

KILBRAUR WIND ENERGY CO-OPERATIVE LIMITED

BOARD EXPENDITURE POLICY 2015

Introduction

The Board of Directors is responsible for a number of areas of expenditure related to its activities and decisions. This document sets out the basis on which the Board will incur expenditure during the 2015 financial year, and the 2015 budget relating to each area of expenditure. This Policy Statement shall be reviewed annually.

Directors' Fees

Each Director shall be entitled to receive an annual fee of £500 in respect of the 2015 financial year. Fees shall be claimed in accordance with the payment arrangements provided by Energy4All Ltd, and will normally be paid at the end of the financial year. The above fee is payable to Directors who have been in office for the whole of the financial year. Directors serving for a part of the financial year shall be entitled to receive a payment pro rata to their time in office. Directors leaving the Board during the financial year shall be entitled to receive payment upon leaving office. A further sum of £500 is available for payment to Directors who assume additional responsibilities during the year. The distribution of this sum will be decided at the meeting of the Board in September 2015.

The Board shall review the Directors' fees at the last meeting of each financial year in order to determine the level of fees to apply during the following year. Any decision to change the level of fees will be subject to the approval of the Members of the Co-operative at the Annual General Meeting in the year in which the revised fees are to become effective.

Directors' fees have remained at £500 per annum since the formation of the Co-operative in 2008 and no increase in the basic fee is proposed for 2015. Although it has a maximum number of seven Directors, the Board is of the view that the optimum number of Directors is six. However, the Board has often operated with fewer than six Directors, placing an increased workload on each of the reduced number of Directors. The Board intends to put a motion to the 2015 Annual General Meeting asking the Members of the Co-operative to authorise the Board to distribute the fees that would have been paid to any missing Directors, below the number of six, among the existing Directors to reflect their increased workload.

2015 Budget: £3,500

Directors' Expenses

Directors shall be entitled to claim expenses in respect of the following duties:-

- attendance at Board, Annual General and other General Meetings of the Co-operative;
- attendance at the Annual General Meeting of Energy4All Ltd as approved by the Board;

- attendance at the premises of the Co-operative's partner organisations as approved by the Board;
- undertaking any other activity approved by the Board.

Expenses will normally be limited to travelling expenses (in the form of car mileage at a rate of 45 pence per mile or the cost of standard class public transport), and costs of telephone calls, postage, stationery and other consumable items. Where a Director is required to be away from his or her home or normal place of work for a period in excess of eight hours, reimbursement for refreshments may be claimed up to a maximum of £10 per day. Claims for reimbursement of the cost of public transport or refreshments shall be supported by appropriate receipts. Claims for attendance at Board, Annual General and other General Meetings of the Co-operative will be limited to a maximum of £30 per meeting. Claims must be made in accordance with the arrangements provided by Energy4All Ltd.

2015 Budget: £500

Board Meetings

Meetings of the Board will be held four times per annum with an additional meeting preceding the Annual General Meeting. Meetings will take place at the Royal Marine Hotel, Brora or such other venue in Sutherland as may be decided by the Board. Expenditure will be incurred in respect of room bookings and light refreshments.

2015 Budget: £350

Extraordinary General Meetings

The Board will arrange an Extraordinary General Meeting when it deems that it is necessary to present items for decision by the Members of the Co-operative as a matter of urgency. Meetings will take place at the Royal Marine Hotel, Brora or such other venue in Sutherland as may be decided by the Board. Expenditure will be incurred in respect of room bookings and light refreshments.

2015 Budget: £0

Other Board Expenditure

From time to time the Board may decide that it is appropriate to undertake specific projects that it considers to be to the benefit of the Co-operative and the local community. Any decision to incur expenditure on such projects will be subject to the approval of Members of the Co-operative at an Annual or Extraordinary General Meeting. Additionally, the Board will incur expenditure associated with printing documents for circulation to Members of the Co-operative and updating the Co-operative's website.

2015 Budget: £150

2015 Total Budget: £4,500

1 January 2015