

27th February 2015

Wey Valley Solar Schools Energy Co-operative Limited (the “Co-op”)

Share Offer to fund extensions of the Co-op’s solar pv installations at Godalming College and Beacon School

Dear Member

At the Special General Meeting of the Co-op held on 14th February 2015 members decided to fund substantial extensions to our existing solar pv systems at Godalming College and Beacon School by making a Share Offer (intended to benefit from tax relief under the EIS) to raise £204,000 (increasing to £250,000 if Beacon School receives confirmation of funding to build its new sports hall whilst the offer is open), and by using the Co-op’s cash reserves and borrowing up to £21,000.

This Offer Document sets out information about the Co-op and the reasons for and details of the Share Offer.

A share application form is attached to the end of this Offer Document for those who wish to invest.

Our current understanding is that tax relief on the amount subscribed under the EIS will only be available for Shares allotted before 6th April. In order to allow members to qualify for this relief, and for payments into the Co-op’s bank account to clear, **the closing date of this Offer is 31st March 2015**. This puts us on a very short timetable to raise the money needed. **Members will have priority for applications received by 16th March 2015**. After that date, if the Offer is not fully subscribed, the Share Offer will be opened to the public generally.

If members wish, they may arrange for their priority application to be taken up by members of their family or their partner. In principle priority will be proportionate to members’ existing holding, although we will give additional priority to shareholders holding smaller numbers of shares in the Co-op to enable them to top up their holding.

We are aware that not all members will wish or be able to take up their priority application so members may apply for as many Shares as they wish, and members are encouraged to apply for Shares in excess of their proportional entitlement. Priorities only arise if we are oversubscribed.

Summary of the reasons for the Offer

The Offer proceeds will enable the Co-op to extend the solar panel arrays it has at Godalming College and Beacon School. These extensions will:

1. Add up to approximately 250kW of new generating capacity, nearly doubling our generating capacity which currently stands at 267kW.
2. Increase renewable electricity generated by the Co-op by up to about 212,000kWh each year, materially improving the sustainability of these schools and supporting sustainable development in our community.
3. Support both these schools in their new building programme by enabling their new buildings to be more sustainable.
4. Increase the prominence of the solar panels in the schools, aiding their educational work and enabling us to increase our work with these schools.
5. Largely optimise use of roofs at our schools for solar generation.

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6. Deliver a fair return on your investment sufficient for us to raise and retain the capital needed and consistent with the current returns being made; we anticipate that interest of about 6%, gradually increasing over time, will be paid as at present. We anticipate that the Share Offer will not materially alter the current rate of interest paid or projected to be paid, so members who do not invest under this Offer will not be disadvantaged.
7. Potentially enable you to receive income tax relief equal to 30% of your investment under the Enterprise Investment Scheme. Our understanding is that this relief only applies to Shares issued by the Co-op up to 5th April 2015 (after that date it ceases to be available) so this Share Offer will be the last chance to support the Co-op's development in this way and receive tax relief. Since the Co-op is trading tax relief should be available promptly.

Background to the Offer

When the Co-op installed solar panels in 2011/2 the Feed-in Tariff (that is the additional payment made by the electricity industry for the generation of power from solar panels) at that time was structured effectively to cap the maximum size of a solar array at 50kW – anything bigger than that was not cost effective.

Since then the impact of changes to the rate of FIT and changes in the cost of installation mean that the effective cap for most building mounted solar arrays is now 250kW capacity. Lower installation costs mean there is also less need for arrays to be south facing: arrays facing east/west can increase generation at the beginning and end of the day and reduce the midday peak enabling more of the electricity generated to be used on site. So we have reviewed all our installations to see if there is scope for them to be extended cost effectively. The two largest schools we work with, Godalming College and Beacon School, are capable of having much larger, cost effective solar arrays than those we have presently installed (which have capacities of 49kW at Godalming College and 42kW at Beacon). Also Godalming College is building a new classroom block and will need some solar panels to be installed to meet the energy requirements of Building Regulations and Beacon School has applied for funding to build a new sports hall which would be ideal for solar panels (and big savings on installation costs can be achieved if the solar panels are installed as part of its construction).

Under the current law only one FIT owner per site is permitted – so neither Beacon School nor Godalming College could install solar panels themselves, or let anyone else do so, if they wished to claim FITs. So they need the assistance of the Co-op to install solar panels on their new buildings. If this law changes complexities still arise in having more than one FIT owner per site.

The Co-op wishes to support Godalming College and Beacon School to maximise their generation of renewable energy and their sustainability and to maximise the efficient use of their roofs for solar pv. Both schools have been highly supportive of our work with them and have been pioneering schools in installing solar panels and in working with a community organisation to do so.

Proposed extensions of the systems at Godalming College and Beacon School

Our proposal at Beacon School is to build 61.5kW of new capacity on two metal roofs this summer; and 67kW on the proposed new sports hall (if the grant application that the school has made for the sports hall to the Education Funding Agency is successful) in Spring 2016 for an approximate cost of £130,000, generating an anticipated 110,000 kWh per annum. This is our preferred option. If the sports hall is not funded then instead we will build a 34kW system on the slate roofed Ashcroft building this summer. The extra cost of the sports hall would be met by using the Co-op's additional reserves which will arise during 2015. If Beacon School is notified that their grant application for the sports hall has succeeded whilst the Offer is open the Directors will review the practicality of extending the Offer to raise £250,000 to enable solar panels to be built on both the sports hall and the Ashcroft building.

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Our proposal at Godalming College is to build a 94kW array on the ILC building and a 29kW array on their Drama building this summer for an approximate cost of £130,000, generating an anticipated 112,000 kWh per annum.

So far as we are aware the proposal to make material extensions to existing solar pv systems is pioneering for a community co-operative; we will share what we learn with other community groups.

The offer of new Shares – timetable and member priority

Tax relief on the amount subscribed under the EIS is likely to be only available for shares allotted before 6th April. In order to allow members to qualify for this relief, and for payments to clear through the banking system, **the closing date of this Offer is 31st March 2015**. This puts us on a very short timetable to raise the money needed. **Members will have priority for applications received by 16th March 2015**. After that date, if the Share Offer is not fully subscribed it will be opened to the public generally. Members may arrange for their priority to be taken up by a partner or family member.

If the Offer is opened to the general public we will endeavour to give priority to persons linked to the schools we work with, but lack of time may make this impracticable.

Performance of the Co-op in 2014

I am pleased to report that initial indications are that the Co-op's performance in 2014 has again exceeded projections in the original share offer. Some of the panels at Rodborough were taken down for about a month to permit reroofing, which reduced generation at that school in 2014. Despite that, as a result of favourable weather, generation was at record levels at every school. Full details will be set out in the Accounts when they are available (which we anticipate will be early April). Initial indications are that financial performance for 2014 will be similar to last year – that is a return to members of over 6%. The increase in income in 2014 will be broadly matched by an increase in expenses, primarily arising from an increased depreciation charge and from the Co-op this year meeting the full cost of Rachael's work to administer it.

Financial implications of this Share Offer and investor returns

Both Beacon School and Godalming College will pay for all the electricity used by them which is generated by the extensions at a rate of between 6-8.25p per kWh, offering the schools immediate substantial savings in electricity costs. This price will be fixed for 20 years and will reflect the cost of the installation and its anticipated generation, being set at a rate to produce financial returns to members consistent with the Co-op's current returns. So, going forward the effect of the extensions is projected to be broadly financially neutral and not to reduce the returns presently payable on the existing shares or reduce returns below the level indicated in the original share offer. Interest will be paid on the same basis as at present and the rate is anticipated to continue to be about 6%.

Financial projections are by nature uncertain, illustrative only, dependent on weather and performance (including unexpected repair costs) and are not guaranteed.

The FIT period applicable to the extensions is 20 years (whereas it was 25 years for the original installations) so these extensions will not extend the life of the Co-op beyond that originally envisaged.

In order to demonstrate compliance with the EIS, which requires that the sum raised from the share offer is used in the business (as it will be), the Co-op will invest its cash reserves in the project. These reserves have arisen from that part of the depreciation charge which has not been re-invested in the business and currently total about £50,000; reserves are presently increasing by about £29,000 per annum. If the extensions are made the depreciation charge will increase to about £42,500 per annum.

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If we do not raise the full amount required under the Offer, any shortfall will be met by reducing the scale of the extensions and/or by modest borrowing. Under the resolution agreed at the 2014 AGM the Co-op has an ability to borrow £21,000 without further recourse to members.

Interest payable to investors on the new Shares

The new Shares qualify for interest from the date they are issued on a time apportionment basis. So if they are issued on 31st March 2015 they will receive a sum equal to 75% of the interest paid on the existing shares for 2015, and will they share equally for interest with the existing shares from 1st January 2016. In all other respects they have the same rights as the existing shares.

Interest payments made to Co-op members will be subject to United Kingdom taxation. It is expected that payments will be made gross and investors will be responsible for declaring this income on their tax returns.

EIS relief – last chance!

We anticipate that EIS relief will be available on amounts subscribed for new Shares in the Co-op so that 30% of the cost of investment can be offset against members' income tax liability, as was the case with the share offer in 2011. The EIS relief can be used against your income tax liability for this current tax year or it can be carried back and used against your liability for tax in 2013/4 (in which case if the tax has been paid you will be due a tax refund). However, the relief cannot be set off against dividend income, as the tax credit attached to the dividend is not recoverable.

The Shares must be held for a certain period or income tax relief will be withdrawn. Since the Co-op is trading the period will be three years from the date the Shares were issued and the Co-op will be able to apply to HM Revenue & Customs straightaway for consent to issue the relevant EIS forms.

The payment of tax on a capital gain can be deferred where the gain is invested in shares of an EIS qualifying company. The gain can arise from the disposal of any kind of asset, but the investment must be made within the period one year before or three years after the gain arose. The deferred capital gain is taxed whenever the shares are disposed of or are deemed to be disposed of under the EIS legislation.

If the Co-op does not comply with the requirements of EIS for the qualifying period, the tax reliefs will be withdrawn.

Investors cannot assume that these benefits will automatically accrue on investment in the Co-op: investors should take advice from an appropriate professional adviser on their own individual circumstances.

The Directors will take reasonable steps to conduct the business of the Co-op so that it qualifies under the EIS but there is no guarantee that it will be able to do so.

We understand EIS relief will cease to be available for shares issued by renewable energy co-operatives, such as Wey Valley Solar Schools, after 5th April 2015. This proposal is therefore likely to be the last opportunity for members to subscribe for new shares in the Co-op and receive EIS relief.

Return of capital invested

The investment in principle is for 20 years and is for a minimum of three years in order to remain a qualifying investment for EIS tax relief. Members do not have the right to withdraw share capital but the Directors have the power to permit the Co-op's shares to be withdrawn or to redeem shares. There are no arrangements or binding commitments in place to enable a realisation of shares. As an indication of an exit route, the Co-op

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currently envisages, if it has sufficient funds and members agree, that shares in the Co-op might be disposed of by making available about 15% of its capital for redemption of shares in December 2018 (being the end of the financial year three years after this proposed share issue); and as an indication of an exit route currently envisages it might redeem about a further 5% of its shares each year thereafter. We anticipate members who wished to redeem their shares would be given priority, and any remaining shares would be redeemed in proportion to Members' shareholdings. All redemptions would be at the par value of £1.

Investing for children and gifting your shares under a will; Inheritance Tax

As a long term investment with an increasing return which can span the generations, parents and grandparents can invest in the Co-op now for their children and grandchildren; or can invest on their own behalf now with a view to giving their investment to their children and grandchildren in their will. Shares can be inherited in accordance with instructions in a member's will and this should not affect EIS tax relief.

The Co-op understands that currently shares in the Co-op will be treated as exempt from Inheritance Tax. Members should seek advice on this point for certainty on their personal position.

Background to co-operatives and our objects

As a co-operative social enterprise our Co-op has multiple goals, the principal ones of which are to run a successful co-operative business; to develop and generate renewable electricity; to provide an attractive return for our members sufficient to attract and retain the capital we need; to support our schools financially and with reduced energy costs; to provide an environmental and business educational resource to our schools and their students and to support our schools in their sustainability work; to enable our community and our members to take practical tangible measures to mitigate climate change, reduce carbon emissions and tackle energy security; and to support sustainable development in our community. In our view these extensions contribute materially towards delivering all these goals at a competitive price.

The Co-op expects and intends to contribute significant sums to the schools it is working with.

Other potential projects

The Co-op does not anticipate undertaking any other material projects after these extensions since it will be unable to raise further capital under the EIS. There will also be a significant amount of work to do to deliver these extensions and operate the enlarged Co-op. There are no other projects we are considering. In the future we may be asked to support our current school members if they construct new buildings by installing solar panels on them and if that arises we will consult members at the time. Any likely further extension is likely to be readily affordable by using the Co-op's reserves or by modest borrowing.

Other Matters

1. Persons Responsible for this Offer

The Co-op and its Directors are responsible for the information given in this Offer Document.

2. The Directors

The Directors are Mike Smyth, Rod Edge, Rachael Hunter, Peter Craig, Jane Thomson and Andrew Smith.

Investment in the Co-op by the Directors

Directors of the Co-op and their immediate families/partners currently have invested £101,000 in the Co-op and intend to invest at least a further £43,000 for Shares in the Co-op, on the same terms as other members.

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Directors' Disclosure Statement

None of the Directors of the Co-op have, at least for the past five years, been convicted of any fraudulent offence or otherwise or been involved in any bankruptcies, receiverships or insolvent liquidations or received any public reprimand or sanction by a statutory or regulatory authority or designated professional body or been disqualified from any function by any court.

Conflicts of Interest and related party transactions

Mike Smyth, Rod Edge and Rachael Hunter are directors of the Co-op and of Wey Valley Wood Fuel Energy Co-operative which employs Rachael Hunter and which makes her services available to the Co-op. Rachael's salary is apportioned between the various co-operatives she administers and on development work. Her work on the development of the Co-op has been and will be only charged to the Co-op to the extent it results in a successful project. The Co-op will pay WVWF a fee for Rachael's time spent on the Share Offer and for project management of the installation of the solar panels and their set up including arranging export contracts and initial FIT claims and procedures. WVWF has been funded by interest free loans from Mike Smyth to support its work and intends to apply any surplus it might make after repayment of those loans on the development of further co-operative community energy projects.

Directors' remuneration

The Directors are acting as Directors because they are committed to the success of the Co-op's business, the ethos it represents, the ability of a community to make a difference by their own actions and the financial, environmental and community returns the business delivers. The Directors do not propose to take remuneration from the Co-op. The Directors are unpaid for their work except for Rachael who is paid for her work via Wey Valley Wood Fuel Energy Co-operative as described above.

There are no pension schemes or share option schemes for Directors and, except for the reimbursement of properly incurred expenses, there are no other benefits for Directors.

3. The Co-op

Wey Valley Solar Schools Energy Co-operative Limited is a co-operative incorporated by the Financial Conduct Authority under the Industrial and Provident Societies Act 1965 on 18th August 2011 with number 31358R. Its registered office is at Office 1, Chestnut Suite, Guardian House, Borough Road, Godalming, Surrey GU7 2AE.

4 Accounts

The Co-op's financial year-end is 31st December. Its last accounts were prepared for the year ending 31st December 2013 and are available on the Co-op's web site: www.weyvalleysolar.co.uk.

5 Adoption of co-operative principles

The Co-op is an ethical social enterprise and not a profit maximising organisation. As a co-operative it will, whilst trading as a commercial organisation with a view to profit, strive to promote co-operative values and principles: self help and self-responsibility, democracy and equality, honesty and openness, social responsibility, autonomy and independence, member economic participation, opportunities for education, concern for community and the environment, and co-operation among co-operatives.

6 Major shareholders

The Co-op presently has 119 members. The Co-op does not have "major shareholders" since each member has one vote regardless of the size of their shareholding.

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7 Legal proceedings

There have been no governmental, legal or arbitration proceedings relating to the Co-op or its projects and none are pending or threatened.

8 Expenses of the offer

The expenses of the Share Offer will not exceed 4% of the capital raised and are anticipated to be materially less.

9 Material Contracts

Contracts and commercial terms have been agreed in principle with both Godalming College and Beacon Schools, and both schools have confirmed they wish to proceed; but contracts with them have not yet been signed.

10 New Shares, Working Capital and Use of Proceeds

Initially 204,000 Shares of £1 are offered for subscription at £1 each on the terms of this Offer Document. Shares are payable in full on acceptance of an Application on the Terms and Conditions. The number of Shares on offer may be increased to 250,000 if Beacon School receives grant funding to build its sports hall whilst the Offer is open. The net proceeds from the Offer will be applied to install solar panels on schools.

The Co-op confirms that it will have sufficient working capital for at least 12 months following the date of this Offer Document.

Successful applicants for Shares will receive share certificates and their details and holdings will be recorded in a share register. Each person or organisation issued with Shares becomes a member of the Co-op with membership rights defined in the Rules.

11 The Rules

The Co-op is a co-operative owned by its members. Members elect directors and each member has one vote in a members' meeting regardless of the number of shares held. Members are protected by limited liability and are only obliged to contribute the initial cost of their shares. As a co-operative the Co-op is governed by Rules which are approved by and registered with the Financial Conduct Authority. A copy of the Rules is set out on the Co-op's web site at www.veyvalleysolar.co.uk. A printed copy is available on request.

Attention is drawn to the following Rules in particular:

Rule 2 sets out the Co-op's objects, which are, in summary: as a co-operative, to carry on the business of installing and operating renewable energy generation, conserving energy and supporting educational initiatives related to renewable energy.

Rule 5 states that the directors may admit to membership any person who is 16 or older and who supports the objects of the Co-op and has agreed to subscribe for shares.

Rule 7 states that an Annual General Meeting must be held within seven months of the close of each financial year. Other general meetings may be requested by 10% of members. 14 clear days' notice must be given of the date, time, and place of the meeting and the business to be transacted.

Rule 8.2 provides that each member shall have one vote per holding, regardless of the number of Shares held by them, on resolutions of the members, including in relation to the appointment of directors.

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Rule 9 provides for amendment to the Rules by majority vote of the members, provided the amendment is registered by the Financial Conduct Authority.

Rule 11 provides that there shall be a minimum of three and a maximum of seven directors. Directors must be members (aged 18 or over) and are appointed by the members. One third of the directors retire by rotation each year.

Rule 16 sets out the very limited circumstances in which a member may transfer shares

Rule 17 sets out the position relating to withdrawal of shares, as described above.

Risk Factors

All investment and commercial activities carry risk and investors should take appropriate advice and make their own risk assessment whilst bearing in mind the social and environmental aspects of this investment opportunity. An investment in Shares is an investment in a trading business and is not a loan or deposit. Your capital is at risk. This investment is long term and may not be readily realisable.

In addition to the specific risks of an early stage investment in a comparatively recently launched social enterprise and an investment to support development and construction, other risks include:

General Investment Risks – Shares

- The value of your Shares and income from them can fluctuate and you may not get back the amount you invested. Investment in smaller unquoted businesses is likely to involve a higher degree of risk than investment in larger companies and those traded on the stock exchange.
- Your Shares will not be tradable. Your Shares can be withdrawn (ie redeemed by the Co-op for the price paid for them) in accordance with the Rules but may not be withdrawable at short notice or when you wish to do so. If the Co-op lacks sufficient cash to enable Shares to be withdrawn when desired, withdrawal may be delayed or not possible. Investment in the Shares should be seen as a long term investment.
- Shares in the Co-op are not regulated investments for the purposes of the Financial Services and Markets Act 2000 and therefore you do not have the protection provided by that Act. This Share Offer does not need approval and has not been approved by an approved person under that Act, so there is no right to complain to an ombudsman. This Share Offer is not regulated by the Prospectus Regulations 2005 which do not apply because there is a specific exemption for fundraising by co-operatives. The Co-op is registered with but not authorised by the Financial Conduct Authority and therefore the money you pay for your Shares is not safeguarded by any depositor protection scheme.

Renewable Energy Industry risks

- Government policy and regulations relating to renewable energy change frequently at short notice.
- Weather patterns, electricity prices and business costs can fluctuate.
- Changes in legislation, especially to the value or availability of the Feed-in tariff, may affect the Co-op's income. In particular the FIT is subject to change at short notice and, as they are extensions to existing systems, the Co-op is unable to pre-accredit (ie reserve) the current FIT rate.
- New inventions and developments may render existing technologies and equipment obsolete.
- Unexpected maintenance costs in excess of budget provision can arise.
- Unexpected difficulties or delays can arise in construction.

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- Although modern solar panel installations are extremely reliable, electrical or other failure can interrupt the generation of electricity or the distribution network and lead to unexpected costs and interruptions of generation. Manufacturer warranties and guarantees offer some protection.

Risks specific to this Offer and to the Co-op

- The target interest payment is not guaranteed and may not be achieved.
- The Co-op's income is dependent on the schools to which it supplies electricity paying for electricity in accordance with their agreement with the Co-op.
- The planned solar panel installations may be delayed or prove not to be practicable for technical, capacity, financial, planning or legal reasons.
- While it is the intention of the Co-op to seek to qualify under and then to be managed to continue to qualify under the EIS there can be no guarantee that this status can be achieved or maintained.
- Equipment purchased by the Co-op is supported by guarantees from companies believed by the Co-op to be financially strong, but equipment suppliers, contractors, schools, purchasers' of electricity or other contracting parties with the Co-op could fail to meet their obligations.
- The target returns stated in this Offer Document are based on financial modelling incorporating best estimates of a range of variable, changeable and uncertain factors, having due regard to historic evidence and the experience gained by the Directors and the Co-op's solar contractors Joju Solar including electricity prices, hours of light and sunshine, operational costs, the reliability of the equipment installed and replacement and repair costs.

No advice on investments is given in this Offer Document or by the Co-op or its Directors in relation to it. If any person has any doubt about the suitability of the investment which is the subject of this Offer Document he/she should contact an appropriate authorised person for advice on investments.

How to Apply

An Application Form, with details of how to invest, accompanies this letter. There is no minimum investment for existing members. New members must apply for at least £250 of Shares. The maximum investment in the Co-op is £100,000 inclusive of your existing holding. You can pay by BACS direct into the Co-op's bank account or send your cheque to the Co-op in accordance with the instructions on the Application Form.

Your support will enable this exciting, pioneering project to happen.

Those interested in investing should do so only after reading this document in full and taking appropriate financial and other advice.

Yours sincerely

Mike Smyth
Chair, Wey Valley Solar Schools Energy Co-operative Limited
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Glossary of terms used in this Offer Document

Co-op – Wey Valley Solar Schools Energy Co-operative Ltd, registered office: Office 1, Chestnut Suite, Guardian House, Borough Road, Godalming, Surrey GU7 2AE. Industrial and Provident Society number 31358R

Directors - the directors of the Co-op

EIS – Enterprise Investment Scheme, a tax relief scheme under which HM Revenue and Customs provide certain tax reliefs for qualifying investments in certain trading companies, such as the Co-op

FIT or Feed-in tariff – the government regulated inflation linked price payable to producers of qualifying renewable electricity for 20 years

Offer or Share Offer - the offer of Shares in the Co-op contained in this Offer Document

Offer Document or Share Offer Document – this document inviting persons to subscribe for the Shares

Offer Period - the period during which the Offer will remain open (including any extension)

Shares - new shares of £1 in the Co-op, offered at £1 each on the Terms and Conditions under this Offer Document

Rules - the rules of the Co-op, summarised in this Offer Document and a copy of which is available from the Co-op and at www.veyvalleysolar.co.uk

WVWF – Wey Valley Wood Fuel Energy Co-operative, the co-operative that employs Rachael Hunter and makes her available to administer and develop the Co-op



TERMS AND CONDITIONS OF THE OFFER

1 Eligibility

This Share Offer is open to individuals over 16 years of age and to organisations which support the objects of the Co-op.

2 Minimum and maximum holdings

There is no minimum number of Shares which existing members can apply for. New members must apply for a minimum of 250 Shares. The maximum number of shares which a member may hold in the Co-op is 100,000. Shares cost £1 each.

3 Application procedure

- Read the accompanying Share Offer Document
- Pay special attention to the Risk Factors set out on Page 8 of the Offer Document
- Consider whether you need to take financial advice or other advice in relation to the Terms and Conditions of this Share Offer
- Read the Rules of the Co-op set out at www.veyvalleysolar.co.uk since if you receive Shares you agree to be a member of the Co-op and to be bound by its Rules
- Shares must be applied for using the Application Form
- Attach your cheque or pay by bank transfer as described below under "Payment"
- Send the completed Application Form to the Co-op
- By delivering an Application Form you offer to subscribe, on the Terms and Conditions contained in this Offer Document, for the number of Shares specified, or such lesser number as may be accepted by the Co-op.
- Once an application has been made it cannot be withdrawn.

4 Over-subscription

The number of Shares you apply for will not necessarily be the number of Shares you will receive. If the Share Offer is over-subscribed the Directors will determine how to allot Shares and your application may be scaled down, or even rejected in its entirety.

5 Governing law

The Terms and Conditions of the Share Offer are subject to English law.

6 Money laundering

Under Money Laundering Regulations, you may be required to produce satisfactory evidence of your identity and it is a condition of this Share Offer that you do so if requested.

7 Payment

Please attach a cheque or banker's draft, drawn on a UK bank or building society, for the exact amount shown in the box under 'Amount to invest'. If there is a discrepancy between the two, or if the cheque is not honoured on presentation, your application may be rejected without further communication. Alternatively you can pay directly through the banking system into the Co-op's bank account. Please quote your surname and date of birth as a reference and pay to account number 65612653 Sort Code 08-92-99.

8 Use of email and BACS

As a member you will receive various communications from us which you agree may be by email, to minimise the cost and environmental impact of writing to you. Please tell us your email address and advise us if you

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change it. Interest will be paid to you by electronic transfer by BACS so please inform us if the details of your bank account change.

90 Extension or reduction of Offer Period

The closing date for the Offer is 31st March 2015 but it may be closed early if it becomes fully subscribed. The Directors reserve the right to extend the Offer Period at their discretion. The Directors may increase the maximum capital the Co-op is seeking to raise if Beacon School receives consent to build a sports hall during the Offer Period.

Declaration *(if applicable, also on behalf of an applicant organisation)*

I confirm my understanding that:

- this Application may be withdrawn if a supplementary Offer Document is issued, but not otherwise, and, if and when accepted by the Co-op, this Application forms a contract subject to the law of England on the Terms and Conditions of the Offer Document;
- an Applicant who/which is not 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
- 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, the Rules and the Terms of the Offer;
- I support the aims and objectives of the Co-op;
- I am over 16 and I meet the Offer eligibility criteria;
- The Co-op is hereby authorised to make such enquiries as are deemed necessary to confirm the eligibility of this Application;
- I am not relying on any information or representation in relation to the Shares, the Co-op or the Offer which is not included in the Offer Document; and
- I shall provide all additional information and documentation requested by the Co-op in connection with this Application, including in connection with anti-money-laundering, taxation or other regulations applicable to the Co-op.