

**Agreement between Shetland Community Benefit Fund Ltd
and
Shetland Aerogenerators Ltd.**

Shetland Aerogenerators Ltd (SA) and Shetland Community Benefit Fund Ltd (SCBF) hereby agree to establish the Shetland Aerogenerators Community Benefit Fund (SACBF). The fund will commence on 1st May 2021 and end on 30th April 2031 and will be managed by SCBF.

SA agrees to pay SCBF the sum of £10,000 per annum for the lifetime of this agreement, starting on 1st May 2020 and annually thereafter, index linked to the annual CPI index. In addition SA will pay SCBF 2% of the fund's total each year for administration costs.

The SACBF will be used in the first two years only to support the promotion of public health, active travel and road safety in Shetland. In subsequent years the fund will support projects relating to the promotion in Shetland schools of Science, Technology, Engineering and Maths (STEM) with up to 20% of the annual fund towards scholarships to benefit pupils advancing towards a STEM career.

Annually, from year three onwards, SCBF will invite applications from schools in Shetland that meet the above criteria, including nominations for scholarships. Applications to be submitted by 31st January each year. SCBF and SA must jointly agree the applications to be supported and applicants notified by 31st March each year.

The fund cannot be used to support

- Projects that involve or include the advancement of religious or political objectives
- Activities contrary to the interests of Shetland Aerogenerators or renewable energy.
- Retrospective grant funding (i.e. paying for costs incurred before a decision on an application to award a Grant is made) or the repayment of debt
- Individuals for their direct gain, other than to support STEM skills development.

Any awards will be made public. SCBF will monitor the progress and eventual outcome of all successful applications. SCBF will account for the SACBF separately from any other community benefit funds it manages and report annually to the directors of SA at the end of each SACBF year. (1st May to 30th April) SCBF will receive an administration fee of 2% of the annual SACBF plus any auditing costs of the annual accounts. Details of the SACBF will be included in the accounts and any statutory returns SCBF is obliged to make.

With the agreement of SA and SCBF the annual SACBF payment may either be deferred to a future year, to allow a larger project to be supported, or there can be early annual payments drawn down from future years.

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In any dispute regarding this agreement both side will use their best endeavours to resolve the matter in a reasonable manner that is fair to both parties..

Either party may end this agreement by giving six months notice in writing. If notice to end this agreement is given by either party any awards already approved will be honoured, as will the SCBF's fee for administering the SACBF and any balance remaining will be returned to SA at the end of the notice period. Any auditing costs when this agreement ends will be shared equally between the two parties.

signed

Signature Chris Bunyan

Name CHRIS BUNYAN, CHAIR SCBF

Date 19/5/21

For Shetland Community Benefit Fund Ltd

Signature David Thomson

Name DAVID THOMSON, CHIEF EXECUTIVE

Date 20/5/21

for Shetland Aerogenerators Limited