

# COMMUNITY SHARES OFFER DOCUMENT



**4kW NICE solar panels installed on Mediation NI in February 2015.**

With Tiziana O'Hara from Co-operative Alternatives, Karen Arbuckle from NICE and Robert Colwell from Mediation NI.

**888 tonnes**

The amount of carbon dioxide the planned solar panels will save during their lifetime, compared to burning fossil fuels

**£150,000**

The amount we seek to raise to pay for solar panels

**At least 9**

Community buildings with new solar panels, if all shares are raised

**£250 and £20,000**

Minimum and maximum investment per person

**Tuesday 3rd March 2015 - Launch date**

**Monday 23rd March 2015 - Closing date**



**Co-operative  
enterprises build  
a better world**

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# Directors' Letter

Dear community renewable energy supporters,

3 March 2015

Northern Ireland Community Energy (NICE) was set up in 2014 to provide community-owned low carbon energy services across the communities of Northern Ireland.

This is an exciting opportunity. We hope you will decide to become a member of our Society. As a member you will co-own the enterprise and have a say on how the Society is run. Please read this document thoroughly and complete the application form.

Each of the Directors of NICE hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Offer Document is to the best of his or her knowledge, in accordance with the facts and contains no omission likely to affect its import.

## **The Board of Directors**

Karen Arbuckle, Cye Bannon, Anne Ford, Michael Harper, Douglas McIldoon, Andrew McMurray

Thank you.



This share offer was made possible through the help and support of the Community Shares Ready programme, commissioned by the Building Change Trust through Co-operative Alternatives. NICE would also like to thank Shareenergy for their support.

Northern Ireland Community Energy (NICE) Limited is a Community Benefit Society registered with Department for Enterprise Trade and Investment Northern Ireland under the Industrial and Provident Societies Act (Northern Ireland) 1969.

Registration number IP000413.

Registered address: Unit 40a, North City Business Centre, 2 Duncairn Gardens, Belfast BT15 2GG.

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# Summary of Offer

## Purpose of Offer

NICE helps the environment, helps the community and is built upon principles of fairness.

NICE creates community owned renewable energy projects & provides low carbon energy services with financial revenues staying within the local community.

NICE is a not-for-profit community benefit society managed entirely by volunteers based on models tried and tested in Europe and the UK.

NICE's first project is the installation of solar PV arrays on the roofs of NI third sector owned buildings such as charities, community groups and churches.

The purpose of installing solar panels on community buildings is to:

- reduce carbon emissions;
- showcase low carbon technologies within the community;
- provide an opportunity for local residents to own a stake in the provision of essential local services; and
- provide discounted renewable electricity to users of the community buildings.

The Society aims to create a community fund for future renewable energy projects and energy efficiency projects.

## The Project

The project's purpose is to generate electricity from the sun and thus to reduce the reliance of Northern Ireland on electricity derived from imported fossil fuels. Electricity not used in the community buildings on which the solar panels are mounted will be fed into the grid.

At least 9 community buildings with suitable south facing roofs, will be chosen for installments ranging from 4kW to 50kW. NICE welcomes enquiries from community organisations that own their own roof.

The Society will generate revenue from the sale of electricity and receive income from Renewable Obligation Certificates. Each kilowatt hour generated will earn 4 ROCs, which are worth 16.32 pence in 2014/15 (see Glossary).

A projected annual surplus over expenses will enable the Society to pay interest on shares to members. Our intention is to pay 4% per annum. The first interest payment will be made in the tax year 2016/17 because not all PV arrays will be installed immediately. Part of the surplus from NICE will be placed into a local Community Fund to address local fuel poverty and related issues, as decided by NICE members.

## The Offer

This Offer Document seeks to raise funds by the issue of Withdrawable Shares at £1, payable in full on application. The minimum investment is set at £250 per member (to reduce administration costs) and the legal maximum is £20,000.

Shares bought by any individual member will not be linked to a particular building. Interest will be paid gross and members who are liable to pay income tax will be responsible for declaring this income to HMRC.

The closing date is 23 March 2015. The Board reserves the right to extend the closing date. The more shares that are invested, up to the £150,000 target, the more community buildings that will receive solar panels.

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The number of shares you apply for will not necessarily be the number of shares you receive. If the offer is over-subscribed, the Board reserves the right to scale down or even reject an application in its entirety. All applications are welcome, but in the event that the share offer is over-subscribed, first priority will be given to applications from residents of Northern Ireland.

If the share offer is still over-subscribed, the maximum number of shares per member will be reduced. Our aim is that every applicant will become a member, so long as their application and payment has been received by the closing date.

## Seed EIS tax relief

This share offer is expected to be eligible for tax relief under the Seed Enterprise Investment Scheme (SEIS) at 50%. The Society is seeking advanced approval for SEIS from HMRC. As the project is based on similar projects, we are reasonably confident of receiving SEIS approval, but this is not guaranteed. If successful, SEIS means that individual members who are eligible UK taxpayers can claim a tax rebate of 50% of the value of their shares.

Applicants should take their own advice as to whether they are eligible for SEIS tax relief. Organisations are not eligible for SEIS. The relief is 50% of the value of the shares, which can be claimed back against income tax. Shares must be held for at least 3 years.

Share applications must be received by the 23 March deadline. Funds must be cleared by 2 April to be eligible for SEIS tax relief. This is due to the Treasury closing this tax relief to new share applications at the end of the 2014/15 tax year.

[www.hmrc.gov.uk/seedeis](http://www.hmrc.gov.uk/seedeis)

## SEIS Example

**Helen invests £4,000 in SEIS qualifying shares.**

**The SEIS relief available is £2,000 (ie 50% of £4,000). If her tax liability for the year (before SEIS relief) is £7,000, she can reduce this to £5,000 as a result of her investment.**

## Shares and membership

Those applying for membership should regard these shares as a long-term investment.

Interest payments to members have been calculated according to projected income and expenditure, based on the assumptions stated in this offer document. The projected annual interest paid on shares is 4%, over a 20 year project period, with the first interest payment being made in tax year 2016/17. Any benefit from tax relief is in addition to this.

It is the intention of the Society to repay members' share capital during the 20 year period, subject to financial performance and available funds.

Shares will not be traded on any stock exchange and shares are not transferable. Withdrawable shares do not increase in value. Shares may decrease if the Society suffers unforeseen and substantial losses.

Members may apply to withdraw shares after the end of the third year of operation. In accordance with Rule 26, members do not have the absolute right to withdraw shares, but share withdrawal will normally be authorised at the discretion of the Board, in the light of the Society's trading position.

On the death of a member of the Society, his or her personal representative can apply for withdrawal of the shares. Such a request will be prioritised by the Board.

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Each shareholder, whatever the relevant investment, automatically becomes an equal member of NICE on a 'one member one vote' basis – not 'one share one vote'.

The principal membership rights, as defined by the Rules, are:

- The right to information including the Society's annual accounts.
- Invitation to General Meetings of members.
- One member one vote on resolutions of the members, including election of Directors.
- The right to stand for election to the Board.
- The right to receive interest on shares, subject to available surplus.

Members will receive share certificates and their details will be recorded on a share register to be kept by NICE at the Society's registered address.

## Governance

### The Board of Directors

The current Board is a transitional Board, for the purposes of setting up the Society, running the Share Offer and overseeing the installation of the solar panels. Board elections from the new membership will be held at the first Annual General Meeting following the Share Offer – which the Board intends to hold by April 2016.



#### **Karen Arbuckle**

Karen and her husband Rodney have been actively involved in Drumlin Wind Energy Co-operative - one of its six turbines is situated on their home farm in Connor, County Antrim, and Rodney is a Director of Drumlin. She has experience with marketing and communication of community share offers to various audiences in Northern Ireland. Karen retired from Northern Health and Social Care Trust in 2011 after more than 20 years service as HR Manager. Karen is an enthusiast of community empowerment particularly with regard to the utilisation, management, enjoyment of our natural resources and countryside.



#### **Anne Ford**

Anne has a long held interest in the environment and ecosystem management, having studied Biology and Environmental Science at University. Throughout a teaching career in the post primary and further education sectors she has promoted sustainability considerations as critical in many aspects of living – not least in the sourcing and management of energy supply. Anne recently witnessed very successful implementation of community initiatives for renewable energy generation and supply in Germany. She has a vision of the increased use of low carbon electricity generation in Northern Ireland. Anne sees awareness raising, education and community sharing in generation and efficiency initiatives as important elements in promoting sustainability. Anne also serves as a director of Drumlin Wind Energy Co-operative.



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### **Cye Bannon**

Cye is a Chartered Accountant and NI Civil Servant. He has volunteered in a finance role with Rathlin Island Trust, was a founder member and treasurer of Belfast Kayak Club, and more recently delivered training and guidance on solar thermal installation for Transition Towns and other community groups across Ireland. He studied in Belfast and Tokyo and holds a degree in Computer Science from Queens University Belfast.

### **Michael Harper**

Michael has worked in renewable energy policy, advocacy and project implementation covering different technologies and disciplines in the



private and charity sectors, for nearly 30 years. Most recently, he was Managing Director of B9 Energy Offshore Developments Ltd and Director of the First Flight Wind offshore wind project. Prior to these roles, Michael worked with a tidal development company and Northern Ireland's first onshore wind development company. He has served as Executive Director of the British Wind Energy Association and as Renewable Energy Campaigner at Friends of the Earth. He is also a Director of B9 Energy Ltd, B9 Energy Storage Ltd, AL&DP Ltd, Meenacahan Ltd, and RES-B9 (NI Offshore Wind) Ltd.

## **Intended investment of Directors**

The intended collective investment of Directors for this offer is £20,000. But this could be reduced to £6,000 to give opportunity to other investors, if there is sufficient demand.

### **Andrew McMurray**

Assonate environmentalist, director and instigator of the Drumlin Wind Energy Co-op, NI's first community wind co-operative. Drumlin has raised £3.9m equity from around 1,000



individual members ranging from £250 to £20,000 each. Andrew has a BEng Electrical Engineering & MSc in Renewable Energy and runs NRG Solutions Ltd, an electrical engineering consultancy specialising in the connection of renewable energy generators and project management.

### **Douglas McIlldoon**

Douglas spent most of his working life as a civil servant in Belfast and Brussels in posts dealing with planning, regional development, urban regeneration and energy. Douglas retired in 2005 having served for ten years as the Energy Regulator for Northern Ireland. Douglas is currently the Chair of Drumlin Wind Energy Co-operative, a member of the board of Bryson Energy and Ulster Community Investment Trust. A keen co-operator, Douglas would like to harness co-operative ideals, enthusiasm and structures to the alleviation of fuel poverty through energy efficiency and community-owned energy projects.

## **Board Practices**

Directors serve in accordance with the Rules - available on our website. Substantial unpaid work continues to be contributed by the Board. No remuneration will be paid by NICE to Directors. Directors are entitled to claim expenses incurred in their role. As a Community Benefit Society, NICE complies with statutory requirements including returning annual report and accounts to DETI. NICE is a member of Co-operatives UK.

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## Project Management and Administration

Cye Bannon has volunteered to liaise with roof owners, installers and other contractors. Other volunteers are welcome to help with administration. The Society has budgeted £3,000 per annum to buy in professional services from Co-operative Alternatives and other sources as necessary.

## Asset Lock

As a Community Benefit Society, NICE has locked its assets, through its registered Rules. This means that upon dissolution the residual assets, after repayment of members' capital, cannot be shared among individual members. Instead, the assets must go to another asset locked organisation with similar objects, such as a charity or another community benefit society.

## Co-operative Principles

NICE strives to promote the seven Co-operative Principles which are:

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education, training and information
- Co-operation among co-operatives
- Concern for community

# The Sites and Community Buildings

In addition to the pilot project with Mediation NI, at least 8 community buildings with suitable roofs will be chosen for solar PV installations – if all shares are raised. Installations may range from 4kW to 50kW and will only go ahead with a signed Legal Agreement.

Interest has been expressed by over a dozen more community buildings and schools. At the time of writing, two formal Legal Agreements have been signed:

1. Mediation Northern Ireland, at 83 University Street, Belfast BT7 1HP. Solar panels were installed on Mediation NI's roof in February 2015.
2. Whitehead Community Association, at 20 Balmoral Avenue, Carrickfergus BT38 9QD. This installation is at the time of writing awaiting planning approval, as it is in a conservation area. No objections had been received within the time allowed for objections.

## Policy and Criteria for Site Selection

NICE welcomes enquiries from community organisations that own their own roof. With 'Information for Roof Owners' provided by NICE, roof owners should first satisfy themselves that:

1. Their building and roof are owned by a community organisation, a charity or a public sector body.
2. Their roof faces within 45 degrees of South.
3. There are no significant shading issues.
4. Copies of electricity bills are available.
5. The organisation is willing and able to become a member of NICE.
6. Their governing body is willing and able to agree in principle. At this point a non-binding letter of intent should be sent to NICE.

Upon receipt of a letter of intent, NICE will:

1. Conduct a feasibility study on site, including planning permission and day time usage.
2. Obtain quotes from potential installers – all MCS certified.
3. Be satisfied of project profitability.
4. Complete a legal title search.
5. Check building owner is not a private for profit company nor an individual, and preferably has an asset lock, and is a charity, community benefit society, community interest company, registered social landlord, sports association or an equivalent body, or is owned by the public sector.
6. Commence Northern Ireland Electricity process if necessary – usually for installations over 12kW.
7. Prepare a binding legal agreement and license, to be signed by the community organisation.



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Upon receipt of the legal agreement and licence, NICE will commission the installation, subject to sufficient shares being raised at that point. Installations will be commissioned on a first come, first served basis. In other words, the first community organisations to come with a signed binding legal agreement and licence will be the first roofs to be served with NICE solar PV installations.

## Legal Agreement and License

NICE employed a solicitor and barrister in the development of the legal agreement and licence, and to ensure compatibility with Northern Ireland legislation. The agreement with roof owners has a maximum term of 20.5 years, to allow for an initial setup period followed by a 20 year period over which NICE earns NIROCs on the electricity generated by the installations.

The agreement clearly sets out the roles and responsibilities of both NICE and a roof owner, protecting the interests of both parties and embodying an underlying spirit of co-operation:

- The roof owner licenses NICE to share the roof and to permit the installation of solar panels.
- The roof owner benefits from reduced energy costs, becomes a member of the society, and as such has a say in the running of the Society.
- NICE benefits from the NIROCS income and from export and usage tariffs.
- NICE is responsible for monitoring, insurance, maintenance and repair of the solar installation over the term of the agreement.
- After the 20.5 year term expires, title to the PV solar array and equipment passes to the roof owner who can then expect to enjoy free electricity from the panels for many years.

A roof owner has the option to buy the installation from NICE. Where this option is exercised, the Society would consult members about how to use the proceeds, for example earlier repayment of shares, and/or re- investment into other sites.

## Financial Projections

The anticipated total cost for 114 kW of solar panels and associated installations is £140,000. The financial forecasts indicate that NICE needs to raise £150k of capital to complete these installations and to maintain sufficient working capital for the business.

The Society will be liable for all ongoing operating costs associated with the installation and will negotiate the sale of electricity and benefit from the ROCs and any other incentives.

Financial Projections prepared and approved by the Board are summarised here. The figures are based on contracts entered into and estimates received by the Society from a number of leading PV installers that have been independently validated using PV modelling software. The projected finance model includes the return of members' capital over a maximum period of up to 20 years subject to available funds.

Projections and assumptions such as these are inherently less reliable over longer time spans.

## Assumptions

The projections are based on the following main assumptions:

1. That annual energy production of the installations will be in line with the estimates made.
2. UK Government policy will remain broadly supportive of renewable energy. Specifically that the Renewables Obligation support arrangements in Northern Ireland will continue for the period, as set out in current legislation.
3. Operation and maintenance costs will be incurred from the start of operations.
4. That energy will continue to be used on site and that it will be possible to continue to sell electricity to the site or adjacent property at a rate similar to the exporting tariff.
5. A general costs inflation rate of 1.6% per annum and an insurance cost inflation rate of 1.6% per annum.
6. Revenue from the sale of ROCs and exported electricity over the life of the project will at least keep pace with Retail Price Inflation (RPI).
7. Annual panel performance degradation of 0.7% per annum.

## Notes on the Financial Projections

1. The financial projections are based on indicative sites.
2. The total cost of the Project is based on:

Item of expenditure	kW	kWh pa	Cost £
Installation on Mediation NI	4	3,364	5,000
Installation on Whitehead Community Association	20	16,000	24,741
Installation on Site 3	4	3,180	5,024
Installation on Site 4	12	9,500	14,000
Installation on Site 5	12	9,500	14,000
Installation on Site 6	10	7,917	12,400
Installation on Site 7	20	15,833	24,967
Installation on Site 8	12	9,500	14,000
Installation on Site 9	20	15,833	24,967
Maintenance Year 1			1,000
Monitoring of installations Year 1			270
Insurance Year 1			1,200
Administration Year 1			3,000
Minimum bank balance for liquidity and contingency			4,000
Contribution towards other working capital requirements			1,431
<b>TOTAL</b>			<b>£150,000</b>

3. Projections are based on a 20 year ROC period.
4. Some installation costs above are indicative only. Solar panel prices fluctuate so it is not possible to fix exact prices at this time. Tenders and/or competitive quotes will be used to determine who will carry out the installations.
5. The Society will be registered for VAT and therefore able to reclaim VAT on the installation costs. In general all costs and income are presented exclusive of VAT and the Society will be neutral to VAT.
6. Income is based on the combined value of the ROCs and electricity sales.
7. Equipment is depreciated in proportion with declining production capacity over a twenty year period using the 'units of production' depreciation method.
8. Capital is here modelled as being returned to members annually after year 3, subject to the maintenance of a contingency reserve within the Society.
9. Insurance costs are estimated at £1,200 for the 9 community buildings modelled in the projections.
10. Administration costs of the Society are set at £3,000 per year. The Society will produce annual accounts and as a small business will apply for the exemption from audit.
11. Profits are expected to be largely paid as interest to members or gifted to the Community Fund, and any surplus is expected to be covered by capital allowances. As such a liability for Corporation Tax in earlier years is not anticipated.
12. Normal monthly cash expenditure is expected to be small and will be amply covered by the generation and ROCs income. The projections anticipate that NICE will be cash positive each year from the commencement of operations.
13. The year columns in the forecasts below represent rolling 12 month periods which do not align to the financial reporting/accounting periods of the Society. For simplicity, year 1 in the projections is assumed to commence on or before 30th September 2015 once all installations are in place. As such, the profit forecast for year 1 in the projections is likely to be delivered straddling the first and second financial accounting periods of the Society, and the first accounting period will not therefore show a year of fully operational activity. This in turn is unlikely to enable payment of 4% interest to members in the very first accounting period, in contrast to subsequent accounting periods.
14. The bank balance includes the funds available for the contingencies and the Community Fund.

## Illustration of 20 year income and expenditure projections

This table is extracted from Financial Model spreadsheet, which is available on request.

Year		1	2	3	4	5	6 to 10	11 to 20	21 to 25	1 to 25
<b>Generation (kWh)</b>		90,627	89,993	89,359	88,724	88,090	430,933	814,287	-	1,692,012
<b>Tonnes of CO2 saved</b>		<b>48</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>46</b>	<b>226</b>	<b>428</b>	-	<b>888</b>
<b>Profit &amp; Loss</b>										
ROCS income		14,790	14,907	15,024	15,141	15,258	78,054	164,906	-	318,081
Export income		1,005	1,023	1,041	1,059	1,078	5,681	12,927	-	23,813
On site income		3,493	3,524	3,555	3,586	3,617	18,558	39,498	-	75,831
<b>Income</b>		<b>19,288</b>	<b>19,454</b>	<b>19,620</b>	<b>19,787</b>	<b>19,954</b>	<b>102,293</b>	<b>217,331</b>	-	<b>417,725</b>
<b>Expenditure</b>										
Depreciation		7,450	7,398	7,346	7,294	7,242	35,426	66,941	-	139,098
Maintenance & monitoring		1,270	1,290	1,311	1,332	1,353	7,098	16,003	-	29,658
Insurance		1,200	1,219	1,239	1,259	1,279	6,707	15,121	-	28,023
Administration		3,000	3,048	3,097	3,146	3,197	16,767	37,803	-	70,058
<b>Expenditure</b>		<b>12,920</b>	<b>12,956</b>	<b>12,992</b>	<b>13,031</b>	<b>13,070</b>	<b>65,998</b>	<b>135,870</b>	-	<b>266,837</b>
<b>Surplus</b>		<b>6,367</b>	<b>6,498</b>	<b>6,627</b>	<b>6,756</b>	<b>6,883</b>	<b>36,294</b>	<b>81,462</b>	-	<b>150,888</b>
<b>Cashflow</b>										
Opening balance bank /cont		10,902	3,930	11,709	19,565	4,969	5,342	7,669	74,889	0
Capital expenditure	-139,098									- 139,098
Income		19,288	19,454	19,620	19,787	19,954	102,293	217,331		417,725
Expenditure (minus depreciat	- 5,470	- 5,558	- 5,646	- 5,737	- 5,829	- 30,572	- 68,928			- 127,740
Interest to members	- 6,000	- 6,000	- 6,000	- 6,000	- 5,099	- 20,055	- 9,829			- 58,983
Debtors (increase) / decrease	-14,790	- 117	- 117	- 117	- 117	- 587	- 1,170	17,016		
Share capital receipt	150,000	-	-	-	-22,529	- 8,536	- 48,752	- 70,183		0
<b>Closing balance bank/</b>	<b>10,902</b>	<b>3,930</b>	<b>11,709</b>	<b>19,565</b>	<b>4,969</b>	<b>5,342</b>	<b>7,669</b>	<b>74,889</b>	<b>91,905</b>	<b>91,905</b>

## Risk Factors

### Investment Risks

All investment and commercial activities carry risk. Applicants should take appropriate advice and make their own risk assessment whilst bearing in mind the social and environmental aspects of the project. Attention is drawn to the risks, terms and conditions in this share offer document, and the following:

Your investment is fully at risk. If the business fails, you may lose some, or all, of the money you have invested. You have no right of complaint to the Financial Ombudsman or the Financial Services Compensation Scheme.

### Renewable energy risks

- Government policy towards renewable energy may change. However, throughout the operation of the Renewables Obligation the Government has maintained the commitment to the process of 'grandfathering' which ensures that whatever tariff a project is registered for at the commencement of operation will not be affected by future changes, i.e. the tariff will remain in place for the duration of the Renewables Obligation period, which is 20 years. Therefore, revenue from ROCs for the Society should not be affected by any changes to the Renewables Obligation made after commissioning of the installations.

- Any changes to the ROC that occur before the solar panels are commissioned could result in a change to projections, or in the worst case, non-viability of the project. However, the Government issued a statement on 18/12/2014 guaranteeing the ROCs rate starting at 4.0 per kw/h for 20 years on all PV installations of the size we are proposing, whose installation has been commissioned by 30/9/2015.

[www.detini.gov.uk/northern\\_ireland\\_renewables\\_obligation.PDF](http://www.detini.gov.uk/northern_ireland_renewables_obligation.PDF)

[www.detini.gov.uk/small\\_scale\\_banding\\_review\\_consultation\\_-\\_government\\_response\\_2.pdf](http://www.detini.gov.uk/small_scale_banding_review_consultation_-_government_response_2.pdf)

- New technology inventions and developments may render existing technologies and equipment obsolete. However, PV solar is a stable technology and so technological advances of high magnitude within the life of the project are considered unlikely.
- Long-term changes to weather patterns could result in lower levels of production. However, there is no evidence that the Society is aware of that this will affect energy production at our sites disproportionately more than anywhere else.
- Abnormally heavy cloud cover could affect expected levels of generation, although overall patterns outside anticipated parameters are unlikely.
- Operational costs may rise faster than anticipated during the life of the Project.

## Risks specific to this PV project

- If any delay means that one or more of the sites is not likely to meet the ROCs reduction deadline of 30/9/15, these sites will only receive a reduced number of ROCs (from 4 to 3). NICE will manage this risk by operating a policy of first come, first served for community buildings that sign a contract with NICE - and reviewing progress in light of returns to members from the whole portfolio.
- Warranties and insurance are in place in the event of breakdown of the equipment and cover loss of income for limited periods of business

- interruption. Accidental and malicious damage are also covered under insurance and public liability insurance is provided. However there may be equipment fitting charges associated with replacing failed equipment which may not be covered by insurances and warranties, and this would increase maintenance costs and this impact on the Society's profits.
- In the event that a roof owner needs to undertake essential works on site during the project term, NICE will be responsible for all costs associated with the removal and subsequent reinstallation of the solar arrays and associated equipment on two occasions during the term of the legal agreement and licence. The roof owner will however be obliged to limit the period and timing of such outages so as to minimise the loss of revenue to NICE. As the likelihood of such repair events occurring cannot be anticipated, and as the MCS-certified installers are first obliged to assess the condition of the roof and to be satisfied that the roof is in reasonable condition prior to any solar PV installation, the forecasts make no provision for such costs arising.
- The Society relies on participating roof owners adhering to the terms and conditions of the legal agreement and licence. There is a risk that a roof owner may default on the agreement at which point the Society would be expected to seek compensation or remediation for any non-performance or breach. In the unlikely event that a defaulting party is insolvent or similar, there is a risk of the Society suffering losses as a result.
- MCS certified installers are obliged to assess the condition of the roof and to be satisfied that the roof is in reasonable condition and suitable for the installation of solar PV.
- For any reason a legal agreement and license are not agreed between a roof owner and NICE in time for the project to proceed, the directors of the Society reserve the right to find another suitable building and to use its funds to install an array on that roof, on the same basis as the basis proposed here, so long as this does not adversely affect the expected returns of the project. If this is not possible, any unused funds will be returned to members and further installations will not proceed.

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# Share Offer Terms and Conditions

## Eligibility

The Offer is open to anyone over 16 years of age, or any organisation, that supports the objects of the Society to provide community-owned low carbon energy services across the communities of Northern Ireland.

## Application procedure

- Shares shall be applied for using the Application Form attached.
- By delivering an Application Form an Applicant offers 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.
- An Applicant who receives Shares agrees to automatic membership of NICE and to be bound by its Rules.
- Once an application has been submitted and approved it cannot be withdrawn.
- Multiple subscriptions will be admitted providing that they do not result in a member holding more than the maximum amount of shares (£20,000).

## Procedures on receipt of applications

- Cheques will be presented on receipt and may be rejected if they do not clear on first presentation.
- Applications may be rejected in whole, or in part, or be scaled down, and monies shall be securely returned to the applicant, no later than two months after application, without interest.
- Applications on incomplete or inaccurate Application Forms may be accepted as if complete and accurate.
- Results of the Offer will be published on the website of NICE, and all applicants will be informed.

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# Application Form for the Purchase of Shares in NICE

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**PLEASE USE CAPITALS AND BLACK INK**

I wish/my organisation wishes to subscribe for shares to the value of £   ,    .00 in NICE on the Terms and Conditions of the Offer Document at the price of £1 per share. For this offer, the minimum shareholding is £250 and the maximum £20,000.

Forenames:	Surname:
Address:	
Postcode:	Day-time telephone:
Year of Birth:	Email:
Please tick if you intend to claim SEIS tax relief <input type="checkbox"/>	
How did you first hear about this community share offer?	

**If the Applicant is an organisation please also provide:**

Organisation's full name: \_\_\_\_\_ Legal form of organisation: \_\_\_\_\_  
Registration number: \_\_\_\_\_ Position of authorised signatory: \_\_\_\_\_

## Declaration

I confirm that:

- I support the objects of the Society to provide community-owned low carbon energy services across the communities of Northern Ireland.
- I am over 16.
- I have read the Share Offer Document (including the Risk Factors) and the Rules of the Society.
- The Applicant is not relying on any information or representation in relation to the Offer Shares or the Society that is not included in the Offer Document.
- I have considered whether I need to take financial advice or other advice
- The Society is hereby authorised to make such enquiries as are deemed necessary to confirm the eligibility of this Application.
- The Applicant shall provide all additional information and documentation requested by NICE, including in connection with money laundering, taxation or other regulations.
- If and when accepted by NICE, this application forms a contract in law on the Terms and Conditions of the Offer Document.
- If signing this Application on behalf of any organisation, I am doing so with explicit authority.

<b>Signature:</b>	<b>Date:</b>	
<b>Payment</b> I wish to pay by bank transfer <input type="checkbox"/> or cheque <input type="checkbox"/>		
<b>Bank transfer</b> should be made to Northern Ireland Community Energy Ltd, Unity Trust Bank sort code 086001, account number 20345499. Please use the applicant's name as the reference.		
<b>Cheques</b> should be made payable to: Northern Ireland Community Energy Ltd and crossed 'a/c payee only'.		
Send your completed Application Form and any cheque payment to: NICE, Unit 40a, North City Business Centre, 2 Duncairn Gardens, Belfast BT15 2GG. <b>THANK YOU!</b>		
If you would like payments from the Society paid by bank transfer, not cheque, please give your bank details:		
Name on account:	Sort code:	Account number:



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# Glossary

**Applicant** An applicant for Shares through submission of an Application Form.

**Application Form** The form in this Offer Document which must be completed to be returned in accordance with the Terms and Conditions of this Offer.

**Application Monies** The total gross sum realised by this Offer.

**Board** The Society's Board of Directors

**Climate Change** The phrase widely used to describe changing weather patterns as a direct result of global warming.

**CO2** Carbon dioxide, a natural gas emitted during the burning of fossil fuels and regarded as the main cause of global warming.

**Community Fund** A fund established by the Society which is to be distributed by a Charitable Trust as an annual grants scheme available to local organisations.

**DETI** Department of Enterprise, - Trade and Investment for Northern Ireland

**Renewable Obligations Certificates (ROCs)** Certificates issued for electricity generated from sources of eligible renewable energy as part of the Northern Ireland Renewables Obligation introduced in April 2005 under the Energy (Northern Ireland) Order 2003 as amended by the Energy (Amendment) Order (Northern Ireland) 2009. ROCs are broadly similar in their effect to the Feed in Tariff (FITs) in Great Britain.

**ROCs** see Renewable Obligation Certificates above.

**Installation** Solar PV panels installed on sites.

**kW (kilowatt)** A unit that measures power production potential and is equal to 1 thousand watts.

**kWh (kilowatt hour)** A unit that measures energy and is equal to the energy that can provide the power of 1 kW for the period of one hour.

**MCS** Microgeneration Certification Scheme is a mark of quality and demonstrates compliance to industry standards. [www.microgenerationcertification.org](http://www.microgenerationcertification.org)

**MW-h (megawatt hour)** A unit that measures energy and is equal to the energy that can provide the power of 1,000kW for the period of one hour.

**NICE** or **the Society** Northern Ireland Community Energy (NICE) Limited. A Community Benefit Society registered with Department for Trade and Enterprise Northern Ireland under the Industrial and Provident Societies Act

(Northern Ireland) 1969. Registration number IP000413

**NIROCs** see Renewable Obligation Certificates above.

**Offer** The Offer of Shares in the Society contained in this Offer Document and website.

**Offer Document** This offer document and information on [www.nicomunityenergy.org](http://www.nicomunityenergy.org).

**Offer Costs** The expenses incurred by or on behalf of the Society in issuing this Offer Document.

**Offer Period** The period during which the Offer will remain open, including any extension.

**Withdrawable Shares** New shares of £1 in the Society, offered at par on the Terms and Conditions and payable in full on application.

**Project** The proposed ownership and operation of solar installations in Northern Ireland.

**Projections** The financial projections set out in this document.

**Rules** The Rules of the Society, available on NICE website.

**Site/s** the location/s of the proposed solar PV installations.

**Terms and Conditions** The terms and conditions of the Offer contained in and constituted by this Offer Document.

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Northern Ireland Community Energy (NICE) Ltd

Registered address: Unit 40a, North City Business Centre, 2 Duncairn Gardens, Belfast BT15 2GG

**Telephone** 028 9073 6075 **Email** [shares@nicommunityenergy.org](mailto:shares@nicommunityenergy.org) **Website** [www.nicommunityenergy.org](http://www.nicommunityenergy.org)