

Raragh Developments Limited

# EII Tax Relief Opportunity 2014

## Investment Summary

- Raragh Developments Limited (“RDL” or the “Company”) is seeking a €2.5m investment for the Raragh Wind Farm through the Employment and Investment Incentive Scheme (“EIIIS”), which shall, subject to meeting the conditions set out in the Finance Act 2011, qualify for income tax relief for Irish individuals (the “Fundraise”).

Marketed by: **Cantor Fitzgerald Ireland/IFG Private Wealth Management**  
Project Manager and Sponsor: **Mainstream Renewable Power**



## Principal Features of Investment

|                                    |   |
|------------------------------------|---|
| <b>Investment</b>                  | Investment in ordinary shares in a holding company whose sole activity will be holding shares in RDL.   |
| <b>Expected Term</b>               | A minimum of 3 years from the date of investment.   |
| <b>Tax Relief*</b>                 | 30% in year 1 with an expected further 11% in year 4 (41% total).   |
| <b>Investor Exit &amp; Return*</b> | At the end of 3 years via a put and call agreement exercisable at market value and subject to a maximum disbursement and maximum dividend at a targeted return of 109% of the original investment.<br><br>At the targeted return, and assuming top marginal tax rates and all tax rates are accessible to the investor the IRR would be c.17.6% and a times money multiple of 1.46. |
| <b>Fees</b>                        | A success fee is payable upon completion of the investment by the Company to Cantor Fitzgerald Ireland/IFG Private Wealth Management of up to 4.5% of monies raised along with a structuring fee of 0.5%.<br><br>An exit fee of 1.5% is payable by investors to Cantor Fitzgerald Ireland Ltd/IFG management upon maturity.   |
| <b>Subscription</b>                | <b>Min</b> €25,000 <b>Max</b> €150,000  |

## Project

- The Raragh wind farm is located approximately 3km northwest of the town of Kingscourt, County Cavan, Ireland comprising planning for five wind turbines and a maximum generating capacity of 11.5MW ("the Project").
- The Project is in the final stages of development with the required planning permission, land agreements, a Gate 3 grid offer, 'bankable' wind data from Garrad Hassan and qualifies for a Renewable Energy Feed in Tariff (REFIT 2).
- Discussions have begun with banks in relation to the financing of the construction of the Project. Construction is expected to commence in Q1 2015 and the Project is expected to be operational in Q4 2015.
- As part of the Project RDL will enter into a Design, Build, Operate and Maintain Agreement with Mainstream Renewable Power ("Mainstream") under which Mainstream provides all services in relation to the design, build, operation and maintenance of the wind farm.

## Operator

- Mainstream was established in February 2008 by Dr. Eddie O'Connor and Fintan Whelan following the sale of Airtricity to E.ON AG and Scottish & Southern Energy for a combined consideration of €1.8bn.
- Mainstream is now established in 8 countries and is Europe's leading independent offshore wind developer, with a portfolio of c. 7.1GW across Scotland, England and Germany. Mainstream is also developing over 7.6GW of onshore projects across Ireland, Chile, South Africa, Canada and the US.
- In October 2013 Mainstream announced the closing of a €100m equity commitment by global Japanese Trading Company Marubeni Corporation under which €50m has been invested to date. On fulfilling the full investment of €100m Marubeni will take a c.25% ownership stake in Mainstream.

## Process

- Investors will be required to complete, sign and return a Commitment Agreement to their Cantor Fitzgerald Ireland broker;
- Subscription monies must be sent by electronic transfer to Cantor Fitzgerald Ireland (Account details as per Commitment Agreement); and
- All subscription monies must be received on or before the 31 Oct 2014.

\*Investors should seek their own professional tax advice. \*\* The further 11% tax relief can be claimed in the tax year following a 3 year period.

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### Conflicts of Interest:

Cantor will receive fees for placing the monies for the Company and commission on exit from investors only