

MINUTE OF AGREEMENT

between

[COMMUNITY COUNCIL, or other community body] ("the Community Body")

and

[WINDFARM (or HYDRO SCHEME) OPERATOR] ("the Operator")

CONSIDERING that the Operator is to own and operate a [windfarm] [hydro-electric scheme] at

which lies within the geographical boundaries of the Community Body's area,

And considering that the [windfarm] [scheme] will impact upon the communities within the Community Body's area [and will also impact upon other communities situated within the geographical boundaries of and [Community Council] areas] ("the Communities"),

And considering that the Operator has agreed to establish a Community Fund ("the fund") and to contribute to the fund during the life of the [windfarm] [scheme], the fund to be applied for the benefit of the residents of the communities, all as set out in this Agreement,

Now it is agreed as follows:-

1. The Operator shall provide a community fund for the benefit of the Communities, such fund to amount to, or to be of a value equivalent to, the sum of £ per annum for each megawatt of electricity for which the Operator receives approval to generate by means of the [windfarm], [scheme], such sum to be increased (but not decreased) in line with the Retail Price Index, and to be paid or otherwise made available as follows:-

- 1.1 the Company shall pay to the [Community Body] a first annual payment of £ on the date electricity is first generated [on the windfarm site] [by the scheme]

and subsequent payments shall be made each year thereafter on the anniversary of the said date of first generation during the whole period that electricity is being generated and until electricity ceases to be generated by the [windfarm] [scheme].

- 1.2 Payment shall be made within fourteen days of each due date, failing which interest shall be paid in addition, at the rate of 4% per annum above the Royal Bank of Scotland base rate or rates in force during the period of non-payment; and/or
 - 1.3 The Operator shall pay for or shall provide facilities, works or other improvements over and above any which may be required by any Scottish Executive Licence granted under the Electricity Act 1989 or which are not otherwise required by any planning permission or agreement with the Planning Authority; and/or
 - 1.4 The Operator will grant an equity stakeholding in the [windfarm] [scheme] *[details will require to be negotiated to suit the individual circumstances of each case]*
2. Notwithstanding that the Communities are to be the primary beneficiaries of the fund, other communities lying further afield may, on cause shown and with the agreement of the Community Body and the Operator, benefit from the community fund.
 3. The Community Body agrees to use the fund for charitable, educational, environmental, amenity or other appropriate purposes within the areas of the Communities. For avoidance of doubt, the fund shall not be used for political, religious, entertainment or hospitality purposes, or for any purpose adverse to the Operator's interest in the [windfarm] [scheme].
 4. Any dispute between the Operator and the communities regarding whether or not expenditure or other benefits fall outwith the agreed purposes shall be settled by a single arbiter mutually appointed or, failing agreement, appointed by a Sheriff within the Sheriffdom of Grampian, Highland and Islands. For the avoidance of doubt, where the arbiter rules that expenditure or other benefits are outwith the agreed

purposes, an equivalent sum shall be deducted by the Operator from a subsequent annual payment, or from subsequent annual payments, to the fund.

5. The Operator's payments of money to the fund shall be paid to the Community Body. The Community Body will be responsible for investing the fund, will maintain records of income and expenditure and will make such records available for inspection by the Operator at least annually.
6. If the [windfarm] [scheme] ceases to operate permanently, then this Agreement shall be at an end.
7. In the event of the ownership or control of the [windfarm] [scheme] passing from the Operator to any other party whilst there is a subsisting obligation on the Operator which has not been implemented in full in terms of this Agreement, the Operator in any agreement transferring ownership or control of the [windfarm], [scheme] shall ensure that its successor enters into a similar agreement to this present agreement, with the Community Body or its successor.
8. In security of the foregoing obligations, the Operator shall grant a Standard Security over the Operator's heritable right in the [windfarm] [scheme] in favour of the Community Body.
9. This Agreement shall be governed by and construed in accordance with Scots Law and the parties submit to the exclusive jurisdiction of the Scottish Courts.
10. The parties consent to the registration hereof for preservation and execution IN WITNESS WHEREOF