

Bylaws

Bylaws of the Middelgrunden Wind Turbine Cooperative

1. Name and place of residence

1.1. The name of the partnership is Middelgrunden Wind Turbine Cooperative. The partnership is the owner of a number of wind turbines, installed in Øresund on the Middelgrunden shoal.

1.2. The partnership's place of residence is Copenhagen Municipality.

2. Objective

2.1. The main objective of the partnership is to produce electricity by establishment and management of wind turbines on the Middelgrunden shoal.

2.2. The overall goal is to contribute to a sustainable energy supply in Denmark.

3. Partners

3.1. Partners are admitted who, following public directives, have the right to own shares. At present, ministerial order no. 1148 of the 13th of December 1996 must be observed. All partners must be listed in a partnership file by name, address, number of shares, and eventually other items demanded by the authorities.

3.2. The management is obliged to provide for that the partnership file always is kept up to date, and to give the partners access to the file.

4. Shares

4.1. The partnership is split into individual non-specific shares, equivalent to the expected production at the time of establishment in kWh per year divided by 1000, equivalent to a share size of 1000 kWh per year.

4.2. The number of shares is reflecting how big a share of the partnership property an individual partner owns. At any time, it is the partnership file that states the number of shares belonging to the individual partners.

5. Partnership Assembly

5.1. The supreme authority of the partnership is the partnership assembly. The partnership assembly is held every year in March. Written or by e-mail calling of the partnership assembly, and received proposals must be mailed to each and every partner at the latest two weeks before the assembly.

5.2. The agenda of an ordinary partnership assembly must at least include the following:

1. Appointment of the chair
2. Appointment of the reporter and the counters of the votes
3. The management's annual report from the past year on approval

4. Presentation of the audited accounts on approval, including the management's recommendation on use of profit or cover of loss, and presentation of the budget for the coming year
5. Received proposals
6. Election of management
7. Election of two internal auditors and one substitute auditor
8. Any other business

5.3. Proposals, to be considered under agenda item no. 5, must be received by the chairperson at the latest on February the 1st.

5.4. The partnership assembly is held at a place within Copenhagen Municipality chosen by the management.

6. Voting Rights

6.1. At the partnership assembly each partner has 1 vote.

6.2. It is possible to vote by written proxy. Only one proxy per attendant.

7. Decisions

7.1. Decisions are made by simple majority. In case of equal division of votes, the proposal up for vote is cancelled.

7.2. When the vote is about a change of bylaws, decisions of greater economic significance including sale of the partnership's assets and larger renovations, it is demanded that at least half of the partners are represented, and at least 2/3 of the attending partners vote in favour of the proposal. If less than half are represented and at least 2/3 are voting in favour of the proposal, it can be passed at the following ordinary or extraordinary partnership assembly, if at least 2/3 of the partners represented at this meeting are voting in favour of the proposal.

7.3. The management can send proposals for a written vote amongst the members. Submitting a vote takes place by letter before an exact date fixed by the management. The conditions in paragraphs 7.1 and 7.2 equally apply to a written vote.

8. Extraordinary Partnership Assembly

8.1. Extraordinary partnership assembly is held, if the management finds it necessary, or if at least 1/10 of the partners express a wish about this in writing, stating what they wish to treat.

8.2. The management calls for extraordinary partnership assembly latest 4 weeks after it has received a written application about this.

8.3. A call for extraordinary assembly must take place with at least 14 days notice.

9. Election of management

9.1. The management consists of five members. Further two substitutes are elected.

9.2. The management is elected for two years at a time, in the way that two members are elected in even years and three members are elected in odd years.

9.3. The management constitutes itself.

9.4. Not more than one partner from the same household can be elected for the management.

9.5. The management or individual members of the management can be dismissed by simple majority at an extraordinary partnership assembly.

10. Election procedure

10.1. Candidates for the management are nominated at the ordinary partnership assembly.

10.2. The number of votes given, is the same as the number of seats in the management that are up for election.

10.3. The candidates, who have received most votes after count of the votes, are elected.

11. The Management

11.1. The daily administration is conducted by the management. The management can decide to register the partnership in relevant associations, which safeguard renewable energy interests. Membership fees for the associations are paid by the management over the partnership account.

11.2. A minimum of three members of the management jointly signs for the partnership.

11.3. The management forms a quorum when three members are present. In case of equal division of votes, the casting vote belongs to the chairperson.

A record of the management's decisions must be kept. The minority can demand its opinion to be recorded.

12. Responsibility

12.1. The management is obliged to effect a liability insurance on the wind turbines.

12.2. The management is responsible for the employment of an operations manager, if it is demanded by the authorities, and for contracting with a certified maintenance company.

13. Indebtedness

13.1. Indebtedness of the partnership may not take place.

14. Liability

14.1. The partners are personally, jointly and severally liable to the partnership's creditors.

14.2. Between the partners they are liable proportional to their possession of shares.

14.3. The partnership's assets can not be made the subject of legal proceedings by creditors regarding debt, which is irrelevant to the partnership.

14.4. No claim can be laid on an individual partner, without the claim previously made towards the partnership.

15. Financial Statement

The financial year follows the calendar year.

16. Settlement

16.1. After subtraction of the partnership's expenses and allocations, the rest of the income is equally distributed following the number of shares.

16.2. The profit, if any, is disbursed to the partners at least once a year.

16.3. Profit made since last payment will be disbursed to the person, who is put down as owner in the partnership file at the time of payment.

17. Trade of Shares

17.1. Partnership shares can be freely traded, however the conditions in paragraph 3. must be met.

17.2. All trading must immediately be reported to the management. No trading of shares is valid, until the management has approved it, following paragraph 3.

17.3. The price of shares is settled on the free market.

18. Security Deposit

18.1. Partnership shares can be mortgaged.

18.2. The mortgage is reported to the management that notes it in the partnership file.

19. Breach

19.1. If a partner does not observe the bylaws, the management can stop the payment to the partner, until the situation is settled.

19.2. If a partner refuses to observe the bylaws, in spite of command by the management, the management is obliged to settle the situation.

19.3. In case a partner seriously breaches existing bylaws, further participation in the partnership by the person in question can be discontinued at a partnership assembly without further warning.

19.4. By retirement because of a breach, the denounced loses the partner rights, and the person in question is obliged to sell his/her share(s). The management can deny to pay the person in question any sum, before it can be documented that the partnership share(s) is (are) sold.

19.5. All costs in connection to breach of bylaws are paid by the partner, who is breaching them.

19.6. In other respects a partner can only leave the partnership by sale, according to paragraph 17.

20. Dissolution

20.1. The partnership can be dissolved, if at least 2/3 of the partners at an extraordinary partnership assembly votes in favour of such a solution, either by personal attendance or by a written vote.

20.2. In case of dissolution a statement of accounts is made over the partnership's assets and liabilities, after which the assets are realised to cover the liabilities. The resulting profit or loss is divided between the partners following their shares.

21. Litigation

All cases against the partnership are brought before the Copenhagen City Court.

Adopted at the founding general meeting of the Middelgrunden Wind Turbine Cooperative on the 28th of May 1997. Corrections adopted at general meeting the 21th of march 2002 and the 25th of march 2003.

Thyge Enevoldsen
Chair of the meeting

Hanne Molkte
Reporter
25th of March 2003

(This document is an unofficial translation of the original Danish Bylaws.)