

Exhibit JRB BD 15.06.2015

----- Forwarded Message -----

**Subject:**Re: Empowering Wind MFC Ltd

**Date:**Mon, 15 Jun 2015 13:55:48 +0100

**From:**Paul Millinder <[paul@empoweringwind.co.uk](mailto:paul@empoweringwind.co.uk)>

**To:**Mark Ellis <[mark.ellis@mfc.co.uk](mailto:mark.ellis@mfc.co.uk)>, Robin Bloom <[rbloom@bulkhaul.co.uk](mailto:rbloom@bulkhaul.co.uk)>, Michael Brown <[michael.brown@bonddickinson.com](mailto:michael.brown@bonddickinson.com)>, Andrew Lindsay <[Andrew.Lindsay@lf-dt.com](mailto:Andrew.Lindsay@lf-dt.com)>

Mr Ellis,

- A Following on from my previous correspondence and given that it would appear that you are finding it extremely difficult to understand the position, I refer you to the attached original Connection Agreement. The Conditions Precedent of the NPG Connection Agreement are very clear and anyone (whether with either a commercial or technical background) can decipher the requirement of MFC taking ownership of the two jointed out substations. It is there in black and white, as it has been since December 2012.
- B The Connection Deed (attached) that was signed by MFC was construed in accord with the Connection Agreement. Your solicitor was well aware of this, to the extent that he also requested a copy of the Connection Agreement prior to advising MFC to execute this agreement.
- C After wasting our time and money by refusing to acknowledge the Force Majeure provisions within the contractual documents, you now confirm that I cannot do what is intended by the Connection Deed and the associated Connection Agreement and therefore it is not possible for me to perform on my obligations under the Lease, the Energy Supply Agreement or the Connection Deed due to MFC's refusal to make the grid connection.
- D I also note that the defective planning permission was finally resolved in 23rd December 14 and in accord with the contract, no payments would become due until 12 calendar months from that date. I state this because you previously made it clear you had intended to invoice my company for payments that are clearly not due.
- E I consider therefore that MFC is in material breach of the Connection Deed, as well as Lease and the ESA as it is preventing me from carrying out the rights granted under such contracts. I cannot build a wind turbine that has no grid connection and neither can I lose the OFGEM FIT tariff because you decide to change the goal posts on the 11th hour.
- F I have also taken advice on the Force Majeure position and we are now 100% certain that the Club has no grounds to deny that the delays constituted Force Majeure and it was for this reason we could not complete draw down of the construction finance in March 15. Fundamentally this, combined with your refusal of grid connection, is also the reason we now have insufficient time to commission the turbine in line with the OFGEM FIT accreditation.

G Given the circumstances, it would be inappropriate to rely on arbitration when both the refusal of grid connection and the delays caused by the Club's refusal to assign the Lease (due to demanding payments that would otherwise not be due) have resulted in my inability to connect the wind turbine or to further perform on my contractual obligations.

H Lastly, we are already aware that Les Catchpole was initially trying to get this project off the ground in 2006 and did not succeed. We are also aware that he has no experience whatsoever in wind turbine installation and neither was he successful (as I was) in developing the project, or reducing the costs of connection. It would appear therefore that your outright obstruction could well be founded as a potential method of circumvention. Of course Mr Catchpole would advise against making the connection as there is an ulterior motive (a conflict of interest). This may also account for the reasons you have failed to disclose his expertise (not that we did not know already, we just wanted to see if we could get some honest answers).

I I therefore place you on notice that I intend to recover 100% of the losses incurred in this project through the High Court, including the revenue that would otherwise have been gained. You can therefore expect a summons.

J Please also note that my willingness to continue negotiations with MFC has ceased, for the reasons stated, save for any settlement offers you may wish to put forward.

Please forward this notice to your Chairman.

Yours sincerely,

Paul Millinder

----- Forwarded Message -----

**Subject:**Re: Empowering Wind MFC Ltd

**Date:**Mon, 15 Jun 2015 10:19:09 +0100

**From:**Paul Millinder <[paul@empoweringwind.co.uk](mailto:paul@empoweringwind.co.uk)>

**To:**Mark Ellis <[mark.ellis@mfc.co.uk](mailto:mark.ellis@mfc.co.uk)>, Michael Brown <[michael.brown@bonddickinson.com](mailto:michael.brown@bonddickinson.com)>, Andrew Lindsay <[Andrew.Lindsay@lfdt.com](mailto:Andrew.Lindsay@lfdt.com)>, Robin Bloom <[rbloom@bulkhaul.co.uk](mailto:rbloom@bulkhaul.co.uk)>

Please refer to my comments in blue below yours;

On 15/06/2015 07:47, Mark Ellis wrote:

Mr Millinder, in response to your email of the 11<sup>th</sup> June.

K It is clear from your comments that you are totally ignoring the numerous emails and telephone conversations that I have exchanged with you since April 2013 requesting an electrical design meeting to clarify ownership and maintenance of the high voltage equipment and switchgear associated with the connection of the turbine and the stadium to the National Grid. I will not bother to list these but I would like to take the opportunity to reaffirm our absolute requirement that any change to the existing installation does not result in MFC having any

increased ownership or accountability for high voltage equipment maintenance or service. My requests for the design meeting were based on the need to address this point and your failure to manage the project and enable this meeting to have taken place in 2013 or indeed 2014 is the root cause of the issue we now face.

L It is not me that is missing the point or ignoring emails. I have record of the meeting in November 14 where the Managing Director and Operations Director of Smith Bros attended the meeting with you to discuss the electrical configuration. At no point during that meeting was any such contention raised. In my email of 11th June I asked "I am still at a loss as to why we are having this discussion now, rather than in December 2012 when the original grid connection offer was sent to the Club, or prior to completing the Connection Deed in November 13 when your solicitor requested a copy of the NPG Connection Offer, or in November 14 when my contractors and I met with you, or in February 15 when you received the NPG Asset Sale Agreement."

I went on to state :-

M *"If I had known that MFC would have outright refused to adopt its dedicated assets for the purpose of making the grid connection I would never have committed to the project, not a single penny or any resource, as the project would not have a grid connection. As you know, the approved configuration is the only way in which power can be delivered from the turbine to the stadium. This is the reason I asked some time back, who your technical advisers were, as I wanted to ensure those advising you know what they are doing. I cannot possibly be responsible for your taking, or failing to take proper due diligence when I have also made my technical team (Smith Bros), as well as Northern Powergrid available at your full disposal who would have addressed any concerns you may have. At no point do I have a letter or any written correspondence that states MFC refuses to adopt its dedicated substations as this forms part of the EW/NPG connection agreement."*

N My position has not changed and it is you that is not answering the questions. Your refusal to provide your electrical adviser's C.V concludes my thought process that I do not believe he is appropriately qualified or experienced in embedded power generation schemes to be advising the Club. If he has the experience, why would you not disclose same to me so that I can stand corrected and why did you not disclose what his experience was previously when I had asked about this?

O This would be the same as me hiring a household electrical contractor (with no experience of the specific project in question) to advise me on the wind turbine's electrical configuration. The difference in expertise required between commercial / domestic electricals and power generation are like chalk and cheese. If I had done this (yes it would save cost however it would be largely inappropriate of me to do so), I would be as in the dark as you are if I had relied solely on his guidance.

P You however have had the full use of my electrical contractors, as well as Northern Powergrid at your full disposal and all of the documentation required, which brings me back to the point that I cannot be responsible for your taking, or failing to undertake proper due diligence. This is the reason I had asked who your technical adviser was and what experience, appropriate to the project he has. This, as I am sure you are aware works two ways and I can and would be happy to demonstrate my technical team's experience. I ensured that they all had relevant and extensive experience in very similar projects prior to engaging them, as similarly, you cannot be held responsible for lack of due diligence on my end.

The electrical configuration is not going to change just because you, at the 11th hour now decide to question its validity (and after already causing substantial unnecessary delays).

Q Quite honestly, I feel I am wasting my time dealing further with MFC as all I have received throughout is utter contempt, blocks to process and a general lack of support, however I will speak with my solicitor and senior counsel later and come back to you to confirm our direction of travel.

Yours,

Paul Millinder

On 15/06/2015 07:47, Mark Ellis wrote:

Mr Millinder, in response to your email of the 11<sup>th</sup> June.

R It is clear from your comments that you are totally ignoring the numerous emails and telephone conversations that I have exchanged with you since April 2013 requesting an electrical design meeting to clarify ownership and maintenance of the high voltage equipment and switchgear associated with the connection of the turbine and the stadium to the National Grid. I will not bother to list these but I would like to take the opportunity to reaffirm our absolute requirement that any change to the existing installation does not result in MFC having any increased ownership or accountability for high voltage equipment maintenance or service. My requests for the design meeting were based on the need to address this point and your failure to manage the project and enable this meeting to have taken place in 2013 or indeed 2014 is the root cause of the issue we now face.

S I also categorically refuse to provide the CV of our electrical technical advisor as you have requested. I regard this as a totally unreasonable request and object to your inference about his capability.

T As already discussed and communicated to you, we await your design proposals that meet our requirements and for you to arrange a meeting to finalise a design when this is available. I should also point out that we also await progress on your actions regarding the conditions for arbitration and the settling of any agreements relating to the assignment of the lease and novation of the supply agreement.

Yours

**Mark Ellis** | Chief Operating Officer

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**From:** Paul Millinder [<mailto:paul@empoweringwind.co.uk>]

**Sent:** 11 June 2015 11:49

**To:** Mark Ellis; Michael Brown; Andrew Lindsay; Robin Bloom

**Subject:** Re: Empowering Wind MFC Ltd

Dear Mr Ellis,

Thank you for your email.

- U The reason for the 2 week "delay" was because we have been focused on ways to resolve this impasse, evaluating all previous correspondences on file as well as getting opinion from senior counsel. We did not expect to be in debate on the validity of our grid connection at this very late stage.
- V I have now asked Smith Bros to price up replacement of the specific items listed in the Asset Sale Agreement. I will come back to you shortly once we have established this.
- W Yes, if we are able to resolve this matter, will still be assigning the Lease and novating the ESA. However no further work will be undertaken until the uncertainty of grid connection is resolved, so that we can make the connection. Alpha, my alternative investment partner and I are therefore still waiting in anticipation as to whether we have a grid connection or not before any further resources are committed.
- X Whilst I am clearly keen to get this matter resolved, I am still at a loss as to why we are having this discussion now, rather than in December 2012 when the original grid connection offer was sent to the Club, or prior to completing the Connection Deed in November 13 when your solicitor requested a copy of the NPG Connection Offer, or in November 14 when my contractors and I met with you, or in February 15 when you received the NPG Asset Sale Agreement.
- Y If I had known that MFC would have outright refused to adopt its dedicated assets for the purpose of making the grid connection I would never have committed to the project, not a single penny or any resource, as the project would not have a grid connection. As you know, the approved configuration is the only way in which power can be delivered from the turbine to the stadium.
- Z This is the reason I asked some time back, who your technical advisers were, as I wanted to ensure those advising you know what they are doing. I cannot possibly be responsible for your taking, or failing to take proper due diligence when I have also made my technical team (Smith Bros), as well as Northern Powergrid available at your full disposal who would have addressed any concerns you may have. At no point do I have a letter or any written correspondence that states MFC refuses to adopt its dedicated substations as this forms part of the EW /NPG connection agreement.
- A1 Could you please forward me your technical adviser's C.V and references of similar projects he has completed. I have reason to question whether he has appropriate experience in this embedded power generation configuration to be advising the Club. I also got the impression from our last meeting that he was not actively involved in the process.
- A2 Essentially my position has not changed. I intend to deliver on my obligations and unless I am prevented outright from being able to, I intend to install and operate the turbine. However we need to do so under the current tariff as after having already lost 26% due to the Council's failure to remove Condition 7, the project cannot sustain further tariff depreciation. The level of uncertainty presented (we could not complete in March due to the Club's position on Force Majeure) and with already significant additional commitment on the blades, the delays already encountered prior to this grid connection argument has taken away our timing contingency and we have no more time for delays.
- A3 I will discuss and agree to finalise conditions of arbitration with my solicitors and we will come back to you shortly on this.

A4 I had already discussed these points in brief with Andrew and we broadly agree, in principle with what you had initially proposed.

A5 I do not consider that any delay in handling this matter will be due to boundaries put up from my end, we have always delivered promptly and I am keen to exhaust any possible ways of resolution to mitigate loss for both parties and avoid litigation.

Yours,

Paul Millinder

On 10/06/2015 07:32, Mark Ellis wrote:

Dear Mr Millinder,

A6 In response to your email of 9<sup>th</sup> June received at 22:24, our position is and has been clear and will not change.

A7 You can look at prices if you wish but we will only proceed if the costs and risks associated with the HV equipment are those of the developer. We will not discuss any other solution.

A8 You yet again are imposing a timetable of your making even though there were two weeks of inactivity following our meeting and your parting words that you were no longer progressing the development. If a workable solution can be reached in which our interests are protected we will proceed but currently this is not the case. I am extremely doubtful given all of the outstanding issues we will resolve this within the next two weeks given your past record.

A9 I presume you have factored into your timetable that you will be carrying out the development during the football season with the constraints this imposes. Are you still intending to assign the lease and novate the supply agreement? No documentation has been discussed for this.

A10 Whilst there is agreement on the amount to be placed in escrow there has been no proposal from your lawyers, which you previously indicated would be provided, as to the conditions for any arbitration.

A11 If you wish to proceed on the basis outlined please confirm but there is no purpose in any discussion over a proposal whereby we assume any of the costs or risks currently carried by NPG.

Yours

**Mark Ellis** | Chief Operating Officer

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**From:** Paul Millinder [<mailto:paul@empoweringwind.co.uk>]  
**Sent:** 09 June 2015 22:24  
**To:** Mark Ellis; Michael Brown; Andrew Lindsay; Robin Bloom  
**Subject:** Re: Empowering Wind MFC Ltd

Dear Mr Ellis,

- A12 Thank you for your email. The emails you mentioned are not and could not possibly represent MFC's refusal and is in no way specific to an objection to creating, or adopting the private network. Adopting that network is part of the EW / NPG Connection Agreement and the Connection Deed was made in accord with that document, which Michael Brown requested at the time. This Connection Agreement has been available to MFC since 2012 and nothing has changed within the configuration.
- A13 My contractor had met with you in November 14, explained the configuration and the "Combing Agreement" to be put in place to maintain your adopted assets and EW had agreed to pay those maintenance costs.
- A14 I do not wish to go over past history, however I am keen to attempt to mitigate losses for both parties and strive to get this turbine built, even after the lengthy delays since March 15.
- A15 There is 6 month delivery timetable on the turbine and if there is any chance of salvaging the project, there is a need to find speedy resolution so at the latest, we can complete within the next 2 weeks.
- A16 EW cannot become liable for any costs associated with replacement or upgrades (due to a load increase for example) of your dedicated substations. All we are doing is making the connection within your HV switchboard to the wind turbine in line with that Connection Deed relating to the NPG / EW Connection Agreement. It is beyond our scope to become liable for these upgrade or replacement costs, save for if such replacement, repair or downtime was caused as a direct result of the wind turbine plant. It would be useful to know what such replacement costs are likely to be. I propose getting my contractor to price up the replacement costs and I will share this with you. Perhaps a way forward would be for us to procure that a % of these costs are put into Escrow to cover this eventuality.
- A17 I thought we had already agreed to put up the sum of £240k into Escrow and instruct resolution by arbitration. I am seeing Andrew tomorrow so I will discuss it further with him and come back to you.

Regards,

Paul

On 09/06/2015 17:41, Mark Ellis wrote:

Dear Mr Millinder

A18 I acknowledge receipt of your e-mail at 13:17 yesterday requiring a decision from us by close of business today.

A19 By way of background your continued denial that responsibility for the current situation lies with yourself rather than MFC is infuriating. The latest e-mail/letter is merely a further example of this. Before dealing with the substantive issue let me please remind you that we met on 20th May and Robin Bloom confirmed the outcome of that meeting to Andrew Lindsay the same day. In his e-mail he stated

A20 "Three potential configurations were discussed:-

A21 1. The current proposal from Empowering Wind under which we would own the HV equipment. As stated prior to the meeting this solution is **unacceptable to MFC**.

A22 2. A revised configuration with Direct Feed to the Grid from the turbine and MFC and NPG retaining their existing equipment. **Unacceptable to Empowering Wind**.

A23 3. A configuration similar to the current proposal from Empowering Wind save that HV and LV equipment would belong to and be maintained by the developer. **Unacceptable to Empowering Wind**."

A24 Your only response to this was an e-mail to Robin Bloom on 22nd May when you were abusive to both him and our technical consultant. At that stage you did not indicate that Option 3 was a possibility but now, after a delay of over two weeks, you require us to respond in just over 24 hours. This is unreasonable and we will need to consider the revised proposal and take advice upon it before we respond but this will not be by close of business today. You, further, continue to ignore the facts and state "*we do not have any written correspondence that would indicate MFC refuses to adopt the network in accord with the NPG / EW Grid Connection Offer*". I am unsure what it is that is unclear about the content of my e-mail to you dated 28/10/2013 10:36 (attached) nor Michael Brown's e-mail to David McConnell dated 25th October 2013 09:53 in which he stated "*We are still however not entirely clear on what basis our clients can "maintain an active connection from the switchboard within the ...substation to the Equipment" when all of the relevant equipment involved in that connection will be owned and operated by either your clients or by Northern Powergrid. How can the club agree to maintain something that it neither owns nor operates?*". Both of these were previously sent to Andrew Lindsay on 21st May 2015 as requested by him. Clearly we expressed in writing that we would not adopt the network.

A25 Our position has been unequivocal throughout and your failure to engage in a discussion over this until the 11th hour is the reason why it remains unresolved. Ironically, whilst you criticise us for not responding to your email of 5th February, you conveniently overlook the fact that the discussions on the configuration were stalled whilst the merits of your claim to Force Majeure were discussed resulting in you stating on 1st April "... ..the project will now be put on hold indefinitely". Whilst it may suit your case to alter the facts to your benefit we will not be pressurised by your behaviour into agreeing something which is commercially unacceptable.

A26 Whilst we will take formal advice on your proposal you appear to presume that "*Under your current arrangement with NPG, MFC would be responsible for any associated costs for upgrade or replacement of those substations and these would be charged by NPG in the form of greatly increased service charges*". We have spoken to NPG today who have confirmed that any costs associated with repair and maintenance of the current HV transformers and non-local network would be the responsibility of NPG. This why we have been clear that we will not take on this responsibility. Clearly if you are to assume responsibility for the NPG HV network you must also assume these responsibilities. Please confirm that you are prepared to do this.

A27

I should add that whilst we will investigate this further, your erratic and at times abusive behaviour mean that our confidence in you as a developer is seriously undermined and as such any agreement that is reached will need to be absolutely watertight. Obviously if we were to reach an agreement on the configuration we will still need to finalise what is happening in relation to your claim relating to Force Majeure bearing in mind we will be issuing the invoice for the next instalment of rent and the electricity used in the last year soon after the anniversary date of 17th June.

Yours

Mark Ellis | Chief Operating Officer

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-----Original Message-----

From: Paul Millinder [<mailto:paul@empoweringwind.co.uk>]

Sent: 08 June 2015 13:17

To: Mark Ellis; Michael Brown; Andrew Lindsay

Subject: Empowering Wind MFC Ltd

Importance: High

Dear Mr Ellis,

Please refer to the attached letter.

Yours sincerely,

Paul Millinder

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Paul Millinder

Chief Executive

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