

# **BRITISH WIND ENERGY ASSOCIATION**

## **Central Aviation Fund**

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22 October 2008



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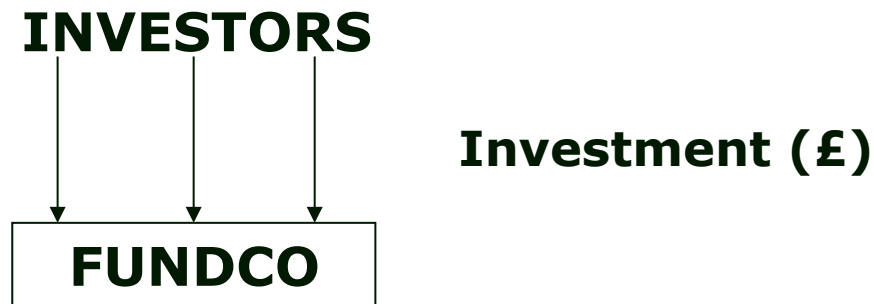
# INTRODUCTION

- Corporate Structure
- Investment Agreement & Articles of Association
- Contracting Structure
- Next Steps

# **CORPORATE STRUCTURE**

## **- Investment and Shareholdings**

- Collective Investment Scheme exemption
- Private company limited by shares ("FundCo")
- Investment by share subscription



- One class of shares – equality of shareholder treatment
- Period for investment and further subscriptions

# **CORPORATE STRUCTURE**

## **- Operation**

- Business Case & Aviation Action Plan - direction of FundCo investment decisions
- Additional activities/investments by Fundco
- Management functions - fees
- Fund Management Board ("FMB")

# CORPORATE STRUCTURE - FMB

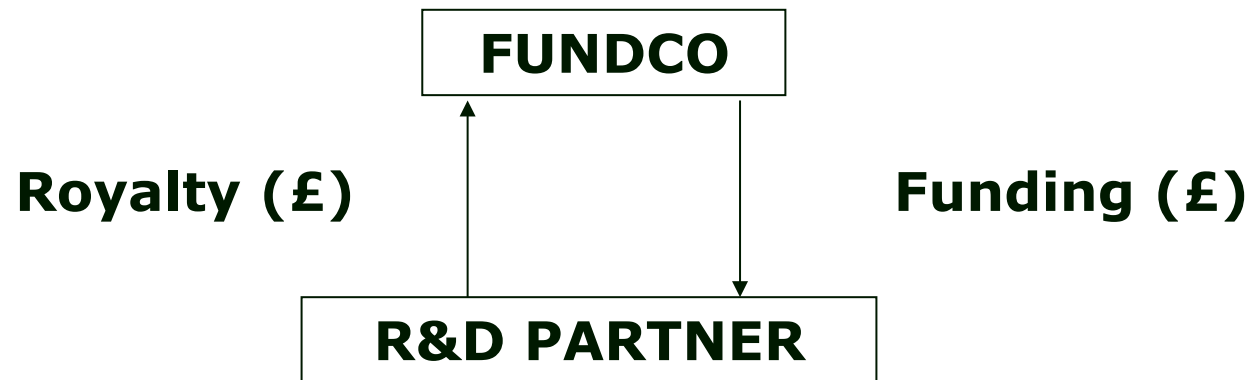
- Responsibilities of FMB
- Board membership - executive and non-executive
- Board elections - process and frequency
- Chairman
- Frequency of board meetings
- Restrictions on FMB - matters to be referred to AMB

# **INVESTMENT AGREEMENT & ARTICLES OF ASSOCIATION**

- Purpose and what is governed
- Pre-emption rights
- Transfer of shares
- General meetings – AGMs
- Dividend policy
- Deadlock
- Investor consent – matters to be referred to Investors
- New Investors – allotment of shares and adherence

# CONTRACTING STRUCTURE - Current Proposals

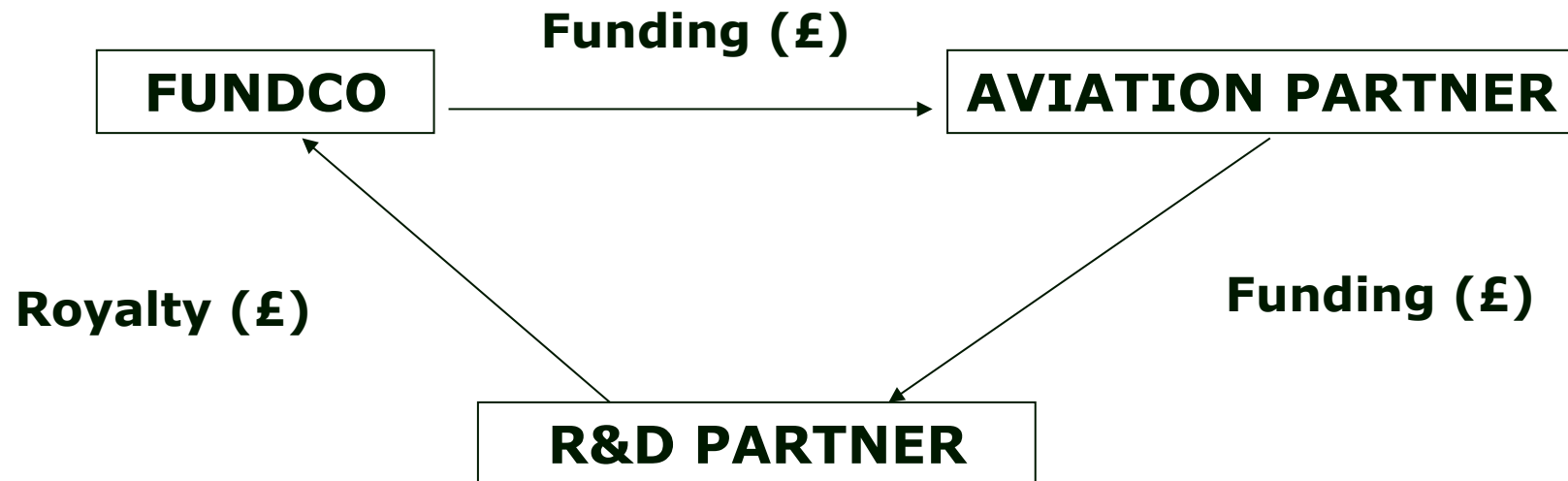
- Example 1:



# CONTRACTING STRUCTURE

## - Current Proposals contd...

- Example 2:



# **CONTRACTING STRUCTURE**

## **- Current Proposals contd...**

- Amounts of funding available - fixed or variable
- Tranche funding
- Milestones
- Clawback
- Royalty principle
- Application of any royalty received - dividend or re-investment

# NEXT STEPS

- Working party – membership
- Timescales - incorporation & subscriptions
- Questions?



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