

Sheffield Renewables
'Early Bird' Share Offer Document
September 2011



The challenges of climate change and creating a sustainable society are enormous, yet bring with them a great opportunity to work together. Renewable energy is part of the solution and there is a growing movement of communities that have come together to make local renewable energy supplies a reality.

This is an invitation to play a part in Sheffield's first community owned renewable energy scheme, Jordan Dam Hydro. Through investing in Sheffield Renewables, individuals, organisations and businesses can support the construction of this project. With an 80kW rating the scheme is expected to be the largest community hydro project yet in the UK, and will:

- Generate enough renewable energy for 80 average homes;
- Give carbon savings of around 170 tons of CO₂ per year;
- Create income through electricity sales which will be used to cover costs, provide a modest return to investors, and support more renewable energy schemes and environmental projects.

Investors will become members of Sheffield Renewables, a social enterprise dedicated to developing renewable energy schemes in a way that benefits the environment, the city and its people. Sheffield Renewables is owned and democratically run by its members, so Jordan Dam Hydro and future projects will be under community ownership and control, helping to build a genuine alternative to current ways of doing business. Through bringing success in the first scheme, investors will be supporting Sheffield Renewables' work to bring forward more projects.

Sheffield Renewables is planning to raise £250,000 towards the costs of Jordan Dam Hydro through a Community Share Offer to the public. The 'Early Bird' Offer aims to raise an initial tranche of this by asking those who have already registered interest to commit their money now, ahead of the Public Share Offer. The 'Early Bird' offer aims to build a much larger community of committed members and to convert pledged support into money in the bank. In achieving these aims, it will:

- Provide an expanded membership who will be asked to help promote the Public Share Offer;
- Help win vital grant funding for the project by showing the willingness of the community to invest;
- Launch the Public Share Offer on a high point with a significant amount of the funds already raised.

Investors who support the scheme at this early stage will have the greatest possible impact in building momentum behind Jordan Dam Hydro, and Sheffield Renewables. Please join this exciting project, and help build a legacy of sustainable, local energy supplies and real community empowerment.

Rob Pilling
Chair

The 'Early Bird' Share Offer

Purpose of the 'Early Bird' Share Offer

Shares in Sheffield Renewables are offered as a social investment for public spirited and environmentally aware individuals and organisations. The aim is to provide an attractive ethical investment opportunity: investors receive a modest return, complemented by wider social and environmental benefits. Choosing to make an 'Early Bird' investment is about becoming a member of the Sheffield Renewables community, and is a particularly valuable contribution in three ways:

- **Growing Sheffield Renewables:** a wider membership will be a boost to Sheffield Renewables. In particular, Sheffield Renewables hopes that new members will play an active part in promoting the Public Share Offer to friends, family and colleagues.
- **Helping to win grant funding:** a grant is very important for the Jordan Dam project (see Draft Offer Document, Page 5). Two grant applications have passed the first approval step, and full applications are planned for the end of September. A successful 'Early Bird' Share Offer will help win grants by showing there is a committed community of investors behind the project.
- **Momentum to launch the Public Share Offer:** launching the public share offer with a large amount of 'Early Bird' funds already in place will inspire confidence, and help reach the target.

How the 'Early Bird' Share Offer works

- **Early Bird investors immediately become voting members of Sheffield Renewables.** In doing so, they agree to be bound by Sheffield Renewables' governing document, the Rules of Sheffield Renewables Limited (available on request or on www.sheffieldrenewables.org.uk).
- **Early Bird investments will be retained in a designated holding account until publication of the Final Public Share Offer Document.** This is anticipated to be between 15th October 2011 and 31st January 2012.
- **On Publication of the final offer document,* Early bird investors who wish to continue their investment need take no further action. Alternatively, and within 30 days, they may withdraw their investment at no charge.**
- **Retained investments will continue to be held in a designated holding account until the decision is made to proceed with construction of the Jordan Dam Hydro project.** This is also the point at which shares will be issued. If Sheffield Renewables decides not to proceed with the project, or has not decided to proceed by 31st December 2012, investments will be returned less a £10 administration fee.

*Please Note: A 'Draft Share Offer Document' is provided for guidance alongside this 'Early Bird' invitation. This sets out the planned terms of the Public Share Offer. Investors should be aware that the ultimate investment terms will be those laid out in the final share offer document, which may vary from the draft. This initial uncertainty is the reason that we have included the 30 day withdrawal option.

Why is the 'Early Bird' Share Offer set up this way?

After taking advice, Sheffield Renewables has decided that all new investors should invest on the basis of the same offer document and the same terms. This simplifies the relationship with investors, reduces risk to both parties, and allows a clear target to be set for raising share capital as a whole, which is expected to be £250,000.

How to Invest in the 'Early Bird' Offer

- The minimum investment is £250 and the maximum is £20,000. For those who are unable to afford a single payment of £250, there are a limited number of places available to pay by instalments (See details of the Inclusion Scheme in the Draft Offer Document)
- Only individuals over the age of 16 may invest.
- Unless extended by the Board, this offer is open from 3rd to 30th September 2011.
- Applications must be received at the office of Sheffield Renewables Ltd no later than 5 pm on Friday, September 30th, 2011.

To apply to invest please complete the appropriate application forms:

- **Individual or joint applicants** – please complete the form on page 4
- **Corporate applicants** – please contact us to request an application form, or download one from our website
- **Applicants wishing to invest in instalments** – There are a limited number of places available for those on a low income to invest in instalments.

Please contact **Jean Tinsley** to request an application form
(email: jean@sheffieldrenewables.org.uk or telephone: 0114 250 8367).

If you wish to nominate a person to receive your shares on your death, please complete the nomination form.

Application for Sheffield Renewables Community Shares

I/we wish to become a member of Sheffield Renewables Ltd in accordance with the Society's rules.

I/we would like to apply for: £..... of shares (minimum £250)

First Name(s) in full	Last Name
Address	
Postcode	
Date of Birth	Telephone
Email	

For joint applications, all applicants (up to four persons) must sign. Please photocopy or print additional copies of this form for joint applicants.

- Please tick if you wish to waive the interest payments on your shares.
- Please tick if you wish to receive communication by letter instead of email.
- Please tick if you wish to nominate a person to whom you wish your shares to be transferred on your death and complete a 'Nominee Appointment Form'.

Agreement

I/we agree to be bound by the Terms & Conditions included in the attached prospectus and the Rules of Sheffield Renewables Ltd. I/we understand that the Society's Board may reject my application and does not have to tell me why it has been rejected.

Payment

Payment must be for the full value of the shares you wish to buy. Payments can be by bank transfer or by cheque. For cheque payments, please enclose a cheque payable to Sheffield Renewables Ltd.

- Please tick here if you are paying by bank transfer. Transfers should be made, quoting your last name as the reference, to Sheffield Renewables Ltd, Account Number 65 49 21 90, Sort Code 08-92-99.

Data protection & money laundering

The data provided by you on this form will be stored within a computerised database. This data will only be used for Sheffield Renewables Ltd purposes and will not be disclosed to a third party, unless required by law. It is a term of the offer that to ensure compliance with the Money Laundering Regulations 2003, Sheffield Renewables Ltd may at its absolute discretion require verification of identity from any person(s) seeking to invest.

Signed

Signature:	Date:
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Please return to Sheffield Renewables Ltd, 25 Alexandra Road, Sheffield, S2 3EE.

Nominee Appointment Form

This form should only be completed if you wish to nominate a person to receive your shares on your death.

Your name and address:

Nominees's Full Name	
Nominee's Address	
Postcode	

I understand that it may not be possible for Sheffield Renewables Ltd (the Society) to action this request and I and my heirs will not hold the Society 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 the Society at the registered office.

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

Signed as a deed

Signature:	A witness must sign here
Date:	Name: Date:

Please return with your application form.

Terms and Conditions of Payment

1. Applicants may unconditionally cancel their application for shares and have their payment returned, by giving notice in writing within seven working days from the receipt of this form by Sheffield Renewables.
2. Seven working days after receiving this form and payment, a single £1 share will be issued to the applicant by Sheffield Renewables Ltd. This share will give membership rights to the applicant until such time as the remaining shares are issued or payments are returned to all investors, when the minimum share holding required for membership will increase to £250.
3. Payments will be held in a holding account until the Board of Sheffield Renewables has decided the Jordan Dam Hydro project can proceed. At that point the funds will be used to purchase the remaining community shares and share certificates will be issued by Sheffield Renewables Ltd.
4. By completing and delivering an application form you, as the applicant, offer to acquire the number of shares in Sheffield Renewables Ltd specified on the form subject to the terms which will be published in the Sheffield Renewables Public Offer Document and subject to the Rules of Sheffield Renewables.
5. After the initial seven day period, sums paid for shares will not be returned to applicants unless:
 - 5.1 you the applicant request that your payment be returned within 30 days of publication of the Public Share Offer Document and agree to forfeit membership rights; or
 - 5.2 if the Public Share Offer document has not been published by the 31st January 2011, you the applicant request that your payment is returned and agree to forfeit membership rights; or
 - 5.3. the Board of Sheffield Renewables has not decided before 31st December 2012 that the Jordan Dam Hydro project can proceed; or
 - 5.4. the Board of Sheffield Renewables decides before that date that the project cannot proceed.In cases 5.3 or 5.4, funds paid to Sheffield Renewables Ltd from applicants will be returned to them subject to an administrative charge of £10. Applicants investing in the 'Early Bird' and Public Share Offers will pay a single £10 fee.
6. The information provided in application forms will be dealt with in accordance with data protection legislation and will not be disclosed to any third party except for the purpose of preventing crime; to the police, if required by law; to any relevant regulatory authority, if required by law; or with the permission of the person concerned.
7. Applications will be processed in the order in which they are received and may be accepted or rejected at the absolute discretion of the Board of Sheffield Renewables. Any application rejected will be returned to the applicant together with a cheque for application monies received.
8. By completing and delivering an application form you also confirm that in making the application you will not rely on any information or representation other than that contained in this offer document and this application form and agree that no person shall have any liability in connection with your application for any information or representation not contained in the offer document and application form.
9. Payments held by Sheffield Renewables prior to issuing shares will not be eligible for interest.
10. Interest waivers may be reviewed annually. Any applicants choosing to waive interest payments on their shares may choose to earn annual interest in years after the first interest payment has been made to shareholders.

COMMUNITY ACTION FOR OUR ENERGY FUTURE



Project Part-Financed
by the European Union

European Regional
Development Fund



CO₂senseTM
carbon sense 2 commercial sense

The **co-operative** enterprise hub

Email: info@sheffieldrenewables.org.uk

Telephone: 0114 250 8367

Post: Sheffield Renewables Ltd, 25 Alexandra Road, Sheffield S2 3EE