

Schedule 41 (Interest Rate Swap and Conversion Parameters) [*Confidential*]

Schedule 42 (Financing Agreement) [*Confidential*]

Schedule 43 (Relevant Discharge Terms)

1. The sums referred to in paragraph 2.1 below and the adjustment between the Parties of the rights and liabilities relating to the Assets referred to in paragraph 2.2 below shall be the relevant discharge terms in relation to this Contract and/or the Direct Agreement for the purposes of Section 6 of the Local Government (Contracts) Act 1997.
2. In the event of the making of a determination or order (by a court of final jurisdiction, no right of appeal remaining, unless it is agreed between the Parties that an appeal although remaining will not be pursued), on an application for judicial review or audit review (within the meaning of the Local Government (Contracts) Act 1997), the result of which is that this Contract and/or the Direct Agreement does not have effect or is otherwise unenforceable, then:
 - 2.1 the Authority shall pay to the Contractor the sum equivalent to the amount of compensation payable by the Authority to the Contractor pursuant to Schedule 44 (Compensation on Termination for Authority Default) calculated as at the date of such determination or order; and
 - 2.2 the Authority shall have the option to require the Contractor to transfer its right, title and interest in and to the Assets to the Authority or as directed by the Authority.
3. The Authority shall pay to the Contractor the sums referred to in paragraph 2.1 above on or before the date falling 60 days after the date of determination or order of the court referred to in paragraph 2 above.
4. Any payment of compensation and adjustment of rights in accordance with this Schedule 43 (Relevant Discharge Terms) shall be in full satisfaction of any claim of the Contractor in relation to the termination of this Contract and shall be the sole remedy of the Contractor against the Authority in the circumstances contemplated by paragraph 1 but without prejudice to any liability arising prior to the Termination Date that has not been taken into account in determining the amount of termination Compensation payable.
5. Any dispute arising in relation to any aspect of this Schedule 43 (Relevant Discharge Terms) shall be resolved in accordance with clause 94 (Dispute Resolution Procedure).
6. This Contract shall continue in full force and effect pending final determination of any appeal or order made under the judicial review or audit review processes contemplated by paragraph 2.

CONTRACT B

Schedule 44 (Compensation on Termination)

The provisions of this Schedule 44 (Compensation on Termination) shall apply always subject to the provisions of paragraph 2.1.7 of Part B (Conversion) of Schedule 41 (Interest Rate Swap and Conversion Parameters) which can serve to reduce any payment by the Authority to below that which otherwise may be provided for in this Schedule 44 (Compensation on Termination).

1. COMPENSATION ON TERMINATION FOR CONTRACTOR DEFAULT

The following provisions of this paragraph 1 shall, subject to the provisions of paragraph 1.5 below, apply on termination of the Contract pursuant to Clause 80 (Termination for Contractor Default) and any compensation payable by the Authority to the Contractor shall be determined accordingly:

Retendering Election

1.1. **Subject to paragraph 1.2, the Authority shall be entitled either to:-**

1.1.1. **retender the provision of the Project in accordance with paragraph 1.3 (Retendering Procedure); or**

1.1.2. **require an expert determination in accordance with paragraph 1.4 (No Retendering Procedure).**

1.2. **The Authority shall be entitled to retender the provision of the Project in accordance with paragraph 1.3 (Retendering Procedure) if:**

1.2.1. **the Authority notifies the Contractor on or before the date falling 20 Business Days after the Termination Date; and**

1.2.2. **there is a Liquid Market and either:**

1.2.2.1. **the Senior Lenders have not exercised their rights to step in under Clause 4 of the Direct Agreement; or**

1.2.2.2. **the Contractor or the Senior Lenders have not procured the transfer of the Contractor's rights and liabilities under this Contract to a Suitable Substitute Contractor and have failed to use all reasonable efforts to do so;**

but otherwise the Authority shall not be entitled to re-tender the provision of the Services and paragraph 1.4 (No Retendering) shall apply.

Retendering Procedure

- 1.3. If the Authority elects to retender the provision of the Project under paragraph 1.1 (Retendering Election), then the following provisions shall apply:**
 - 1.3.1. The objective of the retendering procedure shall be to establish and pay to the Contractor the Highest Compliant Tender Price, as a result of the Tender Process.**
 - 1.3.2. The Authority shall (subject to any legal requirements preventing it from doing so) use its reasonable endeavours to complete the Tender Process as soon as practicable.**
 - 1.3.3. The Authority shall notify the Contractor of the Qualification Criteria and the other requirements and terms of the Tender Process, including the timing of the Tender Process, but shall act reasonably in setting such requirements and terms.**
 - 1.3.4. The Contractor authorises the release of any information by the Authority under the Tender Process which would otherwise be prevented under Clause 123 (Freedom of Information and Confidentiality) that is reasonably required as part of the Tender Process.**
 - 1.3.5. The Contractor may, at its own cost, appoint a person (the "Tender Process Monitor") to monitor the Tender Process for the purpose of monitoring and reporting to the Contractor and the Senior Lenders on the Authority's compliance with the Tender Process and making representations to the Authority. The Tender Process Monitor will not disclose any confidential information to the Contractor or any other person (and shall provide an undertaking to the Authority to such effect as a condition of its appointment) but shall be entitled to advise the Contractor as to whether it considers that the Authority has acted in accordance with the Tender Process, and correctly determined the Adjusted Highest Compliant Tender Price.**
 - 1.3.6. The Tender Process Monitor shall enter into a confidentiality agreement with the Authority in a form acceptable to the Authority and shall be entitled to attend all meetings relating to the**

Tender Process, inspect copies of the tender documentation and bids and shall be required to make written representations to the Authority regarding compliance with the Tender Process. All representations shall be made by the Tender Process Monitor in a timely manner as the Tender Process proceeds. The Authority shall not be bound to consider or act upon such representations but acknowledges that such representations may be referred to by the Contractor in the event that the Contractor refers a dispute relating to the Adjusted Highest Compliant Tender Price to dispute resolution in accordance with Clause 116 (Dispute Resolution).

1.3.7. For all or any part of a month, falling within the period from the Termination Date to the Compensation Date, the Authority shall pay to the Contractor:

1.3.7.1. the Post Termination Service Amount for that month, on or before the date falling 10 Business Days after the end of that month; and

1.3.7.2. the Post Termination Service Amount for the period ending on the Compensation Date, on or before the date falling 20 Business Days after the Compensation Date.

1.3.8. If any Post Termination Service Amount is less than zero, then it shall be carried forward and shall be set off against any future positive Post Termination Service Amounts. If any such Post Termination Service Amount has not been set off on or before the Compensation Date then it shall be taken into account in the calculation of the Adjusted Highest Compliant Tender Price.

1.3.9. The Authority shall require bidders to bid on the basis that they will receive the benefit of any outstanding claims under material damage insurance policies and amounts (if any) standing to the credit of the Joint Insurance Account on the date that the New Contract is entered into and on the basis that the Contractor's right to Handle Non Contract Waste at the ERF pursuant to Clause 43.3 (Obligations in Respect of Contract Waste), Clause 48 (Capacity and Non Contract Waste) and the Payment Mechanism shall (when taken together with

the Contract Waste Handled at the ERF in that Contract Year) be capped in any Contract Year at 180,000 tonnes ('Non Contract Waste Compensation Cap').

- 1.3.10. As soon as practicable after tenders have been received, the Authority shall (acting reasonably) determine the Compliant Tenders and shall notify the Contractor of the Adjusted Highest Compliant Tender Price.**
- 1.3.11. If no Compliant Tenders are received by the Authority, the Contractor shall be entitled to require an expert determination in accordance with paragraph 1.4 (No Retendering Procedure).
- 1.3.12. If the Contractor refers a dispute relating to the Adjusted Highest Compliant Tender Price to dispute resolution in accordance with Clause 116 (Dispute Resolution) the Authority shall be entitled to enter into a New Contract. The Authority shall pay to the Contractor the Adjusted Highest Compliant Tender Price on or before the date falling 20 Business Days after it has been determined under Clause 116 (Dispute Resolution) and the Authority shall pay interest to the Contractor at the Senior Debt Rate on any amount of Adjusted Highest Compliant Tender Price which had been withheld from the date specified in paragraph 1.3.13 below until the date specified in this paragraph 1.3.12. For the avoidance of doubt, where there is an agreed amount and a disputed amount in respect of the Adjusted Highest Compliant Tender Price the Authority shall (where it is agreed that the Adjusted Highest Compliant Tender Price is a positive number) pay to the Contractor the agreed amount no later than the date specified in paragraph 1.3.13 below with the disputed amount being dealt with in accordance with this paragraph 1.3.12.**
- 1.3.13. Subject to paragraphs 1.3.12 and 1.3.16 the Authority shall pay to the Contractor an amount equal to the Adjusted Highest Compliant Tender Price no later than the date falling 20 Business Days after the date of the New Contract.**
- 1.3.14. The discharge by the Authority of its payment obligation in paragraphs 1.3.12 and/or 1.3.13 above shall be in full and final settlement of all the Contractor's claims and rights against the Authority for breaches and/or termination of the Contract and the Project Documents whether**

under contract, tort, restitution or otherwise, save for any liability of the Authority which arose prior to the Termination Date that has not already been taken into account in the Adjusted Highest Compliant Tender Price.

- 1.3.15. Subject to paragraphs 1.3.16 and 1.3.19 below, if the Authority has not paid an amount equal to the Adjusted Highest Compliant Tender Price to the Contractor on or before the date falling two years after the Termination Date then the following provisions of this paragraph shall not apply to that termination and the provisions of paragraph 1.4 (No Retendering Procedure) shall apply instead.
- 1.3.16. If the Adjusted Highest Compliant Tender Price is zero or a negative number then the Authority shall have no obligation to make any payment to the Contractor and with effect from the time that the Authority gives notice of that event to the Contractor, the Authority shall be released from all liability to the Contractor for breaches and/or termination of this Contract and any other Project Document whether under contract, tort, restitution or otherwise save for any antecedent liability of the Authority which arose prior to the Termination Date (but not from the termination itself) that has not already been taken into account in determining the Adjusted Highest Compliant Tender Price.
- 1.3.17. If the Adjusted Highest Compliant Tender Price is less than zero then an amount equal to the Adjusted Highest Compliant Tender Price shall be due and payable by the Contractor to the Authority on the date of the New Contract.
- 1.3.18. The Authority may elect at any time prior to the receipt of a Compliant Tender to follow the no retendering procedure under paragraph 1.4 (No Retendering Procedure) by notifying the Contractor that this election has been made.
- 1.3.19. If the Authority has received all bids from bidders under the Tender Process and has received a Compliant Tender but decides not to complete the Tender Process, it shall notify the Contractor of this decision and pay to the Contractor an amount equal to the Adjusted Highest Compliant Tender Price within 20 Business Days of such notification.

No Retendering Procedure

- 1.4. **If either the Authority is not entitled to retender the provision of the Project under paragraph 1.3 (Retendering Election Procedure), or the Authority elects to require an expert determination in accordance with this paragraph 1.4 (No Retendering Procedure), or no Compliant Tenders are received by the Authority, then the following procedure shall apply:**
- 1.4.1. **Subject to paragraph 1.4.2 below, the Contractor shall not be entitled to receive any Post Termination Service Amount.**
- 1.4.2. **If the Authority elects to require an expert determination in accordance with this paragraph 1.4 (No Retendering Procedure) after it has elected to follow the procedure under paragraph 1.3 (Retendering Procedure) then the Authority shall continue to pay to the Contractor each Post Termination Service Amount until the Compensation Date, in accordance with paragraph 1.3 (Retendering Procedure).**
- 1.4.3. **In agreeing or determining the Estimated Fair Value of the Contract, the parties shall be obliged to follow the principles set out below:**
- 1.4.3.1. **all forecast amounts (including subject to the Non Contract Waste Compensation Cap Third Party Income) (whether earned by the Contractor or the Operating Sub-Contractor)) shall be calculated in nominal terms at current prices, recognising the adjustment for Indexation in respect of forecast inflation between the date of calculation and the forecast payment date(s) as set out in this Contract;**
- 1.4.3.2. **the total of all future payments of the full Unitary Charge (without deductions) and subject to the Non Contract Waste Compensation Cap Third Party Income forecast to be made shall be calculated and discounted to the Termination Date at the Termination Date Discount Rate;**
- 1.4.3.3. **the total of all costs forecast to**

be incurred by the Authority as a result of termination shall be calculated and discounted at the Termination Date Discount Rate and deducted from the payment calculated pursuant to paragraph 1.4.3.2 above, such costs to include (without double counting):

- 1.4.3.3.1. a reasonable risk assessment of any cost overruns that will arise, whether or not forecast in the relevant base case;**
- 1.4.3.3.2. the costs of the service forecast to be incurred by the Authority in providing the Project to the standard required;**
- 1.4.3.3.3. all costs (and depreciation and other charges) in generating any Third Party Income forecast to be incurred (whether incurred by the Contractor or the Operating Contractor) such as to reduce the level of Third Party Income to the net element from that Third Party Income which the Contractor or Operating Contractor would actually have received had the Contract not been terminated; and**
- 1.4.3.3.4. any Rectification Costs required to deliver the Project to the standard required (including any costs forecast to be incurred by the Authority to complete construction or development work and additional operating costs required to restore**

**operating services
standards),**

in each case such costs to be forecast at a level that will deliver the full Unitary Charge referred to in paragraph 1.4.3.2 above.

- 1.4.4. If the parties cannot agree on the Adjusted Estimated Fair Value of the Contract on or before the date falling 20 Business Days after the date on which the Authority elected to require an expert determination in accordance with this paragraph 1.4 (No Retendering Procedure) then the Estimated Fair Value of this Contract shall be determined in accordance with Clause 116 (Dispute Resolution).**
- 1.4.5. The Authority shall pay to the Contractor an amount equal to the Adjusted Estimated Fair Value of the Contract on the date falling 60 days after the date on which the Adjusted Estimated Fair Value of the Contract has been agreed or determined in accordance with this paragraph 1.4 (No Retendering Procedure).**
- 1.4.6. The discharge by the Authority of its obligation in paragraph 1.4.5 is in full and final settlement of all the Contractor's claims and rights against the Authority for breaches and/or termination of this Contract or other Project Document whether in contract, tort, restitution or otherwise save for any liability that arose prior to the Termination Date (but not from the termination itself) that has not been taken into account in determining the Adjusted Estimated Fair Value of the Contract.**
- 1.4.7. To the extent that the Adjusted Estimated Fair Value of the Contract is less than zero, then an amount equal to the Adjusted Estimated Fair Value of the Contract shall be due and payable by the Contractor to the Authority on the Compensation Date.**
- 1.5. On termination of the Contract pursuant to limb (j) of the definition of Contractor Default (Failure to commence the Works before the expiry of 6 months from the Planned Works Commencement Date), no compensation shall be payable by the Authority to the Contractor.**

2. **COMPENSATION ON VOLUNTARY TERMINATION/AUTHORITY DEFAULT**

2.1. The provisions of this paragraph 2 (Compensation on Voluntary Termination/Authority Default) shall apply always subject to the provisions of paragraph 2.1.7 of Part B (Conversion) of Schedule 41 (Interest Rate Swap and Conversion Parameters) which can serve to reduce any payment by the Authority to below that which otherwise may be provided for in this paragraph 2 (Compensation on Voluntary Termination/Authority Default).

2.2. **On termination of the Contract pursuant to Clause 82 (Voluntary Termination) or pursuant to Clause 84 (Authority Default) or in the event that Schedule 43 (Relevant Discharge Terms) applies, the Authority shall pay to the Contractor the Authority Default Termination Sum in accordance with this paragraph 2 (Compensation on Voluntary Termination/Authority Default).**

2.3. **Subject to paragraphs 2.3 to 2.5 below the Authority Default Termination Sum shall be an amount equal to the aggregate of:**

2.3.1. the Base Senior Debt Termination Amount;

2.3.2. redundancy payments for employees of the Contractor that have been or will be reasonably incurred by the Contractor as a direct result of termination of this Contract; and

2.3.3. the aggregate amount for which the share capital of the Contractor and the amounts outstanding under the Subordinated Financing Agreements could have been sold on an open market basis based on the Relevant Assumptions and on the basis that the Contractor's right to Handle Non Contract Waste at the ERF pursuant to Clause 43.3 (Obligations in Respect of Contract Waste), Clause 48 (Capacity and Non Contract Waste) and the Payment Mechanism shall (when taken together with the Contract Waste Handled at the ERF in that Contract Year) be capped in any Contract Year at 180,000 tonnes ('Non Contract Waste Compensation Cap');

plus

2.3.4. Sub-Contractor Breakage Costs (save in respect of the Operating Contract);

plus

2.3.5. Operating Contract Breakage Costs (Authority Default or Voluntary Termination).

- 2.4. If the aggregate amount referred to in paragraphs 2.2.1 and 2.2.3 is less than the Revised Senior Debt Termination Amount, then the Authority Default Termination Sum shall be increased so that it is equal to the aggregate of the Revised Senior Debt Termination Amount and the amounts referred to in paragraphs 2.2.2, 2.2.4 and 2.2.5 provided always that:
- 2.4.1. the amounts referred to in paragraphs 2.2.2 and 2.2.4 and 2.2.5 shall only be paid to the extent that the Contractor has demonstrated to the reasonable satisfaction of the Authority that the amounts will not be paid in payment (in whole or in part) of any Distribution; and
 - 2.4.2. if, at the time of termination, there are any Additional Permitted Borrowings outstanding, no Sub-Contractor Breakage Costs shall be paid in respect of any Sub-Contract in circumstances where there is an event of default under such Sub-Contract which would entitle the Contractor to terminate such Sub-Contract.
- 2.5. If a Distribution is made whilst any Additional Permitted Borrowing is outstanding and the Contractor has wilfully, or through gross negligence, failed to comply with its obligations under Clause 10.4.4(a) of the Direct Agreement then in addition to the deduction of the Distribution referred to in paragraph (v) of the definition of Revised Senior Debt Termination Amount, the Authority shall be entitled to set off the value of that Distribution a second time against the Authority Default Termination Sum, provided that the amount of the Authority Default Termination Sum will never be less than the Revised Senior Debt Termination Amount.
- 2.6. If the Contractor has wilfully or through gross negligence failed to comply with its obligations under Clause 10.4.4(b) of the Direct Agreement and there has been an overstatement of the cash balances by the Contractor as at that date which has caused the Authority to reasonably believe that it would be required to pay a lesser sum at the Termination Date that it actually is required to pay under the terms of this paragraph 2, then the Authority Default Termination Sum, shall be reduced by the amount of such overstatement (to the extent such overstatement is still applicable at the Termination Date), provided that the amount of the Authority Default Termination Sum will never be less than the Revised Senior Debt Termination Amount.

3. COMPENSATION ON TERMINATION FOR FORCE MAJEURE

- 3.1. The provisions of this paragraph 3 (Compensation on

Termination for Force Majeure) shall apply always subject to the provisions of paragraph 2.1.7 of Part B (Conversion) of Schedule 41 (Interest Rate Swap and Conversion Parameters) which can serve to reduce any payment by the Authority to below that which otherwise may be provided for in this paragraph 3 (Compensation on Termination for Force Majeure).

3.2. **On termination of the Contract pursuant to Clause 89 (Force Majeure), the Authority shall pay to the Contractor the Force Majeure Termination Sum in accordance with this paragraph 3 (Compensation on Termination for Force Majeure):**

3.3. **Subject to Clauses 3.3 to 3.6 below the Force Majeure Termination Sum shall be the amount equal to the aggregate of:**

3.3.1. **the Base Senior Debt Termination Amount;**

3.3.2. **the Junior Debt less an amount equal to the aggregate of payments of interest and principal made by the Contractor under the Subordinated Financing Agreements;**

3.3.3. **all amounts paid to the Contractor by way of subscription for shares in the capital of the Contractor less dividends and other distributions paid to the shareholders of the Contractor (save to the extent deducted under paragraph 3.2.2 above);**

3.3.4. **redundancy payments for employees of the Contractor that have been or will be reasonably incurred by the Contractor as a direct result of termination of the Contract;**

3.3.5. **Sub-Contractor Breakage Costs (save in respect of the Operating Contract); and**

3.3.6. **Operating Contract Breakage Costs (Force Majeure).**

3.4. **If the amounts referred to in paragraphs 3.2.2 and/or 3.2.3 are less than zero, then, for the purposes of the calculation in paragraph 3.2 they shall be deemed to be zero.**

3.5. **If the aggregate of the amounts referred to in paragraphs 3.2.1, 3.2.2 and 3.2.3 is less than the Revised Senior Debt Termination Amount, then the Force Majeure Termination Sum shall be increased so that it is equal to the aggregate of the Revised Senior Debt Termination Amount and the amount referred to in paragraphs 3.2.4, 3.2.5 and 3.2.6 provided always that:**

3.5.1. **the amount referred to in paragraphs 3.2.4, 3.2.5 and 3.2.6 shall only be paid to the extent that the Contractor has demonstrated to the reasonable satisfaction of the Authority that the amount will**

not be paid in payment (in whole or in part) of any Distribution; and

3.5.2. if, at the time of termination, there are any Additional Permitted Borrowings outstanding, no Sub-Contractor Breakage Costs shall be paid in respect of any Sub-Contract in circumstances where there is an event of default under such Sub-Contract which would entitle the Contractor to termination such Sub-Contract.

3.6. If a Distribution is made whilst any Additional Permitted Borrowing is outstanding and the Contractor has wilfully, or through gross negligence, failed to comply with its obligations under Clause 10.4.4(a) of the Direct Agreement then in addition to the deduction of the Distribution referred to in paragraph (v) of the definition of Revised Senior Debt Termination Amount, the Authority shall be entitled to set off the value of that Distribution a second time against the Force Majeure Termination Sum, provided that the amount of the Force Majeure Termination Sum will never be less than the Revised Senior Debt Termination Amount.

3.7. If the Contractor has wilfully or through gross negligence failed to comply with its obligations under Clause 10.4.4(b) of the Direct Agreement and there has been an overstatement of the cash balances by the Contractor as at that date which has caused the Authority to reasonably believe that it would be required to pay a lesser sum at the Termination Date than it actually is required to pay under the terms of this Clause 96, then the Force Majeure Termination Sum, shall be reduced by the amount of such overstatement (to the extent such overstatement is still applicable at the Termination Date), provided that the amount of the Force Majeure Termination Sum will never be less than the Revised Senior Debt Termination Amount.

4. **COMPENSATION ON TERMINATION FOR CORRUPT GIFTS AND FRAUD**

4.1. On termination of the Contract in accordance with Clause 91 (Termination on Corrupt Gifts and Fraud) then the Authority shall pay the Contractor an amount equal to the Revised Senior Debt Termination Amount.

5. **COMPENSATION ON TERMINATION FOR BREACH OF CONVERSION PROVISIONS OR REFINANCING PROVISIONS**

5.1. The provisions of this paragraph 5 (Compensation on Termination for Breach of the Refinancing Provisions) shall apply always subject to the provisions of paragraph 2.1.7 of Part B (Conversion) of Schedule 41 (Interest Rate Swap and Conversion Parameters) which can serve to reduce any payment by the Authority to below that which otherwise may be

provided for in this paragraph 5 (Compensation on Termination for Breach of the Refinancing Provisions).

- 5.2. **On termination of the Contract in accordance with paragraph 9 of Schedule 41 (Interest Rate Swap and Conversion Parameters) or Clause 86 (Termination for Breach of the Refinancing Provisions) then the Authority shall pay the Contractor an amount equal to the Revised Senior Debt Termination Amount.**

Schedule 45 (Commercially Sensitive Contractual Provisions) – to follow

Schedule 46 (Commercially Sensitive Material) – to follow

NOTTS WASTE PFI **FORMAL NOTICE – URGENT ATTENTION**

THIS NOTICE MUST BE PASSED IMMEDIATELY TO:

- 1. THE PROJECT MANAGER – WASTE PFI, WASTE DISPOSAL TEAM**
- 2. LEGAL SERVICES – COMMERCIAL TEAM**

PLEASE TELEPHONE IN ADVANCE OF SENDING AND DRAW THE RECEIPT OF THIS DOCUMENT TO THE ATTENTION OF A MANAGER

Telephone numbers (at June 2006):

Waste Disposal Project Manager: Redacted

Legal Services Commercial Team: Redacted

NB: This notice may need to be responded to very quickly following receipt or its contents may become binding on the Council

THIS IS A COMPENSATION EVENT NOTICE SERVED PURSUANT TO Clause 36 and 103 OF THE PROJECT AGREEMENT (PA)

NB: 2 copies of the Notice and any supporting documents **MUST** be supplied

Notice Number:

CE/

The Contractor hereby notifies the Authority of the occurrence of a **COMPENSATION EVENT** the effect of which *has caused or *is likely to cause (*delete those not applicable):

1. *delay
2. *breach of an obligation under the PA
3. *the Contractor to incur costs
4. *the Contractor to lose revenue
5. *the Contractor to lose Third Party Income

The Contractor hereby notifies the Authority of its claim for (*delete those not applicable):

1. *an extension of time for Service Commencement
2. *payment of compensation
3. *relief from its obligations under the PA

The Contractor acknowledges that within [15 Business Days] of receipt by the Authority of this Notice the Contractor shall be obliged to provide to the Authority full details of the Compensation Event and the extension of time and/or any Estimated Change in Project Costs and/or loss of revenue (including Third Party Income) claimed. When doing so the Contractor shall use the reference number in this Notice and shall use the 15 day Notice Proforma setting out all necessary information as required by the PA.

In the meantime the Contractor provides the following brief details in advance of the formal notice referred to above:

[set out any details available at the date of the first notice]

Signed by: (Contractor's Representative)

Dated:

FOR NCC INTERNAL USE:

Date received by the Authority:

NOTTS WASTE PFI **FORMAL NOTICE – URGENT ATTENTION**

THIS NOTICE MUST BE PASSED IMMEDIATELY TO:

- 1. THE PROJECT MANAGER – WASTE PFI, WASTE DISPOSAL TEAM**
- 2. LEGAL SERVICES – COMMERCIAL TEAM**

PLEASE TELEPHONE IN ADVANCE OF SENDING AND DRAW THE RECEIPT OF THIS DOCUMENT TO THE ATTENTION OF A MANAGER

Telephone numbers (at June 2006):

Waste Disposal Project Manager: Redacted

Legal Services Commercial Team: Redacted

NB: This notice may need to be responded to very quickly following receipt or its contents may become binding on the Council

THIS IS A RELIEF EVENT NOTICE SERVED PURSUANT TO Clause 104 OF THE PROJECT AGREEMENT (PA)

NB: 2 **copies** of the Notice and any supporting documents **MUST** be supplied

Notice Number:

RE/

The Contractor hereby notifies the Authority of the occurrence of a **RELIEF EVENT** the effect of which *has caused or *is likely to cause (*delete those not applicable):

1. *delay and/or
2. *adversely affect the ability of the Contractor to perform its other obligations under the PA

The Contractor hereby notifies the Authority of its claim for relief from its obligations under the PA, including full details of the nature of the Relief Event, the date of occurrence and its likely duration. [*set out details of the nature of the Relief Event, date of occurrence and likely duration*]

The Contractor acknowledges that within [14 Days] of receipt by the Authority of this Notice the Contractor shall be obliged to provide to the Authority full details of the Relief Event and the relief claimed. When doing so the Contractor shall use the reference number in this Notice and shall use the 14 day Notice Proforma setting out all necessary information as required by the PA.

In the meantime the Contractor provides the following brief details in advance of the formal notice referred to above:

[set out any details available at the date of the first notice]

Signed by: (Contractor's Representative)

Dated:

FOR NCC INTERNAL USE:

Date Received by the Authority:

NOTTS WASTE PFI **FORMAL NOTICE – URGENT ATTENTION**

THIS NOTICE MUST BE PASSED IMMEDIATELY TO:

- 1. THE PROJECT MANAGER – WASTE PFI, WASTE DISPOSAL TEAM**
- 2. LEGAL SERVICES – COMMERCIAL TEAM**

PLEASE TELEPHONE IN ADVANCE OF SENDING AND DRAW THE RECEIPT OF THIS DOCUMENT TO THE ATTENTION OF A MANAGER

Telephone numbers (at June 2006):

Waste Disposal Project Manager: Redacted

Legal Services Commercial Team: Redacted

NB: This notice **MUST** be responded to very quickly following receipt or its contents may become binding on the Council (see clause 104.3 of the PA)

THIS IS A 14 DAY EVENT NOTICE SERVED PURSUANT TO Clause 104 OF THE PROJECT AGREEMENT (PA)

NB: 2 **copies** of the Notice and any supporting documents **MUST** be supplied

Notice Number:

RE/

The Contractor hereby gives the Authority full details of the **RELIEF EVENT** notified to the Authority under Notice Number RE/ on [*insert date*].

1. Full details of the Relief Event claimed:

2. Full Details of the relief claimed:

The Contractor provides the following details/explanations (with reference to the terms and provisions of the PA where appropriate) to demonstrate that :

- I. The Contractor and its Sub-contractors could not have avoided such occurrence or its consequences by steps which they might reasonably be expected to have taken, without incurring material expenditure;

- II. The Relief Event was the direct cause of the (* delete which is not relevant):
 - *delay to the relevant Planned Services Commencement Date, or

- *following the Planned Services Commencement Date, delay in achieving Service Commencement by the Long Stop Date, or

III. The time lost and/or relief from the obligations under the PA claimed could not reasonably be expected to be mitigated or recovered by the Contractor acting in accordance with Good Industry Practice, without incurring material expenditure; and

IV. The Contractor is using reasonable endeavours to perform its obligations under the Contract

[insert full supporting details/information plus supporting documents etc]

NB: where delay is claimed the Contractor must also provide the Monthly As Built Progress Reports to demonstrate that the delay was caused by the Relief Event and not by any other event

Signed by: (Contractor's Representative)

Dated:

NOTTS WASTE PFI **FORMAL NOTICE – URGENT ATTENTION**

THIS NOTICE MUST BE PASSED IMMEDIATELY TO:

- 1. THE PROJECT MANAGER – WASTE PFI, WASTE DISPOSAL TEAM**
- 2. LEGAL SERVICES – COMMERCIAL TEAM**

PLEASE TELEPHONE IN ADVANCE OF SENDING AND DRAW THE RECEIPT OF THIS DOCUMENT TO THE ATTENTION OF A MANAGER

Telephone numbers (at June 2006):

Waste Disposal Project Manager: Redacted

Legal Services Commercial Team: Redacted

NB: This notice **MUST** be responded to promptly following receipt or its contents may become binding on the Council

THIS IS A QUALIFYING CHANGE IN LAW NOTICE SERVED PURSUANT TO CLAUSE 105 OF THE PROJECT AGREEMENT (PA)

NB: 2 copies of the Notice and all supporting documents **MUST** be supplied

Notice Number:

QC/

The Contractor*/Authority* is of the opinion that the change in law set out below is*/is not* likely to be a Qualifying Change In Law as defined in the PA (*delete as appropriate):

- *[detail the relevant change in law]*

The Contractor's*/Authority's opinion is that *[set out below the details of each of the following areas of the perceived Change in Law in each case setting out in full detail the procedure for implementing the change in compliance with Clause 105.1 of the PA]:*

1. Any necessary change in the Works, the Facilities, the Equipment, the Plant and/or the Services:

2. Whether any changes are required to the terms of the PA to deal with the Qualifying Change in Law:

3. Whether relief from compliance with obligations is required, including the obligation of the Contractor to achieve any Planned Service Commencement Date and/or meet the Specification and Service Standards during the implementation of any Qualifying Change in Law:

4. Any loss of revenue (including Third Party Income) that will result from the Qualifying Change in Law:

5. Any Estimated Change in Project Costs change in costs that directly result from the Qualifying Change in Law:

6. Any Capital Expenditure that is required or no longer required as a result of a Qualifying Change in Law taking effect during the Contract Period

As soon as practicable after receipt of this notice the Parties shall discuss and agree the issues referred to in Clause 105.1 of the PA and any ways in which the Contractor can mitigate the effect of the Qualifying Change in Law in compliance with the provisions of Clause 105.3 of the PA.

Signed by: (Contractor's Representative)/(Authority's Representative)

Dated:

The Contractor provides the following details/explanations (with reference to the terms and provisions of the PA where appropriate) to demonstrate that :

I. The Compensation Event was the direct cause of the (* delete which is not relevant):

- *Estimated Change in Project Costs
- *loss of revenue
- *delay in achievement of the Planned Services Commencement Date
- *breach of the Contractor's obligations under the PA
- *delay in achievement of Service Commencement before the Long Stop Date

[insert full supporting details/information plus supporting documents etc]

NB: where delay is claimed the Contractor must also provide the Monthly As Built Progress Reports to demonstrate that the delay was caused by the Compensation Event and not by any other event

II. The (* delete which is not relevant):

- *Estimated Change in Project Costs
- *loss of revenue
- *time lost
- *relief from the obligations under the PA

claimed, could not reasonably be expected to be mitigated or recovered by the Contractor acting in accordance with Good Industry Practice

[insert full supporting details/information plus supporting documents etc]

Signed by: (Contractor's Representative)

Dated:

NOTTS WASTE PFI **FORMAL NOTICE – URGENT ATTENTION**

THIS NOTICE MUST BE PASSED IMMEDIATELY TO:

- 1. THE PROJECT MANAGER – WASTE PFI, WASTE DISPOSAL TEAM**
- 2. LEGAL SERVICES – COMMERCIAL TEAM**

PLEASE TELEPHONE IN ADVANCE OF SENDING AND DRAW THE RECEIPT OF THIS DOCUMENT TO THE ATTENTION OF A MANAGER

Telephone numbers (at June 2006):

Waste Disposal Project Manager: Redacted

Legal Services Commercial Team: Redacted

NB: This notice **MUST** be responded to **within 10 working days** of receipt or its contents may become binding on the Council

THIS IS A REVIEW NOTICE SERVED PURSUANT TO SCHEDULE 16 OF THE PROJECT AGREEMENT (PA)
NB: **3 copies** of the Notice and all supporting documents **MUST** be supplied

Notice Number:

R/

The Contractor requires the Authority to review the following:

1. *[list item(s) for review]*
- 2.

The items for review are supported by the following documents:

1. *[list items in support]*

The item for review is/ is not* Reviewable Design Data (RDD)

If the item is RDD confirm date on which advance notice was given to the Authority in accordance with Schedule 16, Para 9:

Date:

Signed by: (Contractor's Representative)

Dated:

PTO FOR AUTHORITY RESPONSE SECTION

AUTHORITY RESPONSE:

Date Received by Authority Representative:

Authority Response* (delete which of A to D below do not apply):

A. COMMENTS (see below)

B. NO COMMENTS or *
LEVEL A NO COMMENT (RDD only)

C. LEVEL B (RDD only) – Proceed Subject to addressing comments as noted

D. LEVEL C – NOT ACCEPTED (RDD only) – Comments to be addressed through re-submission

Comments:

Is further information/clarification required before a response can be sent? Yes/No*

Confirm clarification required and request resubmission by Contractor:

State Grounds of Objection pursuant to Schedule 16 of the PA (see para 2 (Further Information) and 4 (Grounds of Objection):

Confirm evidence/information to substantiate such ground(s) (if relevant):

Signed by: (Authority's Representative):

Dated:

* delete as appropriate