Contents

IMPORTANT NOTICE 4
Definitions 5
GIS Forestry Limited 6
Green IS Group Limited 8
Cut Wood Market 10
The Green Bond 12
Risk Factors 16
Forestry Bond: Information & FAQs 20
Terms of Loan Notes. 22

The investments being offered are not FCA regulated investment products.

They may only be offered to prospective investors exempt from the Financial Services and Markets Act 2000 by way of their inclusion in Part VI of the Financial Services and Markets Act (Financial Promotion) Order 2005.

By agreeing to take up these investments, you will not be eligible for regulatory protection and you may lose all your money.
This document ("Invitation or Invitation Document") constitutes an invitation to subscribe for secured bonds ("Green Bonds") issued by Green IS Group Limited (the "Company") on the terms and conditions set out in this Invitation.

Investors should not subscribe for any of the bonds referred to in this Invitation except on the basis of the information published in this Invitation and the instrument dated 1st January 2018 constituting the Green Bonds of the Company (the "Instrument") set out in Section 9 of this Invitation Document.

Green IS Group Limited is not regulated by the Financial Conduct Authority ("FCA"). They are not permitted to offer, nor do offer, any financial advice about investment products, be they regulated or unregulated.

Capital Alliance Partners Limited, which is authorised and regulated by the Financial Conduct Authority, is the Company’s Corporate Adviser for the purposes of the Bond ("Corporate Adviser"). Capital Alliance Partners Limited is listed on the Financial Conduct Authority’s list of authorised firms under firm number 460233. The Corporate Adviser will not be acting for any person solely as a result of their receiving this Document; that is, it will not be responsible to persons receiving the Document for providing the protections afforded to its clients. The Corporate Adviser will not advise persons receiving this Document on the merits of buying, selling or subscribing for Bonds in the Company.

The Corporate Adviser has determined that, due to the nature of the risks factors of investing in the Company, which are outlined in the relevant section of this Investment Invitation, promotion of the Company in the United Kingdom ("UK") should be restricted in accordance with the Financial Services and Markets Act 2000 ("FSMA").

Circulation of this Investment Invitation is, therefore, limited to restricted categories of recipients, namely, persons who fall within the categories of persons set out in the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, Part IV.

Consequently, this Investment Invitation may only be issued to persons to whom investments of the type outlined herein can be marketed without contravening the FSMA or the Conduct of Business Sourcebook, which forms part of the Handbook of Rules and Guidance issued by the Financial Conduct Authority.

Your attention is drawn to the “Risk Factors” that are set out in Section 7 of this Invitation. Prospective Investors should consider carefully whether an investment in Green Bonds is suitable for them in the light of their personal circumstances.

While Green Bonds are a secured debt of the Company, there can be no certainty, or guarantee, that any realisation of such assets through the enforcement of such security to repay the Green Bonds, or the Company’s liabilities thereunder, therefore they may not be a suitable investment for all recipients of this Invitation.

The Green Bond will be non-convertible and non-transferable. This Invitation does not constitute an offer of transferable securities to the public and accordingly this Invitation does not constitute a prospectus to which the Prospectus Rules of the Financial Conduct Authority apply. Therefore, this Invitation has not been approved by the Financial Conduct Authority or any other regulatory body.

The Green Bonds are not shares and do not confer any equity interest or voting right in the equity of the Company or any of its subsidiaries.

The Green Bonds will be unlisted securities. No application will be made for admission of the Green Bonds to the Official List of the FCA or to the AIM Market of the London Stock Exchange. Further, neither the FCA nor the London Stock Exchange has examined, or approved, the contents of this document.

The Green Bonds will not be dealt on any other investment exchange and no application has been or is being made for the Green Bonds to be admitted to trading on any such exchange or market. Investment in an unquoted security of this nature, being an illiquid investment, is speculative, involving a degree of risk. It may not be possible to realise the Green Bonds or to obtain reliable information about the risks to which they are exposed. Green Bonds are a secured debt of the Company but there is no certainty or guarantee that the Company will be able to repay them.

This Invitation Document does not constitute an offer to participate in a collective investment scheme as defined in the Financial Services and Markets Act (2000) section 235 and as such any reader acknowledges that they will not have access to the Financial Services Compensation Scheme or the Financial Ombudsman Scheme.

This Invitation does not constitute an offer (whether direct or indirect) to sell, or the solicitation of an offer to buy, the Green Bonds in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for distribution in the United States, Canada, Australia or Japan. The Green Bonds have not been, and will not be, registered under the applicable securities laws of the United States, Canada, Australia or Japan and may not be offered or sold within these jurisdictions or to any national, resident or citizen of the United States, Canada, Australia or Japan. The distribution of this Invitation in other jurisdictions may be restricted by law and therefore persons into whose possession this Invitation Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document has been furnished to the recipient solely for your information on a confidential basis. Neither this document nor any other material relating to the proposal described herein may be copied, reproduced, shown, distributed or issued to any other person at any time without the prior written consent of the Company nor may the information contained herein be discussed with any other person other than the recipient’s professional advisers without the prior written consent of the Company. Every effort is made to ensure that the information contained herein is accurate at the time of print however, Green IS Group Limited assumes no liability for any errors or omissions.
Please read the Risk Factors Section
GIS Forestry Limited (GIS) was incorporated on 5th March 2014 as a special purpose vehicle to issue the certificates and hold the asset that provides the underpinning security of the Green Bond. The rationale behind incorporating this special purpose vehicle is to protect the interests of clients of Green IS Group Limited who have been granted interests over other leasehold plantations that Green IS Group Limited owns.

GIS is a wholly owned subsidiary of Green IS Group Limited, who is the registered holder of the entire issued share capital of GIS.

GIS shares its officers, support staff and financial auditors with Green IS Group Limited to conduct the administration of the Company’s day to day affairs. Green IS Group Limited make no charge to GIS for these services.

In late June 2017, GIS purchased a plantation and title to 35,000 tectona grandis species of teak tree standing upon an area of land known as Lote 26, Gleba 52/A do Projeto Fundiario Jaru Ouro Preto, Gleba Vale do Rio Anary, Setor Anary, Municipality of Theobroma, State of Rondônia. These assets will be used as security for the Green Bond.

Through the purchase of the land, GIS Forestry Limited (GIS) has the rights to quiet enjoyment and unrestricted access in order to carry out maintaining, cultivating and harvesting the trees as and when it sees fit.

The land purchase vests title of the standing trees (35,000 tectona grandis species of teak tree) from late 2017 to GIS Forestry Limited. This ownership is granted without clause.

To manage its asset, GIS has entered into a plantation maintenance agreement with Green IS Timber Comercio de Madeiras Ltda, a Brazilian incorporated company, registered at Av Padre Adolpho Rohl, 941, Sector 02, Jaru, State of Rondônia, CEP 76890000, Brazil.

Green IS Timber Comercio de Madeiras Ltda employs a number of local staff to conduct their services in Brazil.

Green IS Timber Comercio de Madeiras Ltda is also the landlord of the plantation. This is due to Brazilian law governing quantities of land owned by foreign, non Brazilian Incorporated companies.
GIS Forestry Limited (GIS) has agreed to pay Green IS Timber Comercio de Madeiras Ltda the sum of £35,000 per annum to maintain the 35,000 standing tectona grandis trees. This agreement is carried forward to other plantations owned by the company at the same ratio.

As there will be up to 1,000 Green Bond certificates issued to Holders, the Company will appoint the Security Trustee to manage the Holder’s interest in the Security should an Event of Default occur. This will be achieved by granting a Debenture in favour of the Security Trustee over the assets of the Company, namely the 35,000 tectona grandis species of teak trees.

The Company will also enter into an agreement with the Managing Agent to pay to them an administration fee for their assistance in safeguarding the interest of the Holders during the term. A fee of 0.25% of the face value of the investment plus a service charge of £8.50 is payable by the Company upon the issue of each Green Bond. These fees will be deducted from the subscription monies held by the Managing Agent before forwarding the balance of monies to the Company following the issuance of the certificate.

The purpose of the Company raising funds by the issuance of its Green Bonds is two fold:

1. To support Green IS Group Limited’s growing cut timber export business. Green IS Group Limited has, and continues to negotiate, several long-term supply contracts with a number of its current international clients. Accordingly, the monies will be utilised to assist this expansion by financing the acquisition and development of the infrastructure required to increase production capacity and product quality, and;

2. The monies will also be used to fund Green IS Projects Limited’s acquisition of a freehold plantation and the existing standing trees thereon that Green IS Group Limited are negotiating to expand their own retail investment offerings to their clients.

It is not intended for the Company to acquire any other assets nor liabilities save for those as set out in this Invitation Document and such other supporting documents mentioned herein.
At Green IS Group Limited (The Company), we are dedicated to our green and ethical ethos; we care about the environment and the local communities where we operate.

Forestry investment for all

Green IS Group Limited was created to bring sustainable plantation teak investment to the retail market and to be able to show returns in the shorter term by offering trees at varying stages of maturity. We currently own plantations in the North West of Brazil.

Our C.E.O., and Co Founder, Guy Conroy, has spent over 19 years in the Teak market building bespoke portfolios for HNW and corporate investors. He is supported by an operations team that brings together a wealth of knowledge and experience both in forestry and financial investments, including an in-house compliance officer, to ensure that all investments are ethical and compliant.

A sustainable approach

We are actively replanting previously deforested land with plantation timber. For every unit of trees planted for investors we plant a further 50% of buffer stock to help the regeneration of the rainforests and create stability for the previously decimated surrounding communities.

A compelling investment product

With extensive experience, insight and knowledge of this marketplace, as well as the partnerships forged and cemented over the last 10 years, we (the company) have been able to bring to market the most unique and compelling investment product the asset class has ever seen.

Technical innovation

We have utilised technical advisers from UK universities to harness the ever improving knowledge and advances that are being made in the area of ethical and sustainable forestry. We use management companies that have the best knowledge of the products that are offered to clients and we are working closely with governments in the countries where we operate to create new plantations.

Forestry Stewardship Council (FSC) Certification

The FSC is an independent organisation, based in Bonn, Germany, dedicated to the promotion of forestry good practice around the world.

An FSC certificate tells the timber merchant that the wood they are buying was produced according to a number of internationally agreed criteria. Many countries will not allow the importation of wood, or wood products, unless it is proven to be FSC certified.

Green IS Timber Comercio de Madeiras Ltda are FSC certified with chain of custody for all of its operations in Brazil.
Green IS Group Team

Guy Conroy  
CEO

Guy is a technical forestry expert and has worked in the timber industry for his whole career. His specialism is forestry management, and he has extensive experience in planning and designing forestry investment products.

Based on previous successes, Guy decided to create his own company, Green IS, 10 years ago and has developed it into a multi-million pound business.

Gary Williamson  
Director

As joint co-founder of the company, Gary is the director responsible for developing the international business of Green IS. His sound understanding of alternative investment products led to the creation of the Green IS bond. Gary’s responsibilities include maintaining relationships with investors and timber buyers.

David Evans  
Business Development Manager

David worked in IT for 30 years, implementing accounting and control systems around the world for many different industries, and is experienced in the methods needed to manage multi-lingual, multi-currency businesses. A keen environmentalist, David is studying for a BSc (Honours) degree in Environmental Science.

He has recently joined the team at Green IS as we prepare to take on large-scale sustainable timber projects in Brazil. Part of his role will be to work on the reporting systems needed to manage our expansion.
Cut Wood Market
The Export Process

Green IS Group Limited (The Company) offers investors the opportunity to become involved with a very exciting project; producing a finished product from the harvested Teak trees on our plantations.

How it works

The company will take the capital amount invested and secure part of this in standing teak.

Harvesting - These trees are tagged and marked for subsequent harvesting.

Processing – After felling, the trees are transported to our Oliveira sawmill for conversion to planks and kiln drying. This mill has a capacity of 300 cubic metres per month. In order to cope with growing demand the group has recently acquired a second mill that is in the process of refurbishment and expansion; which is due to be completed by summer 2019. The new mill will also have a capacity of 300 cubic metres per month, effectively doubling our processing capacity.

In addition, in the event of large orders or short time-scale, there are standing arrangements with other local mills for sub-contracted working where needed.

Products - The processed timber is made into a range of finished product such as teak decking and floorboards.

Export - The first stage of the export process is to pack containers with finished product which is then transported to the river port of Porto Velho, the state capital of Rondônia, Brazil. Containers are then taken by barge to the deep-water port of Manaus. This is where our customer will take possession of the product and pay in full on supply of all the documents required to ship Freight on Board (FOB).

Joinery

Each saw mill has a joinery shop for the production of finished products.

Local market

Green IS Group Limited produces a range of teak furniture for the local market, including beds, tables, wardrobes, as well as cladding and shiplap for the building industry.

International market

Green IS Group Limited is working on a range of finished teak products, including exterior decking and decking tiles, shower mats, tables and benches.

The current sales of teak products are:

- Teak S4S flooring
- Teak exterior decking
- Teak rough sawn planks
- Teak decking tiles
As an example, this is a breakdown of a typical export operation:

**TYPICAL PROFIT CALCULATION PER 1000 TREES**

Costs shown in local currency, Brazilian Reals (R$)

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Quantity (M³)</th>
<th>Value per M³</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teak Trees</td>
<td>1,000</td>
<td>333</td>
<td>R$120</td>
<td>(R$39,960.00)</td>
</tr>
<tr>
<td>Extraction</td>
<td>333</td>
<td></td>
<td>R$100</td>
<td>(R$33,300.00)</td>
</tr>
<tr>
<td>Transport</td>
<td>333</td>
<td></td>
<td>R$100</td>
<td>(R$33,300.00)</td>
</tr>
<tr>
<td>Milling</td>
<td>333</td>
<td></td>
<td>R$400</td>
<td>(R$133,200.00)</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td>(R$239,760.00)</td>
</tr>
</tbody>
</table>

**SALES SHOWN IN US$**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity (M³)</th>
<th>Value per M³</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average selling price</td>
<td>333</td>
<td>US$1,000</td>
<td>US$333,000</td>
</tr>
<tr>
<td>Costs Converted to US$ at R$3.5</td>
<td>(R$239,760)</td>
<td>(US$68,503)</td>
<td></td>
</tr>
<tr>
<td>Gross Profit</td>
<td></td>
<td></td>
<td>US$264,497</td>
</tr>
<tr>
<td>Gross Profit Percentage</td>
<td></td>
<td></td>
<td>79%</td>
</tr>
</tbody>
</table>

*These costs are worked out for today's prices - some of these items may go up, or down, however as the project expands we will have more control over these costs and will be able to maximise the profits.*
The Green Bond
World demand for hardwoods

Teak is a durable hardwood produced by the species tectona grandis. It is rich in oil, giving it a superior ability to withstand the elements and making it ideal for constructing buildings, outdoor furniture, flooring and decking.

The steadily increasing demand for tropical hardwoods for beautiful furniture, cabinetry, expensive boats, and other fine woodworking items, assures a ready market for the tropical hardwoods produced from the plantations.

The price trend of specialty tropical hardwoods is strongly upward. According to data published by the United Nations, the export/import price of teak, for example, is today nearly 7 times what it was in 1970.

The world’s rainforests will be either protected, or destroyed. Either way, tropical hardwoods will continue to become increasingly scarce. It is reasonable to conclude that tropical hardwood prices, and the profitability of tropical hardwood plantations, will continue to accelerate.

Awareness of the importance of preserving the remaining rainforests is increasing. Environmentalists are urging that we buy only products made from sustainably grown tropical hardwoods. Growing environmental and political pressures are likely to increase the demand for, and the price of, plantation-grown tropical hardwoods even more.

There can be no pricing shocks as the supply is known. Modern high-resolution satellite photography permits scientists to inventory the world’s rainforest resource, and to catalogue its destruction. There can be no sudden discovery of a new supply of rainforest to negatively impact tropical hardwood prices, such as can happen with natural resources hidden beneath the earth’s surface.

Trees in the tropics grow much faster than in the temperate parts of the world. “A plantation in Canada generates only between 3 and 5 cubic meters of wood per hectare per year, and in north-western United States the average is between 5 and 8 cubic meters. In the humid tropics, several fast-growing tree species produce wood at a rate of at least 20 cubic meters per year, a volume that can be obtained only from ten times as large an area of natural forest.”

Harvesting tropical hardwood trees growing naturally in the rainforests is very wasteful. Trees may take decades to reach harvest size. Even then, because of adverse growing conditions, they may be of poor form and not produce high-quality timber. In managed tropical plantations the experience is very different. Depending upon the species, the first harvests can begin in 6 to 8 years, and a programme of tree husbandry results in superior trees with better form. In addition, growth rates are several times faster than trees growing at random in the rainforest. These well-cared-for trees with better form are also much more likely to produce premium-priced veneer quality logs.

The cost/reward ratio of growing tropical hardwood trees can be very attractive. Relatively low labour and land costs for growing tropical hardwood trees, coupled with the increasing prices for tropical hardwoods, make planting and growing tropical hardwoods a uniquely profitable opportunity.

Planting and growing tropical hardwood trees in plantations also offers the unique satisfaction of knowing that the trees being planted benefit all of us while they are growing, by reducing erosion, producing oxygen and cleansing the air by consuming “greenhouse” gases. Finally, harvesting these plantation-grown trees will also benefit the earth by producing tropical hardwoods that don’t have to be taken from the world’s natural rainforests.
The Green Bond - invest in a growing market

Green IS Group Limited invites applications for Green Bonds on the terms and conditions set out within this Invitation Document.

Summary

The Green Bond is an asset backed corporate bond issued by Green IS Group Limited.

The minimum subscription value for a Green Bond is five thousand pounds sterling (£5,000) and is available with additional multiples of five thousand pounds sterling (£5,000) increments with a maximum of ten million pounds sterling (£10,000,000).

The term of the Green Bond is two (2) to ten (10) years. Subscribers will receive nine percent (9%) interest per annum, calculated annually in arrears, for terms of two (2) to four (4) years inclusive; ten percent (10%) interest per annum, calculated annually in arrears, for terms of five (5) to seven (7) years inclusive; and eleven percent (11%) interest on the same basis for terms of eight (8) to ten (10) years. Payments will be deferred until the end of the chosen investment term. Upon maturity of each Green Bond with a unit value of £5,000, its holder will receive a gross yield of between nine hundred pounds sterling (£900) and five thousand, five hundred pounds sterling (£5,500) depending on the term chosen.

The Green Bond’s underlying asset is the Brazilian tectona grandis plantation owned by GIS Forestry Limited. Each issued Green Bond is secured against forestry assets (“Security”). The Security Trustee will hold on trust for all the Green Bondholders an all assets debenture over the Company enabling it to enforce the sale of the Security should it be necessary.

The Green Bonds can be held within a SSAS but under current UK legislation (April 2019), not in a SIPP.

The Green Bonds are non-transferable.

Structure

- The investor subscribes for a Green Bond by entering into the Instrument with the Company.
- The investor engages the Security Trustee by way of a Deed of Surety to hold the Security Asset on its behalf during the term of the Green Bond.
- Upon receipt of the investment, the Managing Agent shall process the Application Form and issue the relevant Green Forestry Bond(s) to the Investor.
- The Company acquires phases of the plantation asset in direct correlation with the required security stock to underpin each Bond issued.
- The Company shall maintain and insure its assets for the entirety of the term.
- During the term upon the anniversary dates, the Company shall pay to the investor the applicable interest payment.
- Upon expiry of the term, the Company shall repay the investor the investment capital in order to redeem the Green Bond.

Green Bond Structure

Key
- Capital Flows
- Contractual Arrangements
- Share Holdings
Security

The Company’s main asset is a plantation of Tectona Grandis species of teak tree. The plantation is located in the municipality of Theobroma, state of Rondônia, Brazil. The Company holds an option over a plantation consisting of 35,000 trees. As the Bond Registrar approves Applications for Green Bonds the Company will acquire a plot for the amount subscribed. These trees will be utilised as security for the Bond holders. Each tree, upon each plot, upon the plantation is individually bar coded with its own unique identification number and GPS co-ordinates which are recorded in the Asset Register of the Company. The Company plantations are expertly managed and maintained to ensure all the trees remain healthy and achieve their predicted growth.

The holder of the Green Bond has its interest secured by way of a debenture against the value of the trees in the plantation. This security is formalised in the Debenture arrangements between the Security Trustee and the Company and in turn the trust deed between the Security Trustee and the Investor.

In the unlikely scenario that the Company becomes unable to fulfil its contractual obligation to the holder, (be that the interest payment and/or subscription sums repayments during or at expiry of the term respectively) then the terms of the Instrument and Debenture dictates that the lien in favour of the holder shall crystallise over the Security Asset and the Security Trustee shall take title and dispose of the asset on behalf of the holder.

<table>
<thead>
<tr>
<th>Mark</th>
<th>Co-ord' E</th>
<th>Co-ord' N</th>
<th>Length</th>
<th>Azimuth</th>
</tr>
</thead>
<tbody>
<tr>
<td>M.226/M.331</td>
<td>572970.80</td>
<td>8876100.00</td>
<td>2,142.70m</td>
<td>88° 53’ 43.0”</td>
</tr>
<tr>
<td>M.331/M.330</td>
<td>575113.10</td>
<td>8876141.30</td>
<td>236.70m</td>
<td>179° 54’ 11.5”</td>
</tr>
<tr>
<td>M.330/M.225</td>
<td>575113.50</td>
<td>8875904.60</td>
<td>2,136.38m</td>
<td>268° 15’ 42.6”</td>
</tr>
<tr>
<td>M.225/M.226</td>
<td>572970.80</td>
<td>8876100.00</td>
<td>260.26m</td>
<td>358° 23’ 34.7”</td>
</tr>
</tbody>
</table>
Security Value

Each tree has a raw material value that can be realised by harvesting and processing for sale into the local and international timber markets. There are three main sections of a teak tree that must be considered when determining its value, these can be summarised as follows:

**Canopy** - this section is sold to the local markets for processing into biofuel and other by-products. A typical fifteen (15) year old teak tree upon plantations in Brazil would exhibit around 0.6m$^3$ and achieve a market price of £61 per m$^3$.

**Upper Trunk and main branches** - this section is sold to the local markets for processing into fence posts. Typical fifteen (15) year old teak tree upon plantations in Brazil would exhibit around 0.3m$^3$ and achieve a market price of £183 per m$^3$.

**Main Trunk** - this section is sold into the international markets for use as either round logs or milled at site into boards. Typical fifteen (15) year old teak tree upon plantations in Brazil would exhibit circa 18” in diameter producing approximately 0.64m$^3$ and achieve a market price of £259 per m$^3$ of round logs or £732 per m$^3$ of finished boards.

Therefore to estimate the total value of a teak tree once felled, we take the minimum figures:

\[(0.6 \times £61) + (0.3 \times £183) + (0.64 \times £259) = £257.26.\]

Obviously, should the trees need to be prepared for sale, there are a number of associated costs involved in the process that include, but are not limited to lumbering, labour, transportation, taxes and administration. These costs need to be considered when assessing the true value of the raw material.

Therefore, to ensure the Subscribers are adequately protected only the Main Trunk value is considered to be net profit of the available to the seller upon sale. As trees are a growing asset, during the bond term the diameter of the trees will continue to expand. Upon maturity it would be expected that an eighteen (18) year old teak tree on a plantation in Brazil would reach a diameter of circa 22” producing 1.25 m$^3$. 

Please read the Risk Factors Section
There are significant risks associated with investing in Green Bonds. Prior to making an investment decision in respect of Green Bonds, prospective investors should consider carefully all of the information within this document, including the risk factors described. Before making a final investment decision, prospective investors should consider carefully whether an investment in the Company is suitable in the light of their own personal circumstances and the financial resources available to them. If you are in any doubt, you should consult an appropriate independent financial adviser.

This document contains forward looking statements which have been made after due, and careful, enquiry and are based on the Directors’ current expectations and assumptions which they believe to be fair and reasonable. These forward looking statements involve known, and unknown, risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed, or implied, in such statements. These statements are subject to, inter alia, the risk factors set out overleaf. The Directors make no guarantee of performance of GIS Forestry Limited or Green IS Group Limited.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on any forward-looking statements. Each forward-looking statement speaks only as of the date of issue of this document.

The Company and the Directors disclaim any obligation to update any forward looking statements in this document to reflect future events, or developments, but reserve the right to remedy any errors that may be present in this document until applications for subscriptions relating to the Green Bonds are no longer accepted by the Company.

The Directors believe the following risks to be the most significant for potential investors. However, the risks listed do not necessarily comprise all those associated with an investment in Green Bonds. To 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 document, for which they are responsible, is in accordance with the facts and does not contain anything likely to affect the import of such information.

Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon Green IS Group Limited. The information set out below does not purport to be an exhaustive summary of the risks nor are they set out in any particular order of priority.

If any of the following risks were to materialise, Green IS Group Limited’s business, financial condition, results or future operations could be materially and adversely affected with consequent impact on the financial position of the Company. In such cases an investor may lose part, or all, of their investment.
Risks relating to GIS

Exposure to external events
Green IS Group Limited could be affected by unforeseen events outside its control, including economic, social and political events and trends both in the UK and abroad. These include changes in economic, political, administrative, taxation or other legal or regulatory regimes, terrorist or other attacks, inflation, deflation or other currency exchange fluctuation.

Projections
The Company’s business plan is based on assumptions about market penetration and predicted future trade of its current and proposed business activities, which are supported by research undertaken and the Directors’ experience to date. The Directors consider these assumptions to be reasonable but are inherently subject to variation and uncertainty. There is no certainty that all, or any, of the elements of its business plan will be fulfilled, that the outcome of the Company’s strategy will be as anticipated to achieve its stated objectives.

Past performance
Past performance is not necessarily a guide to future performance. Past events, experience derived from these, or assumptions derived from any of these, do not predetermine the future.

Reliance on the GIS Team
Success depends on the activities of its Directors, Managers and Partners and if one or more of these were unable, or unwilling, to continue in their position, Green IS Group Limited’s business may be disrupted and it might not be able to find replacements on a timely basis or with the same level of skill and experience. Finding such replacements could be costly which could adversely impact financial results.

Risks relating to conflict of interest

Directors
Guy Conroy and Gary Williamson are Directors of Green IS Group Limited. They will be the key decision makers in the corporate governance of both companies.

The Directors have a fiduciary duty to the Company and consequently have exercised and will continue to exercise good faith and integrity in handling all the Company’s affairs. Should a conflict of interest arise, the Directors of the Company will endeavour to ensure that it is resolved fairly.
Risks relating to an investment in the Green Bond

Exposure to performance of Green IS Projects

If Green IS Group Limited does not perform as expected then it may default on the payment of interest, or capital repayment, pursuant to the Facility Agreement. This in turn may result in the Company defaulting on the payment of interest, or principal, of the Green Bonds on the due dates. Although the Green Bondholders may be able to recover monies by enforcing their security via the Debenture and Security Trustee, they may not recover all, or any, of the amounts due.

No external guarantee

The Green Bonds are secured by way of Debenture against the assets of the Company. However, this security is not a guarantee from a third-party or financial institution. If the Company was wound-up, or liquidated and the assets of the Company were worth less than the value of the outstanding Green Bonds (including all accrued but unpaid interest), then the Green Bond Holders will not get back all, or possibly any, of the capital they had invested, or accrued, but unpaid interest.

Risk relating to general timber market conditions

Fluctuation in timber values security

The valuation of the Security Asset upon which the Directors of the Company will rely for determining covenanted Security will be made at a fixed date and in a currency used locally for the purpose of timber transactions.

While the Directors will regularly review the portfolio of properties relied upon for security, it is possible through variations in currencies, timber market conditions, and the condition of specific trees (or a combination of all of these) that the value of the trees if required to be sold may be less than the value of the outstanding Green Bonds, and in such circumstances Green Bondholders may not get back all of the capital they had invested, or accrued, but unpaid interest.
Maintenance Agreement

Green IS Timber Comercio de Madeiras Ltda, is a Brazilian incorporated company, registered at Av Padre Adolpho Rohl, 941, Sector 02, Jaru, State of Rondônia, CEP 76890000, Brazil.

Green IS Group Limited have sub contracted their obligations to Green IS Timber Comercio de Madeiras Ltda, one of its local contractors in Brazil. Green IS Timber Comercio de Madeiras Ltda is also the landlord of the plantation. Successful maintenance depends on the activities of Green IS Timber Comercio de Madeiras Ltda and its team and if it was unable or unwilling to continue in the position, Green IS Group Limited’s duties under the maintenance agreement may be disrupted and it might not be able to find replacements on a timely basis or with the same level of skill and experience.

Risks Related to Local Law

Preference ranking of securities

The Debenture will constitute a first ranking security interest over the Company’s plantation lease and the Security, and as such will entitle the beneficiary of the Debenture to recover monies due to it and secured by the Debenture in preference to any other creditor of the Issuer other than those creditors preferred by Brazilian law. The only creditors preferred by Brazilian law entitled to rank ahead of the security created by the Debenture will be local employees of the Company. It is understood that the Issuer does not intend to have any local employees.

Risks Related to Security Trustee

Expertise

Whilst the Security Trustees are qualified professionals regulated by their professional Institute, they are not experts in forestry nor have the same links, contacts or know-how as Green IS Group Limited and so should they exercise their rights under the debenture they may not realise the same value as stated in Section 6.

Register of Holders

The Security Trustee is reliant upon the Company for providing it with information in respect of the Holders and the Register of Holders as per the terms of the Security Trustee Agreement. Should the Company fail to correctly advise the Security Trustee of the Holders’ details, including updated details, then the Security Trustee will not have accurate details and may not be aware of the Holders’ interest.
Green Bond: Information & FAQs

**Target to be raised:**
Ten million pounds sterling (£10,000,000)

**Minimum amount to be raised:**
One hundred thousand pounds sterling (£100,000)

**Issue price of a Green Bond:**
Five thousand pounds sterling (£5,000)

**Timetable:**
The closing date for applications will be the date of full subscription.

**Minimum investment:**
You must invest a minimum amount of five thousand pounds sterling (£5,000) with additional multiples of five thousand pounds sterling (£5,000), the maximum amount being ten million pounds sterling (£10,000,000).

**When will I be informed how much has been raised?**
The Company will inform the subscribers of the amount raised via an announcement upon the website www.greenis.co.uk within 21 days of the Closing Date or the date of full subscription, whichever is the earlier.

**What security is there?**
Green IS Group Limited will grant the Security Trustee a Debenture over its assets. The Company’s key asset is title to thirty-five thousand (35,000) Tectona Grandis species of teak tree standing upon the plantation.

**What happens if the Company fails to pay the coupon?**
If the Company fails to do what it has promised, such as pay you on time, then the Holders, subject to providing the necessary cost indemnities, will be able to authorise the Security Trustee to enforce rights of the Debenture and take control and title to the assets of the Company. The Security Trustee will have the power to make a disposal of 35,000 teak trees.

**How does each bond holder rank?**
The Bond Holders rank pari passu with each other.

**Can I get my money out before the end of the Term?**
No. Save for in exceptional circumstances – this would be at the absolute discretion of the Company’s Directors.

**What happens if I die during the Term?**
The Green Bonds held by you will form part of your estate, and may be redeemed at the absolute discretion of the Company’s Directors. If death of a SASS beneficiary is the sole reason for the Green Bond Holder serving on the Company a request for early redemption then the Director of the Company will not unreasonably withhold or delay the redemption pursuant to such request and in any event shall use their reasonable endeavours to procure that such redemption occurs within six (6) months immediately following the date of such request for early redemption.
Taxation

The Holder will receive interest payments quarterly from the Company. These interest payments will be paid gross. The Holder should take advice from their tax adviser regarding their standing versus UK tax law.

Do I need to discuss this with a financial adviser?

Yes. We recommend that you seek independent advice from an appropriately qualified adviser who specialises in the acquisition of unlisted securities to establish whether this is an appropriate investment for you.

Term:

Twenty four (24) to one hundred and twenty (120) months from the date of issue.

Can the terms of the bonds be amended?

No.

Interest:

Nine percent (9%) to eleven percent (11%) gross per annum.

When will interest be paid?

Your interest will be paid at the end of the chosen investment term.

When does the Bond mature?

The Bond carries a twenty four (24) months to one hundred and twenty (120) months fixed term. On maturity, you are entitled to the return of the original sum invested in full.

Can I utilise my Pension?

You can hold Green Bonds within a SSAS. Under current UK legislation (April 2019), you cannot hold them within a SIPP.

Who is the issuer?

GIS Forestry Limited, a wholly owned UK incorporated subsidiary of Green IS Group Limited.

Are the bonds transferable?

No.

How is the Security managed?

The plantation is expertly managed and maintained to ensure all the trees remain healthy and achieve their predicated growth. However, as with any natural asset, the trees are open to the elements. Accordingly, as a precaution, the Company has different plantations in different areas so as to mitigate any loss over several plantation areas, the company also holds buffer stock of over 50% of the asset that is required.
THIS AGREEMENT is made between:-

(1) Green IS Group Limited whose registered office is at Blackwell House, Guildhall Yard, London EC2V 5AE (the “Company”), and

(2) The Investor.

By which it is agreed as follows:-

I. DEFINITIONS

1.1. In this Agreement unless the context otherwise requires:-

“Application” means an application for Green Bonds made using the Green Bond Application Form. This form is available from your Financial Advisor;

“Asset Register” means the register of bar codes and GPS coordinates of the standing timber owned by the Company;

“Business Day” means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

“Certificate Value” means the sum in the order of a minimum of £5,000 or such multiples of £5,000 up to a maximum of £10,000,000;

“Chairman” means any such person nominated by the Company to take the chair of any such meeting of Holders;

“Company” means Green IS Group Limited whose registered office is at Blackwell House, Guildhall Yard, London EC2V 5AE;

“Company’s Nominated Bank Account” means ICICI Bank UK PLC,

Account Name: Green IS Group Limited

Account Number: 76277996

Sort Code: 30-00-81

IBAN: GB19 ICIC 3000 8176 2779 96

SWIFT/BIC: ICICGB2LXXX

“Coupon” means nine percent (9%) to eleven percent (11%) of the Certificate Value per annum;

“Coupon Calculation Date” calculated annually in arrears and paid at the end of the chosen investment term;

“Date of Registration” means the date of registration of the Holder onto the Register;

“Debenture” means the instrument executed by the Company and issued to the Security Trustee creating security over its assets, as more particularly described in clause 9;

“Directors” means the board of directors of the Company for the time being;

“Event of Default” means any of the events described in clause 13.1;

“Holder” means each person recorded as the Holder of a Green Bond in the Register;

“Green Bond” means the corporate debt bond certificate issued to the Holder by the Company;

“Register” means the register of Holders information kept by the Company in accordance with the provisions of clause 4;

“Repayment Date” means: (i) the expiry date of the Term; or (ii) the date of acceleration of the Loan Notes in accordance with clause 13.2;

“Security” means the plantations listed as the asset of the company;

“Special Resolution” means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions of this instrument and carried by a majority consisting of not less than 75% of the persons voting at such meeting upon a show of hands or, if a poll is demanded, by a majority consisting of not less than 75% of the votes given on such poll;

“Term” means twenty four (24) to one hundred and twenty (120) months from the Date of Registration.
1.2. Headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement. Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.

1.3. Save as permitted in this Agreement, a person who is not a party to this Agreement has no rights under the Contract (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement. This clause 1.3 does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

2. STATUS OF GREEN BOND

2.1. The principal amount of the Green Bond is limited to £10,000,000

2.2. The Green Bonds are non-transferable.

2.3. The Green Bonds are not capable of early redemption.

2.4. The Green Bonds shall not be capable of being dealt in, or on, any stock exchange in the United Kingdom, or elsewhere, and no application has, or shall be, made to any stock exchange for permission to deal in or for an official or other quotation for the Green Bonds.

2.5. When issued, the Green Bond shall rank pari passu equally and rateably without discrimination, or preference, among themselves and as a secured obligation of the Company.

2.6. All liabilities and obligations of the Company to the Holders under this instrument are secured on a continuing basis by the Debenture. The Debenture in the name of the Security Trustee shall be held by it as Trust Agreement on behalf of the Holders.

3. THE SUBSCRIPTION AND CERTIFICATE

3.1. Upon execution of an Application the Holder party to the same agrees to telegraphically transfer to the Company’s Nominated Bank Account the Certificate Value, for the Company’s use up to the Repayment Date.

3.2. Upon receipt of the Certificate Value, the Company shall:

3.2.1. enter the details of the Holder into the Register; and

3.2.2. issue to the Holder a certificate in respect of the relevant Green Bonds, in each case on the last Business Day of the calendar month in which the Certificate Value is paid (provided that if such payment is made less then five (5) Business Days before that date the Company shall have the discretion to deem that the Certificate Value has been paid in the next following calendar month.

3.3. Each certificate for a Green Bond shall

3.3.1. be issued to the Holder as a Deed.

3.3.2. bear a denoting number

3.4. Each Holder shall be entitled to receive one certificate for the Green Bonds registered in their name upon each Application.

3.5. If one or more of the Green Bonds are to be held jointly by more than one person, the Company shall not be obliged to issue more than one certificate.

3.6. If any certificate for a Green Bond is lost, defaced or destroyed it may be renewed on such terms as to evidence and indemnity as the Company may require. In the case of defacement, the defaced certificate must be surrendered to the Company prior to the issue of a fresh certificate.

4. REGISTER

4.1. The Company shall, at all times during the Term, keep a register containing the following details:

4.1.1. the name(s) and address(es) of the Holder for the time being;

4.1.2. the nominated bank account detail for each Holder;

4.1.3. the service address of each Holder;

4.1.4. the principal amount of the Green Bond(s) held by each Holder;

4.1.5. the Date of Registration; and

4.1.6. the date of issue of each Green Bond.

4.2. It is the responsibility of a Holder to notify the Company, at its registered office address, of any change in any of the information relating to that Holder recorded in the Register.

4.3. Should a Holder be described in the Register as being at an address outside the United Kingdom but such Holder provides an address in the United Kingdom at which notice may be served upon him, the Company shall be entitled to serve notice on that Holder at such address.

5. COUPON AND REPAYMENT

5.1. During the Term of this agreement interest on the Certificate Value shall accrue from time to time at a rate of nine to eleven percent (9% - 11%) per annum (“Coupon”).

5.2. The Coupons for each Green Bond shall be calculated annually in arrears and paid at the end of the chosen investment term.
5.3. The Coupons shall be paid in arrears by direct funds transfer to each Holder’s nominated bank account noted in the Register within five (5) Business Days from each Coupon Calculation Date.

5.4. The Company shall repay the Certificate Value in full by direct funds transfer to each Holder’s nominated bank account noted in the Register, within five (5) Business Days of the Repayment Date.

5.5. Any such third party charges, such as those levied by the Company’s bankers with respect to each direct transfer required under clauses 5.3 and 5.4, shall be deducted from the sum to be paid to the Holder prior to transmission.

5.6. All payments of Coupon and Certificate Value made by the Company shall be made after the deduction, or withholdings, for or on account of any present, or future, taxes required to be deducted, or withheld, from such payments.

5.7. All Green Bonds when repaid shall be cancelled by the Company and the Company shall not re-issue the same.

6. REPRESENTATIONS AND WARRANTIES

6.1. The Company represents and warrants (save as disclosed to and agreed by the Holder) that:-

6.1.1. this agreement and any security provided pursuant to Clause 6 constitute legal, valid and binding obligations on the Company;

6.1.2. the Company holds good legal title to the Security;

6.1.3. the Company holds and is in compliance with: (i) all necessary certificates, licences, permits, consents or other authorisations required for conducting the Company’s business as currently conducted and (ii) all applicable laws and regulations or other legal requirements;

6.1.4. there has been no (nor with the giving of notice, lapse of time or satisfaction of any other condition would there be any) breach of or default under any agreement or document to which the Company is a party, or by which the Company or any part of the Company’s assets may be bound, which could have a material adverse effect on the business, assets or financial condition of the Company or on the Company’s ability to perform fully the Company’s obligations under this agreement or under any security provided pursuant to clause 6; and

6.1.5. no Event of Default has occurred.

6.2. The representations and warranties contained in clause 6.1 shall survive the signing of this agreement and shall be deemed repeated on each date on which interest is compounded.

7. UNDERTAKINGS

7.1. The undertakings in this Clause 7 shall remain in force until the Certificate Value has been repaid in full.

7.2. The Company shall notify Holder of any Event of Default or breach by the Company of any term or condition of this agreement immediately upon becoming aware of its occurrence.

7.3. The Company shall not create, nor permit to subsist, any charge, lien or other encumbrance in the nature of a security interest (except a lien arising by the operation of law in the ordinary course of business) on the whole, or any part, of the Security except with the prior written consent of Holder.

7.4. The Company shall:-

7.4.1. comply with all licences, permits, consents or other authorisations held and with any applicable laws, regulations or other legal requirements;

7.4.2. as soon the same comes to its actual knowledge, promptly notify the Holder of any breach of (i) any law, regulation or other legal requirement and/or (ii) any licence, permit, consent or other authorisation held, and immediately remedy such breach;

8. FURTHER COMPANY COVENANTS

The Company further hereby covenants with the Holder and it is hereby agreed and declared as follows:

8.1. to keep and maintain the Register and the Asset Register;

8.2. not to sell, transfer, assign, lease, share or part possession with, declare a trust of, grant any right or rights over or otherwise dispose of the Security without the prior consent of the Holder;

8.3. not to vary, alter, amend the terms of any lease, licence or any other deed or document or whatever sort which affects the Security without the prior consent of the Holder; and

8.4. not to grant, or give, any licence, or consent, to assign transfer, sublet or otherwise dispose of any lease of the Security, or any part thereof, without the written consent of the Holder.

9. DEBENTURE AND SECURITY

9.1. The parties acknowledge that the Security Trustee has entered into the Trust Deed to hold and manage the Security on behalf of the Holders.

9.2. The Company shall issue the Debenture to the Security Trustee to secure the obligations due to the Holders under this agreement and in respect of the Green Bonds by creating security over the assets identified as being subject to that security in the Debenture, including the security.

9.3. The Debenture shall be expressed to become enforceable by the Security Trustee, on behalf of the Holders, upon the occurrence of an Event of Default, subject to the satisfaction of any precondition or obligations of the Holders thereunder.
9.4. For the avoidance of doubt the Company acknowledges that this agreement, together with the Debenture, creates a beneficial interest in favour of the Holders over the Security and the proceeds of enforcement of the Security.

10. MEETINGS OF THE HOLDERS

10.1. The Company may at any time, and shall upon the request in writing signed by Holders of cumulative holding of at least sixty percent (60%) in nominal value of the Green Bonds for the time being outstanding, convene a meeting of the Holders to be held at such place as the Company shall determine.

10.2. At least 14 clear days notice specifying the place, date and hour of the meeting shall be given to the Holders of any meeting of Holders. The omission to give notice to any Holders shall invalidate any resolution passed at any such meeting.

10.3. A person nominated by the Company shall be entitled to take the chair at any such meeting. The Directors and legal advisers of the Company and the Security Trustee and legal advisers may attend at any such meeting.

10.4. At any such meeting convened for any purpose, other than the passing of a Special Resolution, a person, or persons, holding, or representing by proxy twenty five percent (25%) in nominal value of the Holders for the time being outstanding, shall form a quorum for the transaction of business.

At any meeting convened for the purpose of passing a Special Resolution persons (at least two in number) holding, or representing by proxy a clear majority of at least seventy five percent (75%) of the nominal value of the Green Bonds for the time being outstanding, shall form a quorum. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

10.5. Every question submitted to a meeting of Holders shall be decided in the first instance by a show of hands. In case of an equality of votes the Chairman shall have a casting vote.

10.6. At any meeting of Holders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the Chairman, or by one or more Holders present in person or by proxy, a declaration by the Chairman that a resolution has been carried, or carried by a particular majority, or lost or not carried by any particular majority, shall be conclusive evidence of the fact.

10.7. If at any such meeting a poll is so demanded it shall be taken in such manner as the Chairman may direct. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

10.8. On a show of hands every Holder who is present in person, or by proxy, shall have one vote. On a poll every Holder shall have one vote for every £5,000 in nominal amount of the Green Bonds of which he is the holder. A Holder (or a proxy) entitled to more than one vote on a poll need not use all their votes, or cast all the votes, they use in the same way.

10.9. The registered holders of any of the Green Bonds, or in the case of joint holders any one of them, shall be entitled to vote in respect thereof either in person, or by proxy, and in the latter case as if such joint holder were solely entitled to such Green Bonds. If more than one of such joint holders be present at any meeting either personally, or by proxy, the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

10.10. Each notice appointing a proxy shall be in writing, signed by the appointor or his attorney or, in the case of a corporation, under its common seal, or signed by its attorney or a duly authorised officer and shall be in such form as the Directors may approve. A person appointed to act as a proxy need not be a Holder themselves.

10.11. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed, or a notarially certified or office copy of such power, or authority, shall be deposited with the Company at the address where the Register is maintained for the time being. No instrument appointing a proxy shall be valid after the expiration of 6 months from the date named in it as the date of its execution.

10.12. In addition to any other powers it may have, a meeting of the Holders may, by Special Resolution:

10.12.1. authorise the Security Trustee with power on behalf of the Holders to execute any documents to effect and enforce the Debenture, following any unremedied Event of Default;

10.12.2. authorise any compromise or arrangement proposed to be made between the Company and the Holders;

10.12.3. authorise any abrogation, modification or compromise or any arrangement in respect of the rights of the Holders against the Company, or its property, whether such rights shall arise under this instrument or otherwise; and

10.12.4. give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.

10.13. No resolution shall be effective which would increase any obligation of the Company under this instrument or postpone the due date for payment of any Certificate Value, or Coupon, in respect of any Green Bond without the consent of the Company.

10.14. A Special Resolution, passed at a meeting of Holders duly convened and held in accordance with the provisions of this clause 10, shall be binding on all the Holders, whether or not present, at such meeting and each of the Holders shall be bound to give effect to such Special Resolution accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing of such Special Resolution.
11.1 A resolution in writing signed by the holders of at least 75% in nominal value of the Green Bond for the time being outstanding, who are for the time being entitled to receive notice of meetings in accordance with the provisions contained in the instrument, shall for all purposes be as valid and effectual as a Special Resolution. Such resolution in writing may be contained in one document or in several documents in like form each signed by one or more of the Holders.

10.16 Minutes of all resolutions and proceedings at every such meeting of the Holders shall be made and duly entered in books to be from time to time provided for that purpose by the Company.

11. POWERS AND APPOINTMENT OF ATTORNEY

11.1 At any time after the Debenture shall have become enforceable by the Security Trustee, the Security Trustee (whether or not in possession of the Security) may (but should not be obliged to) without restriction exercise any of the following powers in addition and without prejudice to any other powers conferred upon Holder under, or by virtue, of this agreement or by statute or otherwise;

11.1.1 to enter upon and take possession of the Security;

11.1.2 to sell, exchange, surrender, deal with, convert into money and realise the Security or any part or parts thereof or interest therein and/or any part or parts of the other assets of the Company hereby charged and assign, or transfer, the same and to do so subject to such exceptions, reservations and covenants as may be considered necessary, or expedient, and for the same purpose of realisation to assign, or transfer, the same to any person, or company, whether in consideration of payment, or not, or in exchange for shares, or other property, without payment or any other consideration;

11.1.3 to acquire, renew, extend, grant, vary or otherwise deal with such easements, rights, privileges and/or licences over, or for the benefit of, the Security as may be considered expedient;

11.1.4 to promote whether alone or with others any company: (i) for the purpose of taking a transfer or assignment of or other interest in the Security; and (ii) in connection with or for the furtherance of all of any of the powers herein contained as may be expedient;

11.1.5 to carry out any work involving maintenance of the Security;

11.1.6 to obtain, renew, extend, amend or otherwise deal with such permissions, consents and/or licences for the benefit of, or otherwise, connected with, or ancillary to, the Security;

11.1.7 to agree any variation, modification or determination of any existing deeds or agreements relating to the Security and to enter into new agreements, deeds or bonds which may be necessary;

11.1.8 to take or defend or otherwise join in any proceedings concerning, or incidental, to the Security or to any of the foregoing powers as they shall see fit;

11.1.9 to make any arrangement, or compromise, which may be thought expedient in the interest of the Holder;

11.2 The Company hereby irrevocably appoints the Security Trustee as attorney of the Company to exercise any of the foregoing powers for, and in the name, and on behalf of the Company with respect to the Security.

11.3 The foregoing powers may be exercised:

11.3.1 by the Security Trustee either as the Company (but without incurring liability as Company in possession) or as attorney of the Company; and

11.3.2 by any substitute or delegate appointed in writing by the Holder or by any attorney of Holder or by any substitute or delegate appointed in writing by any such attorney for and in the name and on behalf of the Holder of the Company as the case may be and any such exercise by any such substitute, delegate or attorney shall be treated by the Company and be effective in all respects as an exercise by the Holder.

11.4 Security Trustee (including any such substitute, delegate or attorney of the Holder as aforesaid) in connection with the exercise of any of the powers conferred on them hereby, or by statute, may do all acts and things and execute all such deeds and sign all such agreements or enter into or make all such arrangements as may be required or as Security Trustee (or such substitute delegate or attorney of the Holder as aforesaid) may consider necessary, or desirable, in relation to the exercise of any such powers.

11.5 The Security Trustee shall have no obligation whatsoever to exercise any of the powers granted to it hereunder unless it has received a satisfactory security for its costs of so doing, and shall be liable for a failure to exercise any such power to a Holder only if any precondition has been satisfied and only thereafter in the event of fraud, gross negligence or wilful default by the Security Trustee.

11.6 The Security Trustee has been granted powers under this clause for the purpose of discharging its obligations under the Security Trustee Agreement and shall have no duty to the Company whatsoever in respect of the same.
13.1. The occurrence of the following events shall constitute an Event of Default for the purposes of this Agreement:

13.1.1. the Company fails to pay on the due date any amount payable under this agreement or the Company demonstrates to the satisfaction of the Holders that such failure is due to an administrative, or technical, payment error, in which case the Company shall have ten (10) Business Days from the due date to make such payment; or

13.1.2. any information given or warranty or representation made by, or at the request of, the Company proves inaccurate; or

13.1.3. the Company fails to comply with any provision of this agreement or the Company fails to comply with any provision of the Debenture provided pursuant to clause 9 and, where capable of remedy, such failure is not remedied to the reasonable satisfaction of the Holder within seven (7) Business Days of the Holders giving notice to the Company requiring the Company to remedy the same; or

13.1.4. the Company defaults in the performance of any other agreement for borrowed monies so as to accelerate, or render capable of acceleration, the due date of repayment thereunder or such borrowed monies are not repaid in full on the due date or repayment of any such borrowed monies is due on demand and is not paid in full forthwith on such demand being made; or

13.1.5. the Company being unable to pay its debts as and when they fall due as defined by Section 123 of the Insolvency Act 1986; or

13.1.6. any insolvency proceedings are commenced against the Company or any steps are taken with a view to proposing (under any enactment or otherwise) any kind of composition, scheme of arrangement, compromise or arrangement involving the Company and the Holders; or

13.1.7. any procedure is used against the Company to attach or take possession of any Security for payment of a debt; or

13.1.8. any distress, execution, attachment or other legal process affects the whole or a material part of the assets of the Company; or

13.1.9. any receiver, or administrator, being appointed over the Company's or any part of Security; or

13.1.10. the Company has a provisional liquidator appointed under Section 135 of the Insolvency Act 1986; or

13.1.11. the presentation of a petition for winding up or for an administration order against the Company; or

13.1.12. the passing of a resolution for voluntarily winding up (save for the purpose of reconstruction or amalgamation); or

13.1.13. a receiver or administrator being appointed over the Company, or any part of its assets, and/or undertaking or any other steps being taken to enforce any security over all, or part, of the Company’s assets.

13.2. Upon the occurrence of an Event of Default the Noteholders may, by a Special Resolution passed in accordance with the provisions of this agreement, require the Company to cure any Event of Default which is capable of remedy within 28 days and/or if such Event of Default is not remedied within that period, or is incapable of remedy, to accelerate the repayment of the Loan Notes and to declare that the Repayment Date has occurred, and that repayment of the Certificate Value is due in accordance with clause 5.4, and that Repayment Date shall also constitute a Coupon Calculation Date.

14. NOTICES

14.1. Every notice or other communication made under this Agreement shall, unless otherwise stated, be in writing (by way of letter, or electronic mail or facsimile transmission) and shall be given:-

14.1.1. in the case of the Company to the address on the agreement or such other address as the Company may notify Holders in writing; and

14.1.2. in the case of Holders to the address on the agreement.
14.2. Every notice, or other communication, shall be deemed to have been received:-

14.2.1. in the case of a letter when delivered personally or two days after its posting by first class post; and

14.2.2. in the case of an electronic mail, or a facsimile transmission, when despatched.

15. MISCELLANEOUS

15.1. The Company may not assign, or transfer, any of the Company’s rights, or obligations, under this Agreement.

15.2. No Holder may assign all, or any part, of its rights or benefits under this Agreement.

15.3. If at any time any one, or more, of the provisions of this Agreement is, or becomes, invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired.

15.4. This Agreement supersedes all prior agreements, arrangements or correspondence between the Company and Holders in relation to the issue of the Green Forestry Bond.

16. LAW

This Agreement shall be governed by and construed in accordance with English law.