

**Minutes of Morvern Community Development Company
EGM, Thursday, 9th January 2020, Lochaline Village Hall, 7.30pm.**

MCDC/MCTC Directors: Nick Tordoff, Sarah Jones, Angus Robertson, Jennie Robertson, Amy Stammers, Mark Lawrence, Lilia Dobrokhodova (Development Officer).

Members of the public: Peter Llewellyn, Gillian Llewellyn, Sue Layton, Stuart Layton, Rob Capell.

Apologies: Lesley Jones, Jane Stuart - Smith.

Proxies: 12 received in favour of the resolution.

Nick explained the purpose for the EGM and what need to be done.

We are currently in the process of raising the money to pay for the construction of the Barr River Hydro Scheme. In order to borrow the money, we need to give the Bank, security for the loan. This is a similar process to the bank or building society using your house as security when you take out a mortgage.

The security that we will be giving to Triodos is a Share Pledge of the shares of MorVolts. What this means is that, in a similar way to a bank repossessing a house if you don't pay the mortgage, the bank can take possession of MorVolts. This happens by transferring the shares from MCDC to Triodos in security. Again, this has similarities to a mortgage when you transfer the deeds of your house to the bank as security. This does not mean that the Bank will run MorVolts any more than having a mortgage means the bank gets a key to the house and control over the central heating. MCDC would retain control of operations of MorVolts and will get the benefit of ownership. The bank can stop us doing things like issuing more shares or selling the company or selling the hydro scheme without their permission.

Both our lawyer and the banks lawyers have advised us that in order to create the Share Pledge we need to pass a resolution of MCDC members. This will give the Directors the ability to sign the pledge at the point everything is agreed with the banks. We therefore need to approve the resolution.

Nick opened the floor to any questions members of the public had.

Nick then proposed Sue Layton seconded approval of the resolution. All present voted in favour. All 12 proxies received were also in favour of passing the resolution.