



# MPC Caribbean Clean Energy Limited Prospectus

# **PROSPECTUS**

Dated: November 20<sup>th</sup>, 2018

A copy of this Prospectus was delivered to the Jamaican Registrar of Companies for registration pursuant to Section XI of the Jamaica Companies Act and was so registered on November 21<sup>st</sup>, 2018. **The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus.**

A copy of this Prospectus was also delivered to the Jamaican Financial Services Commission (the “FSC”) for registration pursuant to Section 26 of the Jamaica Securities Act and was so registered on November 23<sup>rd</sup>, 2018. **The FSC has not approved the Shares for which subscription is invited nor has the Commission passed upon the accuracy or adequacy of this Prospectus.**

A copy of this Prospectus was also filed with the Trinidad and Tobago Securities and Exchange Commission (the “TTSEC”) pursuant to section 73 of the Trinidad Securities Act and a receipt for same was issued on November 13<sup>th</sup>, 2018. **The TTSEC has not in any way evaluated the merits of the Shares offered herein and any representation to the contrary is an offence.**

## **MPC CARIBBEAN CLEAN ENERGY LIMITED**

an international business company duly incorporated under the Laws of Barbados having its registered address at Suite 1, Ground Floor, The Financial Services Centre, Bishop’s Court Hill, St. Michael, Barbados, BB14004 – [www.mpc-cleanenergy.com](http://www.mpc-cleanenergy.com) – e-mail: [info@mpc-cleanenergy.com](mailto:info@mpc-cleanenergy.com)

### **Invitation for Subscription**

**Up to 50,000,000 Class B participating and voting shares without par value (the ‘Shares’) at the Subscription Price of J\$130.00 (being the equivalent of US\$1.00) per Share in Jamaica and US\$1.00 per Share in Trinidad and Tobago (the ‘Subscription Price’)**

**Payable in Full on Application**

**Please note that the Jamaica Central Securities Depository charges an application fee of approximately J\$140.00 plus General Consumption Tax in respect of each application for Shares**

**MPC CARIBBEAN CLEAN ENERGY LIMITED** (herein called the “Company”) has made an initial public offering of **50,000,000** Shares at the Subscription Price. No Shares will be distributed under this Prospectus later than one (1) year and twenty (20) days after the date of issue of the receipt for this Prospectus by the TTSEC.

An Application Form for use by applicants of the Shares is provided at the end of this Prospectus (Appendix 1), together with notes on how to complete it. The Offering will open at 9:00 a.m. on December 3<sup>rd</sup>, 2018. Applications submitted prior to the Opening Date will be received, but not processed until the Opening Date. The Offering will close at 4:30 p.m. on the Closing Date, December 14<sup>th</sup>, 2018, subject to the right of the Company to extend the Closing Date for any reason, subject to the provisions of section 48 of the Jamaica Companies Act.

The distribution of the Shares to the public in Trinidad and Tobago will be made subject to the obtaining of the relevant approvals from the TTSEC.

It is the intention of the Company to have the Shares cross-listed on the Jamaica Stock Exchange (the “JSE”) and the Trinidad and Tobago Stock Exchange (the “TTSE”). To this end, the Company has applied for admission of the Shares to the Main Market of the JSE, the US Dollar equity market of the JSE and the US Dollar equity market of the TTSE. The listing applications are dependent upon the Company’s ability to: (i) raise at least US\$5,000,000.00 in Trinidad and Tobago and at least US\$5,000,000.00 (or the Jamaican equivalent thereof) in Jamaica as a result of the Invitation; and (ii) meet the criteria for admission in the respective jurisdictions. Please note that this statement of the Company’s intention is not a guarantee that the Shares will in fact be admitted to trading on the JSE Main Market, the US Dollar equity market of the JSE or the US Dollar equity market of the TTSE. If, however, the Invitation is not fully subscribed, and the Company does not raise the level of subscriptions set out above as a result of the Invitation, the Company will not make an application for the Shares to be admitted to the JSE Main Market, the US Dollar equity market of the JSE or to the US Dollar equity market of the TTSE and all Applications will be returned to the persons making them, along with any payments made pursuant thereto.

No underwriter has been involved in the distribution or performed any review of the contents of this Prospectus. Details of the advisers involved in the Offering are set out in Section 3 herein. Such advisers include BDO (as Auditors), JN Fund Managers Limited (as the Lead Broker in Jamaica), First Citizens Brokerage and Advisory Services Limited (as the Lead Broker in Trinidad and Tobago), MH & CO (as Jamaica Counsel) and M. Hamel-Smith & Co. (as Trinidad and Tobago Counsel).

**Defined terms when used in this Prospectus have the meanings ascribed to them in Section 4 herein.**

#### **SHARE CAPITAL**

Authorised Share Capital	Unlimited
Maximum to be issued fully paid assuming that	50,000,000
the total consideration received in response to	
the Offering is	<b>US\$50,000,000.00</b>

Details of the issued share capital of the Company prior to and after the Invitation, assuming that it is fully subscribed, are set out in Section 8 of this Prospectus.

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**1.1 Responsibility for the Contents of this Prospectus**

This Prospectus has been reviewed and approved by the Board of Directors of the Company. The Directors of the Company listed in Section 9 of this Prospectus are the persons responsible (both individually and collectively) for the accuracy of information contained herein. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and no information has been omitted which is likely to materially affect the import of information contained herein.

Neither the FSC, the TTSEC nor any government agency or regulatory authority in Jamaica or Trinidad and Tobago has made any determination on the accuracy or adequacy of the matters contained in this Prospectus.

**1.2 Contents of this Prospectus**

**This Prospectus contains important information for Eligible Investors in the Company. All prospective investors should read this Prospectus carefully in its entirety before submitting an Application Form.**

This Prospectus also contains summaries of certain documents which the Board of Directors of the Company believe are accurate. Eligible Investors may wish to inspect the actual documents that are summarized herein, copies of which will be available for inspection as described in Section 22. Any summaries of such documents appearing in this Prospectus are qualified in their entirety by reference to the complete document.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.

**1.3 The Invitation is made only to Eligible Investors**

This Prospectus (the “**Prospectus**”) is intended for use in Jamaica and Trinidad and Tobago only and is not to be construed as making an invitation to persons outside of Jamaica or Trinidad and Tobago to subscribe for any Shares. The distribution or publication of this Prospectus and the making of the invitation in certain jurisdictions outside of Jamaica and Trinidad and Tobago is prohibited by law.

**1.4 Application to Subscribe for Shares**

This Prospectus is not a recommendation by the Company that Eligible Investors should submit Application Forms to subscribe for Shares in the Company. Eligible Investors in the Company are expected to make their own assessment of the Company, and the merits and risks of subscribing for Shares. Eligible Investors are also expected to seek appropriate advice on the financial and legal implications of subscribing for Shares, including but not limited to any tax implications.

Each Applicant who submits an Application Form acknowledges and agrees that:

- (i) He/she has been afforded a meaningful opportunity to review this Prospectus (including the terms and conditions in section 7.5), and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;



- (ii) He/she has not relied on the Company or any other persons in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
- (iii) no person connected with the Company has made any representation concerning the Company or this Prospectus which is not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.

## Section 2

## Summary of Key Information on the Invitation

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<b>Issuer:</b>	MPC Caribbean Clean Energy Limited
<b>Securities:</b>	Up to 50,000,000 Shares
<b>Subscription Price:</b>	The Subscription Price per Share is as follows: <ul style="list-style-type: none"><li>- From Eligible Investors subscribing in Jamaica, J\$130.00 per Share, based on a reference rate of US\$1.00 to J\$130.00; and</li><li>- From Eligible Investors subscribing in Trinidad and Tobago, US\$1.00 per Share.</li></ul>
<b>Application Form:</b>	See Appendix 1 of this Prospectus
<b>Terms and Conditions:</b>	See Section 7.5 of this Prospectus
<b>Acceptable Payment Method:</b>	<p>In Jamaica:</p> <ol style="list-style-type: none"><li>(1) Manager's Cheque payable to "<b>JN Fund Managers Limited</b>";</li><li>(2) cleared funds held in a JN Fund Managers account; or</li><li>(3) Transfer or direct deposit to JN Fund Managers (details set out in the Application form attached herein). Absolutely no cash payments will be accepted.</li></ol> <p>In Trinidad and Tobago:</p> <ol style="list-style-type: none"><li>(1) Manager's Cheque payable to "FCBAS – MPC IPO" or</li><li>(2) Transfer or direct deposit to First Citizens Brokerage and Advisory Services Limited.</li></ol> <p>Absolutely no cash payments will be accepted.</p>
<b>Timetable of Key Dates:</b>	<p><b>Registration of Prospectus at the Companies Office:</b> November 21<sup>st</sup>, 2018</p> <p><b>Registration of Prospectus at the FSC:</b> November 23<sup>rd</sup>, 2018</p> <p><b>Registration of Prospectus at the TTSEC:</b> November 13<sup>th</sup>, 2018</p> <p><b>Publication of Prospectus:</b> November 26<sup>th</sup>, 2018</p> <p><b>Opening Date:</b> 9:00 A.M. December 3<sup>rd</sup>, 2018</p> <p><b>Closing Date:</b> 4:30 P.M. December 14<sup>th</sup>, 2018 See ** below</p>

### **Applications by Eligible Investors:**

All application forms must be submitted to an Authorised Broker, along with the requisite payment, in immediately available funds, at any of the locations set out in Section 7.5.

The Company has allocated 40,000,000 Shares of the 50,000,000 of Shares offered in this IPO as “Institutional Shares” which initially may only be allocated to Institutional Share Applicants. All other Shares shall be allocated to any Eligible Investor. The Subscription Price for such Institutional Shares is the same as the Subscription Price for all Shares offered in this IPO. Institutional Share Applicants will only be allocated Institutional Shares unless the non-Institutional Share category is undersubscribed. In such circumstances, the Company intends to firstly satisfy all applications received from non-Institutional Share Applicants and, thereafter, apply any remaining Shares in that category to satisfy any outstanding applications received from Institutional Share Applicants in accordance with the allocation methodology described below.

Conversely, if there are unallocated Institutional Shares as at the Closing Date, such Shares shall be applied in satisfaction of any unfulfilled applications received from Applicants and shall be allocated in accordance with the methodology described above.

If the Institutional Share category is oversubscribed, the Institutional Shares shall be allocated among the Institutional Share Applicants on a *pro rata* basis based on the total number of Shares applied for by Institutional Share Applicants in response to the Invitation; the number of Institutional Shares applied for by the respective Applicant; and the total number of Institutional Shares available to allocate. If the Invitation has not been oversubscribed, Shares may be allocated to any Institutional Share Applicant whose application remains unfulfilled.

In circumstances where the Invitation is oversubscribed in both categories, all Applicants will receive a prorated number of shares based on the total number of Shares applied for by Applicants in the respective category; the number of shares in the respective category applied for by the respective Applicant; and the total number of Shares available to be allocated to that category.

## **Company's Discretions as to Acceptance of Applications and Allotment of Shares.**

The Company may:

(a) accept or reject any Application in whole or part without giving reasons, and neither the Company nor its Directors or agents shall be required to provide reasons for decisions or be liable to any Applicant or any other person for doing so; and

(b) treat multiple Applications by any person (whether in individual or joint names where the primary account holder is the same in each Application) as a single Application.

### **Confirmation of Share Allotments:**

All Applicants may refer to the confirmation instructions that will be posted on the website of the JSE ([www.jamstockex.com](http://www.jamstockex.com)), the website of the TTSE ([www.stockex.co.tt](http://www.stockex.co.tt)) and the Company's website ([www.mpc-cleanenergy.com](http://www.mpc-cleanenergy.com)) after the Closing Date (or the extended Closing Date, as the case may be)

### **Returned Applications / Refunds**

Returned Applications are available for collection where originally submitted (that is, the office of an Authorised Broker) within ten (10) days of the Closing Date (or the extended Closing Date, as the case may be). Refunds are sent via transfer to the bank account stated on the Application Form.

### **Final Allotment and Admission of Shares to the JSE Main Market and the TTSE**

Within three (3) to four (4) weeks of the Closing Date. \*\*

\*The Offering will close at 4:30 p.m. on the Closing Date: December 14<sup>th</sup>, 2018 subject to the right of the Company to extend the Closing Date for any reason, subject to the provisions of section 48 of the Jamaica Companies Act. In either case, notice will be posted on the website of the JSE ([www.jamstockex.com](http://www.jamstockex.com)), the Trinidad and Tobago Stock Exchange ([www.stockex.co.tt](http://www.stockex.co.tt)) and the Company's website ([www.mpc-cleanenergy.com](http://www.mpc-cleanenergy.com)).

\*\*It is the intention of the Company to apply to the Boards of the JSE and TTSE for admission of the Shares to trading on the JSE Main Market, the US Dollar equity market of the JSE and the US Dollar equity market of the TTSE. The applications for admission are dependent on the Company's ability to (i) raise at least US\$5,000,000.00 in Trinidad and Tobago and at least US\$5,000,000.00 (or the Jamaican equivalent thereof) as a result of the Invitation; and (ii) meet the criteria for admission in the respective jurisdictions. Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trading on the JSE Main Market or US Dollar equity markets of either the JSE or the TTSE. If, however, the Invitation is not fully subscribed, and the Company does not raise at least

US\$5,000,000.00 in each of Trinidad and Tobago and Jamaica as a result of it, the Company will not make an application for the Shares to be admitted to the JSE Main Market or the US Dollar equity markets of the JSE and the TTSE and all Applications will be returned to the persons who made them, along with any payments made in relation thereto.

**Section 3**

**Professional Advisors**

<p><b>Jamaica Arranger &amp; Lead Stock Broker</b></p>	<p>JN Fund Managers Limited 2 Belmont Road Kingston 5 Jamaica</p> <p>Website: <a href="http://jnfunds.com">http://jnfunds.com</a> Telephone number: +1 876 920 1132 Email Address: info@jnfunds.com</p>	 <p>A member of the  Group</p>
<p><b>Trinidad and Tobago Arranger &amp; Lead Stock Broker</b></p>	<p>First Citizens Brokerage and Advisory Services Limited 17 Wainwright Street St. Clair Port of Spain Trinidad &amp; Tobago</p> <p>Website: <a href="https://www.firstcitizenstt.com/">https://www.firstcitizenstt.com/</a> Telephone number: +1 868 622 3247 Email Address: info@firstcitizenstt.com</p>	
<p><b>Jamaica Attorneys to the Company in the Invitation</b></p>	<p>MH&amp;CO. Attorneys-at-Law 7 Barbados Avenue (Second Floor) Kingston 5</p> <p>Website: <a href="http://mhcolegal.com">http://mhcolegal.com</a> Telephone number: +1 876 620 6332 Email Address: legal@mhcolegal.com</p>	
<p><b>Trinidad and Tobago Attorneys to the Company in the Invitation</b></p>	<p>M. Hamel-Smith &amp; Co., Attorneys-at-Law Eleven Albion, Cor. Dere &amp; Albion Streets, Port of Spain, Trinidad</p> <p>Website: <a href="http://www.trinidadlaw.com">http://www.trinidadlaw.com</a> Telephone number: +1 868 299 0981 Email Address: mhs@trinidadlaw.com</p>	
<p><b>Auditor</b></p>	<p>BDO Barbados The Gables, Haggatt Hall, St. Michael, Barbados, BB11063</p>	

	<p>Website: <a href="http://www.bdo.bb.com">http://www.bdo.bb.com</a>  Telephone number: +1 246 435 2001</p>	
<b>Bankers</b>	<p>CIBC FirstCaribbean International Bank (Bahamas) Limited  Goodman's Bay Corporate Centre  West Bay Street  Nassau, Bahamas</p> <p>Website: <a href="http://www.cibcfib.com">http://www.cibcfib.com</a>  Telephone number: +1 868 242 397 8201</p>	
<b>Registrars and Transfer Agents</b>	<p>JCSD Trustee Services Limited  40 Harbour Street  KINGSTON, Jamaica</p> <p>Website: <a href="http://www.jamstockex.com">http://www.jamstockex.com</a>  Telephone number: +1 876 967 3274</p>	
<b>Trinidad and Tobago Sub-Registrar, Transfer Agent and Paying Agent</b>	<p>Trinidad and Tobago Central Depository Limited  10th Floor, Nicholas Towers, 63-65 Independence Square, Port of Spain, Trinidad, W.I.</p> <p>Website: <a href="http://www.stockex.com">http://www.stockex.com</a>  Telephone number: +1 868 625-5107</p>	
<b>Stock Exchanges</b>	<p>Jamaica Stock Exchange Limited  40 Harbour Street, P.O.Box 1084, Kingston, Jamaica</p> <p>Website: <a href="http://www.jamstockex.com">http://www.jamstockex.com</a>  Telephone number: +1 876 967 3271</p> <p>Trinidad and Tobago Stock Exchange Limited  10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain, Trinidad</p> <p>Website: <a href="http://www.stockex.com">http://www.stockex.com</a>  Telephone number: +1 868 625-5107</p>	 

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<b>Advisory Committee</b>	means the advisory committee of the Investment Company as defined in the LLC Agreement of the Investment Company. Each investor member of the Investment Company making a capital commitment of at least USD 15 million is entitled to nominate a single named person as such investor's representative on the Advisory Committee. Same applies to the Company, in case the Company raises and invests at least USD 15 million into the Investment Company. For further details regarding the rights of the Advisory Committee please see the LLC Agreement.
<b>Allotment</b>	means the allotment of the Shares to successful Applicants by the Registrar.
<b>Applicant</b>	means an Eligible Investor who submits an Application in accordance with the terms and conditions of this Prospectus.
<b>Applicant Category</b>	means an Applicant or an Institutional Share Applicant, as the case may be.
<b>Articles of Incorporation</b>	means the Articles of Incorporation of the Company (as they may be amended by the shareholders of the Company from time to time).
<b>Audit Committee</b>	means the audit committee of the Company comprising a majority of independent non-executive Directors as members.
<b>Authorised Broker</b>	means, in Jamaica, JN Fund Managers and, in Trinidad and Tobago, FCBAS as well as the brokers listed in section 22.5.
<b>BEPS</b>	means base erosion and profit shifting.
<b>Board of Directors</b>	means the Board of Directors of the Company, details of which are set out in Section 9 of this Prospectus.
<b>Caribbean Basin</b>	means the member states, associate members and observers of CARICOM; Costa Rica; El Salvador; Guatemala; Honduras; Nicaragua and Panama.
<b>CARICOM</b>	means the Caribbean Community established pursuant to the Treaty of Chaguaramas dated the 4th day of July, 1973.
<b>Carried Interest</b>	means the share in the profits of the Investment Company that may be distributed to the Investment Company Carried Interest Member in accordance with the provisions of the LLC Agreement.
<b>CCEF</b>	means MPC Caribbean Clean Energy Limited LLC, the Investment Company.
<b>Charter Documents</b>	means the Company's Articles of Incorporation; Articles of Amendment; and amended By-Laws.



<b>Closing Date</b>	means the date on which the Offering closes, being 4:30 p.m. on December 14 <sup>th</sup> , 2018, subject to the right of the Company to extend the subscription period in the circumstances set out in this Prospectus.
<b>Company</b>	means MPC Caribbean Clean Energy Limited, an international business company duly incorporated on the 8 <sup>th</sup> day of November, 2017 under the Laws of Barbados, bearing company number: 42,056, and whose registered office is located at Suite 1, Ground Floor, The Financial Services Centre, Bishop's Court Hill, St. Michael, Barbados, BB14004, Telephone Number: +1 246 621 0760.
<b>Director</b>	means a director of the Company.
<b>Eligible Investors</b>	means: <ol style="list-style-type: none"> <li>1. Individuals;</li> <li>2. Registered mutual funds;</li> <li>3. Registered pension and other trust funds, credit unions and cooperatives; and</li> <li>4. Companies and other legal persons</li> </ol> <p>who/which are resident in any CARICOM member country and who/which satisfy the terms and conditions of this Invitation.</p>
<b>FATCA</b>	means Foreign Account Tax Compliance Act of the laws of the United States of America.
<b>Forward-Looking Information</b>	has the meaning ascribed to it in Section 6 of this Prospectus.
<b>FCBAS</b>	means First Citizens Brokerage and Advisory Services Limited.
<b>FSC</b>	means the Financial Services Commission in Jamaica.
<b>General Consumption Tax</b>	means a value added tax payable in Jamaica which is applied to goods and services and is charged at a rate of 16.5% as at the date of this Prospectus.
<b>Institutional Share Applicants</b>	means Applicants that are either institutional investors (including mutual funds, asset managers, banks and financial institutions, fund managers, pension funds, insurance companies) and corporations.
<b>Institutional Shares</b>	means the Shares to be allocated by the Company among Institutional Share Applicants in accordance with the allocation methodology set out herein.
<b>Investment Adviser</b>	refers to MPC Renewable Energies GmbH, a German limited liability company with registered address at Palmaille 67, 22767 Hamburg, Germany, appointed to act as investment adviser to the Managing Board Member in respect of the Investment Company, or any other person(s)

appointed from time to time to act as investment adviser to the Managing Board Member in respect of the Investment Company in accordance with the LLC Agreement.

<b>Investment Committee</b>	refers to an investment committee established by the Investment Adviser, the principal responsibilities of which will include, amongst other things, reviewing potential investment opportunities, evaluating such opportunities within the investment parameters of the Investment Company, and providing investment information, advice and recommendations to the Investment Committee from time to time. For the avoidance of doubt, this committee is not a committee of the Board of Directors.
<b>Investment Company</b>	means the fund known as MPC Caribbean Clean Energy Fund LLC, a Cayman Islands limited liability company established on the 30 <sup>th</sup> day of October, 2017 and/or one or more additional vehicles formed to meet the requirements of specific investor members therein.
<b>Investment Company Carried Interest Member</b>	means MPC Team Investment LP in its capacity as "carried interest member" of the Investment Company and/or any successor or assignee thereto.
<b>Investor</b>	means Eligible Investors who are purchasers of (or applicants for) Shares pursuant to the IPO.
<b>Invitation</b>	means the invitation to subscribe for 50,000,000 Shares on the terms and conditions set out in Section 7.5 of this Prospectus.
<b>IPO</b>	means this initial public offering of shares in the Company.
<b>J\$</b>	means Jamaican Dollars, unless otherwise indicated.
<b>Jamaican Companies Act</b>	means the Companies Act, 2004 of the Laws of Jamaica.
<b>JCSD</b>	means Jamaica Central Securities Depository Limited.
<b>JSE</b>	means the Jamaica Stock Exchange.
<b>JN Fund Managers</b>	means JN Fund Managers Limited, a company duly incorporated under the Laws of Jamaica, bearing company number: 62,008 and whose registered office is located at 2 Belmont, Kingston 5, Jamaica and being the lead broker to the Company for the purposes of the Invitation.
<b>LLC Agreement</b>	means the limited liability company agreement constituting the Investment Company, as amended from time to time.
<b>Managing Board Member</b>	refers to MPC Clean Energy Ltd, a Cayman Islands exempted company appointed as the managing board member of the Investment Company in accordance with the provisions of the LLC Agreement.

<b>MPC Capital</b>	refers to MPC Münchmeyer Petersen Capital AG, a German stock corporation with registered office at Palmaille 67, 22767 Hamburg, Germany, having its registered seat in Hamburg and being registered with the commercial register of the local court of Hamburg under HRB 72691.
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>Offering</b>	means the Invitation for Shares made in the IPO.
<b>Opening Date</b>	means the date on which the Offering opens, being 9:00 a.m. on December 3 <sup>rd</sup> , 2018.
<b>Politically Exposed Person</b>	means: <ul style="list-style-type: none"> <li>a. an individual who is or has, at any time in the preceding year, been entrusted with a prominent public function, including but not limited to, a person falling in any of the following categories: <ul style="list-style-type: none"> <li>i. heads of state, heads of government, ministers and deputy or assistant head ministers;</li> <li>ii. members of parliaments or of similar legislative bodies;</li> <li>iii. members of the governing bodies or political parties;</li> <li>iv. members of supreme courts, of constitutional courts or of any judicial body whose decisions are not generally subject to further appeal, other than in exceptional circumstances;</li> <li>v. members of courts of auditors or of the boards of central banks;</li> <li>vi. ambassadors, <i>chargés d'affaires</i> and high-ranking officers in the armed forces;</li> <li>vii. members of the administrative, management or supervisory bodies of state-owned enterprises; and</li> <li>viii. directors, deputy directors and members of the board or equivalent function of an international organisation;</li> </ul> </li> <li>b. an immediate family member of a person within paragraph (a) above, including their spouse, partner, children and their spouses or partners and parents ("partner" meaning a person who is considered by his national law as equivalent to a spouse); and</li> <li>c. a known close associate of a person falling within paragraph (a) above, including an individual who is known to have joint beneficial ownership of a legal entity or arrangement which is known to have been set up for the benefit of such person, or any person who is widely and publicly known nationally or internationally to maintain an unusually close relationship with the person falling within paragraph (a) above, and including a person who is in a position to conduct substantial domestic and international financial transactions on behalf of that person.</li> </ul>

The definition of Politically Exposed Person used herein also covers the US concept of "Senior Political Figure".

<b>Prospectus</b>	means this document, which constitutes a prospectus for the purposes of the Jamaica Companies Act; the Jamaica Securities Act and Trinidad Securities Laws.
<b>PV</b>	means photovoltaic and refers to solar photovoltaic which is a technology that converts sunlight (solar radiation) into direct current electricity by using semiconductors .
<b>Registrar</b>	means, in Jamaica, the Jamaica Central Securities Depository Limited and as sub-registrar in Trinidad and Tobago, the Trinidad and Tobago Central Depository Limited.
<b>Rekamniar</b>	means Rekamniar Capital Limited.
<b>Remuneration Committee</b>	means the remuneration committee of the Company and which has a majority of independent non-executive Directors as members.
<b>RTGS</b>	means the Real Time Gross Settlement System implemented in Jamaica by the Bank of Jamaica and in Trinidad and Tobago by the Central Bank of Trinidad and Tobago.
<b>Shares</b>	means the Company's 50,000,000 Class B participating and voting shares without par value of the Company that are offered for subscription in the Invitation on the terms and conditions set out in this Prospectus.
<b>Shareholders</b>	means the holders of Shares.
<b>Subscription Price</b>	means J\$130.00 (being the equivalent of US\$1.00) in respect of Shares subscribed for by Eligible Investors in Jamaica and US\$1.00 in respect of Shares subscribed for by Eligible Investors in Trinidad and Tobago.
<b>Taxes</b>	includes General Consumption Tax and VAT.
<b>Termination Date</b>	means the date on which the term of the Investment Company expires, being ten (10) years, subject to any extensions thereof pursuant to and in accordance with the LLC Agreement.
<b>Terms and Conditions of the Invitation</b>	means the terms and conditions for Applicants set out in Sections 7.5 of this Prospectus.
<b>Trinidad Companies Act</b>	means the Companies Act, Chapter 81:01 of Laws of Trinidad and Tobago, as amended.
<b>Trinidad Securities Act</b>	means the Securities Act, Chapter 83:02 of Laws of Trinidad and Tobago, as amended.
<b>Trinidad Securities Laws</b>	means the Trinidad Securities and includes all subsidiary legislation and by-laws issued thereunder, each as amended, supplemented or replaced from time to time.
<b>TT\$</b>	means Trinidad and Tobago Dollars, unless otherwise indicated.

<b>TTCD</b>	means the Trinidad and Tobago Central Depository Limited.
<b>TTSE</b>	means the Trinidad and Tobago Stock Exchange Limited.
<b>TTSEC</b>	means the Trinidad and Tobago Securities and Exchange Commission.
<b>US\$ or USD</b>	means United States Dollars, unless otherwise indicated.
<b>VAT</b>	means a value added tax payable in Trinidad and Tobago which is applied to goods and services and is charged at a rate of 12.5% as at the date of this Prospectus.

All references to dates and times in this Prospectus shall, unless the context otherwise requires, be to the date and time in Jamaica or Trinidad and Tobago, as applicable.

Dear Eligible Investors,

The Directors of the Company are pleased to invite Eligible Investors to subscribe and purchase 50,000,000 Shares in the capital of the Company on the terms and conditions set out in this Prospectus.

### 5.1 Transaction Summary

The Company is duly incorporated on the 8<sup>th</sup> day of November, 2017 under the Companies Act of Barbados with its registered office at Suite 1, Ground Floor, The Financial Services Centre, Bishop’s Court Hill, St. Michael, Barbados. It was incorporated as a special purpose vehicle to facilitate investment into the Investment Company. The corporate structure is detailed at **Section 14 – MPC Capital, as sponsor, and the Investment Company.**

### 5.2 Corporate Structure

As mentioned above, the Company seeks to raise up to US\$50,000,000.00 through issuing its Shares by way of an initial public offering.

The capital raised will be invested by the Company into the Investment Company to facilitate an investment in renewable energy projects in Jamaica, Trinidad and Tobago and the wider Caribbean region for which the investment overview and strategy are outlined below. The operations of the Investment Company, namely the investment process, the asset management and the exit from its investments regarding its current and future renewable energy asset portfolio are described in detail in Section 12.4 under **Section – 12 Investment strategy.**

### 5.3 Executive Summary of Principal Terms of the Investment Company

<b>Name</b>	MPC Caribbean Clean Energy Fund LLC, a Cayman Islands limited liability company established on the 30th day of October, 2017
<b>Regional focus</b>	Caribbean Basin
<b>Investment Adviser</b>	<p>MPC Renewable Energies GmbH has been engaged as the Investment Adviser to the Managing Board Member of the Investment Company. Its role is, inter alia, to constantly identify a pipeline of renewable energy projects independent from the Investment Company and to suggest eligible investment opportunities to the Managing Board Member of the Investment Company. The Investment Adviser’s involvement in the pipeline projects is expected to include:</p> <ol style="list-style-type: none"> <li>1. Origination, due diligence and acquisition execution</li> <li>2. Asset management</li> <li>3. O&amp;M, OE procurement support and contract negotiations</li> <li>4. Debt financing and structuring support</li> <li>5. Board and steering committee representation</li> </ol>
<b>Investment structure</b>	Cayman Islands limited liability company (together with such feeder and/or parallel vehicles as may be established from time to time to meet the requirements of particular investors)

<b>Investment committee of the Investment Company</b>	2 members are executives of MPC Capital and 1 member is independent
<b>Advisory Committee</b>	One representative of each investor in the Investment Company with a capital commitment of at least USD 15 million
<b>Investment criteria</b>	Allocations as a percentage of capital commitments: approximately 70% construction projects / 30% operating assets
<b>Sectors</b>	Solar PV (including distributed solar), onshore wind, energy efficiency and storage
<b>Diversification (maximum percent of commitments)</b>	Without Advisory Committee consent: Single investment: 20%; single CARICOM country: 25%; single non-CARICOM country: 15%; total non-CARICOM countries: max. 35%
<b>Currency</b>	USD
<b>Target size of Investment Company</b>	USD 200 million
<b>Commitment by MPC Capital</b>	USD 5 million
<b>Investment period</b>	4 years plus 6 months extension with Advisory Committee consent
<b>Term of the Investment Company</b>	10 years plus 2 years extension with Advisory Committee consent
<b>Leverage</b>	<p>Leverage will be used by the Investment Company in respect of its investments and typically only in respect of project financing obtained in respect of a particular investment which is on a limited recourse basis (that is, where the lenders have limited claims against the borrower in the event of a default).</p> <p>In such circumstances, any principal and interest for short-term or long-term leverage of the Investment Company will be repaid first before distributions can be made to the investor members of the Investment Company</p> <p>Long-term leverage arrangements may be entered into by the Investment Company or any subsidiary but will be capped to 35% of the committed equity when it is considered to be in the best interests of the Investment Company as a whole (as determined by the Managing Board Member).</p>

## 5.4 Investment Overview of the Investment Company

### a. Compelling Caribbean market opportunity

The Caribbean region relies on fossil fuel imports and has high corresponding electricity prices.<sup>1</sup> With marked growth in the demand for energy, renewable sources are increasingly becoming an economical form of new electricity generation.

According to CARICOM's Sustainable Energy Roadmap, its 15 members aim to install approximately 5.3 GW of clean energy over the next ten years, requiring approximately USD 8.4 billion.<sup>2</sup> The Investment Company's wider target region has the potential to offer a significant opportunity and significant growth potential also exists for energy efficiency and energy storage.<sup>3</sup>

### b. Strong market position

The Investment Company will be one of a handful of investment funds specialising in clean energy in the Caribbean.<sup>4</sup>

The MPC Renewable Energies team, as Investment Adviser in respect of the Investment Company, has built extensive networks for proprietary deal origination and co-investment, a deep pipeline of projects, strong global strategic relationships, a multidisciplinary and complementary team and has demonstrated the ability to raise and deploy capital.

### c. Highly experienced team

During the last five years, the core team members of the Investment Adviser have been involved in the development of a total of 47 renewable energy projects in non-OECD countries, totalling over 4,300 MW.<sup>5</sup>

The ultimate holding company of the Investment Adviser, MPC Capital, has over 20 years' track record and experience in real asset markets globally (not limited to clean energy assets). The Investment Company will be supported by additional senior investment professionals within MPC Capital and an investment committee with experience investing in emerging market infrastructure and clean energy.

### d. Initial portfolio projects secured and compelling pipeline

The first seed asset 'Paradise Park' is a project comprising a 50 MWp solar PV plant in Jamaica with a total investment of approximately USD 64 million. The project reached financial close in June 2018, construction has begun, and it is expected to be commissioned in H1 2019. At financial close of the 'Paradise Park' project, MPC Capital has transferred its 68.8% majority stake in EREC Investment Ltd., a joint venture vehicle holding directly 49.9% in the 'Paradise Park' project, through which the Investment Company effectively holds 34.4% in the 'Paradise Park' project

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<sup>1</sup> Caribbean Sustainable Energy Roadmap and Strategy (C-SERMS) - Baseline Report and Assessment, Worldwatch Institute, by Alexander Ochs et al., 2015, [www.worldwatch.org/cserms/baseline-report](http://www.worldwatch.org/cserms/baseline-report)

<sup>2</sup> C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015

<sup>3</sup> C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015

<sup>4</sup> Infrastructure Investor database, accessed on 23 May 2017, [www.infrastructureinvestor.com](http://www.infrastructureinvestor.com)

<sup>5</sup> Please note that this includes projects undertaken by the team members prior to their involvement with MPC and may include projects for which the relevant individuals were not primarily responsible.



company Eight Rivers Energy Company Limited (“**EREC**”). ‘Paradise Park’ has been co-developed by MPC Capital together with (inter alia) the Jamaican Angela Rainford, and is debt financed by the French development bank Proparco and the Dutch development bank FMO. The project partners in EREC include inter alia Rainford’s Rekamniar Capital Limited (‘Rekamniar’) of the United Kingdom and the Investment Company through the portfolio company EREC Investment Ltd.

The second seed asset ‘Tilawind’ is a 21 MW onshore wind farm based in Costa Rica. The Investment Company and ANSA McAL Limited (a public company whose shares are listed on the TTSE) are acquiring this wind farm jointly, which requires a total investment of approximately USD 50 million. The wind farm has been in operation since March 2015.

A further 14 projects have been prioritized and form the indicative deal pipeline for the Investment Company. These require a total investment of circa USD 499 million and are expected to deliver up to 314 MW of new renewable energy capacity. For more information on the Investment Company’s indicative pipeline projects, please see Section 5.7 below.

The Investment Advisor has been active in emerging markets, arranging financing for clean energy projects including a wind farm in Mongolia and a photovoltaic plant in Jamaica. The Investment Advisor has been building out an investment ecosystem for the last two (2) years and the Investment Company is working with a ten (10) year timeline to invest in the CARICOM region. The Investment Advisor has established a local presence in the region with offices in Panama and Colombia.

The ‘Paradise Park’ project will deliver electricity to Jamaica Public Services Limited at USD 8.5 cents per kWh or US\$85/MWh under a twenty (20) years’ power offtake agreement. The internal rate of return for the ‘Paradise Project’ is an estimated 12 per cent.

The Jamaican Government plans with tenders of another 150 MW of renewable energies over the next several years. Price reduction for photovoltaic panels by twenty-five (25) to thirty (30) per cent should result in these facilities being built at lower cost.

e. Launched by established asset management platform

MPC Capital, a German stock corporation listed on the Frankfurt stock exchange under stock identity number A1TNWJ, is a German asset manager who has committed a USD 5 million cornerstone commitment, which has been drawn down by the Investment Company. MPC Capital manages over EUR 5.2 billion across real asset sectors globally, including EUR 320 million of renewable energy assets.<sup>6</sup>

The target fund size for the Investment Company is USD 200 million, targeted to be raised within 12 months of the first closing date of the Investment Company and deployed within the Investment period.

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<sup>6</sup> Assets under Management as of 30 June 2018.

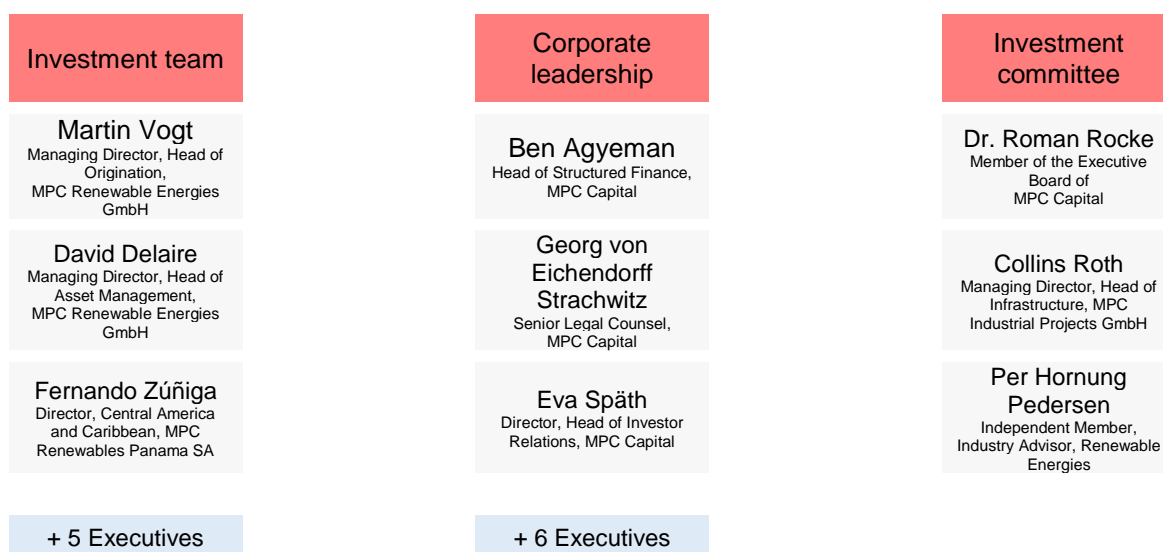
## 5.5 MPC Renewable Energies senior team

The Investment Adviser’s investment team working on the Investment Company comprises eight investment professionals supported by nine additional team members. The investment team is responsible for leading the deal sourcing, due diligence, investment approval and monitoring processes.

Additional team members contribute to these processes throughout as needed, principally through the provision of investment, legal and engineering expertise. The Investment Committee, a sub-group of the Investment Adviser, is also involved at key stages along the investment approval process.

In addition, a team of three directors (Fernando Zúñiga and two independent directors) with appropriate experience and expertise has been appointed to the board of the Managing Board Member in respect of the Investment Company.

Chart 5.5 - MPC Renewable Energies senior team



A group chart showing the relationships between MPC Capital, MPC Renewable Energies and the other MPC group entities involved in the Offering is included in Section 14.2 below.

## 5.6 Investment Strategy

### a. Primary sector focus

The Investment Company focuses primarily on solar PV and wind projects, which are expected to account for between 80% and 100% of overall investment.

The Investment Company prioritizes investment in solar PV and wind projects in the Caribbean ranging from 10 MW to 100 MW in size. Solar and wind are expected to account each for at least 40-60% of the Investment Company’s clean energy generation assets.

b. Minority sector focus

The Investment Company also targets opportunities for investing in energy efficiency and storage, which are expected to account for up to 20% of overall investment.

The Investment Company invests in energy efficiency projects and energy storage projects which may be standalone investments or complement the Investment Company's clean energy generating assets. These projects (together with distributed solar) offer high growth potential but are generally avoided by investors seeking utility scale. As such, there is potential for higher yields which, unlevered, can provide strong cash generation for unlevered assets.

## **5.7 Indicative Investment Pipeline**

The members of the MPC Renewable Energies team, whilst at MPC Renewable Energies or at their previous employers, have been involved in the development of 47 clean energy projects, comprising 4,344 MW<sup>7</sup>. Of these projects, 29 were in the Latin American and Caribbean region, accounting for 2,002 MW. In order to derive an attractive priority pipeline of projects for the Investment Company, the team has reviewed a variety of solar PV projects, wind projects and energy efficiency projects in the Caribbean Basin.

The Investment Company is already invested into the 50 MWp Paradise Park project in Jamaica, and as of the date of this prospectus has signed legal documentation for the acquisition of the 21 MW Tilawind project in Costa Rica, whereas such transaction is expected to be completed before the end of the year 2018. Both seed assets have been sourced and introduced to the Investment Company by the MPC Renewable Energies team.

In addition to these two seed assets, the indicative pipeline of the Investment Company comprises 14 projects sourced by MPC Renewable Energies as the Investment Advisor of the Managing Board Member of the Investment Company. The indicative pipeline projects are accounting for 314 MW and would require a total investment in the region of circa USD 499 million. These projects are intended to be pursued as priority opportunities for the Investment Company, although other opportunities will continue to be sought over the course of the investment period.

## **5.8 Dividend Policy of the Company**

The Company has not distributed any dividends since its incorporation. The Company's intention is to pay regular dividends in support of its objective of maximizing returns to shareholders. After providing for an appropriate liquidity reserve to cover administrative, business expenses, contingencies and to adhere to any legal restrictions, the Company intends to pay out up to 100% of the remaining earnings received.

Subject to the retentions described in the foregoing sentence which may at times preclude distributions, it is intended that profits will be distributed in cash to shareholders on an annual basis. The timing and amount of dividends is at the discretion of the Board of Directors. The dividend policy is subject to review from time to time by the Board of Directors of the Company.

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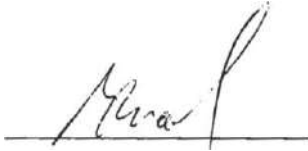
<sup>7</sup> Please note that team members may not have held primary responsibility for some of the projects included here.

## 5.9 How to Subscribe for Shares

Those Eligible Investors who are interested in subscribing for Shares should read this Prospectus in its entirety and the terms and conditions of the Invitation set out in Section 7.5, and complete the Application Form set out in Appendix 1 hereof.

We invite you to become a part of the Company and its vision and to join us as we proceed to the future of energy production.

Yours sincerely,  
For and on behalf of the Company,

A handwritten signature in black ink, appearing to read "Gerard", is written over a horizontal line.

**Name:**  
**Mr. Gerard Borely**  
**Chairman**

Save for the Historical Financial Data concerning both the Company and the Investment Company contained in this Prospectus, certain matters discussed in this Prospectus, including without limitation, statements of expectations, the discussions of future plans and financial projections, contain forward-looking information ("**Forward-Looking Information**"). Forward-Looking Information is not about historical facts and speaks only as of the date it is created. Although the Directors believe that in presenting such Forward-Looking Information their expectations are based on reasonable assumptions, such information may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Forward-Looking Information must not be construed as an indication of the Investment Company's or the Company's future results. There can be no assurance that the Investment Company or the Company will achieve comparable results or be able to avoid losses. Forward-Looking Information is derived from a number of subjective assumptions and estimates dependent on the type of investment concerned. The performance of each investment made by the Investment Company may substantially vary over time and may not achieve the target returns set for herein, which may have a material effect on overall portfolio performance of the Investment Company and the Company and their respective abilities to achieve its overall targets. Eligible Investors in the Company are cautioned not to place undue reliance on these Forward-Looking Information, which speaks only as of the date on which it has been created. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

When used in this Prospectus, the words "anticipates", "believes", "expects", "intends" and similar expressions, as they relate to the Company and the Investment Company, are intended to identify Forward-Looking Information. Forward-Looking Information is subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company, and prior to the admission of the Company to the JSE Main Market and the TTSE, the Company undertakes no obligation to update publicly or revise any Forward-Looking Information in light of new information or future events, including changes in the Company's financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made). There are important unpredictable factors that could cause actual results to differ materially from those set out in Forward-Looking Information, which are beyond the Company's control. These factors include, without limitation, the following:

- economic, social and other conditions prevailing both within and outside of Jamaica, Trinidad and Tobago and the remainder of the Caribbean Basin, including actual rates of growth of their respective economies, instability, high domestic interest rates or exchange rate volatility
- adverse climatic events and natural disasters
- unfavourable market receptiveness to any of the Company's new products
- changes in any legislation or policy adversely affecting the revenues or expenses of the Company
- any other factor negatively impacting on the realisation of the assumptions on which the Company's financial projections are based
- other factors identified in this Prospectus
- other factors not yet known to the Company

**Neither the FSC, the TTSEC, nor any governmental agency or regulatory authority in Jamaica or Trinidad and Tobago, has made any determination on the accuracy or adequacy of the matters contained in this Prospectus.**

### 7.1 General Information

The Company is seeking to raise US\$50,000,000.00. Accordingly, 50,000,000 Shares are being offered to Eligible Investors at the following Subscription Prices:

- J\$130.00 per Share subscribed for by Eligible Investors subscribing in Jamaica, based on an exchange rate of US\$1.00 to J\$130.00; or
- US\$1.00 per Share for Eligible Investors subscribing in Trinidad and Tobago.

Assuming that all of the 50,000,000 Shares are subscribed for and taken up by the general public in the Invitation, the Company will make applications to the JSE and the TTSE for the Shares to be admitted to the JSE Main Market and the US Dollar equity markets of the JSE and the TTSE. If the application is successful, it is anticipated that the Shares will be admitted to trading within three (3) to four (4) weeks of the Closing Date (or the extended Closing Date, as the case may be). In the event that the Company does not raise at least US\$5,000,000.00 in each of Trinidad and Tobago and Jamaica, and/or the Shares are not admitted to trade on the JSE Main Market or the US Dollar equity markets of the JSE and the TTSE, all Applications will be returned to Applicants, along with any payments made in relation thereto.

**Eligible Investors should read all of the sections referred to carefully together with the remainder of this document. Those Eligible Investors who wish to subscribe for Shares should also refer to the full terms and conditions set out in Section 7.5 before completing the Application Form set out in Appendix 1.**

### 7.2 Minimum Fundraising

For the purposes of section 48 of the Jamaica Companies Act and Section 83(3) of the Trinidad Securities Act, the minimum amount which, in the opinion of the Directors, must be raised as a result of the Invitation and received by the Company as a result of the subscription of its Shares in the Invitation is the aggregate sum of US\$10,000,000.00.

### 7.3 Use of Proceeds

Save to the extent required for fees, costs, expenses and other liabilities of the Company (including as described below), it is the Company's intention to use the proceeds of the public offering to invest in the Investment Company, which will thereafter use these funds for the purpose of investing in clean energy projects and facilities with a particular focus in the Caribbean Basin.

- The primary sector focus will be solar PV and wind projects (one project being Paradise Park located in Westmoreland County, Jamaica).
- CARICOM member states are expected to add over 5.3 GW or renewable energy capacity in the next ten years.

The Company also intends to pay the expenses associated with the Invitation out of the fundraising proceeds. The Company estimates that the expenses in the Invitation will not exceed US\$ 1 million (inclusive of VAT, General Consumption Tax, brokerage fees, legal fees, accountant's fees, Registrar's fees, filing fees, initial listing fees, and marketing expenses).

## 7.4 Key Dates

An Application Form for use by all Applicants is provided at Appendix 1 at the end of this Prospectus, together with notes on how to complete it. The Offering will open at 9:00 a.m. on the Opening Date: December 3<sup>rd</sup>, 2018 and will close at 4:30 p.m. on the Closing Date: December 14<sup>th</sup>, 2018, subject to the right of the Company to extend the Closing Date for any reason. In either case, the Company will arrange for an informational notice to be posted on the websites of the JSE ([www.jamstockex.com](http://www.jamstockex.com)), the TTSE ([www.stockex.co.tt](http://www.stockex.co.tt)) and the Company ([www.mpc-cleanenergy.com](http://www.mpc-cleanenergy.com)). It is the intention of the Company to apply to the JSE and the TTSE for admission of the Shares to the JSE Main Market and the US Dollar equity markets of the JSE and the TTSE.

The applications are dependent on the Company's ability to (i) raise at least US\$5,000,000.00 in Trinidad and Tobago and at least US\$5,000,000.00 (or the Jamaican equivalent thereof) in Jamaica as a result of the Invitation; and (ii) meet the criteria for admission in both jurisdictions.

If such application is made and it is successful, the Company expects the Shares to be admitted to trading on the JSE Main Market and the US Dollar equity markets of the JSE and the TTSE within three (3) to four (4) weeks of the Closing Date (or the extended Closing Date, as the case may be) and for dealings to commence on that date. In the event that the Shares are not admitted to trading on the JSE Main Market or the US Dollar equity markets of the JSE and the TTSE, all Applications received by the Company will be returned to Applicants as set out in Section 7.5.

## 7.5 Terms and Conditions for Applicants

1. All Applicants must submit an Application Form as provided at Appendix 1 to this Prospectus to an Authorised Broker and must satisfy all applicable "Know Your Customer" requirements of such Authorised Broker pursuant to applicable requirements under anti-money laundering legislation and counter-terrorism financing laws.
2. All Applicants will be deemed to have accepted the terms and conditions of the Invitation and any other terms and conditions set out in this Prospectus, including any terms and conditions set out in this Section 7 and Appendix 1.
3. Each Applicant acknowledges and agrees that:
  - a. he/she has been afforded a meaningful opportunity to review this Prospectus (including the terms and conditions set out in this section 7.5), and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;
  - b. he/she has not relied on the Company or any other connected persons in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
  - c. no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.



4. Application Forms from the general public must request a minimum of 500 Shares and shall be made in multiples of 10. Application Forms from the general public in other denominations will not be processed or accepted.
5. All Application Forms must be submitted together with payment for the Shares as follows:

In Jamaica, payment shall be made in the form of either:

- a. a manager’s cheque made payable to “**JN Fund Managers Limited**”; or
- b. authorization from the Applicant on the Application Form, instructing JN Fund Managers to make payment from cleared funds held with JN Fund Managers in an investment account in the Applicant’s name; or
- c. transfer or direct deposit to JN Fund Managers (details set out in the Application form attached herein).

All completed Application Forms must be delivered to JN Fund Managers at the following locations in Jamaica:

<u><b>KINGSTON</b></u>	<u><b>MONTEGO BAY</b></u>	<u><b>MANDEVILLE</b></u>
JN Financial Centre 2 Belmont Road (876)-926-1344	JN Financial Services Lot 2-5 Mega Mart Complex  Catherine Hall  Montego Bay	Mandeville Plaza Mandeville Manchester

In Trinidad and Tobago, payment shall be made in the form of either:

- a. a manager’s cheque made payable to “**FCBAS – MPC IPO**”; or
- b. transfer or direct deposit to First Citizens Brokerage and Advisory Services Limited.

All completed Application Forms must be delivered to First Citizens Brokerage and Advisory Services Limited at the following locations in Trinidad and Tobago:

<u><b>PORT OF SPAIN</b></u>	<u><b>SAN FERNANDO</b></u>
17 Wainwright Street, St. Clair  (868)-622-3247	46 Lady Hailes Avenue San Fernando  (868)-653-9857

6. All Shares in the Invitation are priced at the Subscription Price of J\$130.00 per Share and US\$1.00 per Share for Eligible Investors subscribing in Jamaica and Trinidad and Tobago, respectively.

7. The Company has allocated 40,000,000 Shares as “Institutional Shares” which initially may only be subscribed for by, and allocated to, Institutional Share Applicants. All other Shares may be subscribed for by, and allotted to, an Eligible Investor. Institutional Share Applicants will only be allocated Institutional Shares unless the non-Institutional Share category is undersubscribed. In such circumstances, the Company intends to firstly satisfy all applications received from non-Institutional Share Applicants and, thereafter, apply any remaining Shares in that category to satisfy any outstanding applications received from Institutional Share Applicants in accordance with the allocation methodology described below.

Conversely, if there are unallocated Institutional Shares as at the Closing Date, such shares shall be applied in satisfaction of any unfulfilled applications received from Applicants and shall be allocated in accordance with the methodology described below.

If the Institutional Share category is oversubscribed: (a) the Institutional Shares shall be allocated among the Institutional Share Applicants on a *pro rata* basis based on the total number of subscriptions received from Institutional Share Applicants in response to the Invitation; the number of Institutional Shares applied for by the respective Applicant; and the total number of Institutional Shares; and (b) if the Invitation has not been oversubscribed, Shares may be allocated to any Institutional Share Applicant whose application remains unfulfilled.

In circumstances where the Invitation is oversubscribed in both categories, all subscribers will receive a prorated number of shares based on the total number of subscriptions received from Applicants in the respective category; the number of shares in the respective category applied for by the respective Applicant; and the total number of Offered Shares available to be allocated to that category.

8. For the purposes of paragraph 7 above, the Directors of the Company, in their sole discretion, may:
  - a. accept or reject any Application Form in whole or part without giving any reasons therefor, and neither the Company nor the Directors shall be liable to any Applicant or any other person for doing so; and
  - b. allot Shares to Applicants in accordance with Paragraph 7 above. Multiple applications by any person (whether in individual or joint names where the primary account holder is the same in each Application) may be treated as a single application.
9. Neither the submission of an Application Form by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Shares by the Registrar on behalf of the Company to an Applicant (whether such Shares represent all or part of those specified by the Applicant in his/her Application Form) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for the number of allotted Shares at the Subscription Price, subject to the Articles of Incorporation and the terms and conditions set out in this Section 7.5.
10. If the Invitation is successful in meeting the requirements for listing on the JSE Main Market and the US Dollar equity markets of the JSE and the TTSE, successful Applicants will be allotted Shares for credit to their account at either the JCSD or the TTCD, as specified in their Application Forms. Applicants may refer to the informational notice that will be posted on the websites of the JSE ([www.jamstockex.com](http://www.jamstockex.com)), the TTSE ([www.stockex.co.tt](http://www.stockex.co.tt)) and the Company ([www.mpc-](http://www.mpc-)

cleanenergy.com) after the Closing Date. Applicants who wish to receive share certificates must make a specific request to the Registrar.

11. In respect of refunds that are to be made in respect to applications made via Authorised Brokers in Jamaica that are less than the RTGS threshold of J\$1,000,000.00, the Company will endeavour to pay the refund via cheque made payable to the Applicant which shall be available for collection from the Authorised Broker that submitted the relevant application within ten (10) days after the Closing Date or as soon as practicable thereafter. Each refund cheque will be available for collection by the Applicant (or the first-named joint Applicant) stated in the Application Form. Any other persons purporting to collect a cheque on behalf of the Applicant must be authorised in writing by the Applicant(s) to do so. All refunds of a quantum greater than the RTGS threshold of J\$1,000,000.00, will be refunded via RTGS to the account of origin.

Refunds with respect to applications made in Trinidad and Tobago will be made to Applicants whose applications are not accepted, or whose application are only accepted in part, to via US Dollar bank draft made in favour of the respective Applicant. Each refund cheque will be available for collection by the Applicant (or the first-named joint Applicant) stated in the Application Form within ten (10) days after the Closing Date or as soon as practicable thereafter from the office of the TTSE.

12. Individual Applicants must be at least eighteen (18) years old. However, individual Applicants who have not yet attained the age of eighteen (18) years may apply in Jamaica jointly with individual Eligible Investors who are at least eighteen (18) years of age.
13. Through subscribing for an interest in the Company, Applicants will represent, warrant and confirm that they will provide the Company with such information as requested by the Company from time to time, including with respect to the Applicant's citizenship, residency, ownership or control (both direct and indirect) so as to permit the Company and the Managing Board Member:
  - (a) to evaluate and comply with any legal, regulatory and tax requirements applicable to:
    - the Company (including any information relating to it and/or its beneficial owners as the Company may require to evaluate and comply with applicable anti-money laundering laws and regulations);
    - the Investment Company;
    - the Managing Board Member of the Investment Company and the interests of investor members in the Investment Company;
    - any other vehicle forming part of the Investment Company, its investment in the Company or its underlying interest in any proposed and/or actual investments of the Investment Company; or
  - (b) to comply with a request from the Managing Board Member of the Investment Company for such information where the Managing Board Member of the Investment Company considers such information to be necessary or desirable in connection with any investment or proposed investment; or

for any other purpose where the Company considers the provision of such information to be necessary or desirable in connection with the business of the Company or the Investment Company (the "**Investor Information**").

14. Through subscribing for an interest in the Company, each Applicant agrees to notify the Company promptly of any change that may cause any Investor Information provided to become untrue, incomplete or misleading in any material respect.
15. In the event that an Applicant fails to furnish any such Investor Information to the Company, the Company will have full authority to take any and all of the following actions: (i) withhold any taxes required to be withheld pursuant to any applicable legislation, regulations, rules or agreements; and (ii) redeem the Shares of the Applicant and withdraw the Applicant from the Company in accordance with the provisions of the Articles of Incorporation of the Company. Any tax expenses caused by an Applicant's failure to comply with this condition 15 will be borne by the Applicant. If requested by the Company, the Applicant shall execute any and all documents, opinions, instruments and certificates as the Company shall have reasonably requested or that are otherwise required to effectuate the foregoing.

## Section 8

## Corporate Structure of the Company

### 8.1 Authorised Share Capital

The authorised capital of the Company is as follows:

- a. An unlimited number of Class A voting, non-participating shares without par value. This is the management share class.
- b. An unlimited number Class B redeemable participating and voting shares without par value. The Class B Shares are the subject of the Invitation and are referred to herein as the “Shares”.

Prior to the Offer, the number of issued and fully paid shares in the Company is as follows:

	Number of shares		Percentage that outstanding shares represent in the Company
	Class A shares	Class B shares	
<b>MPC Clean Energy Ltd.</b>	<b>1</b>	<b>Nil</b>	<b>100%</b>
<b>Public shareholders</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shares</b>	<b>1</b>	<b>Nil</b>	<b>100%</b>

Upon completion of the Offer and assuming full subscription of the Offer, the ownership of shares in the Company will be as follows:

	Number of shares		Percentage that outstanding shares represent in the Company
	Class A shares	Class B shares	
<b>MPC Clean Energy Ltd.</b>	<b>1</b>	<b>Nil</b>	<b>&lt;0.0001%</b>
<b>Institutional Investors</b>	<b>Nil</b>	<b>40,000,000</b>	<b>80%</b>
<b>All other Investors</b>	<b>Nil</b>	<b>10,000,000</b>	<b>20%</b>
<b>Total shares</b>	<b>1</b>	<b>50,000,000</b>	<b>100</b>

### 8.2 Material attributes and characteristics of the shares to be distributed

- a. The Class A shares

The Class A shares have been designated the “Management Share” class and are intended to be issued to the Managing Board Member of the Investment Company, MPC Clean Energy Ltd., a Cayman Islands exempted company having its registered office located at Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman.

The holder of the Management Shares shall have the exclusive right to:

- (i) elect the Directors of the Company and to remove from office any Director so elected and to elect another Director in the place of any person so removed or otherwise ceasing to be a Director after having been so elected; and
- (ii) appoint and remove the auditor of the Company.

The holder of the Management Shares does not otherwise have the right to receive notice of, attend at and vote as a shareholder at any general Meeting of the Company. The Management Share shall confer upon the holder the right in a winding up to repayment of capital but shall confer no other right to participate in the profits or assets of the Company; and no dividends shall be payable on the Management Share.

There is no right of pre-emption or first refusal attached to any Management Share. The Management Share may only be transferred upon the approval of the Board of the Company and in accordance with the By-Laws of the Company.

The purpose of the Management Share is to ensure that the structure of the investment, and by extension the Investment Company, is not subverted by Shareholders who may acquire substantial interest in the Company.

b. The Class B shares

*i. General*

Class B shares are subject to the rights, privileges, restrictions and conditions as outlined below.

*ii. Voting Rights*

Subject to the exclusive right of the holder of the Management Shares to elect and remove the directors of the Company and to appoint and remove the Company's auditor, each holder of Class B shares is entitled to vote at all meetings of shareholders except meetings at which only holders of a specified class of shares, other than such shareholder's class of shares, are entitled to vote. In circumstances where there is no Management Share in issue, the holders of the Class B shares shall be entitled to elect and remove the directors of the Company and to appoint and remove the Company's auditor.

Other than as provided above, the holders of Class B shares shall not take part in the operation of the Company or the management or control of its business and affairs, and shall have no right or authority to act for the Company or to take any part in or in any way to interfere in the conduct or management of the Company.

*iii. Dividend and Distribution Rights*

Each holder of Class B shares of the Company has the right to receive dividends declared and payable by the Company as well as any other return of capital or distribution of assets by the Company.

*iv. Rights upon dissolution or winding-up*

The Company's incorporation documents provide that in the event that it is wound up, its surplus assets available for distribution among the shareholders shall be applied towards repaying the amount paid up on the shares then in issue by the Company to its respective shareholders.

Where assets are more than sufficient to repay the whole amount paid up on such shares, the surplus shall be distributed among the holders of the Class B shares in like proportion. The rights of Class B shareholders shall be the same upon dissolution or winding up.

*v. Pre-emption rights*

There are no rights of pre-emption or first refusal attaching to any Class B share.

*vi. Transfer of Shares*

Class B shares may only be transferred in accordance with the rules of the JSE and/or the TTSE, as the case may be.

*vii. Redemption of Class B shares*

The Company may, following notice in writing being given to a Shareholder by the Company, compulsorily redeem some or all of that Shareholder's Class B shares:

1. if the Company has made a request for Investor Information (as defined above) pursuant to the By-Laws of the Company and the Shareholder fails to respond to or satisfy such request;
2. if it shall come to the attention of the Company that the Class B shares are held by (or for the benefit of) a person who is not eligible to hold such shares (as determined by the Company);
3. if the Company has withdrawn from the Investment Company;
4. if, by virtue of such shareholder's interest in the Class B shares, there is a material likelihood, determined by the Company in its absolute discretion, that the Investment Company or any investor member in the

Investment Company may be subject to any registration requirement in any jurisdiction;

5. if, in the good-faith judgement of the Company, a significant delay, extraordinary expense or material adverse effect on the Company is likely to result without redemption (and, to the extent applicable, withdrawal);
6. if the shareholder has failed to provide the Company with such evidence of its identity as the Company deems necessary to comply with applicable anti-money laundering regulations within ten (10) Business Days of the shareholder subscribing for, purchasing or otherwise becoming entitled to Class B shares;
7. if any representation and/or warranty made by the shareholder by virtue of his/her/its subscription for Shares pursuant to this IPO was untruthful or, in the case of representations and/or warranties given on a continuous basis, has become untrue; or
8. if the shareholder has, in the reasonable opinion of the Company, become a competitor of the Company, the Investment Company, Managing Board Member or any of their respective associates.

Upon notice, the Class B shares (or relevant portion thereof) belonging to such shareholder shall be redeemed in all respects and for such consideration and in such manner as the Company shall, in its absolute discretion and taking account of all applicable laws, determine. To the extent that all of the shares held by a shareholder have been redeemed, such shareholder shall withdraw from the Company and shall cease to be a shareholder with effect from the date of its withdrawal (or, in the case of the transfer of its shares to a purchaser designated by the Company, the date of such transfer).

Pursuant to the By-Laws of the Company, the Board may determine that consideration for the redemption of any Class B shares be paid out of a source permitted by the Barbados Companies Act CAP 308, including profits, share premium, a new issue of Class B shares and/or capital.

All costs incurred in connection with a compulsory redemption of shares (and, to the extent applicable, any associated withdrawal) shall first be deducted from the proceeds of the redemption and thereafter shall be for the account of the shareholder whose shares have been redeemed.

*viii. Termination of the Company*

Under the Company's By-Laws, the Company is required to commence winding-up proceedings voluntarily and to de-list from any stock exchange on which the Class B



shares are listed forthwith upon the expiry of two (2) years from the date of the successful completion of the liquidation of the Investment Company.

In such circumstances, the Company will distribute all its remaining property and assets among the holders of the Class B shares rateably.

### **8.3 Board of Directors of the Company**

The Board of Directors of the Company comprises of five (5) directors as follows:

<b>Name</b>	<b>Position</b>
Gerard A Borely	Director & Chairman of the Board
Anthony Mark Hart	Director
Alastair B Dent	Director
Steven Marston	Director
Guardian Nominees (Barbados) Limited	Director

Further information in respect of each Director is set out in Section 9 below. It is anticipated that the Board of Directors will meet at least once quarterly. All directors of the Company will be paid an annual fee of US\$5,000.

**Mr. Anthony Mark Hart, J.P.****Independent Non-Executive Director**

Mr. Hart is currently the Executive Chairman of Caribbean Producers (Jamaica) Limited, which is listed on the Junior Market Jamaica Stock Exchange (JSE), having previously served as its Chief Executive Officer from 2004 until early in 2011 and is also the founding and controlling shareholder of that company.

Mr. Hart began his career as the Managing Director of the Hart family's group of companies in 1982, eventually becoming Chairman and Chief Executive Officer in 1997.

Mr. Hart serves as Chairman of Cargo Handlers Limited, another JSE Junior Market listed company and Montego Bay Ice Company Limited, a JSE Main Market listed company.

Mr. Hart is a graduate of the University of Miami where he gained a Bachelor of Science degree in History and Motion Picture Film Production. He has also completed a programme in Executive Education with focus on accounting and planning at Columbia University of New York.

Mr. Hart served as Chairman of the Airports Authority of Jamaica from 2007 - 2012 and he is currently a member of the boards of The We Care of Cornwall Regional Hospital, NMIA Airports Limited, The Port Authority of Jamaica, Montego Bay Freezone Company Limited, The Bank of Nova Scotia Jamaica Limited, Scotia Group Jamaica Limited, and Alpha Angels Investor Group. In the past he has served as a Director of JAMPRO, Dehring Bunting and Golding Limited (now Scotia Investments Limited), the American Chamber of Commerce of Jamaica, the Montego Bay Chamber of Commerce, First Life Insurance Company, Island Victoria Bank, The Tryall Club, Montego Bay Yacht Club, amongst others. Mr. Hart produced a documentary film, Rise Up. He is married to Dr. Candace Hart and together they have 3 children: Maya, Ethan and Cameron.

**Mr. Gerard A. Borely****Independent Non-Executive Director & Member of the Audit and Remuneration Committees**

Mr. Borely is a Qualified Fellow of the Association of Certified Chartered Accountants (United Kingdom) and a Registered member of the Institute of Chartered Accountants of Trinidad and Tobago.

Mr. Borely is currently the CEO of Caribbean LED Lighting Inc. and has had a distinguished career wherein he has held the following posts:

- CEO Barbados, Eastern Caribbean, British Virgin Islands & the Turks Caicos Islands
- CFO LIME / Cable & Wireless Caribbean Operations
- Managing Director – Corporate Banking at CIBC FirstCaribbean International Bank
- Chief Financial Officer (FirstCaribbean International Bank Limited)
- Manager – Assurance, Advisory and Business Services (AABS), Ernst & Young (Trinidad)

During his career, Mr. Borely has held the following directorships:

- Director/Chairman of Audit Committee for Bahamas Telecommunication Company

- Director, Telecommunications Services of Trinidad and Tobago
- Director, FirstCaribbean International Bank (Jamaica) Limited
- Director, FirstCaribbean International Bank (Barbados) Limited

**Mr. Alastair Dent**

**Independent Non-Executive Director & Member of the Audit and Remuneration Committees**

Mr. Dent is a chartered accountant whose career has spanned Ernst & Young Barbados in various capacities and ultimately as one (1) of its audit partners. Mr. Dent also had an intervening appointment as the Chief Financial Officer of London Life and Casualty Reinsurance Corporation during the continuum of his tenor at Ernst & Young.

In 2016 Mr. Dent established his own audit firm, Orion Consulting Inc.

Mr. Dent is also an Associate Member of ICAEW, a Fellow of Institute of Chartered Accountants of Barbados (ICAB) and was a Member of ICAB Accounting and Auditing Standards Committee from 1999 to 2011.

**Mr. Steven Marston**

**Independent Non-Executive Director**

Mr. Marston is the Chairman and CEO of CAC 2000 Limited. Mr. Marston has worked in the air conditioning and energy business for over 32 years. He is an engineer with a BSc. in Environmental Engineering (HVAC) from University of Strathclyde (1980) and MSc. in Energy Management and Policy from University of Pennsylvania (1984). He is also a graduate of the Owner President Management Program at Harvard Business School in 2009.

Mr. Marston worked in the renewable energy field for 10 years (Ministry of Mining and Energy and Petroleum Corporation of Jamaica) and installed many of the initial solar systems in hospitals and hotels. He also worked in the sugar industry and installed a hydrous ethanol plant at Bernard Lodge along with other improvements that quickly made it one of the most efficient sugar factories in Jamaica. He then went on to work as an energy consultant before being asked by ICD to take over the failing CAC and not only restored it to become Jamaica's largest HVAC company, while also helping to lead the construction arm of the Mechala Group, before leading a management buyout of CAC. Over the course of his tenure the company has achieved significant growth and development guided by his vision, experience and expertise and he led the company to a successful listing on the Junior Market of the Jamaica Stock exchange - the first, and still only, construction company to do so.

CAC continues to flourish under his leadership but he is also working assiduously on regional expansion, large projects and commercial energy solutions with the intention of making CAC the largest HVAC and alternative energy business in the Caribbean.

**Guardian Nominees (Barbados) Limited**

**Independent Non-Executive Director & Member of the Audit and Remuneration Committees**

Guardian Nominees (Barbados) Limited is a corporate director appointed by the Company in the interest of continuity on the Board and also order to facilitate Board meetings in Barbados. Guardian Nominees (Barbados) Limited was incorporated on December 23, 2004 and is legally domiciled in the Island of Barbados. The Company is engaged in the provision of nominee services and is licenced under the

Corporate and Trust Services Providers Act 2015-12 of Barbados. The current directors of the Company are Linda Rose Stelling, Gayle Alison Hutchinson and Amanda Gail McKay.

An investment in the Shares issued by the Company and, by extension, an indirect investment in the Investment Company, involves a high degree of risk. Before making a decision whether to invest in the Shares, Eligible Investors should carefully examine the information provided in this Prospectus but should also consider the fact that this Prospectus does not necessarily include all information required by the Eligible Investor to make an informed decision on the purchase of the Shares.

The presented risk factors do not include all possible risk factors. Therefore, Eligible Investors, making a decision regarding the purchase of Shares should consider and factor in other risks that could affect their decision. This summary is not intended to be exhaustive.

### 10.1 Risks relating to investing in the Company and, indirectly, the Investment Company

**Nature of Investment.** The Shares represent an indirect interest in the Investment Company and do not represent a direct investment in the Investment Company's net assets. Therefore, an investment in the Shares should not be viewed by Eligible Investors as direct interests in the Investment Company or its assets. Shareholders will not be entitled to directly participate in any meeting or vote of the members of the Investment Company and, as such, have limited rights in relation to the corporate and operating decisions of the Investment Company.

**Financial Reporting and Other Public Company Requirements.** As a result of the Invitation, the Company will become subject to reporting and other obligations under the applicable law, including the Jamaica Companies Act, the Jamaica Securities Act, Trinidad Securities Laws and the rules of the JSE and the TTSE on which the shares are expected to be listed. These reporting and other obligations will place significant demands on the Company's management, administrative, operational and accounting resources. The Company will be partially reliant on the Investment Company for certain financial reporting.

Any failure of the Company or the Investment Company to maintain effective internal controls could cause the inability of the Company to meet its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed which could also cause investors to lose confidence in the Company's reported financial information, which could result in a reduction in the trading price of the Shares.

Management does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in any control systems, no evaluation of these controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

**Potential Volatility of Share Prices.** The market price for shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including

the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company's executive officers, directors and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding shares or securities convertible into shares; (vi) sales or perceived sales of additional shares or securities convertible into shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Another factor that may influence the market price of the shares is the annual yield on the shares. An increase in market interest rates may lead purchasers of shares to demand a higher annual yield, which accordingly could materially adversely affect the market price of the shares.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental and governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in limited or no investment in the shares by those institutions, which could materially adversely affect the trading price of the shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations could be materially adversely impacted and the trading price of the shares may be materially adversely affected.

**Dilution.** The number of shares that the Company is authorized to issue is unlimited. The board of directors of the Company may, in its sole discretion, issue additional shares from time to time, and the interests of shareholders may be diluted thereby. If the Company issues additional shares in the future, such issuance may have a dilutive effect on the interests of shareholders.

**Absence of a Prior Public Market.** There is currently no public market for the shares. The Subscription Price of the Shares has been set by the Company. The Company cannot predict at what price the Shares will trade upon Closing Date and there can be no assurance that an active trading market will develop after closing or, if developed, that such a market will be sustained at the price level of the Invitation. In addition, if an active public market does not develop or is not maintained, Shareholders may have difficulty selling their Shares.

**No Assurance of Portfolio Investment Return.** The Investment Company may enter into high-risk investment opportunities. The portfolio companies may not achieve their expected operational objectives and may experience substantial fluctuations in their operating results. The Investment Company (and, by virtue of its direct investment in the Investment Company, the Company) will be subject to the risks associated with the underlying businesses engaged in by portfolio companies, including market conditions, changes in regulatory environment, general economic and political conditions, the loss of key management personnel, and other factors. There is no assurance that the Investment Company will generate returns for the Company and the other investor members in the Investment Company or that

returns will be commensurate with the risks of investing directly in the portfolio companies. Investment in the Investment Company is speculative and requires long-term commitment with no certainty of a return of an investor member's money. An investment in the Investment Company (and, therefore, an investment by an Eligible Investor in the Company) should only be considered by persons who can afford a loss of their entire investment. There can be no assurance that the Investment Company's investment objective will be achieved, or that an investor member will receive a return on its capital.

**Potential reduction in distributions and potential inequitable treatment under LLC Agreement.** As an investor member in the Investment Company, the Company will be subject to the terms of the documentation governing and constituting the Investment Company and, as a consequence, any distributions to the Company from the Investment Company will be subject to certain deductions as set out in the that documentation, including in respect of certain giveback provisions, Carried Interest and in respect of payments of fees (including to MPC Clean Energy in respect of its management of the Investment Company). The fees as at the date of this Prospectus are estimated at a per annum amount of 1.75% of total commitments to the Investment Company during the investment period, and thereafter a per annum amount of 1.75% on invested capital and Carried Interest. The Company's Board of Directors will accordingly be required to maintain adequate reserves in order to ensure that any such obligations owed by it to the Investment Company can be satisfied. The maintenance of such reserves by the Company has the potential to reduce distributions to Shareholders.

Furthermore, while Eligible Investors must invest in the Company on the same terms as one another pursuant to the applicable terms of Jamaica and Trinidad and Tobago law, it is permissible and possible that MPC Clean Energy may agree with any investor member in the Investment Company in side letters or other similar arrangements (and without any further act, approval, vote or consent of any other investor member in the Investment Company (including the Company)) to a waiver or modification of the terms otherwise applicable to such investor member in the Investment Company in connection with its admission to and interest in the Investment Company, such that the terms applicable to such investor member in the Investment Company may be preferential, including in respect of those terms relating to the payments of the fees described above and Carried Interest. Accordingly, this may result in the Company being admitted to the Investment Company on different terms to other investor members in the Investment Company and, *inter alia*, the extent to which the distributions to the Company are reduced by fees and Carried Interest may therefore differ from the extent to which the same applies in respect of other investor members in the Investment Company.

**Legal, Accounting, Tax and Regulatory Concerns.** Changes in legal, accounting, tax and regulatory regimes may occur during the life of the Company and the Investment Company that may have an adverse effect on the respective entities. An investment in the Investment Company involves complex tax considerations. Changes in tax legislation or its interpretation in any of the countries in which the Investment Company will have investments, or changes to double tax treaties or their interpretation could adversely affect the returns achieved by the Investment Company and, by extension, the Company. No assurance can be given regarding the actual level of taxation that may be imposed upon the Company, the Investment Company or its investments. Each Eligible Investor should consult its own legal, tax and financial advisers with respect to any decision regarding an acquisition of an indirect interest in the Investment Company via a subscription for Shares in this IPO. In addition, the acquisition of certain investments may attract stamp duty and possibly other analogous taxes resulting in additional costs to be borne by the Investment Company. The Investment Company or investor members (including the Company) may also become subject to tax in the jurisdictions in which the Investment Company invests. Withholding or other taxes may also be imposed on income or gains from investments, (although any such taxes may be subject to the possibility of reduction under applicable double tax treaties). In addition, local

taxes incurred by the Investment Company or vehicles through which the Investment Company invests may not be creditable or deductible by an investor member.

**Tax Laws Applicable to Shareholders.** Eligible Investors must take into account the potential tax consequences of an indirect investment in the Investment Company through a subscription for Shares in their jurisdictions of residence and/or any other jurisdiction in which they have a taxable presence. Eligible Investors are urged to consult their own advisers on the tax implications of the acquisition, ownership and disposition of their Shares in the Company under the laws of any jurisdictions in which they are or may be liable to taxation. Eligible Investors in a number of jurisdictions may be subject to tax on sums allocated to them in advance of distributions being made to them and no assurance can be given that Eligible Investors who are subject to tax on the amounts allocated to them will receive distributions sufficient to fully satisfy their tax liabilities.

**Annual Tax Information.** The Investment Company's ability and, as a consequence thereof, the Company's ability, to provide timely tax information with respect to the Investment Company's investments is dependent on the timely provision of relevant information by relevant third parties. If such third parties do not provide such information in a timely manner, investor members may be required to file extensions with respect to, or otherwise delay the filing of, tax returns in their relevant jurisdictions.

**German Taxation.** There is a risk that the Investment Company may come within the scope of German trade tax (i.e. in the event that the German tax authorities determine the place of management or a permanent establishment of the Investment Company to be located in Germany). The board of managers of the Investment Company and the Managing Board Member (as a member of such board) will operate the Investment Company to ensure that its place of management is in the Cayman Islands and that it does not have a permanent establishment in Germany; however, the risk of challenge cannot be ruled out.

**BEPS.** Investors should be aware that on 7 June 2017, sixty-eight (68) countries signed a multilateral convention implementing tax treaty related measures arising from the OECD's "Action Plan on Base Erosion and Profit Shifting" or "BEPS" initiative. The effect of the multilateral convention will be to amend the terms of existing bi-lateral tax treaties between the signatory states (once ratified domestically by the relevant states) to introduce either a "principal purpose" or "limitation on benefits" restriction (or, in some cases, both) into the existing tax treaties in force between the signatory states. This could result in additional reporting and disclosure obligations for investor members (including the Company) and/or the Investment Company and/or additional tax being suffered by the investor members (including the Company), the Investment Company or underlying Investment Company investments which may adversely affect the returns for investor members (including the Company). Eligible Investors should also note that, although the BEPS final reports were published on 5 October 2015, there is still considerable uncertainty surrounding the application of the recommendations made to investment fund vehicles such as those constituting the Investment Company and how individual countries will seek to apply the principal purpose or limitation on benefits provisions to investment fund vehicles.

**Tax Reporting.** Investors should note that the Company may be required to disclose information regarding any Shareholder to the Managing Board Member in circumstances where the Managing Board Member is required to disclose such information to any tax authority or other governmental agency to enable the Company and/or Investment Company to comply with any applicable law or regulation or agreement with a governmental authority, and may, in addition, disclose such information to any person where the Company and/or the Managing Board Member considers it necessary or desirable in connection with an investment or proposed investment of the Investment Company. In particular, Eligible Investors should be aware that the Investment Company will be subject to disclosure and reporting obligations under various regimes, including (but not limited to) obligations arising pursuant to:



- i. FATCA;
- ii. BEPs; and
- iii. the Common Reporting Standard for Automatic Exchange of Financial Account Information in Tax Matters developed by the OECD and approved by the OECD Council on 15 July 2014.

Eligible Investors will also be required to provide such information to the Company and the Investment Company as may be reasonably required by the Managing Board Member to enable the Company and the Investment Company to properly and promptly make such filings or elections as the Managing Board Member may consider desirable or as required by law, or where the Managing Board Member considers that provision of such information is necessary or desirable in connection with an investment or proposed investment. Eligible Investors should note that in certain circumstances the Managing Board Member shall be entitled to take steps against the Company where either it or one of its Shareholders fails to provide such information, including, but not limited to, ensuring that the Company bears the cost of any tax arising as a result of the failure to provide the information or compulsorily redeeming the Company's interest in the Investment Company or causing the Company to compulsorily redeem a Shareholder's Shares. The Company may be required to take certain steps (including, but not limited to, participating in the Investment Company or any particular investment(s) through an alternative investment vehicle) where its participation in a particular investment(s) could result in material adverse tax consequences for the Investment Company and/or its investments and/or investor members.

Eligible Investors should note that the above risk factors do not constitute a complete description of all tax consequences that may apply to an indirect investment by an investor member in the Investment Company. Moreover, they are not intended as, and do not constitute, tax advice and each Eligible Investor should seek tax advice from their own tax advisers regarding the tax implications of investing in, holding and disposing of indirect interests in the Investment Company via a subscription for Shares before applying to invest in the Company.

**Limited Operating History.** Both the Company and the Investment Company are new and were established in 2017 and have limited operating history to evaluate their respective performance. The Investment Company has made equity investments into the first seed asset 'Paradise Park' and intends to close the equity investment in 'Tilawind' within the second half of the year 2018. Please see more information about the seed assets in Section 13. Although the Investment Adviser and its affiliates have previously managed other existing investment vehicles, the past performance of such other investment vehicles cannot be relied upon as an indicator of the Investment Company's (and the Company's) success. An Eligible Investor considering a subscription for Shares must rely upon the ability of the Managing Board Member and the Investment Adviser in identifying and implementing investments consistent with the Investment Company's investment objective and policies. There are only a few funds with similar objectives and with operating histories upon which investor members, including Shareholders in the Company, may base an evaluation of the likely performance of the Investment Company. As a result, Eligible Investors should not base an evaluation of the likely return of the Shares on such prior experience.

**Diversification Risk.** The Company's sole investment will be interests in the Investment Company and will therefore be dependent on the performance of the Investment Company. Similarly, the Investment Company will only participate in a limited number of investments and the unfavourable performance of a single investment may adversely affect the aggregate return of the Investment Company. Other than some short-term holdings in cash or cash equivalents, near cash instruments, money market instruments and money market funds, cash funds and hedging instruments, the Investment Company will invest exclusively in clean energy projects in the target region and will therefore bear the risk of investing in only

one particular sector. Consequently, there is no guarantee that there will be a sufficient number of attractive investments available to the Investment Company, and that the Investment Company will be able to invest fully all of its capital during the Investment Period. Furthermore, if the Investment Company is unable to syndicate an investment within the anticipated timeframe, the Investment Company risks exceeding its diversification limits in respect of such investment.

**Investments Longer than Term.** The Investment Company may make investments that may not be advantageously disposed of prior to the date that the Investment Company is terminated, either by expiration of the Investment Company's term or otherwise. Although the Managing Board Member will seek to dispose of the majority of investments prior to termination, the Investment Company may have to sell, distribute or otherwise dispose of investments at a less than optimum time as a result of termination.

**Leverage Risk.** The use of debt to leverage investments may increase exposure to adverse general economic conditions, significant increase in interest rates or a deterioration in the condition/performance of the Investment Company's investments that means that it is unable to service its debt repayments when due. Although the use of leverage may enhance returns on equity, leverage also increases the risk of loss since borrowings represent a prior claim on assets and require fixed payments, regardless of the profitability of particular investments encumbered by such borrowings. In the case of default under any borrowing, some or all of the assets of the borrower could be taken by lenders in payment of their claims. As a general matter, the presence of leverage can accelerate losses. The Investment Company has entered into a binding facility agreement with Republic Bank Limited to facilitate the acquisition of the 'Tilawind' wind project. It is intended to repay the facility with proceeds from the Invitation. Please see Section 13 for more information on the leverage of the seed assets.

**Bridging Investments.** Where the Investment Company makes a bridging investment, it may be unsuccessful in selling down part of that investment with the result that the Investment Company's ultimate exposure to that investment may be materially greater than anticipated.

**Hedging Policies/Derivatives Risks.** While the Managing Board Member will not be allowed to engage in hedging for speculative purposes, the Investment Company may employ hedging techniques designed to protect the Investment Company against adverse movements in currency exchange rates, securities prices, interest rates, inflation and certain other risks. Should the Investment Company elect to enter into hedging arrangements to protect against such risks (and it will be under no obligation to do so), there can be no assurance that such transactions can or will be entered into or will always reduce such risks, or that the Investment Company will hedge when appropriate or choose the correct hedge if it does. Further, although the Investment Company expects to engage in hedging transactions to hedge against risks and not for speculation, the use of instruments to hedge a portfolio itself may entail certain other risks, including the risk that losses on a hedge position will reduce the Investment Company's earnings and funds available for distribution to investor members, including the Company, and that such losses may exceed the amount invested in such hedging instruments. Thus, while the Investment Company may benefit from the use of these hedging transactions, a hedge may not fully or partially achieve its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses, as, for example, unanticipated changes in respect of currency exchange rates, securities prices, interest rates and inflation may result in a poorer overall performance for the Investment Company than if it had not entered into such hedging transactions. In connection with the above, the Investment Company may use derivatives, such as forwards and swaps. Derivatives are highly specialised instruments that require investment techniques and risk analyses different from those associated with equities and bonds. The use of a derivative instrument requires an understanding not only of the underlying instrument but also of

the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Investment Company and the ability to forecast, among other things, price, interest rate or currency rate movements correctly. Derivative investments also present a risk that the counterparty in a derivative transaction will be unable to honour its financial obligation to the Investment Company.

**Currency Risk.** The Company's investment in the Investment Company will be denominated in USD but will be funded by the proceeds of the IPO which will partly be denominated in Jamaica Dollars through applications received in Jamaica. The Company's ability to invest in the Investment Company will accordingly be subject to currency rate movements although it proposes to enter into arrangements with authorised dealers in foreign exchange to mitigate such risk insofar as possible. In addition to currency risk at the Company level, the Investment Company will be denominated in and the base currency of the Investment Company will be USD. The Investment Company may however make investments in projects whose revenues are denominated in other local currencies, such that the Investment Company may be exposed to currency rate movements. Whilst the Managing Board Member may enter into hedging arrangements to mitigate this risk to some extent, it is not obliged to do so and there can be no assurance that such arrangements can or will be entered into or that they will be sufficient to cover such risk.

**Reliance on the Managing Board Member and the Investment Adviser and Dependence on Key Executives.** The Investment Company will rely upon the Investment Adviser advising the Managing Board Member in formulating the investment strategies. The bankruptcy or liquidation of the Investment Adviser, the Managing Board Member or any of their respective associates may have an impact on the value of the Investment Company. Investor members in the Investment Company must rely on the judgement of the Investment Adviser, the Managing Board Member and their respective agents, in particular on the judgement of their respective principals, officers and employees. The Investment Company prohibits investor members, including the Company, from participating in the day-to-day control, operation or management of the affairs of the Investment Company, including advising or making decisions on the merits of investments and/or dispositions. While the investor members in the Investment Company, including the Company, may be able to voice any concerns and recommendations at general meetings, the performance of the Investment Company will be dependent to a material extent on the ability of the key personnel and other team members to source, acquire, manage and realise investments and, notwithstanding any track record they may have in this field, there is no guarantee that they will be able to do so successfully. In addition, the performance of the Investment Company could be adversely affected should one or more key personnel leave or cease to be associated with the Investment Company's investment activities. Given the specific regional and sector focus of the Investment Company, it may be difficult for the Investment Adviser and the Managing Board Member to replace key personnel with individuals with the necessary knowledge, skills and experience. Consequently, investing in the Investment Company will involve a higher degree of risk compared to a similar vehicle investing in developed markets where the pool of investment professionals to recruit tends to be larger.

**Investment Selection.** Not all of the projects where investments will be made have been identified. Accordingly, investor members in the Investment Company, including the Company and, indirectly, the Eligible Investors, will not have an opportunity to review a full portfolio and a comprehensive set of terms of the investments. The likelihood that such investor members will realise any gain on an investment depends mainly on the skill and expertise of the personnel of the Managing Board Member and the Investment Adviser.

**Lack of Investor Member Control and Conflicting Interests of Investor Members.** Investor members in the Investment Company will have no opportunity to control the day-to-day operations of the Investment Company. Investor members may have conflicting investment, tax and other interests with respect to their investments in the Investment Company, including conflicts relating to the structuring of investment acquisitions and disposals. Conflicts may arise in connection with decisions made by the Managing Board Member, as advised by the Investment Adviser, regarding an investment that may be more beneficial to one investor member than another, especially with respect to tax matters. In structuring, acquiring, managing and disposing of Investments, the Managing Board Member will consider the investment and tax objectives of the Investment Company and its investor members as a whole, rather than the investment, tax, or other objectives of any investor member in the Investment Company or Eligible Investor individually.

**Interest Rates, Inflation and Other Financial Risks.** General movements in local and international stock markets, prevailing economic conditions, investor sentiment and interest rates could have a substantial negative impact on the value of the Investment Company's investments and investment opportunities in general. If an investment is incorrectly valued by the financial markets, the disposal opportunities available for that investment may, in the case of an undervaluation, be unattractive or, in the case of an overvaluation, be limited. The valuation of an investment could also be significantly adversely affected by inflation.

**Restrictions on Investor Member Transfers and Withdrawals.** There is no public market for interests in the Investment Company and no market is expected to develop. Investor members generally are not permitted to withdraw from the Investment Company. Consequently, investor members in the Investment Company, including the Company, may not be able to liquidate their investments prior to the end of the Investment Company's term, except by way of transfer in limited circumstances. Subject to conditions, interests in the Investment Company are freely transferable, but the Managing Board Member may decline to register a transfer in certain, broad circumstances (in which case, it shall be of no effect). In connection with any proposed transfer, the transferor and the transferee may, along with other possible requirements, be required to represent that the proposed transfer does not violate any applicable laws or regulations (including, without limitation, any anti-money laundering or securities laws).

**Dilution from Subsequent Closing.** Following the investment by the Company in the Investment Company, investor members subscribing for interests in the Investment Company at any closing thereafter are expected to ultimately participate in existing portfolio investments of the Investment Company, possibly diluting the interest of existing investor members, and sharing in returns attributable to such portfolio investments pro rata (subject to certain adjustments as contemplated in the Investment Company documentation, including due to excuse rights of investor members in the Investment Company, if applicable). Although such investor members, including the Company, will contribute amounts for investment in the Investment Company, there can be no assurance that this payment will reflect the fair value of the Investment Company's existing investments.

**Investor Member Default.** Investor members who fail to comply with drawdown notices may suffer significant financial penalties and other sanctions such as forfeiture of their investment and removal from the Investment Company. Any default by an investor member in complying with a drawdown notice, moreover, could have an adverse impact upon the Investment Company's ability to complete a transaction and/or could increase the relative exposure of other investor members in the Investment Company to such transactions.

**Control Position Risk.** Although non-control investments may also be made, the Investment Company intends to make investments that allow the Investment Company to acquire control or exercise influence over management and the strategic direction of a portfolio investment as described in this Prospectus. The exercise of control over a portfolio investment could expose the assets of the Investment Company to claims by such portfolio companies, its shareholders and its creditors as well as expose the Investment Company to additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liabilities in respect of which limited liability may be ignored. While the Managing Board Member intends to manage the Investment Company in a manner that will minimise the exposure of these risks, the possibility of successful claims cannot be precluded.

**Non-Controlling Investments.** The Investment Company may hold non-controlling interests in portfolio companies. Although the Managing Board Member will strive to retain influence over portfolio companies by seeking appropriate shareholder and supervisory rights to protect the Investment Company's interests, the Managing Board Member may nonetheless have a limited ability to protect the Investment Company's investment in such portfolio companies. Additionally, the Investment Company may enter into co-investment arrangements with third parties through special purpose vehicles, partnerships, joint ventures or other entities, thereby acquiring non-controlling interests in certain portfolio companies. The Investment Company may not have control over these companies and, therefore, may have a limited ability to protect its position therein. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third party partner or co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Investment Company, or may be in a position to take (or block) action in a manner contrary to the Investment Company's investment objectives. In addition, the Investment Company may in certain circumstances be liable for the actions of its third-party partners or co-investors. Investments made with third parties in joint ventures or other entities may involve fees payable to such third-party partners or co-investors.

**Forward-Looking Information and Projections.** Any Forward-Looking Information (including without limitation, projects of future earnings or value) and projections contained in this Prospectus are subject to known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those contemplated in such statements. Projected operating results of an investment normally will be based primarily on financial projections prepared by the management of the relevant company into which the investment will be made. In all cases, projections are only estimates of future results which are formulated on the basis of information received from the relevant company and assumptions made at the time. There can be no assurance that the results set forth in the projections will be attained and actual results may be significantly different from such projections. General unpredictable economic factors may also have a material effect on the reliability or any projections.

**Exculpation and Indemnification.** Certain provisions contained in the LLC Agreement may limit the liability of the Managing Board Member as well as the liability of other advising parties such as the Investment Adviser. The Investment Company is also responsible for indemnifying the Managing Board Member, the Investment Adviser and their respective associates, employees and agents, the key personnel, and members of the Advisory Committee, for any losses or damage incurred by them except for losses incurred as a result of their fraud, wilful misconduct, wilful default, bad faith, or gross negligence. Such liabilities may be material and have an adverse effect on returns to the investor members (including the Company and, therefore, by extension the Shareholders), as the indemnification obligation would be payable from the assets of the Investment Company, including the unpaid commitments of the investor members.

**Recourse Risk.** The Investment Company's assets, including any investments made by the Investment Company and any funds held by the Investment Company, are available to satisfy all liabilities and other obligations of the Investment Company. If the Investment Company becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Investment Company's assets generally and may not be limited to any particular asset, such as the asset giving rise to the liability. To the extent that the Investment Company chooses to use special purpose entities for individual transactions to reduce recourse risk (and it may, but will be under no obligation to do so), the bona fides of such entities may be subject to later challenge.

**Liabilities upon Disposition.** In connection with the disposal of an investment, the Investment Company may be required to make representations about the business and financial affairs of such investment, which are expected to be in line with those typically made in connection with the sale of any business. The Investment Company may also be responsible for the content of disclosure documents under applicable securities laws and may be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosures document turn out to be inaccurate. The LLC Agreement provides that if there is any such liability in respect of the dispositions of one or more investments, such liabilities are to be funded by the investor members to the extent that they have received distributions from the Investment Company. In such circumstances, the distributions available to shareholders of the Company may be reduced.

**Sovereign Immunity.** The documentation for the Investment Company will be governed by Cayman Islands law and provide for disputes to be determined by arbitration conducted in accordance with the Rules of Arbitration of the International Court of Arbitration of the International Chamber of Commerce (ICC). The Investment Company is an international fund, and the Managing Board Member may decide to admit investor members to the Investment Company notwithstanding that they may be established and based outside of the Cayman Islands, and may have either no assets or only limited assets in the Cayman Islands. Furthermore, certain investor members admitted to the Investment Company may enjoy sovereign or other immunities and privileges under Cayman or foreign law, may claim to be or insist on being restricted in their ability to submit to the jurisdiction of particular courts and tribunals, including those designated in the Investment Company's documentation. These factors may make it substantially more difficult for the Managing Board Member, the Investment Adviser, or the other parties to the Investment Company's documentation to enforce the contractual obligations of an investor member in the Investment Company, if necessary, by obtaining a judgment or arbitration award and by enforcing that judgment or award against the relevant investor member's assets. It is possible that any shortfall caused by such an investor member in the Investment Company could become a liability of the other investor members and/or could otherwise adversely affect the Investment Company, its investments and/or the investor members, including the Company.

**Disclosure of Confidential Information.** The Managing Board Member and/or the Investment Adviser, as well as certain investor members in the Investment Company may be required by law or otherwise to disclose certain confidential information relating to an investment of the Investment Company and/or to the Investment Company generally. Such disclosure may affect the ability of the Investment Company to realise its investment in particular projects and adversely affect the Investment Company and, by extension, the Company, in general.

**Follow-on Investments.** There is no assurance that the Investment Company will make subsequent or "follow-on" investments or that the Investment Company will have sufficient funds to make all or any of such investments. Any decision by the Investment Company not to make follow-on investments or its inability to make such investments may have a negative effect on a project or portfolio company in need

of such investment, which may result in a lost opportunity for the Investment Company to increase its participation on a successful operation and/or its investment in the relevant project or company being diluted and therefore losing value.

**Portfolio company Debt.** A company in which the Investment Company invests (that is, a “portfolio company”) may incur debt, which generally magnifies both the Investment Company's opportunities for gain and its risk of loss from a particular investment of the Investment Company. The cost and availability of portfolio company debt is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are unfavourable, it may be difficult to obtain or maintain the desired degree of portfolio company debt. To the extent that a portfolio company does not incur the level of debt being sought, this may affect not only the number of investments that the Investment Company can participate in, but also could have an adverse effect on the value of the investments and on the returns to investor members, including the Company.

**Consequences for Investor Members as a result of AEOI.** The Investment Company may take such action as it considers necessary in relation to an investor member's holding or withdrawal of proceeds, as a result of relevant legislation and regulations, including but not limited to AEOI (defined below). Such actions may include, but are not limited to, the disclosure by the Investment Company or a service provider or delegate of the Investment Company, of certain information relating to an investor member to the Cayman Islands Tax Information Authority or its delegate (the “TIA”) or equivalent authority and any other foreign government body as required by AEOI. Such information may include, without limitation, confidential information such as financial information concerning an investor member's investment in the Investment Company, and any information relating to any shareholders, principals, partners, beneficial owners (direct or indirect) or controlling persons (direct or indirect) of such investor member.

The Investment Company may require the compulsory withdrawal, partly or wholly, of interests held by the Company in accordance with the terms of the documentation governing the Investment Company and may deduct relevant amounts from the Company if it is to be deemed wholly or partly as a recalcitrant investor member pursuant to such documentation, so that any withholding tax payable by the Investment Company or any related costs, debts, expenses, obligations or liabilities (whether internal or external to the Investment Company) are recovered by the Investment Company from the Company if its action or inaction (directly or indirectly) gave rise or contributed to such taxes, costs or liabilities. Failure by the Company to assist the Investment Company in meeting its obligations pursuant to AEOI, and failure in turn by shareholders of the Company to assist it in meeting such obligations, may therefore result in pecuniary loss to the Company.

“AEOI” means one or more of the following, as the context requires:

- (a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 and any associated legislation, regulations or guidance, commonly referred to as the US Foreign Account Tax Compliance Act, the Common Reporting Standard (“CRS”) issued by the Organisation for Economic Cooperation and Development, or similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement equivalent tax reporting and/or withholding tax regimes;
- (b) any intergovernmental agreement, treaty or any other arrangement between the Cayman Islands and the US or any other jurisdiction (including between any government bodies in each relevant jurisdiction), entered into to facilitate, implement, comply with or supplement the legislation, regulations or guidance described in paragraph (1); and

- (c) any legislation, regulations or guidance implemented in the Cayman Islands to give effect to the matters outlined in the preceding paragraphs.

## **9.2 Risks relating to investing in renewable energy projects**

**Power Purchase Agreement Risk.** Companies engaging in renewable energy projects will often enter into power purchase agreements ("PPAs") for electricity offtake. Payments by power purchasers to such projects pursuant to their respective PPAs may provide the majority of such companies' or projects' cash flows. There can be no assurance that any or all of the power purchasers will fulfil their obligations under their PPAs or that a power purchaser will not become bankrupt or that upon any such bankruptcy its obligations under its respective PPA will not be rejected by a bankruptcy trustee. There are additional risks relating to the PPAs, including the occurrence of events beyond the control of a power purchaser that may excuse it from its obligation to accept and pay for delivery of energy generated by a company or project. The failure of a power purchaser to fulfil its obligations under any PPA or the termination of any PPA may have a material adverse effect on a portfolio company or project.

**General Infrastructure Risks.** Investing in infrastructure assets may be subject to a variety of risks, not all of which can be foreseen or quantified, including operating, economic, environmental, commercial, currency, regulatory, political and financial risks. There is no assurance that the investments made by the Investment Company will be profitable or generate cash flows sufficient to provide a return on or recovery of amounts invested therein. Furthermore, although the Managing Board Member believes that significant opportunities in infrastructure currently exist, there is no assurance that the Investment Company will be able to invest investor members' commitments fully or that suitable investment opportunities will be identified that satisfy the Investment Company's investment objectives. If the Investment Company is unable to invest investor members' commitments fully, the potential return to investor members, including the Company, could be materially reduced.

**Risks Related to the Ownership of Infrastructure.** An investment in the Investment Company is subject to certain risks associated with the ownership of infrastructure and infrastructure related assets in general, including: the burdens of ownership of infrastructure; local, national and international economic conditions; the supply and demand for services from and access to infrastructure; the financial condition of users and suppliers of infrastructure assets; changes in interest rates and the availability of funds which may render the purchase, sale or refinancing of infrastructure assets difficult or impracticable; changes in laws, including environmental law, and regulations, and planning laws and other governmental rules; environmental claims arising in respect of infrastructure acquired with undisclosed or unknown environmental problems or as to which inadequate reserves have been established; changes in energy prices; changes in fiscal and monetary policies; negative developments in the economy that depress travel; uninsured casualties; under-insured or uninsurable losses, such as force majeure events and terrorist acts; and other factors which are beyond the reasonable control of the Investment Company. Many of these factors could cause fluctuations in usage, expenses and revenues, causing the value of investments to decline and to affect the Investment Company's returns negatively.

**Construction, Operational and Technical Risks.** The assets involve certain risks arising from the construction and operation of the projects which can be influenced by a number of unforeseen factors, such as: political opposition, regulatory and permitting delays, labour and materials shortages, strikes, disputes, environmental issues, force majeure, or failure by one or more of the project investment participants to perform in a timely manner their contractual, financial or other commitments. A material delay or increase in unabsorbed cost could significantly impair the financial viability of a renewable energy investment project and result in a material adverse effect on the Investment Company's investment.



Other risks associated with the operation of renewable energy projects are of a technical nature, including the risk of mechanical breakdown, spare parts shortages, failure to perform according to design specifications and other unanticipated events which adversely affect operations. While in certain investments, creditworthy and appropriately bonded and insured third parties may bear some of these risks, there can be no assurance that any or all such risk can be mitigated or that such parties, if present, will perform their obligations or that insurance will be available on commercially reasonable terms. An operating failure may lead to fines, expropriation, termination or loss of a licence, concession or contract on which a portfolio company is dependent. In addition, the long-term profitability of the infrastructure assets is partly dependent upon their efficient operation and maintenance, failure of which could reduce returns to investor members, including the Company.

**Competition for Investment Opportunities.** The Investment Company will be competing for investments with many other sources of capital, including other funds focusing on renewable energy projects or in the target region, private equity funds, public and private companies, hedge funds and, in some cases, local governments. Similarly, these entities may be seeking to dispose of renewable energy assets at the same time as the Investment Company, thereby creating competition for potential buyers. The renewable energy sector is evolving rapidly and it is possible that other competing investment funds could be launched targeting the same region. Some competitors may have advantages over the Investment Company in acquiring similar assets, including greater amounts of capital, capital that has been committed for longer periods of time, and/or reduced target financial returns. Furthermore, competition for investment opportunities in the renewable energy sector in the Caribbean region may result in reduced investment opportunities for the Investment Company and increased purchase prices. In acquiring investments, the Investment Company may need to participate in a significant number of competitive bidding situations, and may incur significant expenses in doing so. In particular there may be significant expenses incurred in attempting to acquire potential investments which are ultimately not consummated.

**Renewable Energy Projects.** Investments in renewable energy projects and infrastructure expose the Investment Company to numerous risks, including construction, environmental, regulatory, permitting, commissioning, start-up, operating, economic, commercial, political and financial risks. This will involve risks of failure to obtain or substantial delays in obtaining: (i) regulatory, environmental or other approvals or permits; (ii) financing; (iii) leasing; and (iv) suitable equipment supply, operating and off-take contracts. Moreover, renewable energy assets are subject to energy regulation and require governmental licenses and approvals for their operation. The failure to obtain, maintain or comply with the licenses and approvals relating to the Investment Company's investments, and the resulting costs, fines and penalties, could materially and adversely affect the portfolio companies' ability to operate the assets. Renewable energy projects also require significant expenditure before the assets begin to generate income and often require long-term investment to enable projects to generate expected levels of income.

**Counterparty Risk.** Investments made by the Investment Company depend on the timely and accurate performance of obligations by contractual counterparties. Although the Investment Company will take reasonable steps to conduct adequate due diligence in respect of such counterparties, such counterparties may fail to perform their obligations in the manner anticipated by the Managing Board Member or by the Investment Adviser, or at all. This may result in unexpected costs or a reduction in expected revenues for the Investment Company and, by extension, for the Company.

**Sub-Contractors.** If a subcontractor fails to perform the services which it has agreed to provide, there may be a reduction in the payments that the portfolio company (and ultimately the Investment Company) is entitled to receive, and/or claims by the third parties for damages. These reductions and/or claims are typically passed on to the relevant subcontractor, the subcontractors' liabilities for the risks they have

assumed are typically subject to financial caps and it is possible that these caps may be exceeded in certain circumstances. Any loss or expense in excess of such a cap would ultimately be borne by the Investment Company. If there is a subcontractor service failure which is sufficiently serious to cause the portfolio company to terminate the subcontract, or an insolvency in respect of a subcontractor, there may be a loss of revenue during the time taken to find a replacement subcontractor and the replacement subcontractor may levy a surcharge to assume the subcontract or charge more to provide the services. There will also be costs associated with the re-tender process. These may not be recoverable from the defaulting subcontractor.

**Contract Risk.** To the extent that the Investment Company invests in assets and/or businesses that are governed by concession agreements with government authorities, there is a risk that these authorities will not or may not be able to honour their obligations under the relevant agreement, especially over the long term. There is also a risk, particularly in the economic context of some developing economies within the target region, that contract counterparties such as operators of infrastructure assets, development contractors and subcontractors and equipment suppliers, and suppliers and offtakers, could fail to honour some or all of their obligations under contracts, which are essential to the operation of the investments. Contract default of this kind may adversely affect the profitability of the investments.

**Termination of Concession or Project Agreements.** With certain concession or project agreements, both the Investment Company and the relevant third parties may have the right to terminate the agreement in certain circumstances. The compensation (if any) to which the Investment Company or its portfolio company will be entitled on termination will depend on the reason for termination and the terms of the respective agreement. In some cases, there may be either no compensation or insufficient compensation to recover investment capital in the project.

**Co-investment Risks.** Given that large capital investments are often required for renewable energy projects, the Managing Board Member envisages that the Investment Company may invest alongside third parties in a number of its investments. The Investment Company's ability to achieve its objectives assumes that the Managing Board Member will be able to identify such co-investors and to negotiate and execute mutually acceptable terms and conditions in respect thereof. Such investments will involve additional risks which may not be present in investments which do not involve a co-investor, including the possibility that a co-investor may at any time have economic or business interests or goals that are not aligned with those of the Investment Company, may be in a position to take (or block) action in a manner which is inconsistent with the Investment Company's objectives, or may have financial difficulties, become insolvent or default on its obligations.

**Liquidity of Investments.** The Investment Company's investments are highly likely to be illiquid and long-term. Such investments may be illiquid because, among other reasons, there is no established market for the particular type of asset or company, there is a scarcity of disposal options and/or potential acquirers, or there are legal, tax, regulatory or contractual restrictions associated with the disposal of the investment. As a result, it may be difficult from time to time for the Investment Company to realise, sell or dispose of an investment at an attractive price or at the appropriate time or in response to changing market conditions, or the Investment Company may otherwise be unable to complete a favourable exit strategy. Stock markets in most of the jurisdictions within the target region also tend to be more volatile than in those in regions comprising more developed economies, which may affect the liquidity of the Investment Company's investments that are or become listed on stock exchanges. Moreover, the renewable energy projects being targeted by the Investment Company may require a lengthy construction and development period, following which it is intended that, in most cases, the assets will be held long-

term to generate income. As a consequence, the timing of cash distributions to investor members, including the Company, is uncertain and unpredictable.

**Governmental Regulation.** Many infrastructure investments are subject to substantial governmental regulation, and such regulation that could negatively impact upon the business of the Investment Company. In addition, the operations of such investments may rely on government permits, licences, concessions, leases or contracts. Government entities generally have significant influence over such companies, and may exercise their authority in a manner that causes delays in the operation of the business of the Investment Company's investments, obstacles in the pursuit of the Investment Company's investment strategy or increased administrative expenses.

**Environmental Risks.** While the Managing Board Member intends to ensure that all investments meet or exceed all relevant compliance standards for renewable energy projects in their respective jurisdictions, particular projects may be subject to detailed legislative and other requirements relating to environmental matters which may be unpredictable, such as liability/costs relating to the presence of hazardous materials. Changes in legislation and environmental laws or in the environmental condition of an investment may create liabilities that did not exist at the time of acquisition of an investment and that could not have been foreseen. The Managing Board Member also cannot predict whether specific activities of a portfolio company or project may cause unexpected damage to the environment. Further to this, the legislative framework for environmental liability has not been fully developed in the targeted region and the extent of the responsibility, if any, for the costs of abating environmental hazards may be unclear at the time of evaluating specific prospective investments to be made by the Investment Company. The Investment Company may be exposed to substantial risk of loss from environmental claims arising in respect of its investments and may experience material losses due to these risks.

**Warehoused Investments.** The Investment Company may acquire investments from MPC Capital or its affiliates on the terms set forth herein and such acquisitions will be deemed approved by its investor members, including the Company. The price and other terms on which such investments are acquired (or any other investments acquired from or sold to MPC Capital or its affiliates) will not be on an arm's-length basis and may be less advantageous to the Investment Company than if such transactions were entered into with unaffiliated third parties. In such circumstances, the underlying value of the investment made by the Company in the Investment Company and the revenue available to the Company to be distributed to its shareholders could be impacted. That said, the independent member of the Investment Committee has a veto right in respect of the entry by the Investment Company into any affiliate transactions which would mitigate the risk of the Investment Company entering into affiliate transactions that would not be in the best interests of the Investment Company or its investor members.

### 11.1 Caribbean Economic and Energy Context

Confronted by acute challenges associated with energy consumption and generation, the Caribbean region stands at a crossroads. Heavy dependence on imported fossil fuels exposes many Caribbean countries to volatile oil prices and produces high electricity tariffs, limits economic development and social opportunity, and negatively affects human health and the environment.

The Caribbean region requires significant investment in clean electricity generation to meet energy demand growth as well as its carbon emissions reductions targets, but lacks sufficient local capital to address this.

#### a. Caribbean Macroeconomic Snapshot

The Investment Company's target region comprises 28 CARICOM (including the associate members and observers) and 6 non-CARICOM countries within the Caribbean Basin. According to the available information on the IMF's World Economic Outlook Database, the aggregate population of the region in 2018 is estimated at 286 million, rising to 298 million people in 2022 (CAGR<sup>9</sup> 0.8%). Aggregate GDP for these countries in 2018 is USD 2,179 billion, rising to USD 2,645 billion in 2022 (CAGR 4.0%).<sup>10</sup>

The IMF characterises the macroeconomic prospects for the region as improving, with growth in both tourism-dependent economies and commodity exporters projected to be in the 2.4% range for 2017 and 2018 and into the medium term. The region is expected to benefit from higher economic growth in the United States (“US”) and some improvement in commodity prices.<sup>11</sup>

Public sector debt remains a major vulnerability for the region. In several tourism-dependent economies, the public-debt-to-GDP ratio is now declining from very high levels, with a number of them, including Grenada, Jamaica, and St. Kitts and Nevis, engaged in multi-year fiscal consolidation efforts.<sup>12</sup> In such cases, continued fiscal prudence will be necessary to gradually reduce public-debt-to-GDP ratios to sustainable levels and to build and preserve buffers against adverse shocks.

In commodity-exporting countries such as Trinidad and Tobago and Suriname, the decline in commodity prices exposed weaknesses in fiscal policy and led to large deficits, contributing to a rapid increase in public debt. In such countries, there is a clear need for tighter fiscal policies in

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<sup>8</sup> All of the information contained in this Section is as of August 2018, unless otherwise stated.

<sup>9</sup> The CAGR is defined as Compound Annual Growth Rate.

<sup>10</sup> World Economic Outlook Database, International Monetary Fund (the “IMF”), April 2018; accessed on 26 April 2018, [www.imf.org/external/pubs/ft/weo/2018/01/weodata/download.aspx](http://www.imf.org/external/pubs/ft/weo/2018/01/weodata/download.aspx). The IMF database does not include data for the following CARICOM countries: Anguilla, Aruba, Bermuda, British Virgin Islands, Cayman Islands, Curaçao, Montserrat, Sint Maarten and Turks and Caicos Islands (although these are de minimis in the context of the aggregate numbers shown here).

<sup>11</sup> Regional Economic Outlook, World Economic Outlook Database, IMF, October 2017; <https://www.imf.org/en/Publications/REO/WH/Issues/2017/10/11/wreo1017>

<sup>12</sup> Ibid.

respect of medium-term macroeconomic adjustment to re-establish a sustainable fiscal path and ensure debt sustainability.

The IMF cites high energy costs as an impediment to the region's long-term prosperity and states that the majority of financing needed to roll-out low cost, clean energy infrastructure will come mainly from international private capital markets rather than domestic sources.<sup>13</sup>

b. Overview of Caribbean Electricity Markets<sup>14</sup>

The power systems in most CARICOM states share several defining characteristics. The majority rely on a single utility supplier that has monopoly control over the transmission and distribution of on-grid electricity. Several multi-island nations, such as the Bahamas and St. Kitts and Nevis, have separate utilities with exclusive rights to operate on specific islands. In many cases energy regulators have been established to monitor these utilities either under government authority or operating as independent entities.

In some CARICOM member states, independent power producers (“IPPs”) are in operation, while in others they are prohibited by law or rely on agreement with vertically integrated utilities. Since most member states are relatively small, with isolated grids and no existing connections to other member states, they have small power systems that require high reserve margins to ensure reliability.

In other respects, member states face unique challenges. Although electricity access is generally high across the region, some states face low quality of service and significant unmet demand, as well as deteriorating equipment and high technical and non-technical losses. In several states, non-payment for electricity services makes electricity more expensive for those who pay and hinders the profitability and sustainability of utilities. Non-payment presents further challenges to utilities because it can discourage investment in new energy infrastructure, making expansion, repair, and development more difficult. Inappropriate tariff levels and a lack of effective regulations in some member states limit both innovation and efficiency.

c. Electricity Access

Most CARICOM members have relatively high rates of electricity access. Seven states have universal or near-universal access, and ten have access rates of 90% or higher. Significant exceptions are Belize, Guyana, Haiti, and Suriname which face enormous challenges related to rural electrification and energy poverty.

d. Installed Capacity

Installed electricity capacities in the CARICOM region vary greatly between member states, from more than 2,000 MW in Trinidad and Tobago to less than 10 MW in Montserrat. Some member states, such as Guyana and Haiti, must increase their capacities significantly to meet existing demand. In both countries, current power sector infrastructure is unable to meet basic needs and existing grids fail to reach large segments of the population.

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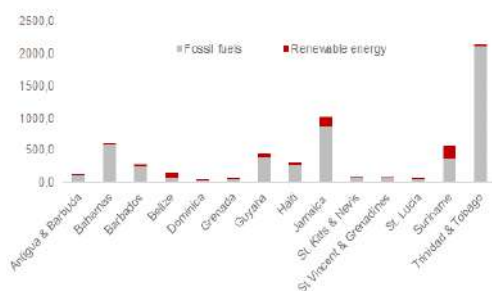
<sup>13</sup> Regional Economic Outlook, World Economic Outlook Database, IMF, May 2017; <http://www.imf.org/en/Publications/REO/WH/Issues/2017/05/10/wreo0517>

<sup>14</sup> C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015

Across the region, energy systems are often hindered by widespread disrepair and inefficiencies. In many cases, actual rates of generation and consumption are far below installed capacity because of aging fossil fuel plants and the additional strain that technical and non-technical losses put on power systems.

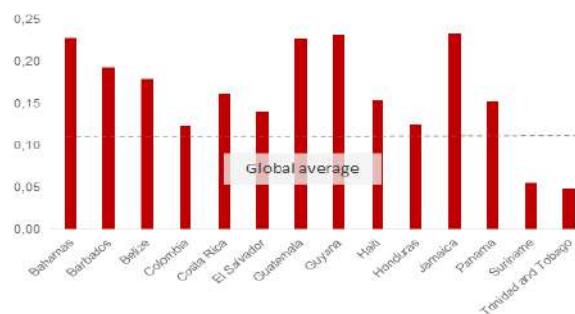
Chart 11.1. Installed capacity<sup>15</sup> and residential electricity prices<sup>16</sup>

INSTALLED CAPACITY, 2017 (MW)



Source: Global Data 2017

RESIDENTIAL ELECTRICITY PRICES (USD/kWh)



Source: Climatescope 2017

#### e. Electricity Prices

With the exception of Suriname and Trinidad and Tobago, Caribbean electricity prices rank among the highest in the world, largely because of high operating costs linked to rising fuel prices, inefficient transmission and distribution networks, and the inability to benefit from economies of scale given the small market size of individual island states. Geographic remoteness, steep topography, and other characteristics typical of small-island states further increase costs.

Even so, due to the differences in installed capacity, the diversity of generation sources, governmental subsidies and other factors, electricity tariffs charged to residential consumers vary widely. Against a global average residential electricity cost of USD 0.112 per kWh, CARICOM member states vary from as low as USD 0.06 to USD 0.05 per kWh in Suriname and Trinidad and Tobago to as high as USD 0.23 per kWh in Jamaica.<sup>17</sup>

#### f. Transmission and Distribution Losses

Technical and non-technical losses present critical challenges in many CARICOM member states. The scale of the challenge varies widely between member states, with Haiti and Guyana facing extremely high losses and Barbados experiencing minimal losses in the sector. A large share of observed technical losses occurs as a result of old and inefficient generation plants and transmission and distribution lines.

High levels of non-technical losses, including those due to electricity theft and un-billed customers, also plague the sector in some member states. The resulting financial strain on utilities

<sup>15</sup> Study of Power Sector in CARICOM and Associated Countries, by GlobalData, September 2017

<sup>16</sup> Climatescope, accessed on 05 May 2018; <http://global-climatescope.org/en/compare>

<sup>17</sup> Climatescope, accessed on 05 May 2018, <http://global-climatescope.org/en/compare>

often impedes necessary improvements and infrastructural development, leading to even lower-quality services.

g. Electricity Demand Growth

Generation and consumption figures for CARICOM member countries are expected to increase dramatically over the coming years unless the region takes measures to reduce overall electricity use. Net electricity generation and consumption are projected to reach 37,114 GWh and 32,812 GWh, respectively, by 2027, an increase of 76.8% and 81.9% as compared to 2012 figures. This forecast highlights the need for significant investment in new electricity generation capacity as well as widespread adoption of energy efficiency and demand management measures.

## 11.2 Caribbean Regulatory Context

All 15 CARICOM member states have a national energy strategy for development or implementation, and are currently designing or have already implemented regulatory reform measures, fiscal incentives, or public financing mechanisms for renewable energy.

Many CARICOM member states have set ambitious renewable energy goals that are comparable to, or even exceed, targets being set in developed countries. Generally, countries aim to achieve a specific percentage of energy supply through renewables. For example, Dominica, Grenada and Guyana are targeting meeting more than 90% of their total energy supply through renewable power in the coming decades.

CARICOM member states have also implemented, or are considering, national targets for energy efficiency improvements. These targets are often more affordable and more easily implemented than targets for renewable energy supply. Targets set for energy efficiency in CARICOM address either end-use efficiency improvements for consumer appliances or reduced rates of technical and non-technical electricity grid losses.

a. Published renewable energy and electricity targets

The tables below show the targets and policy statuses of the CARICOM countries.

*Chart 11.2 - CARICOM renewable energy targets*

COUNTRY	RENEWABLE ENERGY TARGET	RENEWABLE ELECTRICITY TARGET
Antigua & Barbuda	15% by 2030	15% by 2030
Bahamas	30% by 2030	30% by 2030
Barbados	20% by 2026	29% by 2029
Belize	80% by 2020 95% by 2030	89% by 2033
Dominica	100% by 2020	100% by 2020 (with geothermal)
Grenada	20% by 2020	20% by 2020 100% by 2030
Guyana	None	28% by 2022 37% by 2027
Haiti	None	50% by 2020
Jamaica	20% by 2030	20% by 2030
Montserrat	None	100% (geothermal and solar by 2020) 20%
St. Kitts & Nevis	None	100% by 2018 for Nevis
St. Lucia	35% by 2020	35% by 2020

St. Vincent & Grenadines	None	60% by 2020
Suriname	None	28% by 2022
Trinidad & Tobago	None	47% by 2027
		5% of peak demand by 2020

Sources: C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015 and Study of Power Sector in CARICOM and Associated Countries in 2017 by GlobalData

## b. Renewable energy regulatory policies

The charts below show the elements of the renewable energy policies and their status for various CARICOM member countries.

- A **“feed-in tariff”** details the terms and conditions under which the government obliges the utilities or off-takers to purchase energy generated by renewable energy assets. These tariffs are typically fixed by law and not set through an auction.
- **“Net metering”** refers to the ability of consumers to generate and consume their own energy (behind the meter) while **“net billing”** includes the possibility to feed excess energy, which is not consumed by the customer, into the grid and to receive a compensation for it.
- A **“renewable portfolio standard”** or **“RPS”** is a regulation that requires the increased production of energy from renewable energy sources.
- **“Independent power producer”** or **“IRP”** refers to private power generators which have a license to generate and sell energy.

Chart 11.3 - CARICOM renewable energy policies

COUNTRY	FEED-IN TARIFF	NET METERING/BILLING	RENEWABLE PORTFOLIO STANDARD	IPPS PERMITTED
Antigua & Barbuda	X	X	S	X
Bahamas	ID	ID	N	S
Barbados	ID	X	ID	X
Belize	S	S	S	X
Dominica	N	X	N	X
Grenada	X	X	ID	X
Guyana	N	S	N	X
Haiti	S	S	S	X
Jamaica	N	X	N	X
Montserrat	N	N	N	N
St. Kitts & Nevis	N	N	N	X
St. Lucia	S	X	N	X
St. Vincent & Grenadines	X	X	N	X
Suriname	ID	S	N	X
Trinidad & Tobago	ID	N	N	X

KEY: N = None S = Suggested ID = In Development X = Implemented

Sources: C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015 and Study of Power Sector in CARICOM and Associated Countries in 2017 by GlobalData



c. Renewable energy fiscal policies

Chart 11.4 - CARICOM renewable energy fiscal policies

Country	Tax credits	Tax reduction and exemption	Public loans/grants	Green grant procurement
Antigua & Barbuda	X	X	S	N
Bahamas	N	X	N	S
Barbados	X	X	X	N
Belize	S	N	N	N
Dominica	N	X	N	N
Grenada	ID	X	X	N
Guyana	N	X	N	N
Haiti	S	S	ID	N
Jamaica	X	X	X	X
Montserrat	S	S	N	N
St. Kitts & Nevis	N	X	X	N
St. Vincent & Grenadines	X	X	N	N
St. Lucia	X	X	N	N
Suriname	N	S	N	N
Trinidad & Tobago	X	X	N	S

KEY: N = None S = Suggested ID = In Development X = Implemented

Sources: C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015 and Study of Power Sector in CARICOM and Associated Countries in 2017 by GlobalData

### 11.3 Caribbean Clean Energy Forecasts

Comprehensive forecasts for clean energy investment within the Caribbean basin are not generally available, although the region has excellent prospects for the sector, as reflected in the Intended Nationally Determined Contributions (“INDCs”) submitted by each country as part of the Paris Agreement.

Further, in 2015 the 15 members of CARICOM produced a clean energy roadmap which has set out clean energy targets for each country. Currently, these countries have in total installed electricity generating capacity of 5.8 GW, of which 486 MW is renewable energy. Over the next ten years, these countries are aiming for some 5.3 GW of new renewable energy capacity additions, requiring circa USD 8.4 billion of investment.<sup>18</sup>

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<sup>18</sup> C-SERMS, Worldwatch Institute, by Alexander Ochs et al., 2015

Chart 11.5 - CARICOM clean energy investment targets to 2027<sup>19</sup>



Certain other CARICOM observer countries with significant installed capacity have also made ambitious commitments to develop renewable energy as part of their overall energy mix, including Colombia (15.5 GW installed capacity, 10% renewables target by 2028), Dominican Republic (3.4 GW, 25% by 2025) and Mexico (64.7 GW, 35% by 2024).<sup>20</sup>

Finally, Bloomberg New Energy Finance has produced forecasts for some of the non-CARICOM countries within the Investment Company's scope (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama). These six countries are estimated to install 1,075 MW of wind and solar capacity for the period of 2017-2020, for some USD 1.6 billion of capex.<sup>21</sup>

#### 11.4 The Role of Equity Investments

The opportunity for equity investments within the Caribbean and Latin American region is significant, given a profound lack of local capital, although each market offers a unique investment context that is not always accessible to global or pan-Latin America focused private equity funds.

According to the Emerging Markets Private Equity Association ("EMPEA"), fund managers deployed USD 604 million across 13 deals during the first quarter of 2018. In addition, USD 989 million were raised for private credit strategies representing 47% of all capital raised in the period for Latin America which constitutes the highest share since EMPEA began tracking fundraising in 2006. The power sector in the region has consistently gathered the highest amounts of capital invested since 2014; during the last 10 years this sector has taken 57% of the USD 15 billion invested through infrastructure deals within the region.<sup>22</sup>

<sup>19</sup> Ibid. Please note that the graphs shown exclude the CARICOM member state Montserrat.

<sup>20</sup> Bloomberg New Energy Finance, accessed on 30 June 2017, [www.bnef.com](http://www.bnef.com)

<sup>21</sup> Ibid.

<sup>22</sup> Latin America Data Insight (Q1 2018), EMPEA (Emerging Markets Private Equity Association), accessed on 12 September 2018, <https://www.empea.org/research/latin-america-data-insight-2018/>

In contrast, with the region still at a low point in the fundraising cycle following the 2014 peak, fund managers raised just USD 158 million, the lowest first quarter total on record. Nevertheless, per EMPEA's 2017 *Global Limited Partners Survey*, Latin America is one of the most attractive regions for investors: 33% of investors plan to begin or increase allocations to Latin America (excluding Brazil) in the following years. Although political uncertainty remains a factor, attractive valuations and improving currency and macro conditions will likely continue to lift investors' perception of the region and may boost private capital activity levels in Latin America in the coming quarters.<sup>23</sup>

When it comes to the Caribbean region specifically, however, it is clear that private capital is in very short supply as emerging market investors have so far favoured other countries in Asia, Africa and Latin America. The Caribbean is highly fragmented and each country has its own investment environments and characteristics. Very few fund managers focus specifically on the Caribbean and institutional capital has not been easy to attract. As a result, the region has plenty of investment opportunities available, albeit at a scale that is often below the radar of many international and regional private equity funds.

Early movers in the Caribbean market have made successful investments and returned to the market for follow-on funds. Toronto-based Portland Holdings raised USD 225 million for its first Caribbean fund from development finance institutions ("DFIs"), US pension funds and fund-of-funds and has since raised USD 205 million for a successor fund. A second Caribbean focused fund manager, MGM Innova, raised USD 60 million for an energy efficiency fund in 2011.<sup>24</sup>

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<sup>23</sup> Global Limited Partners Survey, EMPEA, accessed on 7 June 2018, <https://www.empea.org/research/2017-global-limited-partners-survey/>

<sup>24</sup> Portland Caribbean Fund II, Portland Private Equity, 8 July 2017, [www.portlandpe.com/our-funds/portland-caribbean-fund-ii](http://www.portlandpe.com/our-funds/portland-caribbean-fund-ii). Infrastructure Investor database, 29 June 2017, [www.infrastructureinvestor.com](http://www.infrastructureinvestor.com).

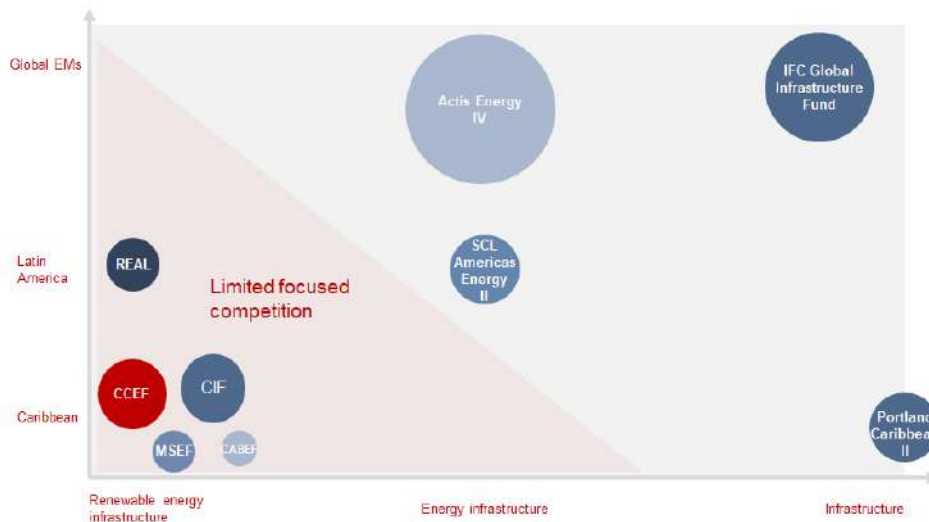
## 11.5 Competitive Landscape

The Caribbean clean energy market is nascent, with few active players. Competition for construction-ready projects comes mainly from the following sources: trade players (local and international) and financial players (local/regional/global clean energy funds and regional/global infrastructure funds).<sup>25</sup>

### a. Selected financial players

Based on a desktop analysis of funds investing in energy infrastructure in emerging markets, there appears to be a very limited number that are focused exclusively on the Caribbean.

Chart 11.6 - Selected funds addressing Caribbean clean energy opportunity



Sources: Infrastructure Investor database, June 2017; CABEF April 2018; MPC analysis, May 2018

According to the *Infrastructure Investor* database, there are 117 fund managers with an investment strategy that includes energy infrastructure and Latin America. Of these, MPC Capital has identified eight funds (other than the Investment Company) that it believes could make an investment in Caribbean clean energy projects. Two of these, funds managed by Actis and IFC, would typically be expected to invest in transactions much larger in size than any in the Investment Company's Caribbean pipeline.

<sup>25</sup> Bloomberg New Energy Finance, accessed on 30 June 2017

*Chart 11.7 – List of funds addressing Caribbean clean energy opportunity*

FUND (VINTAGE)	REGION	STRATEGY	FUND SIZE
MPC Caribbean Clean Energy Fund (“CCEF”) (2018)	Caribbean	Renewable energy Energy efficiency + storage	USD 200 m (target)
Climate Investment Funds (“CIF”) (2018)	Caribbean & Central America	Clean Energy	USD 150 m (target)
MGM Sustainable Energy Fund (“MSEF”) (2014)	Caribbean & Central America	Energy efficiency Renewable energy	USD 65 m
REAL Latin Renewables Infrastructure Fund (“REAL”) (2014)	Latin America	Renewable energy	USD 100 m
Portland Caribbean Fund II (“Portland Caribbean II”) (2016)	Caribbean	Diversified (incl. renewables)	USD 200 m
SCL Americas Energy Fund II & Clean Energy Fund & Parallel Fund (“SCL Americas Energy II”) (2015)	Latin America	Energy, renewable energy	USD 200 m (total)
Actis Energy IV (2016)	Global emerging markets	Energy	USD 2.75 bn
IFC Global Infrastructure Fund (2016)	Global emerging markets	Infrastructure	USD 1.2 bn
Caribbean Basin Sustainable Energy Fund (“CABEF”) (2017)	Caribbean	Clean energy Energy efficiency	USD 50 m

Sources: Infrastructure Investor database, June 2017, CABEF April 2018, MPC analysis, May 2018

#### **b. Selected Trade Players**

*Chart 11.8 - Selected companies addressing Caribbean clean energy opportunity*

COMPANY	REGION	STRATEGY
AES	El Salvador	2.5 MW solar PV
Barbados Light and Power	Barbados	10 MW solar PV
Enel Green Power	Panama	54 MW solar PV (6 projects)
Globaleq Mesoamerica	Nicaragua	44 MW wind
Globaleq Mesoamerica	Costa Rica	153 MW wind (6 projects)
Globaleq Mesoamerica	Honduras	82 MW solar PV (3 projects)
Grupo Onyx	Guatemala	80 MW solar PV (2 projects)
Grupo Terra	Honduras	95 MW wind (2 projects)
Grupo Terra	Honduras	50 MW solar PV (2 projects)
Grupo Terra	Nicaragua	40 MW wind
Industria Tecnológica Panamena	Panama	40 MW wind
Scatec	Honduras	113 MW solar PV (2 projects)
Petroleum Corp of Jamaica	Jamaica	63 MW wind (3 projects)
Union Eolica Panamena SA	Panama	404 MW wind (10 projects)

Source: Bloomberg New Energy Finance, June 2017

c. The Investment Company's Competitive Positioning

The Investment Company is well placed to address the Caribbean clean energy market opportunity, given both the shortage of equity capital providers and limited number of experienced players who are demonstrably able to take projects through construction and into operation.

*i. Strong Market Position*

The Investment Company will be one of a very limited number of investment funds specialising in renewable energy in the Caribbean. The Investment Adviser has already built extensive networks for proprietary deal origination and co-investment, a deep pipeline of projects, strong global strategic relationships, a multidisciplinary and complementary team and a demonstrated ability to raise and deploy capital.

*ii. Highly Experienced Team*

During the last five years, the core team members of the MPC Renewable Energies team have been involved in the development of a total of 47 renewable energy projects in non-OECD countries totalling over 4,300 MW.<sup>26</sup> The ultimate holding company of the Investment Adviser, MPC Capital, has over 20 years' track record and experience in real asset markets globally (not limited to clean energy assets).

*iii. Initial Portfolio Project Secured and Compelling Pipeline*

The first seed asset 'Paradise Park' is a project comprising a 50 MWp solar PV plant in Jamaica with a total investment of approximately USD 64 million. The project reached financial close in June 2018, construction has begun, and is expected to be commissioned in the first half of 2019. At financial close of the 'Paradise Park' project, MPC Capital has transferred its 68.8% majority stake in EREC Investment Ltd., a joint venture vehicle holding directly 49.9% in the 'Paradise Park' project, through which the Investment Company effectively holds 34.4% in the 'Paradise Park' project.

The second seed asset 'Tilawind' is a 21 MW onshore wind farm based in Costa Rica. The Investment Company and the local group ANSA McAL Limited from Trinidad and Tobago are acquiring this wind farm jointly, which requires a total investment of approximately USD 50 million. The wind park has been in operation since March 2015.

A further 14 projects have been prioritized and form the indicative deal pipeline for the Investment Company. These require a total investment of circa USD 499 million and would deliver up to 314 MW of new renewable energy capacity.

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<sup>26</sup> Please note that this includes projects undertaken by the team members prior to their involvement with MPC and may include projects for which the relevant individuals were not primarily responsible.

*iv. Backed by Established Asset Management Platform*

MPC is a listed German asset manager and has provided a USD 5 million cornerstone commitment to the Investment Company. MPC manages over EUR 5.2 billion across real asset sectors globally, including EUR 320 million in renewable energy assets.<sup>27</sup> The target size for the Investment Company is USD 200 million, targeted to be raised within 12 months of the first closing of the Investment Company. MPC is confident that this will make it one of the best-funded players of its type focused on this area of the market.

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<sup>27</sup> Assets under Management as of 30 June 2018.

**12.1 Summary of Investment Strategy of the Investment Company**

Investment Company target	USD 200 million
Markets	Caribbean (priority markets include Colombia, Jamaica, Dominican Republic and Trinidad & Tobago)
Technology	Generation: solar PV and wind Energy efficiency & storage
Size	10 MW to 100 MW (except for distributed) USD 5 million to USD 25 million of equity
Stage	Primarily projects pre-construction (greenfield) and limited projects post-construction (brownfield)
Ownership	Majority or significant minority control
Revenue model	Long-term contractual revenue through appropriate power purchase agreements (PPAs) or lease model US Dollar-denominated revenues
Leverage	60-80% asset level project finance Some projects will be financed all equity
Investment hold	Six to eight years

**12.2 Sector Focus**

The Investment Company's sector focus is driven mainly by economic considerations. Mature renewable energy technologies tend to have significantly lower levelized cost of energy than prevailing energy sources.

a. Primary focus: mostly solar PV and wind projects (80% - 100%)

The Investment Company prioritises investment in solar PV and wind projects in the Caribbean ranging from 10 MW to 100 MW in size. Solar and wind are each expected to account for 40-60% of the Investment Company's clean energy generation assets. CARICOM member countries are aiming to add over 5.3 GW of renewable energy capacity in the next ten years.

b. Secondary focus: energy efficiency and energy storage (up to 20%)

The Investment Company also invests in energy efficiency projects and energy storage, whether as standalone investments or to complement the Investment Company's clean energy generating assets. Energy efficiency and energy storage projects (together with distributed solar) offer tremendous growth potential but are generally avoided by investors seeking utility scale. As such, there is potential for higher yields which, unlevered, can provide strong cash generation.



### 12.3 Geographical Focus

The Investment Company focuses primarily on the Caribbean and Central American regions, more specifically in the member states, associate members and observers of the Caribbean Community (CARICOM) and Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

These countries are characterised by a growing demand for electricity, high prevailing energy costs, enabling environments and relatively low levels of competition.

#### a. Screening criteria

Within the overall target region, the Investment Company prioritizes a number of countries, based on a range of macro, market and other investment environment factors. These include:

Chart 12.1- Selected market screening criteria

MACRO	MARKET SIZE	INVESTMENT ENVIRONMENT	ENABLING REGIME	FUND PIPELINE	COMPETITION
<ul style="list-style-type: none"> <li>Population</li> <li>GDP</li> <li>GDP/capita</li> <li>Cost of Conventional Power</li> </ul>	<ul style="list-style-type: none"> <li>Grid capacity</li> <li>Irradiation</li> <li>Forecasts</li> <li>Availability of Private Sector Market</li> </ul>	<ul style="list-style-type: none"> <li>Ease of doing business</li> <li>Governance</li> <li>Credit rating</li> <li>Strong supply renewable energy lenders</li> </ul>	<ul style="list-style-type: none"> <li>Targets</li> <li>Support</li> <li>Other regulation</li> </ul>	<ul style="list-style-type: none"> <li>Quality developers &amp; partners</li> <li>Project pipeline</li> </ul>	<ul style="list-style-type: none"> <li>Attractive economics</li> <li>Limited number of competitors</li> </ul>

#### b. Summary market assessment

Chart 12.2 - The Investment Company high priority countries (the number of arrows indicate the strength of each factor)

COUNTRY	MACRO	MARKET SIZE	INVESTMENT ENVIRONMENT	ENABLING REGIME	FUND PIPELINE	COMPETITION	COMMENTS
Colombia	▶▶▶	▶▶▶	▶▶	▶▶▶	▶▶	▶▶▶	The Colombian market has high potential given the renewable goals and overall power market volume. Regulatory framework offers strong support for distributed generation for self-consumption in the C&I sector.
Dominican Republic	▶▶▶	▶▶	▶▶	▶▶▶	▶▶▶	▶▶	The Dominican Republic offers attractive project economics given available PPA price levels and a solid pipeline of wind and solar PV development projects.
Jamaica	▶▶▶	▶▶▶	▶▶	▶▶▶	▶▶▶	▶▶	Most mature and sizeable renewables market within CARICOM with 150 MW of operational or construction assets and an upcoming tender with similar volume.
Trinidad & Tobago	▶▶	▶▶	▶▶	▶▶▶	▶▶	▶▶	Sizeable power market with urgent need of government to build out renewable energy sector given national goals.

Chart 12.3 - The Investment Company's medium priority countries

COUNTRY	MACRO	MARKET SIZE	INVESTMENT ENVIRONMENT	ENABLING REGIME	FUND PIPELINE	COMPETITION	COMMENTS
Antigua & Barbuda	▶	▶	▶▶	▶▶	▶	▶▶	Strong support for renewable energy with successfully implemented solar PV. Attractive market for distributed solar in the C&I sector. High renewable energy growth potential according to IRENA RRA.
Belize	▶	▶	▶▶	▶▶▶	▶	▶▶	Extremely high retail power prices attract renewable energy project development. The country aims to have 100% renewable energy supply in the long-term.
Costa Rica	▶▶	▶▶	▶▶▶	▶▶▶	▶▶	▶▶▶	Almost 100% renewable energy power supply with aim to become power exporter in the region. High competition around selected projects with PPA.
Curacao	▶	▶	▶	▶▶	▶	▶▶	Depends strongly on imported fossil fuel. Strong wind resources provide high potential for wind technology. Other initiatives incl. distributed solar and energy efficiency.
Guyana	▶	▶	▶	▶▶	▶	▶▶	Long-term PPA can be negotiated with the state-owned utility GPL and the economic situation will further improve with the found of oil and gas reserves.
Honduras	▶▶	▶▶	▶▶	▶▶▶	▶▶	▶▶▶	Sizeable market with more than 600 MW of installed capacity wind and solar PV. Financial resources of state-owned ENEE crucial for future success given the high amount of energy losses in the grid.
Panama	▶▶	▶▶	▶▶▶	▶▶▶	▶	▶▶▶	Solid investment environment for renewable energy. Implementation of grid expansion and interconnection crucial for renewables growth given current oversupply.

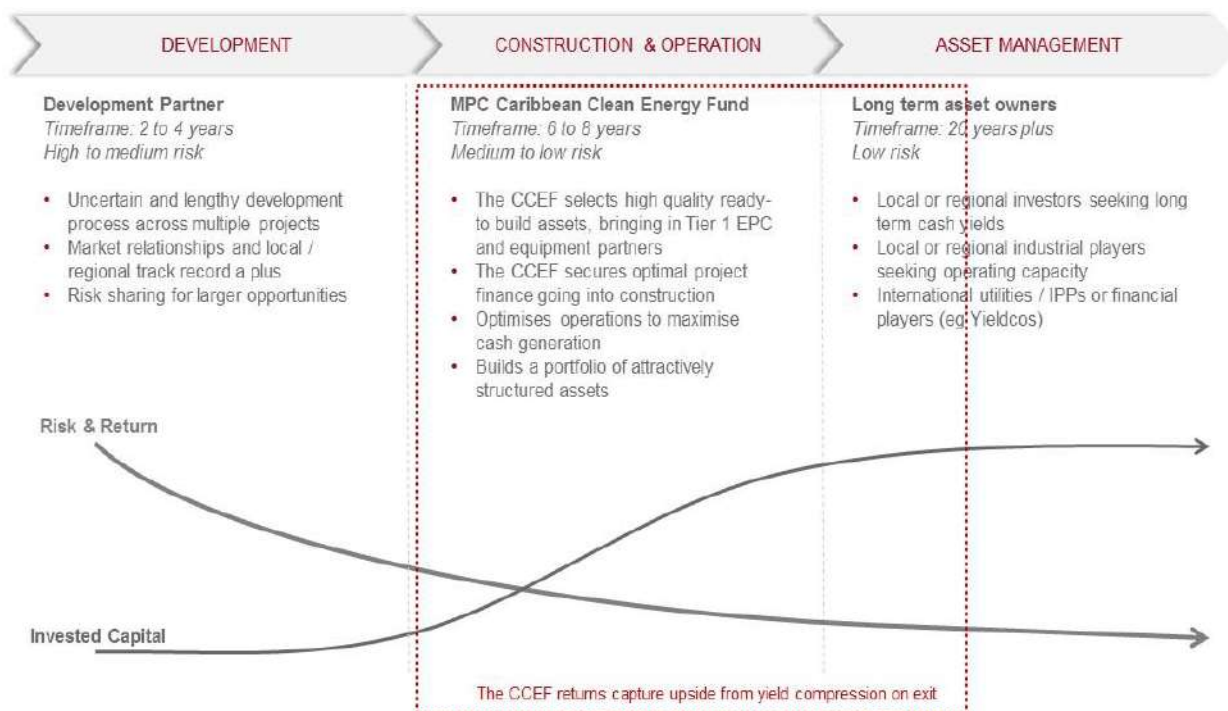
## 12.4 Investment Approach

### a. Investment stage

The Investment Company will acquire investments mainly during the final stages of the development period, subject only to conditions precedent including financial closing or, in an all-equity financing, subject to the execution of the construction contract and obtaining all relevant other contracts, licences, authorisations, and permits to construct and operate the asset. The Investment Company will not bear any development risks.

At these final stages, the projects are significantly de-risked, with the main contracts and permits in place. These typically include land leases, power purchase agreements, construction and operation contracts, insurance and project finance, as well as environmental, building, interconnection and operational permits.

Chart 12.4 - Project development investment phases<sup>28</sup>



Given the comparative maturity of solar PV and wind technologies, the availability of experienced contractors and the possibility of lump sum turn-key Engineering Procurement Construction (“EPC”) contracts, construction risk for solar PV and onshore wind projects are low to moderate and can be significantly mitigated by appropriate structuring.

On the other hand, equity valuations and respective purchase prices increase markedly upon the commissioning of renewable energy projects. This tends to result in substantially lower equity returns for investors stepping in at this stage. Given the return profile that the Investment Company is targeting, the Investment Company will seek to invest at financial close and to take those risks, which it is well placed to assess and manage.

That said, the Investment Company also considers investments in operational assets up to a maximum of 30% of total commitments. This might include, for example, assets being disposed by distressed sellers or that are subjects of privatization processes. Operational assets are clearly of lower risk in that they are past the construction phase and as a result provide more visibility on cash flows. On the other hand, the remaining asset life time and contracted power sales period is shortened, meaning there is a trade-off between the cost of capital and the expected cash flows. Nonetheless, the Investment Company expects to identify transactions where the available risk-adjusted return is appropriate and desirable within the context of the overall portfolio of assets and the anticipated level of gross returns.

<sup>28</sup> Please note that these profiles may vary materially between investments and, in respect of any particular investment, risk may increase while returns may fall. Further, no guarantees are made as to returns and it is possible that some investments may fail completely.

b. Investment process

i. *Origination*

MPC has been active internationally in the renewable energy space since 2007 and has established deep relationships with tier one players along the value chain. Building on this, the Investment Company's origination strategy will be to leverage the proprietary network of the MPC group, which consists of:

- a) Project developers
- b) Strategic asset owners such as utilities or IPPs
- c) EPC and components manufacturers
- d) International and local law firms
- e) Technical advisors
- f) Investment and lending banks, financial advisors

In addition to the above, MPC has built a wide network of smaller entities (in some cases individuals) acting as brokers and transaction advisors worldwide.

ii. *Screening*

With many years of investment experience, the team has developed extensive capabilities in deal origination and pipeline management. The team, whilst at MPC or at their previous employers, have been involved in the development of 47 clean energy projects, comprising 4,344 MW. Of these projects, 29 were in the Latin American and Caribbean region, accounting for 2,002 MW. In order to derive an attractive priority pipeline of projects for the Investment Company, the team has reviewed a variety of solar PV projects, wind projects and energy efficiency projects in the Caribbean basin.

In addition to the 50 MWp Paradise Park project in Jamaica and the 21 MW Tilawind acquisition in Costa Rica, the indicative priority pipeline comprises 14 projects accounting for 314 MW and requiring a total investment in the region of circa USD 499 million. The team possesses expertise in project development, project construction, asset management, engineering, law, finance and business. The initial screening will consider the following elements:

- a) Developer profile
- b) Country profile
- c) Regulatory framework (both clean energy specific aspects and general cross-border elements)
- d) Technical review (plant design, grid connection availability and reliability, construction feasibility)
- e) Fiscal framework and specific treatment

- f) Expected timing
- g) Expected return
- h) Critical issues

iii. *Term sheet negotiation and execution*

For the opportunities that are filtered by the screening process and that receive Investment Committee approval for initial recommendation to the Managing Board Member and, if the Managing Board Member wishes to pursue such opportunity, the team will negotiate a term sheet with the key elements of the envisaged transaction. Typically, the term sheet will provide for an exclusivity period during which the due diligence process and the final contract negotiations will be carried out.

iv. *Due diligence*

Once there is a term sheet in place, the team will lead the due diligence exercise carried out by external advisors. The main work streams will be:

**Technical:** in addition to all the usual aspects of the project (design, component reliability, construction schedule, EPC valuation, Operations & Maintenance (“O&M”) fit and overall economic adequateness), particular attention will be given to the technical implications of the regulations and any specific agreements in place (e.g. land agreement and access rights, transmission and connection agreements and regulations, water and telco infrastructure access).

**Legal due diligence:** comprehensive review of the regulatory framework and of the specific legal documentation (both at project and project company level).

**Fiscal:** comprehensive review of the fiscal system of the relevant country (both at project and project company level); analysis and assessment of the fiscal structure to be put in place to optimize the risk-return profile of the project.

**Financial:** review of the economics and financials of the project and development of the audited financial model in the various scenarios (banking case, sponsor case).

**Insurance:** review of the risk profile of the project and identification of the necessary insurance policy. In addition to the project-specific risk aspects, a detailed evaluation will also be carried out at country level, aiming to identify the proper insurance policy, if available.

During the due diligence exercise, the team will also initiate the process to identify the lending bank and start negotiating the relevant terms.

v. *Contract negotiation and structuring*

Based on the due diligence findings and the Investment Committee guidelines, under supervision of the Managing Board Member the team will start negotiating final contracts for the transaction and will analyse the deal structure, with the support of external advisors.

In the case of a 100% acquisition by the Investment Company, the focus of negotiations are on the purchase agreement, identifying the transaction risks and negotiating for appropriate contractual protections.

In the case of an acquisition with third parties, the negotiation of the shareholders agreement with the partners become crucial, focusing on the governance of the portfolio company, definition of roles and responsibilities, rules on share transfers and any other market standard rights and obligations common in such transactions.

The team negotiates the drafts with the potential seller and/or partner following the guidelines of the Investment Committee and any stipulations of the Managing Board Member.

*vi. Final approval*

Once the due diligence exercise is completed and the contracts are almost fully negotiated, the team prepares the final investment memorandum to be submitted to the Investment Committee with its view on whether the transaction should be recommended to the Managing Board Member by the Investment Committee.

The final investment memorandum also includes the main due diligence findings, the proposed structure, the draft contracts and any other elements needed for the final decision.

The Investment Committee reviews the final investment memorandum and supports or rejects the recommendation. If the Investment Committee supports the recommendation it provides such recommendation to the Managing Board Member of the Investment Company. The Managing Board Member makes the final decision on whether to proceed with the proposed transaction and, if applicable, any changes to the contracts and/or the structure as conditions for such approval.

*vii. Signing and completion*

If approved by the Managing Board Member in accordance with the process set out above, the team assists the Managing Board Member with the signing of the final documentation and the arrangement for the completion activities.

The team is highly experienced in managing completion processes and ensures that all details are appropriately considered and planned for to allow a smooth transaction.

c. Asset management and reporting

The Investment Company's approach to asset management has two main phases:

- a) Origination process phase; and
- b) Post-financial close phase
  - Project management advisory
  - Asset operations management.

By approaching asset management in this manner, the Investment Company takes a holistic view of each asset and maintains a more active role in its management.

In the origination phase, the team assists the Managing Board Member by advising the developer on technical matters regarding each project. The team's participation in due diligence exercises as part of such advice are intense and highly detailed and support the procurement and selection process. The aim of this approach is to ensure that each asset is assessed thoroughly in both financial and technical terms.

Once a project has been approved and funded, the team aids the Managing Board Member by taking the lead role in managing the asset directly. During this phase, the team performs a range of activities that ensures the quality and precision of the execution of the project, including:

- Validation of approved quality of works in accordance with the specification and commenting on the monthly construction reports issued by EPC contractors and other service providers.
- Advising and assisting the Investment Company on the measures required to be taken to ensure that the construction process is on course to meet the relevant deadline.
- Analysing any change requests submitted by EPC contractors and other service providers from scope, time, cost, risk and quality perspectives.
- Attending the inspections prior to acceptance of the works and keeping track of the liquidated damages that may be applied.

By being active in the construction phase, the team is able to add value directly and to achieve in the longer term a more seamless and thorough transition process to the asset operations management phase. At this point, the team provides a comprehensive technical, commercial and administrative management services. These activities include:

- Continuous 24/7 remote monitoring of operational performance and daily production.
- Active data collection and storage of all records generated by each service provider and comparison of entries in the repair logbook with the lifetime record.
- Ongoing analysis of service contracts to optimize and reduce operational cost.
- Advising on ways to optimize the performance of the asset in order to increase its billable energy production and maximize its revenues.
- Follow up on all environmental, health, safety and security requirements to ensure that they are being adhered to.
- Commercially, the team helps ensure:
  - Timely accountancy and tax compliances
  - Timely submission of all administrative and governmental filings
  - Preparation of quarterly balance sheet and Profit and Loss reports
  - Provision of consolidated IFRS accounts for the MPC group on a yearly basis

d. Investor reporting

MPC (including the Investment Company) maintains a regular investor reporting regime, comprising formal quarterly and annual reports and semi-annual question and answer sessions, as well as less formal investor relations activities. The key performance indicators (“KPIs”) are defined in the formal investor reporting standards. The main KPIs for the quarterly management report are as follows:

*Chart 12.5 - KPIs for formal investor reports*

At Investment Company level	At asset level
<ul style="list-style-type: none"><li>• Net asset value</li><li>• Performance since inception, performance per quarter, performance YTD, performance annualised</li><li>• IRR</li><li>• Total expense ratio (TER)</li><li>• Capital contribution and capital distribution in percent</li><li>• Invested volume</li><li>• Cash quota</li></ul>	<ul style="list-style-type: none"><li>• Equity IRR</li><li>• Asset fair values</li><li>• Equity, debt, debt-equity ratio</li><li>• Revenues, production and EBITDA</li><li>• Operational/technical availability of renewables plants/wind farms</li></ul>

The reporting elements of the asset management process include the following:

- During the project management advisory phase:
  - Monthly reporting and detailed comparison of project budget and works schedule
  - Annual reporting if the project has a multi-year construction schedule
  - Close-out budget review and analysis reporting
- During the operations management phase:
  - Monthly operations and financial reporting
  - Calculation of losses of production due to a shortfall to any availability guarantee comparison report
  - Preparation of annual technical and financial reports

e. Exit strategy

The Investment Company will assemble a portfolio of assets with stable and predictable cash flows and generally will seek to exit these at around the end of the term of the Investment Company, although earlier divestments during the liquidation period will be considered where in the best interests of the Investment Company. The main divestment options are:

- a) Sale of individual assets
- b) Sale of cluster of assets
  - Technology
  - Country



- Asset class

c) Sale of entire portfolio

Possible buyers for each of these options include utilities, yieldcos, industrial companies, private equity funds, pension funds, consortiums, independent power producers ("IPPs") and infrastructure funds.

The options will be evaluated based mainly on the appetite of potential buyers at the time of the decision and based on the final value created for the Investment Company investor members. Each one of these options has advantages and disadvantages, but a proper comparison will be carried out also taking into account timing and complexity of execution, together with transaction costs and certainty of completion.

### 13.1 Seed Asset: Paradise Park

The seed asset, Paradise Park, which was identified through MPC's network, was introduced to the team in summer 2016. Developer Rekamniar was seeking an investor to acquire their shareholding in the project special purpose vehicle Eight Rivers Energy Company Ltd. ("**EREC**").

After a comprehensive legal, tax, and technical due diligence process and negotiation and documentation phase which was completed in December 2016, MPC joined the project and acquired a 49.9% shareholding in EREC, through a German holding company jointly owned by MPC and Rekamniar.

Since December 2016, MPC has joined Neoen as co-developer for the project. MPC is actively involved in the day-to-day management of the project, including development, debt financing, contract procurement as well as construction management.

The project reached financial close in June 2018, construction has begun, and it is expected to be commissioned in H1 2019. At financial close of the 'Paradise Park' project, MPC Capital has transferred its 68.8% majority stake in EREC Investment Ltd., a joint venture vehicle holding directly 49.9% in the 'Paradise Park' project, through which the Investment Company effectively holds 34.4% in EREC.

#### *Chart 13.1 - Paradise Park summary details*

Project name	Paradise Park
Location	Jamaica
Description	Fixed ground-mounted solar PV park with c. 50 MWp capacity
EPC & O&M Contractor	Eiffage
Industrial and Local Partners	Neoen International SAS, Rekamniar
Energy Production	Yearly output: 82,000 MWh
Total Investments	Approx. USD 64 million
Total Equity	Approx. USD 15.5 million
Project Finance Lender	Proparco, FMO
MPC JV Shareholding (net)	Up to 49.9%
Investment Start	Q4 2016
Construction Period	Q1 2018 – H1 2019
Role of MPC Renewable Energies	<ul style="list-style-type: none"> <li>• Advisory and acquisition execution for MPC Group</li> <li>• Asset management for MPC Group</li> <li>• Co-developer role</li> <li>• EPC, O&amp;M, OE procurement support and contract negotiations</li> <li>• Debt financing and structuring support</li> <li>• Board and steering committee representation</li> </ul>

#### Project status

Following the signing of the PPA and generation license in January 2017, the development phase was completed in summer 2017 with the start of early works in September 2017 and the issuance of the final building permit shortly thereafter. The shareholders mandated Proparco as lead finance arranger and lender with FMO as consortium member.

After a competitive bidding process with a variety of interested parties, the EPC contract was finalized and signed shortly before financial close in June 2018. Construction works commenced in early 2018 with a target commissioning in H1 2019.

### 13.2 Seed Asset: Tilawind

The Costa Rican project is an operational wind park, which has been in operation since March 2015. Vestas is providing full O&M services for the wind turbines including an availability guarantee and repairs, maintenance and spare parts.

The recently commissioned wind park benefits from excellent wind conditions and an attractively indexed long-term USD-denominated PPA. The project also offers the opportunity for an approx. 21 MW extension in the near future.

The Investment Company and ANSA McAL Limited from Trinidad and Tobago are acquiring this wind farm jointly which requires a total investment of approximately USD 50 million. MPC Renewable Energies has performed the transaction management and coordinated the due diligence with external advisors. MPC Renewable Energies will provide asset management services to both the Investment Company and ANSA McAL Limited.

#### *Chart 13.2 - Tilawind summary details*

Project name	Tilawind
Location	Costa Rica
Description	Onshore wind park with c. 21 MW capacity
O&M Contractor	Vestas (10-year contract)
Joint Venture Partner	ANSA McAL Limited
Energy Production	Yearly output: 81,300 MWh (P50)
Total Investments	Approx. USD 50 million
Project Finance Lender	Banco Nacional
MPC JV Shareholding (net)	Up to 50%
Investment Start	2018
Role of MPC Renewable Energies	<ul style="list-style-type: none"> <li>• Advisory and acquisition execution for MPC group</li> <li>• Asset management for MPC group</li> <li>• O&amp;M, OE procurement support and contract negotiations</li> <li>• Debt financing and structuring support</li> <li>• Board and steering committee representation</li> <li>• Technical asset management</li> </ul>

## Project status

The legally binding transaction documents for the acquisition of Tilawind have been signed in June 2018. Financial close is anticipated in the second half of 2018.

### **13.3 Indicative Pipeline**

The members of the MPC Renewable Energies team, whilst at MPC or at their previous employers, have been involved in the development of 47 clean energy projects, comprising 4,344 MW.<sup>29</sup> Of these projects, 29 were in the Latin American and Caribbean region, accounting for 2,002 MW. In order to derive an attractive priority pipeline of projects for the Investment Company, the team has reviewed a variety of solar PV projects, wind projects and energy efficiency projects in the Caribbean basin.

In addition to the 50 MWp Paradise Park project in Jamaica and the 21 MW Tilawind acquisition in Costa Rica, the current priority pipeline comprises 14 projects accounting for 314 MW and requiring a total investment in the region of circa USD 499 million. These are intended to be pursued as priority opportunities for the Investment Company, although other opportunities will continue to be sought over the course of the investment period.<sup>30</sup>

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<sup>29</sup> Please note that team members may not have held primary responsibility for some of the projects included here.

<sup>30</sup> Please note that the overview of pipeline projects given above is solely intended to give a preliminary indication of the types of investments that the Investment Company may have. Accordingly, there is no guarantee that the Investment Company may actually invest in these or similar projects or that the Investment Company will meet its objective in general. These examples are given in good faith on the basis of reasonable assumptions.

Chart 13.3 - Indicative pipeline projects<sup>31</sup>

#	COUNTRY	SECTOR	OFFTAKER	SOURCE	CAPACITY (MW)	PPA TIMING	TOTAL CAPEX (USD M)	TIMING
1	Jamaica	Solar PV	Jamaica Public Service Company Limited (JPS)	Paradise Park	50	20+5	64	H1 2019
2	Costa Rica	Onshore Wind	Instituto Costarricense de Electricidad	Tilawind	21	20	50	H1 2015
3	El Salvador	Solar PV	EDESAL (Salvadoran Electricity Distributorship)	Developer	5	20	6,5	H1 2019
4	El Salvador	Solar PV	-	Developer	6	20	7	H2 2018
5	Colombia	Off-Grid Solar	Private	Developer	3.5	20	5	H1 2019
6	Jamaica	Energy Efficiency	-	Renewable Energy Tender	1	15	2	H1 2019
7	Dominican Rep.	Solar PV	La Corporación Dominicana de Empresas Eléctricas Estatales	EPC	50	20	70	H1 2020
8	Honduras	Solar PV	Empresa Nacional de Energía Eléctrica	Developer	55.3	20	110	H2 2019
9	Dominican Rep.	Off-Grid Solar	-	Developer	2	15	3	H2 2019
10	Trinidad & Tobago	Onshore Wind	Private	Renewable Energy Tender	50	25	93	H1 2020
11	Costa Rica	Energy Efficiency	Municipality	OEM	-	12	3,5	H2 2019
12	Costa Rica	Onshore Wind	Compañía Nacional de Fuerza y Luz, SA	Developer	21	20	50	H2 2019
13	Curacao	Solar PV	Aqualectra (The Curaçao Water and Power Company)	Renewable Energy Tender	15	20	24	H1 2020
14	Trinidad & Tobago	Solar PV	-	Renewable Energy Tender	35	20	45	H2 2020
15	Jamaica	Solar PV	JPS	Renewable Energy Tender	50	20+5	60	H2 2020
16	Jamaica	Energy Efficiency	-	Developer	20	20	20	H2 2020
		<b>Total</b>			<b>385</b>		<b>613</b>	

<sup>31</sup> For those projects in which the offtaker has not been specified, it means that it will be identified at a later stage of the development phase.

## 13.4 Intended Portfolio Composition

Chart 13.4 Summary of portfolio composition thresholds

TECHNOLOGY	RATIONALE	INDICATIVE ALLLOCATION OF THE INVESTMENT COMPANY
Solar PV (utility scale / distributed)	<ul style="list-style-type: none"> <li>• <i>Utility scale</i>: Strongest area of pipeline to date. The Caribbean is generally environmentally better suited for solar than wind resources. Potential to become low cost energy producer given the comparative maturity of technology, low construction risks and competitive LCOE</li> <li>• <i>Distributed</i>: Opportunistic, also allows the Investment Company to take advantage of developer pipelines. To be considered in portfolios only.</li> </ul>	40-60% (capped at 70%)
Onshore Wind	<ul style="list-style-type: none"> <li>• Most mature and adaptable renewable energy technology. However, limited potential for Caribbean islands due to wind resource, weather conditions and logistics.</li> </ul>	40-60% (capped at 70%)
Energy Storage	<ul style="list-style-type: none"> <li>• Critical element for distributed solar PV</li> <li>• Potential application for utility-scale renewable energy in the near-term</li> <li>• Rapid growth potential</li> </ul>	10% (capped at 20%)
Energy Efficiency	<ul style="list-style-type: none"> <li>• Strong demand for energy savings in the region</li> <li>• Rapid growth potential</li> </ul>	

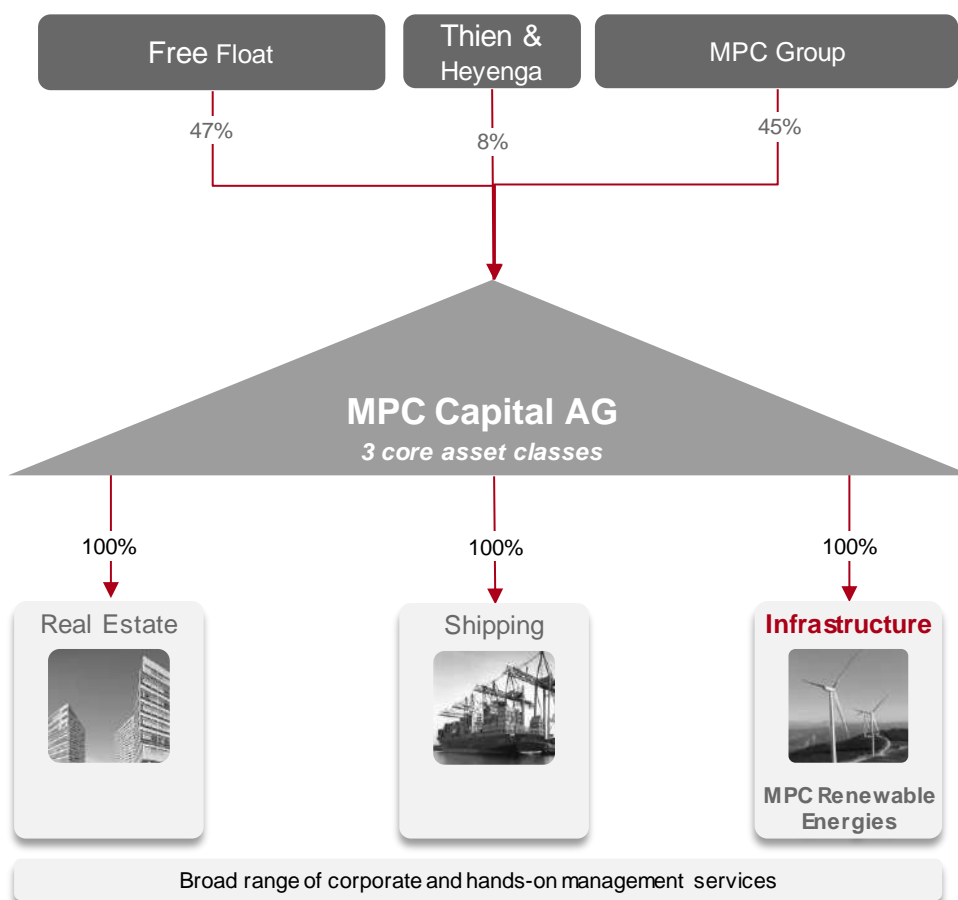
## Section 14

## MPC Capital, as sponsor, and Investment Company

### 14.1 MPC Capital<sup>32</sup>

MPC Capital, the sponsor of the Investment Company, is an investment manager with over EUR 5.2 billion in assets under management ("AUM") across real asset sectors such as shipping, real estate and infrastructure. EUR 320 million of MPC Capital's AUM is comprised of renewable energy assets globally. The company was founded in 1994 as a subsidiary of the international MPC Group and has been publicly listed in Germany since 2000. The MPC Group is a Hamburg, German-based international group of companies with a 170-years' history and originally operated as two separate trading firms Münchmeyer & Co. and R. Petersen & Co who earned worldwide recognition at an early stage due to their achievements in foreign trade. The two firms were merged into MPC Münchmeyer Petersen & Co. in 1972 and today's MPC Group is now a family-owned company managed by Dr. Axel Schroeder and Dr. John Benjamin Schroeder.

Chart 14.1 – MPC Company Structure<sup>33</sup>



<sup>32</sup> All information contained in this Section is as of June 2018, unless otherwise stated.

<sup>33</sup> The shareholder structure dates as at September 2018; it is presented to the best of the Company's knowledge.

## 14.2 MPC Renewable Energies GmbH

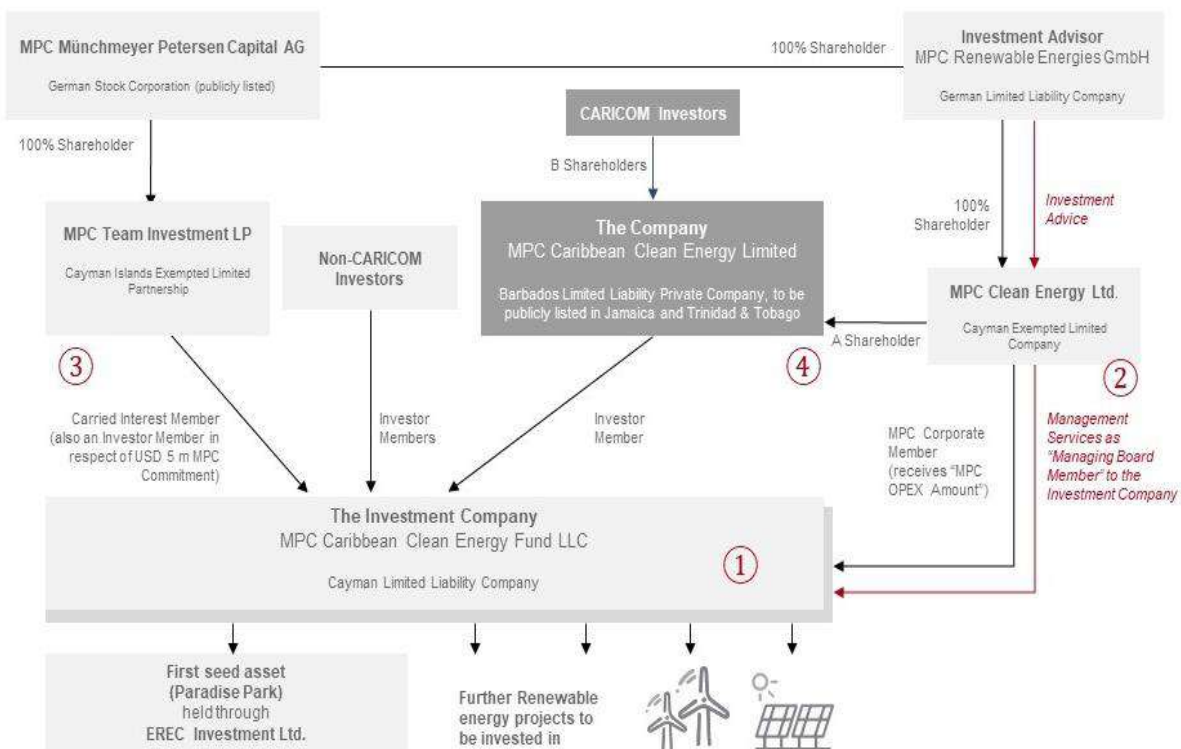
MPC Renewable Energies is a 100% subsidiary of MPC Capital which is set up to focus on investments in the renewable energy sector. MPC Renewable Energies acts as the Investment Adviser to provide the Managing Board Member of the Investment Company with investment advice as outlined below.

MPC Renewable Energies is led by a team of experienced investment professionals with a balance of expertise specifically designed to support the investment strategy. Its team includes senior industry executives who are experienced in origination, execution and asset management for renewable energy assets. In addition, the team has access to the global personnel and experience within MPC Capital and the wider MPC Group. Renewable energy falls within MPC Capital’s infrastructure investment sector. In developing this sector, MPC Capital has combined its experience in active development and management of investments with the technical expertise of its in-house execution team.

Along with the expertise of its renewables team, MPC Capital also contributes its experience of financing and structuring outside the specific renewable sector which it has gained over several decades. While the Investment Adviser will operate as an independent, self-governed subsidiary of MPC Capital, it will benefit from close cooperation with the MPC Group, with its experience, contacts and deal sourcing capabilities.

## 14.3 Investment Company’s Corporate Structure

Chart 14.3 – Corporate Structure





## Notes on the Corporate Structure

**1. The Investment Company** - The main vehicle is a Cayman Islands limited liability company, shown in the chart as "**The Investment Company**". Further parallel vehicles may also be established in accordance with the Investment Company documentation to meet the needs of specific investor members. Further feeder vehicles (i.e., vehicles that themselves invest into the Investment Company or a parallel vehicle) may also be established for the same purpose. The Company has been formed as one of the feeder vehicles to accommodate certain specific needs of CARICOM investors.

It is expected that non-CARICOM investors would invest directly into the Investment Company as 'investor members'.

**2. Management of the Investment Company** - The Investment Company has its own board of managers (the "**Board**"). While certain management functions would be retained by the Board as a whole (e.g., in relation to the approval of the admission of new investor members and distribution resolutions), day-to-day management authority are delegated to the Managing Board Member.

Investment decisions for the Investment Company (i.e., decisions to make acquisitions or dispose of investments) are made by the Managing Board Member. In connection with its appointment as Managing Board Member and its exercise of investment discretion for the Investment Company, the Managing Board Member has appointed an investment adviser to provide it with non-binding investment advice and assistance in connection with its role. MPC Renewable Energies GmbH (shown in the chart as "**Investment Adviser**") has been appointed in this role and it receives an 'investment advisory fee' for so acting (payable out of the amount allocable to the Managing Board Member in its capacity as MPC Corporate Member).

**3. Team Carry/Co-Invest** - An MPC Capital vehicle, MPC Team Investment LP, is an investor member in the Investment Company for the purpose of making the MPC team commitment. This vehicle also acts as the Investment Company Carried Interest Member, to receive Carried Interest. The general partner of MPC Team Investment LP, MPC Team Investment GP Ltd., is a Cayman Islands exempted company and a 100% subsidiary of the Investment Adviser.

**4. The Company** - The Company is shown in the chart as "**MPC Caribbean Clean Energy Limited**". Investments into the Investment Company made by investor members based in the CARICOM region can be made through the Company, which has been formed to accommodate certain tax and regulatory considerations of those investor members.

Eligible Investors wishing to subscribe for Shares in the Company will be required to pay the Subscription Price in respect of the Shares for which their Application is made upon submission of such Application pursuant to the Invitation. The proceeds of all such subscriptions will be held at the level of the Company until drawn down by the Investment Company. The Company will be party to the Investment Company's LLC Agreement, and will become a member in the Investment Company through a Subscription Agreement. The Company will be treated as one investor member in respect of the total commitment it makes to the Investment Company. There will be no 'investment discretion' at the level of the Company, as it will be obligated to fulfil drawdown requests by the Investment Company, subject to the terms of the constitutional documents of the Investment Company and any side letters entered into by any of the other investor members in the Investment Company.

Please note that MPC Clean Energy Ltd. is the current holder of the Management Share in respect of the Company. As shown in the structure chart above, it also performs certain key roles in respect of the

Investment Company, including as Managing Board Member (as described above), and, as "MPC Corporate Member" of the Investment Company, receives the amounts distributable to MPC in respect of its management of the Investment Company. MPC Clean Energy Ltd. is a 100% subsidiary of the Investment Adviser.

## Section 15

## Profile of the Senior Investment Team

### 15.1 Key Personnel experience

The Senior Investment Team comprises nine professionals with a significant amount of experience between them in developing countries (particularly the Caribbean), funds/private equity, clean energy, legal and engineering sectors.

The following highlights the competencies and experiences of the Senior Investment Team:

*Table 14.1 Senior Investment Team experience, years*

NAME	CLEAN ENERGY	PRIVATE EQUITY / INFRASTRUCTURE	EMERGING MARKETS	LEGAL	PROJECT DEVELOPMENT & CONSTRUCTION	ASSET MANAGEMENT	MERGERS & ACQUISITIONS
<b>Investment Team</b>							
Martin Vogt	8	8	3	-	3	-	8
David Delaire	11	8	13	-	16	8	3
Fernando Zúñiga	9	4	4	-	9	3	-
<b>Corporate Leadership</b>							
Eva Späth	4	4	1	-	-	-	-
Georg von Eichendorff Strachwitz	4	3	4	9	4	4	11
Ben Agyeman	4	12	14	-	4	4	15
<b>Investment Committee</b>							
Dr. Roman Rocke	7	15	11	-	4	4	17
Collins Roth	17	20	25	-	-	10	20
Per Hornung Pedersen	16	6	16	-	16	2	8
<b>Total</b>	<b>80</b>	<b>80</b>	<b>91</b>	<b>9</b>	<b>56</b>	<b>35</b>	<b>82</b>

In total, the Senior Investment Team has 91 years of emerging markets experience and 80 years of clean energy experience.<sup>34</sup>

In addition, a team of three directors (Fernando Zúñiga and two independent directors) with appropriate experience and expertise has been appointed to the Board of the Managing Board Member in respect of the Investment Company.

<sup>34</sup>Time spent in these sectors is not mutually exclusive and not all of the experience has been gained whilst at MPC.

## 15.2 Senior Team Biographies

### 15.3 Investment Team



**MARTIN VOGT**

Managing Director, Head of Origination, Renewable Energy

MPC Renewable Energies GmbH

**Biography:**

Martin Vogt is Managing Director and Head of Origination at MPC Renewable Energies GmbH and responsible for originating, structuring and executing of cross-border renewable energy transactions.

He has performed M&A transactions for over 2 GW and successfully completed project financing for over 500 MW of renewables. Martin holds a Master of Technical and Commercial Management with focus on Energy & Resources.

Martin joined the MPC Renewable Energies GmbH in 2014. Previously, he was Vice President at Global Capital Finance.



**DAVID DELAIRE**

Managing Director, Head of Asset Management, Power & Renewable Energy

MPC Renewable Energies GmbH

**Biography:**

David Delaire is Managing Director and Head of Asset Management of MPC Renewable Energies GmbH where he is responsible for the implementation and operation of projects.

David has over 25 years of experience in energy infrastructure project management and more than 11 years in renewables and emerging markets.

Previously, he was in senior management roles in leading renewable energy companies including Natural Power (Director of Asset Management), GE Wind (Wind Maintenance Coordinator Southern Europe), Eolfi (CTO) and Greensolver (COO).

David holds a Master of Business Administration with focus in Management and, a Bachelor of Electrical Engineering. He joined MPC Renewable Energies GmbH from DD Energy Services, where he served as Managing Partner.



**FERNANDO ZÚÑIGA**

Director, Central America & Caribbean

MPC Renewables Panama SA

**Biography:**

Fernando Zúñiga is Director Central America & Caribbean and based in Panama City, Panama, and responsible for the business development as well as supporting the origination and asset management.

Fernando has more 9 years of experience in renewable energy with a strong focus on solar PV and the development and construction phase of renewable energy projects.

In the past, he worked on over 2 GW of renewable energy projects with approximately 800 MW of development and asset management of solar PV in Latin America.

## 15.4 Corporate Leadership



**BEN AGYEMAN**

Head of Structured Finance

MPC Capital AG

**Biography:**

Ben Agyeman is a Managing Director and the Head of Structured Finance in MPC Capital AG, and based in Hamburg, Germany. Ben is responsible for structured finance across the company as well as supporting MPC Renewables and Infrastructure in origination and execution. Ben has more than 20 years of combined experience in investment banking, M&A, and private equity across sectors inter alia technology, media and telecoms, oil and gas downstream, conventional and renewable energy. Ben previously worked for Lehman Brothers International, UBS Warburg, Fraser Finance and Gulf Finance House in jurisdictions including London, the Middle East and East Asia.

Ben joined MPC Capital AG in 2018 from Ferrostaal Industrial Projects and Ferrostaal Topsoe Projects where he was instrumental in financing the 54MW wind development project in Mongolia amongst other oil and gas downstream projects.

Ben holds an MBA degree from Columbia Business School, Columbia University (USA) and Bachelor of Engineering (with Honors), Electronics & Electrical Engineering, South Bank University (UK).



**GEORG VON EICHENDORFF STRACHWITZ**

Senior Legal Counsel

MPC Capital AG

**Biography:**

Georg von Eichendorff Strachwitz is a German-qualified attorney-at-law (Rechtsanwalt) with nine years professional experience advising on a range of international commercial transactions, mergers and acquisitions, venture capital, joint ventures, MBOs, project developments and international corporate restructuring.

He joined MPC in 2015 as legal advisor responsible inter alia for infrastructure and emerging markets projects. Before joining MPC he worked for the Corporate/M&A department of two major international law firms (Allen & Overy LLP; Hogan Lovells International LLP) and has advised various international clients on infrastructure, energy and mining projects, whereas his recent experience also comprises projects in sub-Saharan Africa, Mongolia, Costa Rica and Jamaica.

Georg holds a diploma in law and the First German Law Degree with a focus on commercial and securities law from the University of Passau (Germany). After graduation he completed two years of legal traineeship followed by the Second German Law Degree.



**EVA SPÄTH**

Head of Investor Relations

MPC Capital AG

**Biography:**

Eva Späth joined MPC in 2017 as Head of Investor Relations (Products). She has ten years of professional experience in the financial and consultancy industry with a focus on investor relations, investor reporting, marketing and communication with institutional investors. Prior to MPC, she was responsible for setting up the institutional investor reporting and servicing international institutional clients at Aquila Capital in Germany and Luxembourg. Before Aquila she worked in marketing at Roland Berger Strategy Consultants in Germany and Bahrain.

Eva holds a master's degree (German *Diplom*) in business administration from the University of Hamburg and a bachelor's degree in business administration (German *Vordiplom*) from the University of Mannheim.

## Investment Committee



DR. ROMAN ROCKE

Member of the Executive Management Board,

MPC Capital AG

**Biography:**

Roman Rocke was appointed as a member of the MPC Management Board in June 2013. Since then Roman heads the Real Estate & Infrastructure business of MPC Capital AG.

He has been active in the field of M&A and international financial advisory as well as strategic consulting for institutional clients.

Roman holds a PhD in Business Administration. Before he joined MPC he was the CEO at KBR Finance Group in Frankfurt/Main (Germany).



COLLINS ROTH

Managing Director, Head of Infrastructure,

MPC Industrial Projects GmbH

**Biography:**

Collins Roth is a Managing Director at MPC Industrial Projects GmbH. He is also responsible for the activities of the MPC Industrial Opportunities Fund and a member of the Investment Company's investment committee.

Collins is an experienced emerging markets private equity professional, who specializes in emerging markets.

Collins holds a Master's degree in Public Policy, a Masters of Finance, and a Bachelors of Economics. Before joining MPC, he was founder and CEO of EMP Infra LLC, a boutique asset manager focused on industrial and financial investors.



PER HORNUMG PEDERSEN

Industry Advisor, Renewable Energies

Independent Member

**Biography:**

Per Hornung Pedersen spent over 25 years in various Managerial and Executive positions, primarily in listed companies.

He joined the renewable energy industry in 2000 as Group Chief Financial Officer at NEG Micon AS/Vestas. He later served as the Chief Executive Officer of Europe at Suzlon Energy Limited.

His next career advancement was as Chief Executive Officer and Chairman of Management Board at Repower Systems SE/Senvion. After leaving Senvion he is active in a number of Supervisory Boards as well as acting as Industry Advisor to a number of PE funds, benefitting from his 11 years of Executive experience in the global wind business.

Per holds an MBA, a Bachelor of Science in Finance and Accounting, and a Diploma in Audit and Tax.

The following is a summary of some of the tax issues which may arise in connection with an investment in the Shares. It does not purport to be exhaustive. The tax position of individual Shareholders may be affected by special circumstances not covered by this brief generalised summary. Eligible Investors should therefore seek their own individualized tax advice and not rely on this general summary.

**16.1 Company's Tax Liabilities**

The Company will continue to be subject to the tax laws of Barbados as it is an International Business Company duly registered under the laws of Barbados. The Company's income will be subject to corporate income tax in Barbados at a rate ranging from 2.5 percent on all profits and gains up to Ten Million Barbadian Dollars to 0.25 percent on all gains and profits in excess of Thirty Million Barbadian Dollars.

**16.2 Eligible Investors' Tax Liabilities**

Dividends paid by the Company on the Shares to non-Barbadian Shareholders will be subject to no withholding tax, subject to any peculiar tax treatment that may apply to any particular non-Barbadian Shareholder. Additionally, pursuant to the provisions of Article 11 of the CARICOM Double Taxation Treaty, dividends/distributions paid to Shareholders who are residents of CARICOM Member States should be subject to tax in Barbados, at a rate of 0 percent, with no further taxation in the Shareholder's country of residence.

The following Management Discussion and Analysis (MD&A) and Financial Highlights section should help Eligible Investors understand the results of the financial performance of the Company. The information contained in this section should be read in conjunction with the financial statements, the 5 year forecasted financial statements and respective notes in Section 6, Section 10, Section 18.

While audited financial statements are not yet available for the Investment Company, it is intended that these will be prepared upon the completion of the 2018 financial year and will be available to Shareholders of the Company upon request.

#### OVERVIEW OF THE BUSINESS

MPC Caribbean Clean Energy Limited is an investor member in the Investment Company, which is a Cayman Islands limited liability company and/or one or more additional vehicles formed to meet the requirements of specific investor members in the Investment Company. The Caribbean region relies on fossil fuel imports and has high corresponding electricity prices. With marked growth in the demand for energy, renewable sources are increasingly becoming an economical form of new electricity generation. According to CARICOM's Sustainable Energy Roadmap, its 15 members aim to install some 5.3 GW of clean energy over the next ten years, requiring approximately USD 8.4 billion. The Investment Company's wider target region accordingly has the potential to offer a significant opportunity. Significant growth potential also exists for energy efficiency and energy storage. The Investment Company will be one of a handful of investment funds specialising in clean energy in the Caribbean.

The investment objective of the Investment Company is to generate attractive risk adjusted returns with an emphasis on capital protection, generating stable cash yields, and capital appreciation, through investments primarily in solar PV and wind farm assets in the Caribbean. The Investment Company will acquire investments mainly during the final stages of the development period, subject only to conditions precedent including financial closing or, in an all-equity financing, subject to the execution of the construction contract and obtaining all relevant other contracts, licences, authorisations and permits to construct and operate the asset. Investments will not bear any development risks.

At these final stages, the projects are significantly de-risked, with the main contracts and permits in place. These typically include leases of land, power purchase agreements, construction and operation contracts, insurance and project finance, as well as environmental, building, interconnection and operational permits.

The first seed asset 'Paradise Park' is a project comprising a 50 MWp solar PV plant in Jamaica requiring a total investment of USD 64 million. The project reached financial close in June 2018, construction has begun, and it is expected to be commissioned in H1 2019. The Investment Company owns indirectly a shareholding of 34.4% since June 2018.

The second seed asset 'Tilawind' is a 21 MW onshore wind farm based in Costa Rica. The Investment Company and ANSA McAL Limited are acquiring this wind farm jointly which requires a total investment of approximately USD 50 million. The wind park has been in operation since March 2015. The Investment Company will own a 50% shareholding (indirectly) in the company upon closing of the acquisition in Q4 2018.



The seed asset portfolio fulfils all criteria defined in the investment strategy of the Investment Company targeting USD 5-25 million investments primarily in solar PV and wind projects with an installed capacity of 10 – 100 MW which are under construction or operational.

A further 14 projects have been prioritized and form the indicative deal pipeline. These require a total investment of circa USD 499 million and are expected to deliver up to 314 MW of new renewable energy capacity.

After providing for an appropriate liquidity reserve to cover administrative and business expenses as well as contingencies, the Investment Company intends to pay out up to 100% of the earnings received. Cash Dividends to the shareholders shall be made at least annually. The dividend policy is subject to review from time to time by the Board of Directors of the Company.

The investment activities of the Investment Company are managed by its Managing Board Member on the advice of the Investment Adviser, both of which are wholly owned subsidiaries of MPC Capital. MPC Capital is an investment manager with over EUR 5.2 billion in assets under management across real asset sectors such as shipping, real estate and infrastructure. The company was founded in 1994 as a subsidiary of the international MPC Group and has been publicly listed in Germany since 2000. The MPC Group - Münchmeyer Petersen & Co. GmbH's is a Hamburg, German-based international group of companies with a 170-year history.

## RESULTS OF OPERATIONS

The Company was incorporated on November 8th, 2017 and has no history of dividends. The Company does not have any subsidiaries. As at the date of this Prospectus, the holdings of shares in the capital of the Company (including legal and, where known to the Company, beneficial holdings) were solely with MPC Clean Energy Limited.

In February 2018, MPC Renewable Energies GmbH, as sole shareholder of MPC Clean Energy Limited, deposited USD 463.75 (in words: United States Dollars four hundred and sixty-three dollars and seventy-five cents) into the bank account of the Company. This short-term loan was provided to enable the Company to pay its ongoing expenses including banking fees. For the period December 2017 to March 2018, payments amounting to USD 6,086.96 (in words: United States Dollars six thousand eighty-six dollars and ninety-six cents) for the board of directors have been advanced by MPC Renewable Energies GmbH. The Companies had no other activities or operations since its incorporation in November 2017.

Furthermore, the Company has not entered into any material contracts.

## THE INVESTMENT COMPANY'S PROJECTED EARNINGS

The sole source of revenue for the Company will be the proceeds being distributed to the Company in its capacity as an investor member in the Investment Company. The Company will become an investor member making a commitment equal to its net proceeds<sup>35</sup>(less any amounts retained for fees, costs and expenses, any liabilities (actual or anticipated) and/or for liquidity reasons).

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<sup>35</sup> The use of proceeds and the costs of the Invitation are discussed in Section 7 of this Prospectus.

The Company's revenue, and therefore its distributions to Shareholders, will be dependent on, amongst other things:

- (1) the successful completion of the Invitation and the amount of net proceeds available for investment in the Investment Company (subject to the retentions described above);
- (2) the success of the underlying investments made by the Investment Company which will generate profits for distribution by the Investment Company to its investor members, including the Company (after the deduction of all applicable costs and expenses at the Investment Company level);
- (3) the proportion that the Company's investment in the underlying Investment Company bears to aggregate such investments, given that distributions will generally be made on a pro-rated basis among the Investment Company's investors (subject to any adjustments contemplated in the Investment Company documentation, including due to excuse rights of investor members in the Investment Company, if applicable); and
- (4) the amount (if any) which the Company's Board determines should be maintained by the Company as a reserve to cover any costs or obligations of the Company owed to the Investment Company in accordance with the LLC Agreement.

Taking into account the foregoing, a high-level overview of the projected revenue of the Investment Company is set out below. The below discussion contains Forward-Looking Information. Investors are strongly advised to take into account the disclaimer contained in Section 6 above when considering the below.

#### *Projections of the Investment Company*

The Investment Company intends to raise additional capital with a target of USD 200 million (including the investment by the Company). Such fundraising is expected to be carried out in parallel to the Invitation and for a period of 12 months after the Closing Date of the Invitation. Assuming that the Invitation is fully subscribed and the Investment Company meets its target for its capital raise, the Company is anticipated to receive approximately [24%] of all distributions made to investor members by the Investment Company<sup>36</sup>.

In keeping with the principal terms set out in Section 5.3 herein, the Investment Company intends to make investments over a period of not more than four (4) years targeting an annual capital deployment of USD 35-65 million. The capital deployment during such investment period will depend on various factors including the realization and timing of the clean energy projects outlined in the indicative project pipeline

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<sup>36</sup> The Company's pro-rata share of distributions by the Investment Company is subject to change depending on several factors, including but not limited to whether investor members enjoy excuse rights in respect of the underlying asset from which the distributions are derived.

by its current developers and the identification of additional and new investment opportunities matching the investment criteria of the Investment Company.

The proceeds of the Investment Company will be derived from its investments in clean energy assets and their respective operations. The vast majority of proceeds are expected to be generated through the sale of electricity under long-term USD denominated or USD pegged power purchase contracts with utilities, trading companies, or industrial companies as counterparties.

The seed assets, Tilawind and Paradise Park<sup>37</sup>, have an aggregate projected gross EBITDA of:

- US\$10 to US\$12 million in 2019;
- US\$13 to US\$15 million in 2020; and
- US\$13 to US\$15 million in 2021.

The net EBITDA (*pro rated* as per the direct or indirect shareholding of the Investment Company in each seed asset) is projected to reach approximately:

- US\$5 million in 2019;
- US\$6 million in 2020<sup>38</sup>; and
- US\$ 6 million in 2021<sup>39</sup>.

Overall, the proceeds of all of the Investment Company's operating assets are expected to reach its peak and stabilize at the end of the investment period, once the Investment Company's capital is deployed in full and once all such assets are fully operational. This is expected to occur within the period of 2022 – 2023.

The business model and computation of seed asset related financial projections are based on the various input factors and a result of a comprehensive due diligence, including expert reports of external financial, technical, legal, tax, and insurance advisors as well as the experience and expertise of the Investment Adviser. The external advisors and the Investment Adviser have reviewed the underlying material contracts of the seed assets, including but not limited to the power purchase, financing, land lease, O&M, EPC, insurance, and asset management. For wind and solar PV projects an independent resource assessment and energy production analysis has been performed as well. In addition, the historical operating performance and financial statements, where applicable, are part of the assessment. The

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<sup>37</sup> The seed assets are more particularly described in Section 13 of this Prospectus.

<sup>38</sup> The increase in EBITDA growth in year 2020 is a result of the expectation that Paradise Park would, at that time, be generating power over a full 12 months period, compared to 2019 in which it would be commissioned in the second quarter of the year at which time it would commence operations.

<sup>39</sup> The assumptions on the basis on which the calculations for the Forward Looking Information are made and the final figures are arrived are available upon request from the Company and subject to investors signing a confidentiality agreement.

results of these asset specific expert reports in combination with the experience and expertise of the Investment Adviser are the key driver for the underlying input assumptions for such projections.

## RISK MANAGEMENT

A complete disclosure of risks faced by the Company is contained in Section 10. In addition to the information contained in Section 10, the following outlines some of the key risks currently being faced by the Company and how these risks are being managed.

**Nature of Investment.** The Shares represent an indirect interest in the Investment Company and do not represent a direct investment in the Investment Company's net assets. Therefore, an investment in the Shares should not be viewed by Eligible Investors as direct interests in the Investment Company or its assets. Shareholders will not be entitled to directly participate in any meeting or vote of the members of the Investment Company, and as such have limited rights in relation to the corporate and operating decisions of the Investment Company.

**Limited Operating History.** Both the Company and the Investment Company are new and were established in 2017 and have limited operating history to evaluate their respective performance. The Investment Company has made equity investments into the first seed assets 'Paradise Park' and intends to close the equity investment in 'Tilawind' within the second half of 2018. Please see more information about the seed assets in Section 13. Although the Investment Adviser and its affiliates have previously managed other existing investment vehicles, the past performance of such other investment vehicles cannot be relied upon as an indicator of the Investment Company's (and the Company's) success. An Eligible Investor considering a subscription for Shares must rely upon the ability of the Managing Board Member and the Investment Adviser in identifying and implementing investments consistent with the Investment Company's investment objective and policies. There are only a few funds with similar objectives and with operating histories upon which investors, including Shareholders in the Company, may base an evaluation of the likely performance of the Investment Company. As a result, Eligible Investors should not base an evaluation of the likely return of the Shares on such prior experience.

**Diversification Risk.** The Company's sole investment will be interests in the Investment Company and will therefore be dependent on the performance of the Investment Company. Similarly, the Investment Company will only participate in a limited number of investments and the unfavourable performance of a single investment may adversely affect the aggregate return of the Investment Company. Other than some short-term holdings in cash or cash equivalents, near cash instruments, money market instruments and money market funds, cash funds and hedging instruments, the Investment Company will invest exclusively in clean energy projects in the target region and will therefore bear the risk of investing in only one particular sector. Consequently, there is no guarantee that there will be a sufficient number of attractive investments available to the Investment Company, and that the Investment Company will be able to invest fully all of its capital during the Investment Period. Furthermore, if the Investment Company is unable to syndicate an investment within the anticipated timeframe, the Investment Company risks exceeding its diversification limits in respect of such investment.

**Currency Risk.** The Company's investment in the Investment Company will be denominated in USD but will be funded by the proceeds of the IPO which will be denominated in Jamaica and Trinidad and Tobago Dollars. The Company's ability to invest in the Investment Company will accordingly be subject to currency rate movements although it proposes to enter into arrangements with authorised dealers in foreign exchange to mitigate such risk insofar as possible. In addition to currency risk at the Company level, the Investment Company will be denominated in and the base currency of the Investment Company will be USD. The Investment Company may however make investments in projects whose revenues are

denominated in other local currencies, such that the Investment Company may be exposed to currency rate movements. Whilst the Managing Board Member may enter into hedging arrangements to mitigate this risk to some extent, it is not obliged to do so and there can be no assurance that such arrangements can or will be entered into or that they will be sufficient to cover such risk.

**Reliance on the Managing Board Member and the Investment Adviser and Dependence on Key Executives.** The Investment Company will rely upon the Investment Adviser advising the Managing Board Member in formulating the investment strategies. The bankruptcy or liquidation of the Investment Adviser, the Managing Board Member or any of their respective associates may have an impact on the value of the Investment Company. Investor members in the Investment Company must rely on the judgement of the Investment Adviser, the Managing Board Member and their respective agents, in particular on the judgement of their respective principals, officers and employees. The Investment Company prohibits investor members, including the Company, from participating in the day-to-day control, operation or management of the affairs of the Investment Company, including advising or making decisions on the merits of investments and/or dispositions. While the investor members in the Investment Company, including the Company, may be able to voice any concerns and recommendations at general meetings, the performance of the Investment Company will be dependent to a material extent on the ability of the key personnel and other team members to source, acquire, manage and realise investments and, notwithstanding any track record they may have in this field, there is no guarantee that they will be able to do so successfully. In addition, the performance of the Investment Company could be adversely affected should one or more key personnel leave or cease to be associated with the Investment Company's investment activities. Given the specific regional and sector focus of the Investment Company, it may be difficult for the Investment Adviser and the Managing Board Member to replace key personnel with individuals with the necessary knowledge, skills and experience. Consequently, investing in the Investment Company will involve a higher degree of risk compared to a similar vehicle investing in developed markets where the pool of investment professionals to recruit tends to be larger.

**Investment Selection.** Not all of the projects where investments will be made have been identified. Accordingly, investor members in the Investment Company, including the Company and, indirectly, the Eligible Investors, will not have an opportunity to review a full portfolio and a comprehensive set of terms of the investments. The likelihood that such investor members will realise any gain on an investment depends mainly on the skill and expertise of the personnel of the Managing Board Member and the Investment Adviser.

The Investment Company's maximum exposure per single investment is 20% and to a single CARICOM country 25%, while its maximum exposure to single non-CARICOM country is 15% and total non-CARICOM countries not more than 35%.

The Investment Company will assemble a portfolio of assets with stable and predictable cash flows and generally will seek to exit these at around at the end of the term of the Investment Company, although earlier divestments during the liquidation period will be considered where in the best interests of the Investment Company. The main divestment options are:

- a) Sale of individual assets
- b) Sale of cluster of assets
  - Technology
  - Country

- Asset class

c) Sale of entire portfolio

Possible buyers for each of these options include utilities, yieldcos<sup>40</sup>, industrial companies, private equity funds, pension funds, consortiums, independent power producers and infrastructure funds.

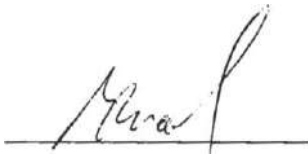
The options will be evaluated based mainly on the appetite of potential buyers at the time of the decision and based on the final value created for the Investment Company investor members. Each one of these options has advantages and disadvantages, but a proper comparison will be carried out also taking into account timing and complexity of execution, together with transaction costs and certainty of completion.

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<sup>40</sup> A “yieldco” is a company that invests in a group of operating assets (usually, renewable energy assets) and distributes its cash by way of dividends to its investors.

We confirm that to the best of our knowledge and belief, after due inquiry by us, that in the period following the last audited financial statements, December 31<sup>st</sup>, 2017, to the date of this Prospectus, November 20<sup>th</sup>, 2018:

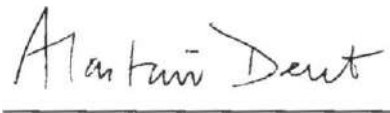
- i. The business of the Company has, in our opinion, been satisfactorily maintained;
- ii. There have not been, in our opinion, any circumstances arising which have adversely affected the trading or the value of the assets of the Company;
- iii. The current assets of the Company appear in the books at values which are believed to be realizable in the ordinary course of business;
- iv. There are no contingent liabilities, which have arisen by reason of guarantees or indemnities given by the Company; and
- v. There have been no significant changes affecting the financial position of the Company.



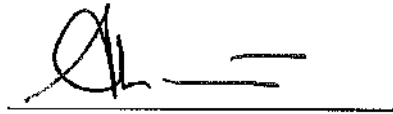
Gerard A. Borely



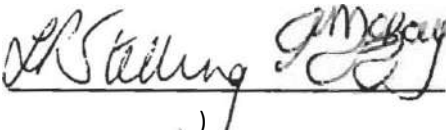
A. Mark Hart



Alastair Dent



Steven Marston



Guardian Nominees (Barbados) Limited

**Statutory Information required to be set out in this Prospectus by Section 42 of, and the Third Schedule to, the Jamaica Companies Act**

1. The Company has no founders' or management or deferred shares.
2. The Articles of Incorporation and By-Laws fix no shareholding qualification for Directors and none has been otherwise fixed by the Company in general meeting.
3. The Articles of Incorporation and By-Laws contain the following provisions with respect to the remuneration of Directors:
  1. The remuneration to be paid to the Directors and to all officers appointed by the Directors shall be such as the Management Shareholder (***the holder of the Special Share as defined in this Prospectus***) may from time to time determine and such remuneration may be in addition to the salary paid to any officer or employee of the Company who is also a Director. The Management Shareholder may also, in its absolute discretion, award special remuneration to any Director undertaking any special services on the Company's behalf other than the routine work ordinarily required of a Director and the confirmation of any such resolution or resolutions by the shareholders (other than the Management Shareholder) shall not be required. The Directors shall also be entitled to be paid their reasonable expenses properly incurred by them in connection with the affairs of the Company (where approved by the Management Shareholder in its sole discretion). **(By-Law 7.1)**
  2. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. **(By-Law 6.2.2 (3))**
  3. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorize a Director or his firm to act as auditor of the Company. **(By-Law 6.2.2 (5))**
  4. If any Director or officer of the Company is employed by or performs services for the Company otherwise than as a Director or officer or is a member of a firm or a shareholder, Director or officer of a body corporate which is employed by or performs services for the Company, the fact of his being a shareholder, Director or officer of the Company shall not disentitle such Director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services. **(By-Law 9.2.2)**



4. The name and address of each Director appears in Section 9 of this Prospectus. The residential/registered addresses of the respective directors are as follows:

<b><u>Name of Director</u></b>	<b><u>Residential Address</u></b>
A. Mark Hart	20 Freeport, Freeport, Montego Bay, Saint James, Jamaica
Gerard A. Borely	6 South Ridge, Christ Church, Barbados, BB17029
Alastair Dent	24 Bella Vista, Mount Wilton, St. Thomas, Barbados
Steven Marston	231 Marcus Garvey Drive, Kingston 11, Jamaica
Guardian Nominees (Barbados) Limited	Suite 1, Ground Floor, The Financial Services Centre, Bishop's Court Hill, St. Michael, Barbados, BB14004

The minimum amount required to be raised out of the proceeds of the Invitation (the “minimum subscription”) is the aggregate sum of US\$10,000,000.00. The Company estimates that the expenses in the Invitation will not exceed US\$ 1 million (inclusive of General Consumption Tax, brokerage fees, legal fees, accountant’s fees, Registrar’s fees, filing fees, initial listing fees, and marketing expenses exclusive of GCT).

5. The Invitation will open for subscription at 9:00 a.m. on December 3<sup>rd</sup>, 2018 and will close at 4:30 pm on the Closing Date, December 14<sup>th</sup>, 2018, subject to the Company’s right to extend the Closing Date for any reason whatsoever.
6. All Shares in the Invitation are priced at the Subscription Price of J\$130.00 per Share and US\$1.00 per Share for Eligible Investors subscribing in Jamaica and Trinidad and Tobago, respectively. No further sum will be payable on Allotment.
7. No previous offer of Shares has been made to the public.
8. No person has, or is entitled to be given, any option to subscribe for the Shares in, or debentures of, the Company.
9. As at the date of this Prospectus, the Company held no trade investments, quoted investments other than trade investments nor any unquoted investments other than trade investments.
10. the Company’s has no trademark, real property or business name registered. there is no amount for goodwill, patent, or trademarks shown in the financial statements of the Company and there is no contract for sale and purchase which would involve any goodwill, patent or trademark.
11. As at the date of this Prospectus, the aggregate principal amount of indebtedness of the Company is approximately US\$6,550.71.
12. No amount is currently recommended for distribution by way of dividend. The Company’s dividend history, and its dividend policy following admission to the JSE Main Market, is described in Section 5.
13. Within the two (2) preceding years, no commissions have been paid, nor will any be payable to anyone for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares or debentures of the Company.
14. The Company expects to pay the expenses of the Invitation out of the proceeds of its fundraising, and the Company estimates that the expenses in the Invitation will not exceed US\$ 1 million

(inclusive of General Consumption Tax, brokerage fees, legal fees, accountant's fees, Registrar's fees, filing fees, initial listing fees, and marketing expenses exclusive of GCT). See paragraph 15 below for further details.

15. Within the last two (2) years preceding the date of this Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any promoter, save for JN Fund Managers, for arrangement, financial advisory and brokerage services associated with the Invitation and listing in respect of the JSE Main Market and the JSE USD Market. The agreement provides for JN Fund Managers to act as arranger and financial adviser to the IPO, and for JN Fund Managers to act as lead broker for which they will collectively receive fees equivalent to approximately US\$ 750,000.00 (based on a maximum of US\$ 50 million raised capital) + General Consumption Tax (inclusive of valuation services, lead brokerage, and the development of a marketing strategy for the purposes of the Invitation).
16. The issue is not underwritten.
17. The name and address of the auditors to the Company is BDO Barbados, Chartered Accountants, of The Gables, Haggatt Hall, St. Michael, BB11063, Barbados.
18. BDO Barbados, Chartered Accountants, have given and have not withdrawn their consent to the issue of this Prospectus with the inclusion of the Company's financial statements, and its name in the form and context in which it is included.
19. The Company was incorporated on November 8th, 2017, and it has carried on business since that date. The Company does not have any subsidiaries.
20. The Company has not entered into any material contracts but it is anticipated that it will enter into the LLC Agreement upon becoming admitted to membership by the Investment Company following the successful completion of this offering.

**20.1 Unaudited Financial Statements for the Company for the Six Months ended June 30, 2018**

**MPC CARIBBEAN CLEAN ENERGY LIMITED  
(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2018**

**MPC CARIBBEAN CLEAN ENERGY LIMITED  
(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2018**

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**COMPILATION REPORT**

To The Shareholders of  
**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
Suite 1, Ground Floor  
The Financial Services Centre  
Bishop's Court Hill  
St. Michael, Barbados, BB 140004

On the basis of information provided by management, we have compiled in accordance with the compilation engagements, the accompanying financial statements of MPC Caribbean Clean Energy Limited (formerly CCEF (Barbados) Feeder Limited) as at June 30, 2018.

A compilation is limited to presenting the form of financial statement information that is the representation of management. We have not conducted a review or an audit of these financial statements, and consequently, we do not express an opinion as to whether these financials give a true or fair representation of the financial position of the business, or of the results of its operations for the period then ended.



TRIDENT CORPORATE SERVICES (BARBADOS) LIMITED

Per:

Gayle A. Hutchinson/Amanda G. McKay

Title: Secretary/Assistant Secretary

September 25, 2018

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**Unaudited Balance Sheet**

As at June 30, 2018

	<u>NOTES</u>	<u>2018</u> <u>USD</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Prepayments		1,079
<b>Total Current Assets</b>		<u>1,079</u>
<b>TOTAL ASSETS</b>		<u><u>1,079</u></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable		1,262
Accruals		1,250
Bank Overdraft	4	59
Due to Shareholder	5	3,974
Due to MPC Renewable Energies GmbH	6	13,475
<b>Total Current Liabilities</b>		<u>20,020</u>
<b>TOTAL LIABILITIES</b>		<u>20,020</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share Capital	7	1
Accumulated Deficit		<u>(18,942)</u>
<b>TOTAL EQUITY</b>		<u>(18,941)</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><u>1,079</u></u>

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on 25 September 2018.




By: Guardian Nominees (Barbados) Limited

Director

Per:

Gayle A. Hutchinson

Title: Director

Amanda G. McKay

Title: Director

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**Statement of Loss and Accumulated Deficit**

**For the six months ended June 30, 2018**

	<u>NOTES</u>	<u>2018</u> <u>USD</u>
<b>Expenses</b>		
Accountancy Fees		1,350
Administrative Fees		5,381
Bank Charges		522
Bank Interest		1
Directors' Fees		5,554
Incorporation Fees		-
Licence Fees		250
Management Fees		<u>650</u>
<b>Total Expenses</b>		<u>13,708</u>
<b>Loss for the period</b>		(13,708)
<b>Accumulated Deficit, beginning of period</b>		(5,234)
<b>Accumulated Deficit, end of period</b>		<u>(18,942)</u>

The accompanying notes form an integral part of these financial statements.

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**Statement of Cash Flows**

**For the six months ended June 30, 2018**

	<b>NOTES</b>	<b>2018</b>	<b>As at 31st December</b>
		<b>USD</b>	<b>2017</b>
		<b>USD</b>	<b>USD</b>
<b>Loss before tax</b>		(13,708)	(5,234)
<b>Operating Activities</b>			
(Increase)/Decrease in Prepayments		504	(1,583)
Increase/(Decrease) in Accruals		(1,287)	2,537
Increase in Accounts Payable		957	305
<b>Net cash flow from operating activities</b>		(13,534)	(3,975)
<b>Financing Activities</b>			
Increase in Due to Shareholder		-	3,974
Increase in Share Capital		-	1
Increase in Due to MPC Renewable Energies GmbH		13,475	-
		13,475	3,975
<b>Net Increase in Cash and Cash Equivalents</b>		(59)	-
<b>Cash at the beginning of the period</b>		-	-
<b>Cash at the end of the period</b>		(59)	-

The accompanying notes form an integral part of these financial statements.



**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**NOTES TO THE BALANCE SHEET**

**For the six months ended June 30, 2018**

**Note 1 – COMPANY BACKGROUND**

MPC Caribbean Clean Energy Limited (the "Company") was incorporated on November 8, 2017, under the laws of Barbados and operates as an International Business Company as defined by the International Business Companies Act 1991 - 24. The Company was formerly known as CCEF (Barbados) Feeder Limited, having changed its name on January 4, 2018. The Company principally engages in investment holding.

**Note 2 – PRINCIPAL OF ACCOUNTING POLICIES**

**Basis of Preparation**

The Balance Sheet is expressed in USD (United States Dollars), which is the functional currency of the Company, and is reported in accordance with International Financial Reporting Standards for Small and Medium Enterprises ("IFRS for SMEs") circulated by the International Accounting Standards Board ("IASB").

**Going Concern**

The Financial Statements are prepared on a going concern basis which anticipates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to rely on its shareholder and / or outside financing to meet its commitments.

**Note 3 – COMPARATIVE FIGURES**

The Company was incorporated on November 8, 2017 and so comparative figures are not available for the first half of 2017.

**Note 4 – BANK**

The Company opened a bank account with First Caribbean International Bank in The Bahamas. The small overdraft balance, at the date of the report, is due to monthly bank charges being in excess of the initial receipt into the bank account.

**Note 5 – DUE TO SHAREHOLDER**

The loan from the Shareholder is unsecured, interest free and has no stated terms of repayment.

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**NOTES TO THE BALANCE SHEET**

**For the six months ended June 30, 2018**

**Notes**  
**cont'd**

**Note 6 – DUE TO MPC RENEWABLE ENERGIES GMBH**

The loan from MPC Renewable Energies GmbH was provided to the Company to allow it to pay debts as they fell due. The loan is unsecured, interest free and the Company intends to repay the balance due once it has acquired third party funds/equity.

**Note 7 – SHARE CAPITAL**

On January 4, 2018 the Company share capital was amended as follows:- (a) to issue an unlimited number of voting, non-participating shares re-designated as Class A shares with no par value (also known as "Management Shares) (b) to issue an unlimited number of Class B redeemable participating and voting shares with no par value (also known as "Participating Shares) (c) to issue an unlimited number of Class C redeemable participating and voting shares with no par value (also known as "Participating Shares) . At the balance sheet date, 1(One) Class A share was subscribed and fully paid up.

**Note 8 – TRADING ACTIVITIES**

The Company did not engage in any trading activities for the period under review.

**Note 9 – TAXATION**

The Company operates under the International Business Companies Act 1991-24, thereby being subject to corporation tax at a rate not exceeding 2.5 %.

**20.2 Audited Financial Statements for the Company for the year ended December 31, 2017**

**CCEF (BARBADOS) FEEDER LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER, 2017**

## CCEF (BARBADOS) FEEDER LIMITED

FINANCIAL STATEMENTS  
31 DECEMBER, 2017

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BDO Barbados  
The Gables, Haggatt Hall  
St. Michael BB11063  
Barbados, West Indies

**INDEPENDENT AUDITOR'S REPORT**  
To the Shareholders of CCEF (Barbados) Feeder Limited

**Opinion**

We have audited the financial statements of CCEF (Barbados) Feeder Limited (the Company), which comprise the balance sheet as at 31 December, 2017, and the statement of loss and accumulated deficit and statement of cash flows for the period 8 November, 2017, date of incorporation, to 31 December, 2017, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December, 2017 and its financial performance and its cash flows for the period 8 November, 2017, dated of incorporation, to 31 December, 2017 in accordance with the International Financial Reporting Standard for Small and Medium-Sized Entities (the IFRS for SMEs).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of management and those charged with governance for the financial statements.**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

BDO Barbados, a Barbados Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Partners: Philip S.C.E. Atkinson, Nicholas M. Hughes, J.S. Brett-Massiah, Hanif S.A. Patel, Joseph W. Ward



INDEPENDENT AUDITOR'S REPORT (Continued)  
To the Shareholders of CCEF (Barbados) Feeder Limited

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Barbados*

Barbados  
4 October, 2018

## CCEF (BARBADOS) FEEDER LIMITED

BALANCE SHEET  
31 DECEMBER, 2017  
(Expressed in United States Dollars)

	Notes	2017 \$
ASSETS		
CURRENT ASSETS		
Prepayments		<u>1,583</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accrued liabilities		2,537
Accounts payable		305
Due to related party	3	<u>3,974</u>
		<u>6,816</u>
SHAREHOLDER'S EQUITY		
Share capital	4	1
Accumulated deficit		<u>(5,234)</u>
		<u>(5,233)</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		<u>1,583</u>

The accompany notes form an integral part of these financial statements.

Approved by the Board of Directors on 4 October, 2018 and signed on its behalf by:

  
Gerard Borely Director

**CCEF (BARBADOS) FEEDER LIMITED**

STATEMENT OF LOSS AND ACCUMULATED DEFICIT  
FOR THE PERIOD 8 NOVEMBER, 2017, DATE OF INCORPORATION, TO 31 DECEMBER, 2017  
(Expressed in United States Dollars)

---

	2017
	\$
EXPENSES	
Accounting fees	1,450
Administrative fees	455
Directors' fees	1,087
Incorporation fees	1,400
Licence fees	625
Management fees	217
	<hr/>
	5,234
	<hr/>
ACCUMULATED DEFICIT	(5,234)
	<hr/>

The accompanying notes form an integral part of these financial statements.



## CCEF (BARBADOS) FEEDER LIMITED

STATEMENT OF CASH FLOWS  
FOR THE PERIOD 8 NOVEMBER, 2017, DATE OF INCORPORATION, TO 31 DECEMBER, 2017  
(Expressed in United States Dollars)

	2017
	\$
OPERATING ACTIVITIES	
Loss before taxation	(5,234)
Increase in prepayments	(1,583)
Increase in accruals	2,537
Increase in accounts payable	305
<i>Net cash used in operating activities</i>	<u>(3,975)</u>
FINANCING ACTIVITIES	
Increase in due to related party	3,974
Issue of stated capital	1
<i>Net cash from financing activities</i>	<u>3,975</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>-</u>

The accompanying notes form an integral part of these financial statements.

## CCEF (BARBADOS) FEEDER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER, 2017

(Expressed in United States Dollars)

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#### 1. CORPORATE STATUS AND PRINCIPAL ACTIVITY

CCEF (Barbados) Feeder Limited (the Company) was incorporated on 9 November, 2017 under the laws of Barbados and operates as an International Business Company as defined by the International Business Companies Act 1991 - 24. The Company principally engages in investment holding and is wholly owned by MPC Clean Energy Ltd. which is incorporated in the Cayman Islands.

Subsequent to year end, the company changed its name to MPC Caribbean Clean Energy Ltd.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### Basis of preparation

The balance sheet is expressed in United States dollars, which is the functional currency of the Company, and is reported in accordance with the International Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs) circulated by the International Accounting Standards Board (IASB).

##### Going Concern

The financial statements are prepared on a going concern basis which anticipates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to rely on its shareholder and/or outside financing to meet its commitments.

#### 3. DUE TO RELATED PARTY

The advance from the related party is unsecured, interest free and has no stated terms of repayment.

#### 4. SHARE CAPITAL

The Company is authorized to issue an unlimited number of shares designated as common shares with no par value. At the balance sheet date, one share was subscribed and fully paid up.

On 4 January, 2018 the Company share capital was amended as follows: (a) to issue an unlimited number of voting, non-participating shares re-designated as Class A shares with no par value (also known as "Management Shares") (b) to issue an unlimited number of Class B redeemable participating and voting shares with no par value (also known as "Participating Shares") (c) to issue an unlimited number of Class C redeemable participating and voting shares with no par value (also known as "Participating Shares").

#### 5. TRADING ACTIVITIES

The Company did not engage in any trading activities for the period under review.

#### 6. TAXATION

The Company operates under the International Business Companies Act 1991-24, thereby being subject to corporation tax at a rate not exceeding 2.5%.

## 20.3 Auditor's Consent Letter



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Fax: + 246 437 5366  
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BDO Barbados  
The Gables, Haggatt Hall  
St. Michael BB11063  
Barbados, West Indies

1 November 2018

The Directors  
MPC Caribbean Clean Energy Limited  
Suite 1, Ground Floor  
The Financial Services Centre  
Bishop's Court Hill  
St. Michael  
Barbados, BB14004

Dear Sirs

**Re: Consent Letter**

We consent to being named in and to the use of the following reports to be tiled by MPC Caribbean Clean Energy Limited (the 'Issuer') as an insertion into the prospectus of the Issuer of the Offer with the Trinidad and Tobago Securities and Exchange Commission and the Financial Services Commission of Jamaica in November, 2018.

- Audit report as at 31 December, 2017, and the financial statements to which it relates; and
- Compilation report as at 30 September, 2018, and the financial statements to which it relates.

We have read the prospectus and have no reason to believe there are any misrepresentations in it that:

- (i) may be derived from the financial statements for the Issuer which we have reported on; or
- (ii) are within our knowledge as a result of our audit or compilation of the financial statements of the Issuer.

In our review of the prospectus, we have relied upon the advice of MH&CO (in respect of Jamaica and Barbados) and M. Hamel-Smith & Co. (in respect of Trinidad and Tobago) to the effect that the Issuer has complied with and is not in default of any obligation imposed under any rule or regulation under any applicable securities laws in Jamaica, Barbados and Trinidad and Tobago and or any order or decree issued by any applicable securities regulatory authority in Jamaica, Barbados and Trinidad and Tobago.

We also confirm that we have no interest in the Issuer and are independent of the Issuer in all respects.

Yours sincerely

BDO Barbados

BDO Barbados, a Barbados Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Partners: Phillip St.E. Atkinson, Nicholas M. Hughes, J.S. Brett Massiah, Hanif S.A. Patel, Joseph W. Ward





**Ernst & Young Services Limited**  
5/7 Sweet Briar Road  
St. Clair, Port-Of-Spain  
Trinidad

**Tel: 868 628 1105**  
**Fax: 868 622 0918**  
**ey.com**

### **Reliance Restricted**

Mr. Martin Vogt  
Managing Director  
MPC Renewable Energies GmbH  
Palmaille 67, 22767  
Hamburg, Germany

### **Project Green**

**05 November 2018**

Dear Mr. Vogt,

We are pleased to provide MPC Renewable Energies GmbH ("the Client" or "MPC") with our Report ("the Report") presenting the compilation of the 5-year forecasted financial statements (Balance Sheet, Profit and Loss and Cash Flow Statement) for MPC Caribbean Clean Energy Limited ("the Company").

Our Report was prepared in accordance with your instructions as set out in our Engagement Letter dated 30 October, 2018. The Report addresses all the matters within the agreed scope and any comments were addressed prior to issuing this report.

The Report (or any portion or summary of it) may not be quoted, referred to or shown to any other parties except as provided in Appendix C, "Statement of Limiting Conditions" and Appendix C, Sections 11 to 15, of the Engagement Letter "General Terms and Conditions".

We only accept responsibility or liability to our client in respect of this report on the basis set out in the Engagement Agreement. We accept no responsibility or liability to any other person in respect of this report, and accordingly if such other persons choose to rely upon any of its contents, they do so at their own risk.

#### **Nature and scope of the services**

Our work in connection with Engagement Letter is that of a compilation of 5-year forecasted financial statements, more specifically a projected Balance Sheet, Profit and Loss Statement and Cash Flow Statement for the Company. The data used to prepare these financial statements was based on information provided by the Management of MPC. See Appendix B (Sources of Data) for a complete listing of the documents provided by MPC. All the information we have received is the responsibility of MPC, whether verbal or written, including the underlying assumptions on which the forecasted financial statements were based. See Section 2 for a detailed listing of the assumptions used to prepare the forecasted financial statements.

Our work does not include insurance or issuance of an audit opinion according to auditing and assurance standards issued by any Accounting Body. Our scope did not include detection of any or all fraudulent activities or illegal acts.



**Ernst & Young Services Limited**  
5/7 Sweet Briar Road  
St. Clair, Port-Of-Spain  
Trinidad

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**ey.com**

**Reliance Restricted**

Mr. Martin Vogt  
Managing Director  
MPC Renewable Energies GmbH  
Palmaille 67, 22767  
Hamburg, Germany

**Project Green (continued)**

**05 November 2018**

Dear Mr. Vogt,

The contents of our Report have been reviewed by MPC's management and directors, whom have fully agreed with the content represented in this Report. Whilst each part of our Report addresses different aspects of our work, the entire Report should be read for a full understanding of our conclusions.

We appreciate the opportunity to provide our services to MPC. Please do not hesitate to contact Zack Nadur at +1(868) 822 6251 if you have any questions about this engagement or if we may be of any further assistance.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Zack Nadur', written in a cursive style.

Zack Nadur  
Director



**Dashboard**

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**Transaction  
Overview**

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**Appendix**

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# 1

## Transaction Overview

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## 1 Transaction Overview

### Engagement overview

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### Background

- ▶ We understand that MPC Caribbean Clean Energy Limited (“the Company”) is contemplating raising funds via an initial public offering (cross-listed shares at the USD Equity Markets of the Jamaica Stock Exchange and Trinidad and Tobago Stock Exchange; the “IPO”) for a subsequent investment in MPC Caribbean Clean Energy Fund LLC (the “Investment Company”).
- ▶ The capital raised from the IPO will be invested into the Investment Company. (See Slide 7 – Corporate Structure).

### Purpose and objective

- ▶ The compiled 5-year forecasted financial statements will be used to facilitate the IPO process.
- ▶ The financial statements will be used by the brokers to determine the viability of the Company.
- ▶ The financial statements will also form part of the Company’s Prospectus.

### Report type

- ▶ This is a compilation of the 5-year forecasted financial statements for the Company. The forecasted period pertains to FY19 to FY23.
- ▶ This type of report or engagement does not constitute an audit or assurance opinion issued by any Accounting Body.
- ▶ Information utilized in the compilation of the forecasted financial statements is the sole responsibility of the Company.
- ▶ Figures quoted in this Report are stated in the United States Dollar (US\$).

### Limiting conditions

- ▶ Our Report is subject to the Statement of Limiting Conditions outlined in Appendix C. Any portion of this Report is valid only in the context of the entire Report and should not be considered or relied upon in isolation, as this could be misleading.
- ▶ We agree to the disclosure of our Report in the Prospectus on the basis that we do not have any obligation, responsibility or duty of care towards the Financial Services Commission of Jamaica and the general public reviewing the Prospectus.

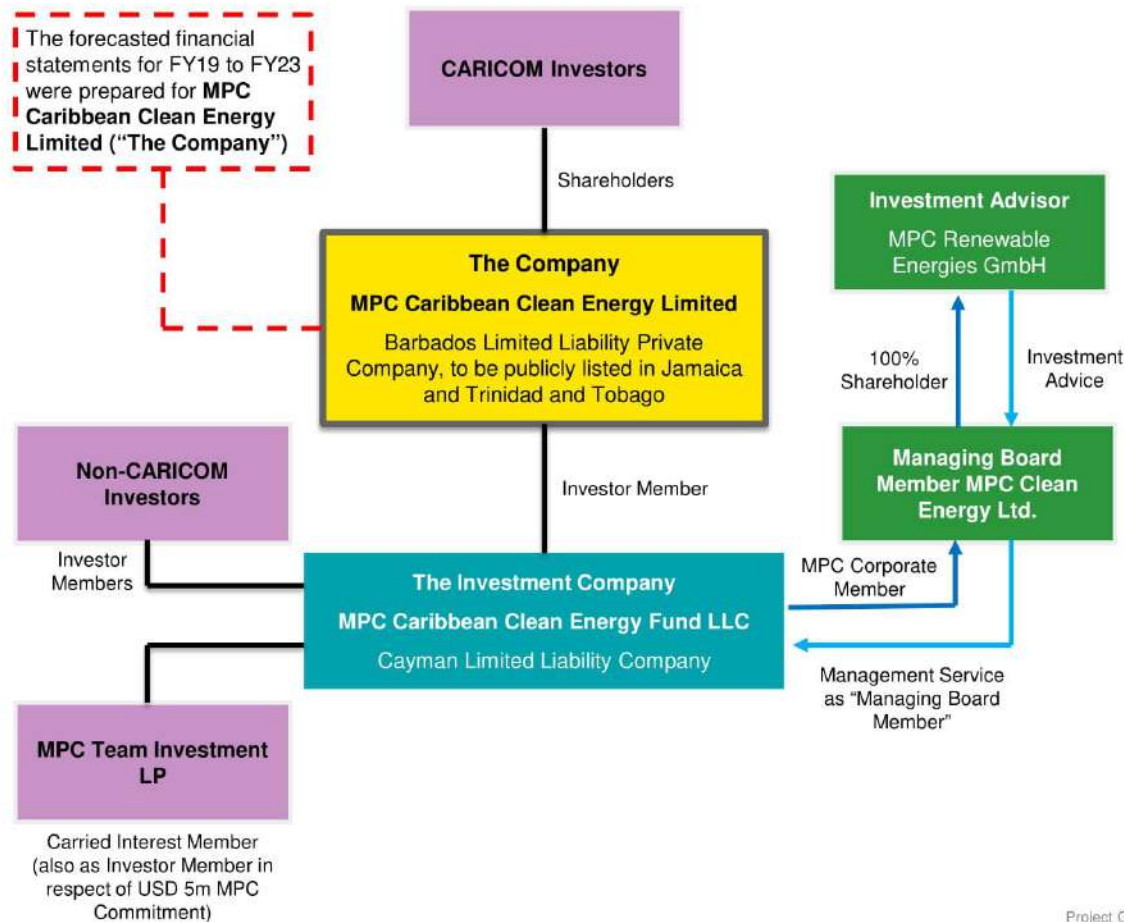


# 1 Transaction Overview

## Corporate structure

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The Company falls within the following group structure:



**The Company**

CARICOM investors indirectly invest into the Investment Company through the Company. The Company has been formed to accommodate certain tax and regulatory considerations for its investor members.

Cash flows from the Investment Company is repatriated to the Company who then issues dividends to its investor members.

**The Investment Company**

This is the main cash flow generating vehicle for the group. This is done through the implementation and maintenance of renewable energy projects. See next page for a listing of current, ongoing projects.



## 1 Transaction Overview

### Projects at a glance

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The financial projections of the Investment Company and respectively, the Company, are currently based on the following projects:

Name of projects	<i>Paradise Park</i>	<i>Tilawind</i>	<i>La Primavera</i>	<i>Colombia</i>	<i>Trinidad</i>
<b>Country</b>	<b>Jamaica</b>	<b>Costa Rica</b>	<b>El Salvador</b>	<b>Colombia</b>	<b>Trinidad</b>
Type of project	Solar PV	Wind	Solar PV	Distributed Solar	Wind
Project's life	25 years	25 years	21 years	25 years	25 years
Beginning of construction	June-18	April-14	Sep-18	Oct-19	Jul-20
End of construction	Jun-19	March-15	Dec-19	Dec-20	Dec-21
Commencement of positive returns	2019	2018	2020	2020	2028

Please note that the overview of projects "La Primavera", "Colombia", and "Trinidad & Tobago" given above is solely intended to give a preliminary indication of types of investments that the Investment Company may make. Accordingly, there is no guarantee that the Investment Company may actually invest in these or similar projects or that the Investment Company will meet its objectives in general. These examples are given in good faith on the basis of reasonable assumptions.

# 2

## Forecasted Financial Statements

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## 2 Forecasted Financial Statements

### Approach and assumptions

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EY compiled the 5-year forecasted financial statements using the following approach and assumptions provided by management for the Profit and Loss:

#### Profit and Loss Statement

##### 1. Revenue

- ▶ Revenue was based on funds repatriated from The Investment Company. Revenue comprises of the following sources of funds from The Investment Company:
  - Principal on Shareholders' loan
  - Interest on Shareholders' loan
  - Dividends
- ▶ Revenue was also recorded net of Withholding tax (WHT) on interest and dividends, where applicable, at the respective rates for the various jurisdictions. WHT rates applied in the model was used, i.e. 15% for all projects except La Primavera where 5% was applied.
- ▶ A multiplier factor of 60% was then applied to the total revenue (Revenue less withholding tax), for each project, to adjust for the estimated equity value of US\$50, down from US\$83m which was originally reflected in the Fund Model.

##### 2. Administrative Expenses

- ▶ For FY18 a full year of expenses were provided by management in a "Forecasted Expenses" schedule. Also, in FY18 a one-time IPO readiness fee of US\$1 was included in expenses.
- ▶ For FY19 to FY23, the expenses were based on the "Forecasted Expenses" schedule provided for FY18 and an additional expense for Board of Directors' fees on which an annual growth rate was applied.
- ▶ Management indicated that the growth rate to be applied be based on the inflation rate according to the country that the expense was incurred. This included Barbados, Trinidad and Jamaica. (See table on the right for each country's inflation rate per year according to data presented by Oxford Economics.)

#### Profit and Loss Statement (continued)

##### Inflation rate per country:

Country	FY19	FY20	FY21	FY22	FY23
Barbados (%)	3.05	2.90	2.85	2.80	2.75
Trinidad (%)	5.20	5.17	5.13	5.10	5.07
Jamaica (%)	2.20	2.40	2.60	2.80	3.00

Source: Oxford Economics

##### 3. Taxation Expenses

- ▶ Tax was calculated using the Barbados IBC tax range of 2.5% for profits and gains up to Bds\$10m (US\$5m) and 2.0% for profits and gains exceeding Bds\$10m but not exceeding Bds\$20m (US\$10m).
- ▶ Tax losses brought forward from FY17 of US\$5,234 was utilized against taxable profit in FY18.

##### 4. Dividends to shareholders of the Company

- ▶ 98% of profit after tax was repatriated as dividends to investor members on an annual basis. Management indicated that up to 100% can be distributed, however, there was a small negative balance brought forward from FY17 which was taken into consideration by the distribution percentage selected.





## 2 Forecasted Financial Statements

### Approach and assumptions

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EY compiled the 5-year forecasted financial statements using the following approach and assumptions provided by management for the Balance Sheet and Cash Flow Statements:

#### Balance Sheet

##### 1. Prepayments and Accruals

- ▶ In FY19 the 'Prepayment' and 'Accruals' balances were settled and therefore from FY19 onwards the balances were nil.

##### 2. Due to Shareholders and Due to MPC

- ▶ In FY19 these balances were paid off from IPO proceeds and therefore were nil from FY19 onwards.

#### Cash Flow Statement

##### 1. Liquidity reserve

- ▶ The Liquidity reserve was created in FY19 using the \$50m proceeds from the IPO. Management indicated that there will be an immediate and complete capital call on the IPO proceeds from the Investment Company in FY19. Therefore the \$50m cash received in FY19 was immediately paid out in the same year.



## 2 Forecasted Financial Statements

### Balance Sheet

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#### The Company

#### Statement of Financial Position

for the five year periods ending December 2019 to FY2023

Currency: US\$	Forecast				
	FY19	FY20	FY21	FY22	FY23
<b>CURRENT ASSETS</b>					
Cash at bank	2,280	2,280	2,280	2,280	2,280
<b>TOTAL ASSETS</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	1	1	1	1	1
Accumulated profit	2,279	2,279	2,279	2,279	2,279
<b>TOTAL EQUITY</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>



## 2 Forecasted Financial Statements

### Profit and Loss

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#### The Company

#### Profit and Loss Statement

for the five year periods ending December 2019 to FY2023

Currency: US\$	Forecast				
	FY19	FY20	FY21	FY22	FY23
<b>REVENUE</b>	<b>1,386,969</b>	<b>2,943,703</b>	<b>5,513,100</b>	<b>7,650,363</b>	<b>7,100,477</b>
Administrative expenses	(108,021)	(110,814)	(114,579)	(118,488)	(122,547)
<b>NET PROFIT BEFORE TAX</b>	<b>1,278,948</b>	<b>2,832,888</b>	<b>5,398,521</b>	<b>7,531,875</b>	<b>6,977,930</b>
Taxation	(31,974)	(70,822)	(107,970)	(150,637)	(139,559)
<b>PROFIT FOR THE PERIOD AFTER TAX</b>	<b>1,246,974</b>	<b>2,762,066</b>	<b>5,290,551</b>	<b>7,381,237</b>	<b>6,838,372</b>
Dividends to Shareholders (98% of PAT)	1,246,974	2,762,066	5,290,551	7,381,237	6,838,372
Accumulated profit, beginning of period	2,279	2,279	2,279	2,279	2,279
<b>Accumulated profit, end of period</b>	<b>2,279</b>	<b>2,279</b>	<b>2,279</b>	<b>2,279</b>	<b>2,279</b>





## 2 Forecasted Financial Statements

### Cash Flow Statement

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#### The Company

#### Cash Flow Statement Statement

for the five year periods ending December 2019 to December 2023

Currency: US\$	Forecast				
	FY19	FY20	FY21	FY22	FY23
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit / (Loss) before tax for the period	1,278,948	2,832,888	5,398,521	7,531,875	6,977,930
Adjustments for:					
Taxation expense	(31,974)	(70,822)	(107,970)	(150,637)	(139,559)
<b>Cash utilized before changes in working capital</b>	<b>1,246,974</b>	<b>2,762,066</b>	<b>5,290,551</b>	<b>7,381,237</b>	<b>6,838,372</b>
Movement in net current asset:					
Decrease in prepayments	832	-	-	-	-
(Decrease) in Accruals	(3,750)	-	-	-	-
<b>Net cash used by operating activities</b>	<b>1,244,056</b>	<b>2,762,066</b>	<b>5,290,551</b>	<b>7,381,237</b>	<b>6,838,372</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
(Decrease) in Due to MPC	(29,094)	-	-	-	-
(Decrease) in Due to Shareholders	(3,974)	-	-	-	-
Dividend payments to shareholders	(1,246,974)	(2,762,066)	(5,290,551)	(7,381,237)	(6,838,372)
Increase in liquidity reserve from IPO	50,000,000	-	-	-	-
Decrease in liquidity reserve from capital call from the Investment Company	(50,000,000)	-	-	-	-
<b>Net cash used by financing activities</b>	<b>(1,280,042)</b>	<b>(2,762,066)</b>	<b>(5,290,551)</b>	<b>(7,381,237)</b>	<b>(6,838,372)</b>
Net increase in cash and cash equivalents	(35,986)	-	-	-	-
Cash and cash equivalents at the beginning of period	38,266	2,280	2,280	2,280	2,280
<b>Cash and cash equivalents at the end of period</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>	<b>2,280</b>

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### 3 Appendix

#### Appendix A: Abbreviations

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<b>Bds\$</b>	Barbadian dollar
<b>Forecasted period</b>	December 31 <sup>st</sup> 2019 to December 31 <sup>st</sup> 2023
<b>FY</b>	Financial year
<b>IPO</b>	Initial Public Offering
<b>Management</b>	MPC Renewable Energies GmbH or "the Client"
<b>PAT</b>	Profit after tax
<b>The Company</b>	MPC Caribbean Clean Energy Limited
<b>The Investment Company</b>	MPC Caribbean Clean Energy Fund LLC
<b>US\$</b>	United States dollar



### 3 Appendix

#### Appendix B: Sources of data

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**In preparing our Report, the following primary sources of information was provided by MPC:**

1. The model received, named "MPC Caribbean Clean Energy Fund Model", as at December 2017
2. Audited financial statements for the Company as at December 2017
3. Management accounts for the Company as at September 2018
4. Forecasted expenses for the Company for the period FY18 (used as the basis to project FY19 to FY23)
5. Corporate structure for the Company and the Investment Company
6. Dividend policy of the Company

Calls/meetings were also held with the following persons to gain a better understanding of the engagement and to clarify assumptions and other information provided:

1. Martin Vogt, Managing Director of MPC
2. Miró-Gea, Guillem, an Analyst at MPC
3. Moein Merati, an Analyst at MPC



### 3 Appendix

#### Appendix C: Statement of limiting conditions

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3	<b>Appendix</b>

- ▶ The facts described in this Report were provided by the persons mentioned in the Sources of Data section who represented the "Management" of MPC. Our compilation of the 5-year forecasted financial statements assumed all information to be materially true and prepared in good faith by MPC.
- ▶ This Report is not an audit of the Company and as such we have not expressed an audit opinion or any other form of assurance under audit or assurance standards on the Company's forecasted financial statements, Fund model provided or projections presented in the said model. Our exercise focused on the compilation of the forecasted financial statements. We can not provide any assurance of the opening balances presented to us from which the Balance Sheet was prepared. We have also not performed a review of the Shareholders equity balances, including retained profits/losses brought forward from previous years.
- ▶ EY is not responsible for the contents of the Fund model, projections contained within it or any other information provided by MPC. MPC is responsible for the preparation, consistency, completeness and appropriateness of underlying assumptions used to prepare the forecasted financial statements.
- ▶ This Report is given in confidence solely for MPC's confidential use as stated herein as well as for the inclusion in the IPO Prospectus of the Company. EY disclaims any responsibility for the use of this Report in connection with any purpose or context other than disclosed herein.
- ▶ Our Report assumes that the Company is in full compliance with all statutory, industry regulatory and any other applicable laws and regulations, unless otherwise stated. Our scope did not include detection of any or all fraudulent activities or illegal acts.
- ▶ EY, by reason of services provided, is not required to furnish additional work or services, or to give testimony, or be in attendance in court with reference to the Company's assets, liabilities, or business interest or to update any report, recommendation, analysis, conclusion or other document relating to its services for any events or circumstances unless arrangements acceptable to EY have been separately agreed upon with MPC.
- ▶ This Report was concluded on 02 November 2018, and we have not undertaken any further work since that time. Material events may therefore have occurred which will not be reflected in the Report.
- ▶ We reserve the right (but will not be obligated) to revise this Report in light of any relevant information that comes to our attention after the date of issuance.
- ▶ Whilst we are prepared to provide a copy of the Report to be included in the Prospectus, it is only on the basis that you acknowledge and agree that:
  - ▶ Ernst & Young LLP (including its partners, employees, agents, subcontractors and employees of its wholly owned company, Ernst & Young Services Limited) accepts no responsibility and shall have no liability in contract, tort or otherwise to the FSC or any other third party in relation to the contents of the Report;
  - ▶ Any use you make of the Report by a third party is entirely at their own risk;
  - ▶ We do not have any obligation, responsibility or duty of care towards the FSC or any third party.
  - ▶ EY disclaims any responsibility for the use of this Report in connection with any purpose or context other than disclosed herein.

**EY | Assurance | Tax | Transactions | Advisory**

**About EY**

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### 22.1 Documents Available for Inspection

Copies of the following documents:

1. The Charter Documents of the Company;
2. Company Status Letter issued by the Registrar of Companies of Barbados; and
3. the LLC Agreement,

may be inspected at the following locations:

- A. in Jamaica, at the offices **Messrs. MH&CO., Attorneys-at-Law** between the hours of 9:00 a.m. and 4:00 p.m. on Monday to Friday, up to and including the Closing Date (or the extended Closing Date, as the case may be)
- B. in Trinidad & Tobago, at the offices **First Citizens Brokerage and Advisory Services Limited, Lead Broker** between the hours of 8:00 a.m. and 4:00 p.m. on Monday to Friday, up to and including the Closing Date (or the extended Closing Date, as the case may be).

### 22.2 Statement of Rights

Section 139 (1) of the Trinidad Securities Act, provides that a purchaser of a security distributed under a prospectus has a right of action for damages against each of the persons set out in this section for any loss or damage sustained by him by reason of any misrepresentation in this Prospectus.

Section 140 (1) of the Trinidad Securities Act, provides purchasers with the right to withdraw from an agreement to purchase securities. The securities legislation further provides a purchaser with remedies for rescission and damages if this Prospectus or any amendment contains a misrepresentation.

The purchaser should refer to the Trinidad Securities Act for the particulars of these rights or consult with a legal adviser.

The Company is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Trinidad and Tobago. Although the Company has appointed M. Hamel-Smith & Co. as its agent for service or process in Trinidad and Tobago, it may not be possible for Shareholders to collect from the Company judgments obtained in courts in Trinidad and Tobago predicated on the civil liability provisions of Trinidad Securities Laws.

### 22.3 Related Party Transactions

The Managing Board Member (MPC Clean Energy Ltd) of the Investment Company is a 100% subsidiary of the Investment Adviser (MPC Renewable Energies GmbH), which is part of the MPC Group. The general partner of MPC Team Investment LP is a 100% subsidiary of the Investment Adviser and the initial investor member of the Investment Company with a commitment of 5 million USD. The MPC group is a global financial services organisation comprising a large number of entities undertaking a range of business activities for themselves, other funds and other third-party investors.

Eligible Investors should note that entities that are members of the MPC group may, during the life of the Investment Company, sell or transfer investments of the Investment Company identified as investment

opportunities by the Managing Board Member, on the advice of the Investment Adviser, to the Investment Company. The seller of the investments from time to time may be an affiliate of the Managing Board Member and/or the Investment Adviser. As such, a conflict of interests may arise between the interests of the relevant seller and the Investment Company, the Managing Board Member and/or the Investment Adviser. In order to address and mitigate such conflict, the Managing Board Member and the Investment Adviser will implement certain conflicts management procedures as applicable to the relevant deal, which may include, without limitation, the appointment of a third party valuer or ensuring that the relevant asset is transferred at cost.

A Commitment has been made to the Investment Company by a member of the MPC group (which is an affiliate of the Managing Board Member and the Investment Adviser) and, as a result, a member of the MPC group holds a significant Interest in the Investment Company. Such Interest may potentially give rise to a conflict between the Investment Adviser's or Managing Board Member's interests in each of their capacities as a member of MPC group and their obligations to the Managing Board Member or the Investment Company (as applicable) and the investors in its capacity as advisor of, or as, the Managing Board Member of the Investment Company.

A group chart showing the relationship among these MPC group companies is contained at Section 14.3 above.

#### **22.4 Allocation of Shares**

The Company has allocated 40,000,000 Shares as "Institutional Shares" which initially may only be subscribed for by, and allocated to, Institutional Share Applicants. All other Shares may be subscribed for by, and allotted to, an Eligible Investor. Institutional Share Applicants will only be allocated Institutional Shares unless the non-Institutional Share category is undersubscribed. In such circumstances, the Company intends to firstly satisfy all applications received from non-Institutional Share Applicants and, thereafter, apply any remaining Shares in that category to satisfy any outstanding applications received from Institutional Share Applicants in accordance with the allocation methodology described below.

Conversely, if there are unallocated Institutional Shares as at the Closing Date, such shares shall be applied in satisfaction of any unfulfilled applications received from Applicants and shall be allocated in accordance with the methodology described below.

If the Institutional Share category is oversubscribed, the Institutional Shares shall be allocated among the Institutional Share Applicants on a *pro rata* basis based on the total number of subscriptions received from Institutional Share Applicants in response to the Invitation, the number of Institutional Shares applied for by the respective Applicant; and the total number of Institutional Shares. If the Invitation has not been oversubscribed, Shares may be allocated to any Institutional Share Applicant whose application remains unfulfilled.

In circumstances where the Invitation is oversubscribed in both categories, all subscribers will receive a prorated number of shares based on the total number of subscriptions received from Applicants in the respective category, the number of shares in the respective category applied for by the respective Applicant; and the total number of Offered Shares available to be allocated to that category.



## 22.5 Authorised Brokers and Distributors in Trinidad and Tobago

Further information can be obtained from, and subscriptions may be submitted to, any of the following Authorised Brokers and Distributors in Trinidad and Tobago:

### **AUTHORISED BROKERS**

#### **Bourse Brokers Limited**

24 Mulchan Seuchan Road,  
Chaguanas  
(T): POS: **(868) 628-9100**  
(T): South: **(868) 628-9100**  
(W): [www.bourseinvestment.com](http://www.bourseinvestment.com)  
(E): [admin@boursefinancial.com](mailto:admin@boursefinancial.com)  
Head: Mr. Subhas Ramkhelawan

#### **Caribbean Stockbrokers Limited**

29 Chacon Street,  
Port of Spain  
(T): **(868) 624-8178, 624-4415**  
Email: [cslbroker@caribstockbrokers.com](mailto:cslbroker@caribstockbrokers.com),  
[csl@tstt.net.tt](mailto:csl@tstt.net.tt)  
Managing Director: Mr. Alvin Johnson

#### **First Citizens Brokerage and Advisory Services Limited**

17 Wainwright Street,  
Port of Spain  
(T): **(868) 622-3247**  
Ground Floor, CIC Building,  
Lady Hailes Ave,  
San Fernando  
(T): **(868) 657-2662**  
Website : [www.firstcitizenstt.com/fcis/wealth-management](http://www.firstcitizenstt.com/fcis/wealth-management)  
Email: [brokerage@firstcitizenstt.com](mailto:brokerage@firstcitizenstt.com)  
Manager – Brokerage Services : Mr. Leslie St. Louis

#### **West Indies Stockbrokers Limited**

St. Clair Place,  
8 Sweet Briar Road,  
St. Clair  
Port of Spain  
(T): **(868) 628-9473**  
Website: [www.wisett.com](http://www.wisett.com)  
Email: [wiseinfo@wisett.com](mailto:wiseinfo@wisett.com)  
Head: Mr. Adrian Manmohan

#### **Sheppard Securities Limited**

5-7 Sweet Briar Road,  
St. Clair  
(T): **(868) 222-5192**  
(F): (868) 221-5193  
(W): [www.sheppard.tt](http://www.sheppard.tt)

Head: Mr. George Sheppard

#### **JMMB Securities (T&T) Limited**

169 Tragarete Road,  
Port of Spain  
(T): POS **(868) 224-5662**  
(T): South **(868) 224-5667**  
Website: [www.jmmbtt.com/investments](http://www.jmmbtt.com/investments)  
Email: [infott@jmmb.com](mailto:infott@jmmb.com)  
General Manager: Ronald Carter

### **AUTHORISED DISTRIBUTORS**

#### **Ansa Merchant Bank Limited**

ANSA Centre  
11 Maraval Road  
Port of Spain  
(T)-868-623-8672  
(W) [www.ansabank.com](http://www.ansabank.com)

#### **Firstline Securities Limited**

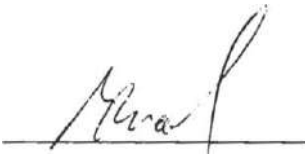
46 Agra Street  
St. James  
(T): (868) 628-1175  
(F): (868) 628-1554  
(W): [www.firstlinesecurities.com](http://www.firstlinesecurities.com)

**Section 23**

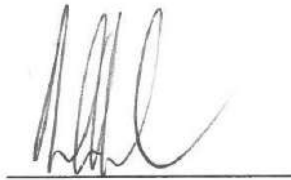
**Directors' Signatures**

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The foregoing constitutes full, true and plain disclosure of all material facts relating to the Company and the Shares described in this Prospectus as required by the Trinidad and Tobago and Jamaica Securities Laws.



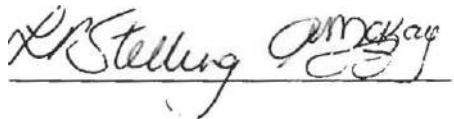
Gerard A. Borely



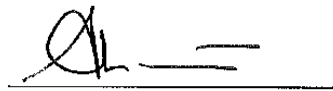
A. Mark Hart



Alastair Dent




Guardian Nominees (Barbados) Limited



Steven Marston

# Appendix 1 – Application Form

For investors in Jamaica only:

	
<b>MPC Caribbean Clean Energy Limited</b> <b>Initial Public Offer</b>	<i>For Jamaican Investors Only</i>
<b>J\$ APPLICATION FORM – CLASS B SHARES OF NO PAR VALUE</b>	
<p><b>PLEASE READ CAREFULLY BEFORE COMPLETING THIS FORM*</b></p> <p>To: MPC Caribbean Clean Energy Limited ("MPC" or "the Company")</p> <p><b>Re: Invitation for Subscription for up to 50,000,000 Class B shares of no par value ("Shares") in MPC made pursuant to the Prospectus dated the 20<sup>th</sup> day of November, 2018 ("the Prospectus").</b></p> <p>I/We confirm that I/We have read and understood and hereby agree to be bound by the terms and conditions contained in the Prospectus, all of which are incorporated in this Application Form by reference. I / We hereby apply for _____ Class B Shares of no par value in MPC Caribbean Clean Energy Limited on and subject to the terms and conditions of the IPO set out in the Prospectus at the price of J\$ 130.00. I / We have made / remitted payment of the sum of JMD _____ for my / our subscription / purchase and the JCSD processing fee of J\$163.10 . (inclusive of GCT) with proof of payment attached or I / We request my broker, JN Fund Managers Ltd. to make payment on my/ our behalf from cleared funds held by them in my / our names in account numbered _____ with them, for amount _____</p> <p>"I/We agree to accept the Shares or any smaller number in respect of which this application may be accepted, subject to the terms and conditions in the Prospectus and the Articles of Incorporation of MPC, by which I/We agree to be bound. I/We request you to sell and/or transfer to me/us the number of Shares, which may be allocated to me/us at the close of the said IPO on the terms and conditions governing applications, as set forth in the Prospectus. I/We hereby agree to accept the Shares that may be allocated to me/us to be credited to an account in my/our name(s) in the Jamaica Central Securities Depository (JCSD)."</p> <p>Instructions to completing application form: All fields are relevant and must be completed. (If you already have an account with the JCSD, please ensure that you indicate your JCSD account number).</p> <p><i>*This Application Form forms part of and should be used in conjunction with the prospectus (the 'Prospectus') dated the 20th day of November, 2018 issued by MPC Caribbean Clean Energy Limited in respect of the offer for sale of 50,000,000 Class B Shares in MPC Caribbean Clean Energy Limited. Defined terms from the Prospectus used herein have the meanings ascribed to them in the Prospectus.</i></p> <p> <input type="checkbox"/> <b>Reserve Share</b> <i>(If applicable please see overleaf and prospectus)</i>                      <input type="checkbox"/> <b>General Pool</b> </p>	
<b>PRIMARY HOLDER</b>	
<p>Full Name of Applicant: <input style="width: 100%;" type="text"/></p> <p>TRN: <input style="width: 100%;" type="text"/> Occupation / Line of Business: <input style="width: 100%;" type="text"/></p> <p>Address: <input style="width: 100%;" type="text"/></p> <p>Nationality/ Incorporation: <input style="width: 100%;" type="text"/> Telephone (Home): <input style="width: 100%;" type="text"/></p> <p>Telephone (Work): <input style="width: 100%;" type="text"/> Telephone (Mobile): <input style="width: 100%;" type="text"/></p> <p>Fasimile: <input style="width: 100%;" type="text"/></p> <p>Email Address: <input style="width: 100%;" type="text"/> Broker Code: <input style="width: 100%;" type="text"/></p> <p>JSCD Number: <input style="width: 100%;" type="text"/> Broker Account Number: <input style="width: 100%;" type="text"/></p> <p>Signatures (Company): _____  <div style="display: flex; justify-content: space-between; width: 100%;"> <span>Director</span> <span>Director / Secretary Seal or Stamp required for Companies</span> </div> </p> <p>Signatures (Individual): _____ Date of Application: <input style="width: 100%;" type="text"/>  <div style="display: flex; justify-content: space-between; width: 100%;"> <span>Applicant</span> <span>D D M M Y Y Y Y</span> </div> </p>	



#### ADDITIONAL INFORMATION

1. Each application for shares must be for a minimum of Five Hundred (500) Shares with increments in multiples of ten (10). Applications in other denominations will not be processed or accepted. This restriction is not applicable to Applicants for Reserved Shares.
2. If you are not a Reserved Share Applicant you must attach your payment for the specified number of Shares you have applied for in the form of either:
  - A. Manager's cheque made payable to JN Fund Managers Limited
  - B. Transfer or deposit of funds to the following account.

**RTGS Instructions:**

Beneficiary Bank	JN Bank Limited
Account Type	Savings
Branch	JN Premier
For further credit to:	JN Fund Managers Limited a /c # 2094296874

*(Please include applicants name)*
3. All Applicants must be at least 18 years old.
4. A Corporation may execute this application either under its common seal or under the hand of a duly authorized officer, who should state his capacity, and supply a list of authorized signatories. It should insert its registered or head office address.
5. This form is signed under power of attorney, a duly certified copy thereof, must accompany this form.
6. When this Application Form is duly completed, it must be delivered to the Authorised Broker in the jurisdiction in which the Eligible Investor is located.
7. A copy of this Prospectus may be downloaded from the official website of JN Fund Managers Ltd, [www.jnfunds.com](http://www.jnfunds.com) or from the official webpage of the JSE, [www.jamstockex.com](http://www.jamstockex.com).
8. Share certificates will not be issued unless specifically requested. Instead the shares allotted to a successful applicant will be credited to his account at the Jamaica Central Securities Depository or the Trinidad and Tobago Central Depository, as applicable. If the applicant does not have a JCSD or TTCD account, one will be created, and the allotted shares deposited to that account. Applicants in Jamaica may refer to the notice posted on the JSE website ([www.jamstockex.com](http://www.jamstockex.com)) for instructions on confirming Share allotments.
9. Applicants who do not have a broker account must provide valid identification, proof of address, proof of source of funds and satisfy the relevant JN Fund Managers Ltd. customer acceptance requirements for account opening.
10. In the event of an over subscription of shares and where an applicant is entitled to a refund, such refunds will be made by electronic transfers to Applicants whose applications are not accepted, or whose Applications are only accepted in part, within 10 working days after the Closing Date (or the shortened or extended Closing Date, as the case may be) or soon thereafter. Each Applicant's refund will be processed as instructed by the Applicant in the Refund Mandate section of this Application. Please note that the JCSD processing fee of J\$ 163.10 will not be refunded to an Applicant in event that the Company refunds payments received for Sale Shares.
11. Applicants are deemed to have accepted the terms and conditions set out in this Prospectus generally.

#### TERMS AND CONDITIONS

- a. I/We agree that this application made by way of submitting an Application Form shall not be binding on me/us if I/we provide written notice to the Authorised Broker to whom the Application form was submitted, within two business days after submission of this application that I/we intend to withdraw my /our application. This written notice should be addressed and delivered to the relevant Authorised Broker.
- b. I/We apply for Shares as indicated in this form (or such lesser number of Shares as may be allotted to me/us) on the terms and conditions of this Prospectus. If the Shares are allotted to me/us, I/we hereby instruct the Authorised Broker to proceed with any necessary actions in order to establish a valid account, as provided overleaf, with the Jamaica Securities Central Depository or the Trinidad and Tobago Central Depository (as applicable) to receive the allotted Shares.
- c. The Company may treat multiple Applications by any person (whether in individual or joint names where the primary account holder is the same in each Application) as a single Application.
- d. Subject to (a) above, I/We undertake to buy the said number of Shares set out in the front of this application and shall not revoke this subscription.
- e. (If the applicant is a Company) I/We attach or agree to provide a list of persons authorized to sign on behalf of the applicant.
- f. I/we certify that this application is the only application for Shares under the Offer submitted by me/us; and no application for Shares under the Offer is being submitted by a custodian on my/our behalf.
- g. I/we represent, warrant and confirm that either: (a) I am/ we are acquiring an interest in the Company for my/our own account as principal, or for one or more separate accounts maintained by the Applicant, or for the account of one or more pension or trust funds of which the Applicant is trustee, or as nominee for the beneficial owner or owners as specified in on the Application Form, in each case, for investment purposes only and not with a view to, or for, the re-sale, distribution or fractionalisation thereof, in whole or in part; or (b) I am/ we are applying for Shares in the Company as agent for the person or persons specified in the Application Form and represent, warrant and confirm that such person will hold its interest in the Company for investment purposes only and not with a view to, or for, the re-sale, distribution or fractionalisation thereof, in whole or in part.



- h. I certify that all supporting documents (source of funds, etc.) submitted with this application are true and correct.
- i. I/We understand that the trading value of the Shares is not guaranteed as they can fluctuate.
- j. If the maximum Offer is oversubscribed, consistent with the Company's policy of promoting the widest possible participation in share ownership, the Shares shall be prorated among all Eligible Investors.
- k. (Save as indicated below) I/We confirm that I am/we are (an) individual(s), an unquoted company, a limited partnership or a trust (as applicable) and represent and warrant that neither me/us nor, so far as known to me/us, any (i) individual who ultimately owns or controls (directly or indirectly) more than 25% of the shares or voting rights in such company; (ii) general partner of such limited partner; (iii) limited partner who ultimately is entitled to or controls (directly or indirectly) more than 25% of the capital or profits of or voting rights in such limited partnership or who otherwise exercises control over the management of such limited partnership; (iv) individual who ultimately owns or controls (directly or indirectly) more than 25% of the capital or voting rights in such limited liability partnership; or (v) individual who is entitled to a specific vested interest in at least 25% of such trust's property (either directly or through a body corporate which he controls or in which he has more than 25% of the shares or voting rights), or who has control over such trust, in the applicable case, is an individual who is a Politically Exposed Person (or Senior Political Figure), as such term is defined in the Prospectus.
- If you cannot make the foregoing representation at paragraph (k) above please contact your Authorised Broker. Please tick the following box as confirmation that you have so contacted your Authorised Broker in connection with not being able to make this representation and provided the necessary information requested by your Authorized Broker in connection with such disclosure:**
- l. I/We represent and warrant that this application is not being effected on behalf of a "benefit plan investor" within the meaning of Section 3(42) of the US Employment Retirement Income Security Act of 1974, as amended from time to time, ("ERISA") and 29 US C.F.R. Section 2510.3-101(f)(2) and that I/we am/are not, and for as long as I/we hold Shares in the Company will not be (and such Shares will not be deemed to be held by), a "benefit plan investor".
- m. I/We represent and warrant that I am/we are not, and for so long as I/we have any interest in the Company will not be, subject to any federal, state, local, non-US or other law or regulation that contains one or more provisions that are similar to any of the fiduciary responsibility or prohibited transaction rules contained in Title 1 of ERISA or Section 4975 of the Code.
- n. I/We declare and represent that I am/we are not, and for so long as I/we hold an interest in the Company will not be a "controlling person". For the purposes of this representation a "controlling person" is any person or entity (other than a benefit plan investor as defined in Section 3(42) of ERISA that has discretionary authority or control with respect to any assets of the Company, a person who provides investment advice for a fee (direct or indirect) with respect to any assets of the Company, or any "affiliate" (within the meaning of 29 US C.F.R. Section 2510.3-101(f)(3) or Section 3(42) of ERISA) of any such person.
- o. I/We represent and certify that after due enquiry, for the purposes of Rule 506(d) and Rule 506(e) of the Securities Act (collectively, the "Bad Actor Rule"), neither I/we nor any person that may be deemed a beneficial owner of the Shares (as defined in Rule 13d-3 under the US Securities Exchange Act of 1934, as amended (the "Exchange Act")) is/are subject to any disqualifying event including, without limitation, any conviction, order, judgement, decree, suspension, expulsion or bar described in the Bad Actor Rule (a list of Disqualifying Events is available from your Authorised Broker upon request), and I/we agree to notify the Company immediately upon becoming aware that the foregoing is not, or is no longer, complete and accurate in every material respect. I/We acknowledge that the Company and the Managing Board Member may require additional information from me/us or my/our beneficial owners to satisfy its due diligence obligations under the Bad Actor Rule.
- p. I/We represent and certify that I am/we are not a US Person (as such term is defined in Rule 902 of Regulation S promulgated under the US Securities Act of 1933, as amended (the "Securities Act")) and hereby declare, represent, warrant, acknowledge and confirm that:
- i. neither me/us nor any other person (if any) on whose behalf I am/we are acquiring a beneficial interest in the Company, are US persons. I/we confirm (and each person (if any) on whose behalf I am/we are acquiring a beneficial interest in the Company) have not been offered, and are not acquiring or purchasing, the interests in the Company in the United States. In addition, I am/we are not funding my/our investment in the Company with funds obtained from US persons;
- ii. I/we understand that the Company is not, and will not be, registered under the US Investment Company Act of 1940, as amended, (the "Investment Company Act") and neither the interests in the Company nor the interests in the Investment Company have been, and will not be, registered under the Securities Act or the securities laws of any State within the United States and accordingly may not be offered, sold, transferred or pledged by it or on its behalf in the United States or to a US person unless:
- a. the interests in the Company are duly registered under the Securities Act and all applicable State securities laws; or
- b. such offer or sale is made in accordance with the provisions of Regulation S under the Securities Act or pursuant to another exemption from registration, and the Company has received an opinion of counsel to such effect satisfactory to it,
- in each case, in a manner that will not subject the Company to the registration requirements of the Investment Company Act or cause it to be in violation of any provisions thereof or cause it to seek exemptive relief from registration as an investment company under the Investment Company Act, and the Company has received an opinion of counsel to such effect satisfactory to it;
- iii. all offers to sell and offers to buy an interest in the Company were made to or by the Applicant while it was outside the United States and, at the time that its order to buy the interest was originated, the Applicant was outside the United States, or it is a US dealer or other professional fiduciary acting on behalf of a discretionary account or similar account (other than an estate or trust) held for the benefit or account of a person other than a US person.
- q. (If other than a natural person): I/we represent that: (a) I was/we were not formed for the purpose of investing in the Company; (b) investment in the Company is no more than 40% of my/our total assets or committed capital; (c) each of my/our beneficial owners participates in investments made by me/us pro rata in accordance with its interest in the Applicant, and accordingly, my/our beneficial owners cannot opt in or out of investments made by me/us; and (d) my/our beneficial owners did not and will not contribute additional capital (other than previously committed capital) for the purpose of purchasing its interest in the Company, provided that I/we cannot represent subparagraphs (a), (b), (c) and (d) above, then:
- i. I/we have so indicated to the Company separately in writing and provided the Company with such representations and warranties and such other evidence as the Company (or its counsel) reasonably requests; and
- ii. I/we agree that restrictions may be imposed on the ability of the ultimate direct or indirect beneficial owners of such special purpose entity (or entities) to transfer directly or indirectly their interests in such entity (or entities).

- r. I/We further agree that the disposition of all or any part of my/our interest in the Company will also be subject to the terms of the Company's Articles of Incorporation and this Prospectus (including, for the avoidance of doubt, the terms and conditions of this Application Form).
- s. I/We agree to deliver to the Company such other representations, warranties, acknowledgements and confirmations as to matters under the Investment Company Act or the Securities Act as the Company may reasonably request to ensure compliance therewith and the availability of any exemption thereunder, and that I/we will notify the Company immediately if at any time I/we become a US person.

- t. Applications may be rejected for the following reasons:
- i. If the application for purchase is incomplete;
  - ii. If it is discovered that the Eligible Investor is the primary party to more than one application, whether through an application submitted directly by the Eligible Investor or through a custodian acting on the Eligible Investor's behalf;
  - iii. If the investor's identity is fictitious and not supported by valid identification; and
  - iv. If the Eligible Investor is not classified into one of the approved categories of Eligible Investors
  - v. If the application for purchase, as presented, contravenes any existing law or statute.

**FOR USE BY BROKER ONLY**

Date Application Received:          
D D M M Y Y Y Y

Time Received:

Payment Method:  Managers' Cheque  RTGS  Broker Account

Date of Cheque / Electronic Transfer:

Payment Amount:

Payment Amount:



For investors in Trinidad and Tobago only:

FOR USE IN TRINIDAD & TOBAGO ONLY

**OFFER FOR SALE OF SHARES BY MPC CARIBBEAN CLEAN ENERGY LIMITED OF**  
**50,000,000 Class B Shares of no par value in MPC CARIBBEAN CLEAN ENERGY LIMITED at a price of US\$1.00 per Share in Trinidad and Tobago<sup>1</sup>**  
 (TO BE COMPLETED IN BLOCK LETTERS)

BROKER NAME  TTCD DEPEND ACCOUNT NUMBER  JOINTLY HELD (Y/N)

TO BE COMPLETED BY COMPANY/NOMINEE/INSTITUTION APPLICANT

COMPANY/INSTITUTION OR NOMINEE AND RELATED COMPANY:

DATE OF INCORPORATION  REGISTRATION NUMBER

TO BE COMPLETED BY INDIVIDUAL APPLICANTS/UNDERLYING NOMINEE HOLDER

PRIMARY ACCOUNT HOLDER: TITLE  FIRST NAME  MIDDLE NAME  LAST NAME

DATE OF BIRTH:  IDENTIFICATION:  DRIVER'S PERMIT  NATIONAL ID  PASSPORT

CONTACT INFORMATION: TELEPHONE #  E-MAIL ADDRESS

JOINT ACCOUNT HOLDER # 1 TITLE  FIRST NAME  MIDDLE NAME  LAST NAME

ID TYPE:  DP  NAT ID  PP TELEPHONE #  E-MAIL ADDRESS

JOINT ACCOUNT HOLDER # 2 TITLE  FIRST NAME  MIDDLE NAME  LAST NAME

ID TYPE:  DP  NAT ID  PP TELEPHONE #  E-MAIL ADDRESS

APPLICATION DETAILS

Cheques must be made payable to FCBAS-MPC IPO for the exact amount payable and must be drawn in the same name as the applicant or by order of the applicant

NUMBER OF SHARES: (500 minimum / multiples of 10)  CONSIDERATION: (US Dollar only)  US\$  Payment Type  US Manager's Cheque  Wire transfer

CHEQUE#: (local USD accounts only)

INVESTOR TYPE: (check one)  Institutional  Other  WIRE TRANSFER REFERENCE #

REMITTANCE DETAILS (for the payment of refunds)

NAME OF ACCOUNT  BANK   CHEQUING / CURRENT

ACCOUNT NUMBER  BRANCH   SAVINGS

Disclaimer: The Lead Broker will not be held responsible for incorrect / invalid banking instructions submitted.

*I/we agree: (1) that the information stated above is true and correct and (2) to the terms & conditions on the reverse of this page.  
 I/We declare that I/We are not under 18 years of age on the date of application.  
 I/We declare that I/We have read this Prospectus and will not rely on any other information or representation outside this Prospectus. No person responsible for this Prospectus or any part of it will have any liability for any such other information or representation.*



**APPLICATION FORM** (Continued)

**SIGNATURES/AUTHORISATION - COMPANY/NOMINEE/INSTITUTION APPLICANT**

_____	_____	COMPANY STAMP
<b>DIRECTOR</b>	<b>SECRETARY</b>	
_____	_____	
<b>SIGNATORY</b>	<b>DATE &amp; TIME</b>	

**SIGNATURES/AUTHORISATION- INDIVIDUAL APPLICANTS**

_____	_____	_____
<b>PRIMARY ACCOUNT HOLDER</b>	<b>JOINT ACCOUNT HOLDER # 1</b>	<b>DATE &amp; TIME</b>
_____	_____	
<b>JOINT ACCOUNT HOLDER #2</b>	<b>JOINT ACCOUNT HOLDER #3</b>	

**OFFER CLOSES ON 14TH DECEMBER 2018 AT 4PM**

**BROKER/DISTRIBUTOR ACKNOWLEDGEMENT**

_____	_____	BROKER/DISTRIBUTORSTAMP
<b>BROKER/DISTRIBUTOR SIGNATURE</b>	<b>DATE &amp; TIME</b>	

<sup>1</sup> This Application Form forms part of and should be used in conjunction with the prospectus (the 'Prospectus') dated the 20<sup>th</sup> day of November, 2018 issued by MPC Caribbean Clean Energy Limited in respect of the offer for sale of 50,000,000 Class B Shares in MPC Caribbean Clean Energy Limited. Defined terms from the Prospectus used herein have the meanings ascribed to them in the Prospectus.

## APPLICATION FORM (Continued)

### Schedule 1

#### TERMS AND CONDITIONS

- a. I/We agree that this application made by way of submitting an Application Form shall not be binding on me/us if I/we provide written notice to the Authorised Broker to whom the Application Form was submitted, within two business days after submission of this application that I/we intend to withdraw my/our application. This written notice should be addressed and delivered to First Citizens Brokerage and Advisory Services Limited at 17 Wainwright Street, St. Clair, Port of Spain. Attention: Mr. Leslie St. Louis.
- b. I/We apply for Shares as indicated in this form (or such lesser number of Shares as may be allotted to me/us) on the terms and conditions of this Prospectus. If the Shares are allotted to me/us, I/we hereby instruct the Authorised Broker to proceed with any necessary actions in order to establish a valid account, as provided overleaf, with the Trinidad & Tobago Central Depository or the Trinidad and Tobago Central Depository (as applicable) to receive the allotted Shares.
- c. The Company may treat multiple Applications by any person (whether in individual or joint names where the primary account holder is the same in each Application) as a single Application.
- d. Subject to the above, I/We undertake to buy the said number of Shares set out in the front of this application and shall not revoke this subscription.
- e. (If the applicant is a company) I/We attach or agree to provide a list of persons authorized to sign on behalf of the applicant.
- f. I/we certify that this application is the only application for Shares under the Offer submitted by me/us; and no application for Shares under the Offer is being submitted by a custodian on my/our behalf.
- g. I/we represent, warrant and confirm that either: (a) I am/we are acquiring an interest in the Company for my/our own account as principal, or for one or more separate accounts maintained by the Applicant, or for the account of one or more pension or trust funds of which the Applicant is trustee, or as nominee for the beneficial owner or owners as specified in on the Application Form, in each case, for investment purposes only and not with a view to, or for, the re-sale, distribution or fractionalization thereof, in whole or in part; or (b) I am/we are applying for Shares in the Company as agent for the person or persons specified in the Application Form and represent, warrant and confirm that such person will hold its interest in the Company for investment purposes only and not with a view to, or for, the re-sale, distribution or fractionalization thereof, in whole or in part
- h. I certify that all supporting documents (source of funds, etc.) submitted with this application are true and correct.
- i. I/We understand that the trading value of the Shares is not guaranteed as they can fluctuate.
- j. If the maximum Offer is oversubscribed, consistent with the Company's policy of promoting the widest possible participation in share ownership, the Shares shall be prorated among all Eligible Investors and Institutional Share Applicants.
- k. (Save as indicated below) I/We confirm that I am/we are (an) individual(s), an unquoted company, a limited partnership or a trust (as applicable) and represent and warrant that neither me/us nor, so far as known to me/us, any (i) individual who ultimately owns or controls (directly or indirectly) more than 25% of the shares or voting rights in such company; (ii) general partner of such limited partner; (iii) limited partner who ultimately is entitled to or controls (directly or indirectly) more than 25% of the capital or profits of or voting rights in such limited partnership or who otherwise exercises control over the management of such limited partnership; (iv) individual who ultimately owns or controls (directly or indirectly) more than 25% of the capital or voting rights in such limited liability partnership; or (v) individual who is entitled to a specific vested interest in at least 25% of such trust's property (either directly or through a body corporate which he controls or in which he has more than 25% of the shares or voting rights), or who has control over such trust, in the applicable case, is an individual who is a Politically Exposed Person (or Senior Political Figure), as such term is defined in the Prospectus.
- If you cannot make the foregoing representation at paragraph (k) above please contact your Authorised Broker. Please tick the following box as confirmation that you have so contacted your Authorised Broker in connection with not being able to make this representation and provided the necessary information requested by your Authorised Broker in connection with such disclosure:**
- l. I/We represent and warrant that this application is not being effected on behalf of a "benefit plan investor" within the meaning of Section 3(42) of the US Employment Retirement Income Security Act of 1974, as amended from time to time, ("ERISA") and 29 US C.F.R. Section 2510.3-101(f)(2) and that I/we am/are not, and for as long as I/we hold Shares in the Company will not be (and such Shares will not be deemed to be held by), a "benefit plan investor".
- m. I/We represent and warrant that I am/we are not, and for so long as I/we have any interest in the Company will not be, subject to any federal, state, local, non-US or other law or regulation that contains one or more provisions that are similar to any of the fiduciary responsibility or prohibited transaction rules contained in Title 1 of ERISA or Section 4975 of the Code.
- n. I/We declare and represent that I am/we are not, and for so long as I/we hold an interest in the Company will not be a "controlling person". For the purposes of this representation a "controlling person" is any person or entity (other than a benefit plan investor as defined in Section 3(42) of ERISA that has discretionary authority or control with respect to any assets of the Company, a

person who provides investment advice for a fee (direct or indirect) with respect to any assets of the Company, or any "affiliate" (within the meaning of 29 US C.F.R. Section 2510.3-101(f)(3) or Section 3(42) of ERISA) of any such person.

- o. I/We represent and certify that after due enquiry, for the purposes of Rule 506(d) and Rule 506(e) of the Securities Act (collectively, the "**Bad Actor Rule**"), neither I/we nor any person that may be deemed a beneficial owner of the Shares (as defined in Rule 13d-3 under the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**") is/are subject to any disqualifying event including, without limitation, any conviction, order, judgement, decree, suspension, expulsion or bar described in the Bad Actor Rule (a list of Disqualifying Events is available from your Authorised Broker upon request), and I/we agree to notify the Company immediately upon becoming aware that the foregoing is not, or is no longer, complete and accurate in every material respect. I/We acknowledge that the Company and the Managing Board Member may require additional information from me/us or my/our beneficial owners to satisfy its due diligence obligations under the Bad Actor Rule.
- p. I/We represent and certify that I am/we are not a US Person (as such term is defined in Rule 902 of Regulation S promulgated under the US Securities Act of 1933, as amended (the "**Securities Act**")) and hereby declare, represent, warrant, acknowledge and confirm that:
  - i. neither me/us nor any other person (if any) on whose behalf I am/we are acquiring a beneficial interest in the Company, are US persons. I/we confirm (and each person (if any) on whose behalf I am/we are acquiring a beneficial interest in the Company) have not been offered, and are not acquiring or purchasing, the interests in the Company in the United States. In addition, I am/we are not funding my/our investment in the Company with funds obtained from US persons;
  - ii. I/we understand that the Company is not, and will not be, registered under the US Investment Company Act of 1940, as amended, (the "**Investment Company Act**") and neither the interests in the Company nor the interests in the Investment Company have been, and will not be, registered under the Securities Act or the securities laws of any State within the United States and accordingly may not be offered, sold, transferred or pledged by it or on its behalf in the United States or to a US person unless:
    - a. the interests in the Company are duly registered under the Securities Act and all applicable State securities laws; or
    - b. such offer or sale is made in accordance with the provisions of Regulation S under the Securities Act or pursuant to another exemption from registration, and the Company has received an opinion of counsel to such effect satisfactory to it, in each case, in a manner that will not subject the Company to the registration requirements of the Investment Company Act or cause it to be in violation of any provisions thereof or cause it to seek exemptive relief from registration as an investment company under the Investment Company Act, and the Company has received an opinion of counsel to such effect satisfactory to it;
- iii. all offers to sell and offers to buy an interest in the Company were made to or by the Applicant while it was outside the United States and, at the time that its order to buy the interest was originated, the Applicant was outside the United States, or it is a US dealer or other professional fiduciary acting on behalf of a discretionary account or similar account (other than an estate or trust) held for the benefit or account of a person other than a US person.
- q. (If other than a natural person): I/we represent that: (a) I was/we were not formed for the purpose of investing in the Company; (b) investment in the Company is no more than 40% of my/our total assets or committed capital; (c) each of my/our beneficial owners participates in investments made by me/us pro rata in accordance with its interest in the Applicant, and accordingly, my/our beneficial owners cannot opt in or out of investments made by me/us; and (d) my/our beneficial owners did not and will not contribute additional capital (other than previously committed capital) for the purpose of purchasing its interest in the Company, provided that I/we cannot represent subparagraphs (a), (b), (c) and (d) above, then:
  - i. I/we have so indicated to the Company separately in writing and provided the Company with such representations and warranties and such other evidence as the Company (or its counsel) reasonably requests; and
  - ii. I/we agree that restrictions may be imposed on the ability of the ultimate direct or indirect beneficial owners of such special purpose entity (or entities) to transfer directly or indirectly their interests in such entity (or entities).
- r. I/We further agree that the disposition of all or any part of my/our interest in the Company will also be subject to the terms of the Company's Articles of Incorporation and this Prospectus (including, for the avoidance of doubt, the terms and conditions of this Application Form).
- s. I/We agree to deliver to the Company such other representations, warranties, acknowledgements and confirmations as to matters under the Investment Company Act or the Securities Act as the Company may reasonably request to ensure compliance therewith and the availability of any exemption thereunder, and that I/we will notify the Company immediately if at any time I/we become a US person.
- t. Applications may be rejected for the following reasons:
  - iii. If the application for purchase is incomplete;
  - iv. If it is discovered that the Eligible Investor and Institutional Share Applicant is the primary party to more than one application, whether through an application submitted directly by the Eligible Investor and Institutional Share Applicant or through a custodian acting on the Eligible Investor's and Institutional Share Applicants' behalf;
  - v. If the investor's identity is fictitious and not supported by valid identification; and
  - vi. If the Eligible Investor and Institutional Share Applicant is not classified into one of the approved categories of Eligible Investors
  - vii. If the application for purchase, as presented, contravenes any existing law or statute.

## **APPLICATION FORM** (Continued)

### **Schedule 2**

#### **NOTES**

1. Each application for shares must be for a minimum of Five Hundred (500) Shares with increments in multiples of ten (10).
2. A company may execute this application either under its common seal or under the hand of a duly authorized officer, who should state his capacity, and supply a list of authorized signatories. It should insert its registered or head office address.
3. If this form is signed under power of attorney, a duly certified copy thereof, must accompany this form.
4. When this Application Form is duly completed, it must be delivered to the Authorised Broker in the jurisdiction in which the Eligible Investor and Institutional Share Applicant is located.
5. A copy of this Prospectus can be obtained at 17 Wainwright Street, St. Clair, Port of Spain or 46 Lady Hailes Avenue San Fernando, other authorized stockbrokers and at <http://www.mpc-cleanenergy.com/>
6. Share certificates will not be issued unless specifically requested. Instead the shares allotted to a successful applicant will be credited to their Trinidad and Tobago Central Depository, as applicable. If the applicant does not have a TTCD account, one will be created, and the allotted shares deposited to that account.
7. Applicants who do not have a broker account must provide valid identification, proof of address, proof of source of funds and satisfy the relevant Authorised Broker's customer acceptance requirements for account opening.
8. Applicants are deemed to have accepted the terms and conditions set out in this Prospectus generally.