

HoTTWind@Longley - MAIN SHARE OFFER

Working Towards Sustainable Living in the Holme Valley



NEWSLETTER NO 5 – 14th MARCH 2015

Following the successful raising of the Pioneer funds and the placing of the turbine order by HoTTWind@Longley, the Directors are circulating this Newsletter to announce the launch of the Main Share Offer and to give a progress update on the Longley wind turbine project.

5.1 Main Share Offer launch

The Main Share Offer is being launched on the 16th March 2015, to raise the required community funding. A minimum of £400,000 shares will be offered on a 'first come first served basis', with the potential to increase the shares on offer depending on demand. If the share offer is oversubscribed, the Directors will endeavour to ensure that all Holme Valley residents to who apply before the closing date will receive a share allocation.

People interested in subscribing to this share offer should register their interest by emailing shareoffer@hottwindlongley.co.uk

Presentations informing people on the wind turbine progress and the Main Share offer will be held as follows:

Mon 16th March 7pm Brambles Bar, Holmfirth HD9 1HA

Wed 18th March 7pm Band Room, Hade Edge HD9 2DF

Mon 23rd March 7pm Butchers Arms, Hepworth HD91TE

Wed 25th March 7pm Hope Bank, Honley HD9 6TR

Further information about HoTTWind@Longley and the main share offer is available on the website www.hottwindlongley.co.uk

5.2 SEIS and EIS Assurance from HMRC

HoTTWind@Longley received advance assurance from HMRC on 9th January 2015 that Members will receive SEIS tax relief on their Pioneer shareholding and will also be eligible to receive EIS tax relief on any share holdings from the forthcoming Main Share Offer.

However, the government is planning to end EIS for those energy schemes receiving FITs and expand Social Investment Tax Relief (SITR) to cover community energy schemes. This is expected to provide similar tax relief benefits but the details have yet to be published and confirmed. The Directors have sought clarification from HMRC who have now advised that, given the time needed to enact the necessary legislation, the planned changes are unlikely

to impact on our Main Share offer timetable, assuming shares are issued by end of May 2015.

For the Pioneer shares, HoTTWind will submit a shareholders' list to HMRC for the certificate for SEIS tax relief when HOTTWind's deposit on the turbine has been paid. EIS3 certificates will be issued to Members for them to claim tax relief as soon as HMRC has processed the return.

The Directors note that the SEIS/EIS/SITR tax relief is set against your personal Income tax liability – you cannot claim more tax relief than you have paid in income tax, and cannot be set by company Members against Corporation Tax liability.

5.3 Turbine procurement

The modifications required to Longley's 11,000V switch room have been completed. The wind turbine is ordered and an expediting visit has been made to Belgium to check on manufacturing progress; the major long-lead time items have been ordered or are confirmed as in stock. Payment of the HoTTWind turbine deposit contribution to Longley Farm is still pending, awaiting signing up of partnership agreement between HoTTWind and Longley Farm.

A minor amendment to the planning application is expected to be made in regard to the location of the turbine transformer in the next week.

5.4 The Community Trust

The terms of reference for the 'green' community trust which will receive the benefits from the turbine project – the 'Bright Green Community Trust', are included in the Partnership agreement with Longley Farm (J&E Dickinson). The terms of reference will be available on the website www.hottwindlongley.co.uk

5.5 Legal Agreements

The Partnership Agreement between HoTTWind@Longley and Longley Farm is due to be signed up shortly, along with the agreed Lease Agreement, Construction Loan Agreement and Option Agreement. The Option Agreement, which allows HoTTWind to buy the completed turbine, will only be effected once the remaining community funds have been raised, following the Main Share Offer.

The Directors, HoTTWind@Longley