RETURN</b>	
Changes in government legislation could affect the Feed In Tariff (FIT) income and therefore the funds for interest.	Once each system is installed and registered, the FIT tariff is fixed for 20 years, together with an RPI yearly uplift. <a href="https://www.ofgem.gov.uk/environmental-programmes/fit/fit-tariff-rates">https://www.ofgem.gov.uk/environmental-programmes/fit/fit-tariff-rates</a> (click on Tariff Table Information ribbon)
Income from the Feed In Tariff could be lower than estimated if the Retail Price Index (RPI) rises at lower than 2% on average over the 12 years.	The Feed In Tariff rate per kWh is 1.69p generated+5.38p for deemed export, rising each year by RPI. If costs, particularly maintenance, rose at more than the 2% estimated for RPI the returns may have to be lower than predicted.
Yield from the panels could be lower than predicted, due to low sunshine, or system faults (see below), thus reducing income from selling kWh to Fortismere.	The performance of solar PV systems is impossible to predict with certainty due to the variability in the amount of solar radiation (sunlight) from location to location and from year to year. The estimate used in the financial model is based upon the standard MCS procedure and is given as guidance only. It should not be considered as a guarantee of performance.
The schools consume less solar electricity than forecast.	The current usage has been around 225,920kWh a year (during daytime) whereas the predicted solar generation a year is 26,496 kWh. en10ergy has analysed the generation profile with the usage profile and is confident that all the electricity generated will be used by the school even during the summer holidays
Operational costs may rise at a faster	en10ergy plans to contract for a 5 year all-

rate than income during the life of the Project	inclusive maintenance contracts. Because FITs will increase at the RPI rate it is likely that maintenance would not increase at a higher rate.
<b>SYSTEM AND OPERATIONAL FAILURES</b>	
The installation causes damage to a school roof	Covered by warranties and insurance
The equipment could underperform or suffer from equipment failures	Solar Power systems are extremely reliable, but interruptions cannot be guaranteed to never happen. en10ergy will obtain warranties and guarantees and also have software installed that would alert en10ergy and school staff of any interruption.
The Fortismere installation may suffer theft or fire.	Fortismere School's site has a comprehensive fire and intruder alarm system. These systems are linked to offsite 24 hour staffed monitoring centres to coordinate appropriate emergency service responses. In addition, the on-site resident Facilities Manager provides additional first response in the case of alarm.
<b>EN10ERGY RISKS</b>	
en10ergy is wound up	If en10ergy were wound up the rules (para 32.5.2) require that assets must be paid to another organisation with similar purposes. Therefore the ongoing income and investor payment obligations would be passed onto that organisation.
en10ergy not being compliant with applicable regulation or requirements.  en10ergy may incur liability under contracts or where it has a duty of care.	en10ergy has engaged professional expertise when required and received advice from other community energy groups on legal and financial implications.  en10ergy has Public Liability Insurance for £5 million.
en10ergy not being able to attract and retain directors with sufficient time or skills to continue good management of the project over the 20 years.	In the short term the directors listed above are committed to delivering this project and have engaged professional expertise when required. The day to day administration will be contracted out to professional providers. As above, if the en10ergy directors judge that it should be wound up it will be transferred to an organisation with similar aims.
<b>COMMERCIAL RISKS</b>	
Insufficient funds are raised	The Directors will make up the short fall

## APPENDIX B GLOSSARY

WORD/PHRASE	DEFINITION
<b>Zero by 2050 Haringey Climate Forum</b>	The Forum consists of Haringey councillors and representatives of local groups to further activities to combat Climate Change. <a href="http://haringey4020.org.uk/">http://haringey4020.org.uk/</a>
<b>Accrue</b>	Accrued interest is the interest that has accumulated since the principal investment, or since the previous payment
<b>Asset Lock</b>	An asset lock is a constitutional device that prevents the distribution of residual assets to members. The purpose of an asset lock is to ensure that the public benefit or community benefit of any retained surplus or residual value is cannot be appropriated for private benefit of members. <a href="http://communityshares.org.uk/resources/handbook/asset-lock-provisions">http://communityshares.org.uk/resources/handbook/asset-lock-provisions</a> In the case of en10ergy the Rules state at 32.5.2 that, if en10ergy were to be wound up assets must be paid to another organisation with similar purposes.
<b>District Network Operator (DNO)</b>	The local DNO owns and operates the distribution network of towers and cables that bring electricity from our national transmission network to homes and businesses. The local DNO is UK Power Networks. <a href="http://www.ukpowernetworks.co.uk/internet/en/about-us/">http://www.ukpowernetworks.co.uk/internet/en/about-us/</a>
<b>Export Tariff</b>	The fixed-price for electricity generation that a solar project (<30kWp) registered under the FIT scheme can opt to accept from 50% of generated capacity). For this scheme 5.38p per kW.
<b>Feed In Tariff</b>	The Feed in Tariff (FIT) scheme is a UK Government scheme designed to encourage uptake of a range of small-scale renewable and low-carbon electricity generation technologies by paying for every kWh generated, whether used onsite or not. <a href="https://www.ofgem.gov.uk/environmental-programmes/fit/about-fit-scheme">https://www.ofgem.gov.uk/environmental-programmes/fit/about-fit-scheme</a>
<b>Financial Conduct Authority (FCA)</b>	“The FCA is the conduct regulator for 56,000 financial services firms and financial markets in the UK and the prudential regulator for over 24,000 of those firms” <a href="https://www.fca.org.uk/firms/mutual-societies">https://www.fca.org.uk/firms/mutual-societies</a>
<b>Financial Services Compensation Scheme (FSCS)</b>	<a href="https://www.fscs.org.uk/what-we-cover/products/">https://www.fscs.org.uk/what-we-cover/products/</a> lists covered products, but not include interest bearing shares in FCA registered Societies
<b>Kilowatt hour (kWh)</b>	If the energy is being transmitted or used at a constant rate (power) over a period of time, the total energy in kilowatt-hours is the power in kilowatts multiplied by the time in hours. The kilowatt-hour is used as the billing unit for energy delivered to consumers and also to measure the annual power generated by solar panels.
<b>Kilowatt Peak (kWp)</b>	The rate at which a solar panel generates energy at peak

	performance for example at noon on a sunny day. Used as installation size.
<b>Microgeneration Certification Scheme (MCS)</b>	MCS demonstrates the quality of products and competence of installers in the renewable technology sector <a href="http://www.microgenerationcertification.org/about-us/about-us">http://www.microgenerationcertification.org/about-us/about-us</a>
<b>Muswell Hill Sustainability Group (MHSG)</b>	MHSG is a local group with a constitution to support and promote a more sustainable future, to raise awareness of Climate Change and to encourage people in Muswell Hill and surrounding areas to reduce carbon emissions by 80% by 2050. <a href="http://mhsgroup.org/">http://mhsgroup.org/</a>
<b>MPAN</b>	A Meter Point Administration Number is used to uniquely identify every electricity supply point in the country to electricity suppliers. Large premises may have more than one MPAN, and Fortismere School has several.
<b>Ofgem</b>	The government department that is responsible for regulating the Gas and Electricity markets in Great Britain, including pre-registration of Community Energy schemes that wish to claim Feed In Tariffs. <a href="https://www.ofgem.gov.uk/">https://www.ofgem.gov.uk/</a>
<b>Photovoltaic (PV)</b>	Describes the conversion of light into electricity using semiconducting materials. Solar PV produce electricity, whereas Solar Thermal heats water.
<b>PPA</b>	Power Purchase Agreement to buy electricity from a generator. Note Fortismere is entering into an equivalent agreement with en10ergy to buy the electricity generated by the en10ergy solar panels
<b>Registered Society</b>	The FCA web site explains that “all societies registered under the Industrial and Provident Societies Act 1965 (or its predecessors) were legally referred to as ‘industrial and provident societies’, whatever they called themselves. From 1 August 2014 they are referred to as ‘registered societies’.” Societies formed after 1 August 2014 are either ‘co-operative societies’ or ‘community benefit societies’. en10ergy is therefore a Registered Society, retaining its existing Rules and registered in the FCA Mutuals Reg: 30824 R <a href="https://www.fca.org.uk/firms/registered-societies-introduction/co-operative-community-benefit-societies-act-2014">https://www.fca.org.uk/firms/registered-societies-introduction/co-operative-community-benefit-societies-act-2014</a>

# APPENDIX C APPLICATION FORM

Applications need to be made on this form and sent to C/O Cara Jenkinson 4 Southwood Lane N65EE. The application will need to arrive no later than 14th June 2019. If the share offer is oversubscribed we will allocate a number of shares to you. We will inform you by the 19<sup>th</sup> June and will need BACs transfer of the money by 21<sup>st</sup> June.

I wish to purchase shares to the amount of £.....  
in en10ergy Ltd for the installation of Solar PV panels at Fortismere School in Muswell Hill.

Please circle as required

**A** The shares are for me personally. (Fill details in below.)

**B** The shares are to be held for a child under 16 years old. (Fill details in below and in the form overleaf at Appendix D.)

Name and address (PLEASE USE CAPITAL LETTERS)

First name in full	
Last name	
Address first line	
Town/City	
Postcode	
Date of Birth	
Nationality	
Telephone Number	
Email	

If you have been living at the above address for less than 3 years please provide us with your previous address:

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**DATA PROTECTION AND MONEY LAUNDERING** The data provided by you on this form will be stored within a computerised database. This data will only be used solely for our purposes and the purposes of en10ergy as the receiving agent for the offer, will be used and shared with the provider of the registry services provider and will not be disclosed to a third party. It is a term of the offer that to ensure compliance with the Money Laundering Regulations we may at our absolute discretion require verification of identity from any person seeking to invest.

**I CONFIRM MY UNDERSTANDING THAT:** When accepted by en10ergy this Application forms a contract subject to the law of England and Wales on the Offer Terms of the Offer Document. An Applicant who/which is not a UK resident is responsible for ensuring that this Application complies with any laws or regulations applicable outside the UK to which he/she/it is subject, and that he/she/it will need to provide a UK based bank account. If the Offer is oversubscribed it is possible that an otherwise eligible Application will not be accepted in part or in whole. **I CONFIRM THAT:** I have read the Offer Document (including the Risk Factors and the Guidance Notes to this Application Form) and the Rules of en10ergy. I am over 16 and the Applicant meets the Offer eligibility criteria. en10ergy is hereby authorised to make such enquiries as are deemed necessary to confirm the eligibility of this Application. The Applicant is not making an application or multiple applications for a total of more than 10,000 shares (and this includes the aggregated total of any shares applied for children in the Applicants name ). The Applicant is not relying on any information or representation in relation to the Offer Shares in en10ergy which is not included in the Offer Document. The Applicant shall provide all additional information and documentation requested by en10ergy in connection with this Application, including in connection with money laundering, taxation or other regulations.

**SIGNATURE:**

**PRINTED NAME**

First name:

Last name

If you have any queries about your application, please call Pamela Harling: 07906 261371, or Cara Jenkinson 07834 082074

## APPENDIX D APPLICATION FORM

### HOLDING SHARES ON BEHALF OF CHILDREN AND NOMINATION OF SHARES ON DEATH

Please complete this form and return to c/o Cara Jenkinson 4 Southwood Lane N65EE.

(PLEASE USE CAPITAL LETTERS)

#### You can choose to:

- Hold shares on behalf of children and/or
- Nominate a person to whom you wish your shares to be transferred on your death.

Please fill in the relevant sections below.

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#### HOLDING SHARES ON BEHALF OF CHILDREN

If you wish to hold shares on behalf of someone who is under 16, please fill in that person's details below

First name in full	
Last name	
Address first line	
Town/City	
Date of Birth	
Postcode	

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#### NOMINATION OF SHARES ON YOUR DEATH

You can nominate a person aged 16 or over to whom you wish your shares to be transferred on your death. Nomination rights only apply to the first £5000 of a member's property; any amount above this has to be resolved with reference to the deceased person's probate. Trustees will need to be appointed for a nominee under 16 years old. en10ergy Ltd will respect your wish in so far as the law and our Rules permit.

#### Personal details of your nominee.

First name in full	
Last name	
Address first line	
Town/City	
Postcode	

I understand that it may not be possible for en10ergy to action this request and I and my heirs will not hold the Organisation responsible for its actions. I understand that these instructions can only be revoked or amended by my giving clear written instructions to the Secretary of en10ergy at its Registered Office. I understand that trustees will need to be appointed if my nominee is under 16 years of age.

Signed as a Deed	Date
Name in print	
Signature of Witness	Date
Name in print	