

SOUTH STAFFORDSHIRE WATER PLC

and

[_____]

Wholesale Supply of Water Master Agreement
Draft []

DISCLAIMER

This Wholesale Supply of Water Master Agreement is in draft form only, is subject to negotiation between [] and South Staffordshire Water PLC and then subject to agreement and contract.

Until a contract for wholesale supply of water exists, then no aspect of this draft Agreement constitutes, in itself, a legal offer, but rather it is the basis for developing an Agreement.

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THIS AGREEMENT is dated the _____ day of _____ 2008

BETWEEN:-

- (1) SOUTH STAFFORDSHIRE WATER PLC Company Number 2662742 whose registered office is situated at Green Lane, Walsall, West Midlands, WS2 7PD ("SSW" which expression shall include any statutory successor as water undertaker); and
- (2) [_____] Company Number [_____] whose registered office is situated at [_____] ("the LWS").

WHEREAS:

- A. SSW is the statutory water Undertaker for the Area of Supply and provides a range of Water Services, including the collection, treatment and distribution of water to its customers.
- B. The LWS is a Licensed Water Supplier under the Act.
- C. The LWS wishes to be supplied, and SSW is willing to provide the LWS, with a wholesale water supply to the LWS's eligible customers within SSW's area of appointment upon the terms and conditions set out in this Agreement.
- D. This Agreement is made for the purposes of section 66A of the Act.

NOW IT IS HEREBY AGREED AS FOLLOWS

PART 1: STANDARD TERMS AND CONDITIONS

1. DEFINITIONS

In this Agreement the following terms shall have the following meanings:

Term	Definition
the Access Code	The network access code issued by SSW, from time to time, as guidance for licensees when applying for access to SSW's water supply network to supply on a retail or combined basis
the Act	The Water Industry Act 1991
Agreement	This Wholesale Supply of Water Master Agreement together with any and all

Term	Definition
	applicable Premises Specific Customer Schedules
Area of Supply	The area of supply for which SSW is the statutory water undertaker company, being an area of 1,490 sq.km predominately in South Staffordshire
the Authority	The Water Services Regulation Authority (WSRA), being a government office which serves as the economic regulator for the water industry in England and Wales, commonly known as "OFWAT"
Business Day	A day other than a Saturday or a Sunday or a public or bank holiday in England
Charges Scheme	SSW's published document entitled "Statement of Water Charges and Charges Scheme" under the provisions of the Act detailing the charges it shall make for providing its services
Combined Licence	Shall have the meaning as set out in Section 17A(6) of the Act
Commencement Date	[] 2008
Competent Authority	The Authority or any local, national or supra-national agency, authority, department, inspectorate, minister, official court, tribunal or public or statutory person of the United Kingdom or the European Union which has jurisdiction over SSW or the LWS or the subject of this Agreement

Term	Definition
Confidential Information	Shall have the meaning given in clause 20.2.1
Connection Charge	The charge payable to SSW to cover the direct cost of works and materials required to connect a premises to its main as set out in the Charges Scheme
CS Termination Date	Shall have the meaning given in clause 17.4.2
Customer Transfer Protocol	The customer transfer protocol published by the Authority as amended from time to time
Dispute	Disagreement between the Parties
EIR	The Environmental Information Regulations 2004
EIR Exemption	Any applicable exemption to the EIR
Eligible Premises	Premises that satisfy the eligibility requirements in section 17A(3) of the Act
Exempted Information	Any information or category of information, document, report, contract or other material containing information relevant to this Agreement that has been designated by the mutual agreement of the Parties as potentially falling within an EIR Exemption
Exit Point	The controlling stop valve being the point on the Supply System where the LWS is permitted to draw off an agreed supply to service its customer

Term	Definition
Feasibility Study	any preliminary investigation required to be carried out by or on behalf of SSW in relation to the LWS's application for a wholesale supply to an eligible LWS Customer, further details of which are given in Annex 1 hereto
Financial Guarantee	the form of financial security required by SSW which shall include parent company guarantees, bank bonds and prepayment
Force Majeure	Shall have the meaning given in clause 10.1
Good Industry Practice	The exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances
Group	Either Party and any of its subsidiaries holding companies or any subsidiary of any such holding company (as such terms are defined in the Companies Act 1985)
GSS	The Guaranteed Standards Scheme laid down by the GSS Regulations and implemented by SSW through its Customer Charter
GSS Regulations	The Water Supply and Sewerage Services (Customer Service Standards) Regulations 1989 (as amended from time to time)

Term	Definition
Independent Expert	<p>such expert agreed between the Parties from time to time, provided that:</p> <p>(a) where the Parties fail to agree on a suitable expert within 30 days of either Party serving on the other notice of its intention to apply to the President of the Chartered Institution of Water and Environmental Management as mentioned below; or</p> <p>(b) where any Independent Expert appointed from time to time shall fail, refuse or cease to act in this capacity set out herein and no substitute expert of suitable standing and qualification can be agreed by the parties within 30 days</p> <p>such expert as the President of the Chartered Institution of Water and Environmental Management shall, on the application of either party, nominate shall be the Independent Expert</p>
Instrument Appointment	<p>of An Instrument of Appointment granted under the Act to enable a party to provide Water Services to a defined geographical area</p>
Intellectual Property	<p>Copyright, confidential information, design rights, topographical rights, patents, trade marks (registered or unregistered), service marks, registered designs or any applications thereof, and all other intellectual or industrial property rights of a similar nature</p>

Term	Definition
Legal Requirement	Any order of a Competent Authority or Act of Parliament, Directive, regulations or licence, consent or similar permission issued by a Competent Authority including an Instrument of Appointment
Licensed Water Supplier	A company which is the holder for the time being of a Water Supply Licence under the terms of the Act
LWS Customer	A person being provided with Water Services by the LWS via a Wholesale Supply Agreement
LWS Equipment	The telemetry or flow management equipment installed by the LWS
LWS's Works	Where applicable, all of the works necessary to comply with the LWS's obligations under this Agreement, as described in any Premises Specific Customer Schedule
Metering	Measurement of flow
a Party	By reference to this Agreement shall mean SSW or the LWS, and "the Parties" shall mean SSW and the LWS accordingly
Permitted Error Limits	Shall have the meaning given in clause 34.6
Physical Interface	The connection from the Supply System to the LWS Customer's pipework at the Exit Point
Pipework	Pipes that are owned and maintained by the LWS or a third party other than SSW
Plant	Mechanical and electrical equipment forming part of SSW's assets

Term	Definition
	part of SSW's assets
Premises Specific Customer Schedule	Shall mean each Premises Specific Customer Schedule attached hereto which sets out the customer/site-specific terms and conditions relating to the particular LWS Customer referred to therein
Retail Licence	Shall have the meaning as set out in Section 17A (4) of the Act
Scheduled Invoice Issue Date	Shall have the meaning given in clause 7.4
Secretary of State	The Secretary of State for the Department for Environment, Food and Rural Affairs
SSW Complaints Procedure	The complaints procedure published from time to time by SSW
SSW Licence	The Instrument of Appointment held by SSW as a statutory water undertaker under the terms of the Act
SSW Modification	Shall have the meaning given in clause 25.6
SSW Water Meter	A device installed at or near an Exit Point by SSW to measure the quantity of water delivered to an LWS Customer's premises
Supply Charges	The charges levied by SSW for use of the Supply System as more particularly described in Appendix 2 and set out in the Premises Specific Customer Schedule
Supply System	Shall mean the supply system of SSW by reference to the meaning given to the supply system of a water Undertaker in Section 17 B

Term	Definition
	(5) of the Act
Supply System Configuration Changes	Where applicable all of the works on the Supply System necessary to accommodate a supply to an LWS Customer such works as are described in any Premises Specific Customer Schedule
Termination	Termination of this Agreement or a Premises Specific Customer Schedule for whatever reason (including by effluxion of time)
Termination Date	Shall have the meaning given in clause 17.4.1
Termination Notice	Shall have the meaning given in clause 17.2
Undertaker	A company appointed to provide water and/or sewerage services to a defined geographical area, acting under an Instrument of Appointment under the Act
Water Quality	Properties of water defined by reference to specific criteria specified by the Legal Requirements
Water Quality Regulations	The Water Supply (Water Quality) Regulations 2000 as amended from time to time
Water Services	The collection, treatment and distribution of water for domestic and non-domestic purposes as defined by the Act
Water Supply Licence	Shall have the meaning as set out in Section 17A of the Act and may be either a Retail Licence or a Combined Licence

1.1 References to any statute, or to any statutory provision, statutory instrument, order or regulation made thereunder, includes that statute, provision, instrument,

order or regulation as amended, modified, consolidated, re-enacted, or replaced from time to time, whether before or after the date of this Agreement and also includes any previous statute, statutory provision, instrument, order or regulation, amended, modified, consolidated, re-enacted or replaced by such statute, provision, instrument, order or regulation but excludes any such thing having retrospective effect.

- 1.2 All references to a statutory provision shall be construed as including references to all statutory instruments or orders, regulations or other subordinate legislation made pursuant to that statutory provision.
- 1.3 Unless the context otherwise requires, references to the singular include the plural, references to any gender include all other genders, and references to "persons" shall include bodies corporate, unincorporated associations and partnerships.
- 1.4 A reference in this Agreement to any party shall include a reference to that party's successors and assigns.
- 1.5 The Schedules and any Annexes to this Agreement shall form part of this Agreement.
- 1.6 Words importing persons shall include firms and corporations and vice versa.
- 1.7 Words importing the singular shall include the plural and vice versa.
- 1.8 Clause headings are for ease of reference only and shall not affect the interpretation of this Agreement or of the clause to which they relate.
- 1.9 References to "include" or "including" shall be construed without limitation to the generality of the words.
- 1.10 To the extent that there is a conflict between or ambiguity relating to any document referred to in or forming part of this Agreement the terms set out in this Agreement shall prevail.
- 1.11 Words and expressions defined in the Companies Act 1985 (as amended) shall have the same meanings when used in this Agreement unless the context otherwise requires.

2. COMMENCEMENT, TERM AND REVIEW PROCESS

- 2.1 This Agreement shall come into effect on the Commencement Date and shall continue until terminated in accordance with its terms.
- 2.2 Without prejudice and in addition to the provisions of clause 25.2, the Parties shall not later than six (6) months prior to the fifth anniversary of the Commencement Date and each fifth successive anniversary thereafter ("the Review Date"), meet to review this Agreement and seek to agree such amendments (if any) to this Agreement as either Party considers necessary.
- 2.3 Should agreement not be reached with regard to any amendments proposed by either Party in accordance with clause 2.2, by three (3) months before the Review Date, any Disputes shall be referred to the Independent Expert in accordance with clause 14 for determination.

2.4 Where, during the term of this Agreement, no Premises Specific Customer Schedule(s) are annexed to this Agreement at the first Review Date or (where relevant) any Review Date thereafter, then the Parties shall review the requirement for this Agreement and, where appropriate, agree in writing to terminate this Agreement.

3. **CONDITION PRECEDENT**

The entering into and continuance of this Agreement is conditional, upon the LWS holding a Water Supply Licence and in the event of any such licence ceasing to be held for any reason this Agreement shall terminate in accordance with clause 17.1 hereof.

4. **PREMISES SPECIFIC CUSTOMER SCHEDULES**

4.1 Where the LWS requires the supply of water to the premises of a potential LWS Customer, the LWS shall make an application to SSW in respect of the premises of such potential LWS Customer. Upon completion of the application process the Parties shall, subject always to clauses 4.3 and 4.4, negotiate the terms of a Premises Specific Customer Schedule.

4.2 Once both Parties agree the provisions of a Premises Specific Customer Schedule, it shall be signed by both Parties, whereupon the LWS shall initiate the transfer of the potential LWS Customer in accordance with the Customer Transfer Protocol. Upon the successful completion of the Customer Transfer Protocol process, the Premises Specific Customer Schedule shall be binding on both Parties and be subject to the terms of this Agreement and form part of this Agreement.

4.3 Where no communication has been received by SSW from the LWS with respect to a potential LWS Customer for a period of six (6) months from the initial application by the LWS, negotiations shall be deemed closed and the LWS shall recommence the application process should it wish to proceed with the supply of water to the potential LWS Customer.

4.4 Where, during the negotiation of an application in respect of a potential LWS Customer, the subject matter or facts on which that application is based are revised by the LWS, then SSW reserves the right to amend and/or withdraw and re-issue any terms offered by SSW prior to the making of such revision by the LWS.

4.5 Where, at the same time as negotiating the terms of a Premises Specific Customer Schedule with the LWS in respect of the premises of a potential LWS Customer in accordance with clause 4.1 above, SSW has also negotiated the terms of a Premises Specific Customer Schedule with one or more other Licensed Water Suppliers in respect of the supply of water to the same premises, then SSW shall not proceed to enter into an agreement with the LWS to amend this Agreement to incorporate a Premises Specific Customer Schedule into this Agreement in respect of such premises until such time as SSW is satisfied that the potential LWS Customer no longer wishes to receive a water supply in respect of such premises from any other Licensed Water Supplier with whom SSW has negotiated a Premises Specific Customer Schedule.

4.6 SSW reserves the right to conduct a Feasibility Study in respect of the supply of water to any premises of a potential or actual LWS Customer including, inter alia, where changes are proposed to the demand profile of such premises.

4.7 Each Premises Specific Customer Schedule shall continue in force until the Termination Date or CS Termination Date.

4.8 In the event of any inconsistencies or conflicts between the provisions of this Wholesale Supply of Water Master Agreement and a Premises Specific Customer Schedule, the provisions of the relevant Premises Specific Customer Schedule shall prevail.

5. **SSW OBLIGATIONS**

5.1 SSW shall supply Water Services to the premises of LWS Customer(s) via the Supply System in accordance with the provisions of this Agreement. SSW is also required by Local Health Authorities to supply fluoridated water to LWS Customers in certain areas of the Area of Supply and the supply of Water Services pursuant to this Agreement shall be made subject to this requirement.

5.2 In relation to exercising its discretions and performing obligations under this Agreement SSW shall at all times act with all due care and diligence in relation to the management and operation of the Supply System and act reasonably, diligently and in good faith in its dealings with the LWS and third party Licensed Water Suppliers and in any event in accordance with the requirements of each relevant Legal Requirement, save that the foregoing shall not apply to the extent that:-

5.2.1 there is any standard of performance already provided for by any Legal Requirement to which SSW is subject; or

5.2.2 SSW would thereby be required to act in a manner which would conflict with any Legal Requirement.

5.3 For the avoidance of doubt the operation of clause 5.2 shall not prevent SSW from performing any obligation under this Agreement.

5.4 For the avoidance of doubt the provision of a wholesale supply by SSW under the provisions of Section 66A of the Act is not exclusive to the LWS and the provisions of this Agreement shall not prevent or constrain SSW from providing access to or use of the Supply System to a third party Licensed Water Supplier.

5.5 Where an LWS Customer changes its demand profile (as described in the appropriate Premises Specific Customer Schedule), Supply System Configuration Changes may be necessary as a result to ensure that supplies are maintained as appropriate.

5.6 SSW shall comply with the guidelines set out in the GSS in relation to LWS Customers and where any compensation payment shall fall due and payable in accordance with the GSS in respect of SSW's failure to comply with any applicable guideline in respect of an LWS Customer, SSW shall make such payment to the LWS.

5.7 SSW shall indemnify the LWS and hold it harmless against any liability of the LWS to any third party (excluding all LWS Customers) in respect of any loss, damage, claim, complaint, action or proceeding, and all costs and expenses incurred in connection with, any breach by SSW of this Agreement, any Legal Requirement, its statutory duties or the SSW Licence.

6. THE LWS OBLIGATIONS

- 6.1 The LWS warrants and undertakes to SSW to perform its obligations hereunder with all due care and diligence and in any event in accordance with the requirements of each relevant Competent Authority, Legal Requirements and to those standards which constitute Good Industry Practice in respect of the water industry.
- 6.2 The LWS shall be responsible for ensuring that all operations or activities carried out by the LWS or others engaged by it in pursuance of this Agreement, comply at all times with all relevant Legal Requirements and with all relevant regulations codes of practice guidance or directions whether or not notified by SSW to the LWS or issued by any other relevant Competent Authority.
- 6.3 The LWS shall at all times comply with the Access Code, as revised from time to time.
- 6.4 The LWS shall use its reasonable endeavours to ensure that at all times it is kept fully and accurately informed of all Legal Requirements and codes of practice guidance or directions relevant to the water industry which are relevant to the performance of its obligations under this Agreement and the Access Code and shall comply fully with the same insofar as the same apply to the LWS.
- 6.5 The LWS shall cooperate fully with SSW in relation to the enforcement of the Water Supply (Water Fittings) Regulations 1999, SI 1999/1148.
- 6.6 The LWS shall indemnify SSW and hold it harmless against any liability in respect of any loss, damage, claim, complaint, action or proceeding, and all costs and expenses incurred in connection with, any breach by the LWS of this Agreement, any Legal Requirement, its statutory duties, its Water Supply Licence or its service obligations to LWS Customers.

7. PAYMENTS

- 7.1 The LWS shall provide such Financial Guarantee as SSW may require from time to time in accordance with the provisions of Clause 26.
- 7.2 In consideration of the provision of Water Services in accordance with clause 5.1 above, the LWS, (subject to the provisions of clause 7.5), subject to receipt of invoices from SSW and compliance by SSW with the terms of this Agreement, shall pay to SSW the Supply Charges which shall be subject to adjustment in accordance with any interim or periodic review and the provisions of clause 7.3.
- 7.3 The Supply Charges specified in Appendix 2 shall be further adjusted throughout the period of this Agreement to take into account any additional expense to which SSW has been put by compliance with any Legal Requirement coming into effect after the date of this Agreement provided that such adjustment shall not take place if the expense is otherwise included in any adjustment by means of an interim or periodic review or is not permitted by any Legal Requirement. SSW shall give at least 2 months' notice to the LWS of any adjustment to the Supply Charges in accordance with this clause 7.3.
- 7.4 Invoices for the Supply Charges shall be raised for periods of one calendar month in arrears and shall (subject to clause 35.3) be submitted by SSW to the LWS on the first Business Day of the following month ("the Scheduled Invoice Issue Date"). The due date for payment shall be 30 calendar days after the Scheduled Invoice Issue

Date, or, if no invoice has been issued within 6 Business Days of the Scheduled Invoice Date, 30 calendar days after the actual invoice issue date.

7.5 All Supply Charges shall be payable without any deduction or right of legal or equitable set-off and shall be binding upon the Parties until such time as the Parties agree any revision thereto or any Dispute in relation to such supply charges is settled in accordance with Clause 13.

7.6 All amounts expressed as payable by the LWS pursuant to this Agreement and whether the amount thereof is set out in this Agreement or determined elsewhere are exclusive of any applicable Value Added Tax ("VAT") and accordingly VAT shall be payable in addition to the Supply Charges at the rate from time to time in force against delivery of a valid VAT invoice.

7.7 If any Supply Charges are not paid on the due date for payment then the LWS shall pay interest on the amount outstanding at the rate of 2% per annum over the published base lending rate from time to time of HSBC Bank plc or such London clearing bank as SSW may nominate for this purpose such interest to be calculated from the date on which such sum became due until payment thereof and to run from day to day to accrue after as well as before payment to the date of actual payment.

7.8 For the avoidance of doubt all payments due from the LWS are so due regardless of whether the LWS has received payment from the LWS Customer or not.

8. ENTITLEMENTS UNDER THE ACT

8.1 Nothing in this Agreement shall prevent SSW from exercising any entitlement, or discharging any duty under the Act, or pursuant to the SSW Licence which may involve the disconnection of, or the refusal to convey water to, or allow water to be conveyed to, any premises or the placing of restrictions on the use of water at any premises.

8.2 Where under the Act, or pursuant to the SSW Licence, SSW:-

8.2.1 is not required to connect, or maintain a connection to, any premises; or

8.2.2 has exercised or is entitled to exercise any right to disconnect, or is required to disconnect, any premises; or

8.2.3 (having disconnected them) is not required to reconnect any premises or is entitled to refuse to convey water or to allow water to be conveyed to any premises; or

8.2.4 SSW has placed restrictions on the use of water at any premises,

SSW shall not be in breach of its obligations under this Agreement.

8.3 SSW shall inform the LWS (save in the case of emergency) as soon as reasonably practicable prior to the exercise of an entitlement as described under clause 8.2 above to disconnect or refuse to convey water or allow water to be conveyed which is likely to have a material effect on the quality, pressure and flow of water supplied to a LWS Customer and shall notify the LWS as soon as reasonably practicable once such entitlement has been exercised.

9. OWNERSHIP OF THE SUPPLY SYSTEM

- 9.1 Nothing within this Agreement alters SSW's ownership of the Supply System or its responsibility to manage and operate the Supply System and this Agreement does not confer any responsibilities for ownership, maintenance or other use of the Supply System to the LWS or to the LWS Customer.
- 9.2 For the avoidance of doubt any financial contribution direct or indirect by the LWS to the improvement reinforcement and/or replacement of the Supply System does not give any right of ownership in respect thereof to the LWS and the Supply System shall be and remain the sole property of SSW at all times and the LWS shall not have any rights of use of the Supply System other than such rights as are specifically granted by this Agreement for the period this Agreement remains in force.
- 9.3 The LWS shall not install any LWS Equipment at Exit Points without the written permission of SSW (such permission not to be unreasonably withheld) and the LWS shall bear the costs of installing and operating any such LWS Equipment. For the avoidance of doubt, any LWS Equipment installed at Exit Points shall not be a part of the Supply System.
- 9.4 Nothing in this Agreement shall prevent or restrict SSW from altering amending expanding developing or re-developing its Supply System.

10. FORCE MAJEURE

- 10.1 For the purposes of this Agreement, subject to clause 10.2, "Force Majeure" means any event or circumstance beyond the reasonable control of either Party and which causes or results in the failure of the affected Party to perform or delay in performing any of its obligations owed to any other Party under this Agreement including (inter alia):-
- 10.1.1 war declared or undeclared, threat of war, act of public enemy, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism;
- 10.1.2 strike, lockout or other industrial disturbance; and/or
- 10.1.3 governmental restraint or the coming into force of any Legal Requirement.
- 10.2 Inability (however caused) to pay or a Legal Requirement which makes the carrying out of a Party's obligations more expensive shall not be Force Majeure.
- 10.3 The act or omission of any agent or contractor of a Party shall not be Force Majeure unless such act or omission is caused by or results from events and/or circumstances which would be Force Majeure within the meaning of clause 10.1 if such person were the affected party.
- 10.4 Subject to clause 10.5, the affected Party shall be relieved from liability (including any requirement under this Agreement to make payment of any sum or to take any other action) for any delay or failure in the performance of any obligation under this Agreement which is caused by or results from Force Majeure.
- 10.5 The affected Party shall be relieved from liability pursuant to clause 10.4 only for so long as and to the extent that the occurrence of Force Majeure and/or the effects of such occurrence could not be overcome by measures which the affected

- Party might reasonably be expected to take with a view to resuming performance of its obligations.
- 10.6 Following any occurrence of Force Majeure the affected Party shall:-
- 10.6.1 as soon as reasonably practicable notify the other Party of the occurrence and nature of the Force Majeure, the expected duration thereof (insofar as the same can reasonably be assessed) and the obligations of the affected Party's whose performance is affected thereby; and
- 10.6.2 from time to time thereafter provide to the other Party reasonable details of:-
- 10.6.2.1 developments in the matters notified under clause 10.6.1, and
- 10.6.2.2 the steps being taken by the affected Party to overcome the Force Majeure occurrence or its effects and to resume performance of its relevant obligations.
- 10.7 For the avoidance of doubt a serious deficiency of supplies caused by an exceptional shortage of rain shall not constitute Force Majeure, however the provisions of The Water Resources Act 1991 shall apply to the same.
- 10.8 SSW shall, however, have the right to suspend access to and use of the Supply System if necessary in order to avoid supplying unwholesome or contaminated water and, in so doing, SSW shall not discriminate between customers of SSW and LWS Customers.
- 10.9 This clause shall not apply to the satisfaction of the condition precedent set out in clause 3 above.

11. **LIABILITY**

- 11.1 Subject to clause 11.3 below neither Party nor any of its officers, employees or agents shall be liable to the other Party for loss arising from any breach of this Agreement other than for loss directly resulting from such breach and which at the date hereof was reasonably foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of;
- 11.1.1 physical damage to the property of the other Party, its officers, employees or agents; and/or
- 11.1.2 the liability of such other Party to any other person for loss in respect of physical damage to the property of any person;

provided that the liability of either Party in respect of all claims for such loss shall in no circumstances exceed £1 million per incident or series of related incidents and provided further that either Party shall be entitled to deduct from any sums payable in respect of its liability for loss or damage in respect of any event under this Agreement any sums which it is liable to pay to a person who has a connection to the Supply System or any other person in respect of the same loss or damage in respect of the same incident or series of related incidents.

11.2 Where:-

- 11.2.1 this Agreement provides for SSW to do anything at the premises of, or affecting, any LWS Customer or the off-take of water from the Supply System at any Exit Point;

- 11.2.2 in doing that thing SSW complies with the requirements of:
- 11.2.2.1 this Agreement; and
- 11.2.2.2 any other agreement between SSW and either of the LWS and an LWS Customer, in relation to this Agreement;
- and does not act unlawfully, and is not negligent; and
- 11.2.3 by reason of SSW doing that thing the LWS Customer suffers loss or damage or claims to have done so or otherwise makes any claim or complaint or brings any action or proceeding against SSW (other than pursuant to a contract between SSW and such LWS Customer);
- the LWS shall indemnify SSW and hold it harmless against any liability to such LWS Customer in respect of any such loss, damage, claim, complaint, action or proceeding, and all costs and expenses incurred in connection therewith.
- 11.3 Nothing in this Agreement shall exclude or limit the liability of the Party liable for:-
- 11.3.1 death or personal injury resulting from the negligence of the Party liable or any of its officers, employees or agents and the Party liable shall indemnify and keep indemnified the other Party, its officers, employees or agents, from and against all such liability and any loss or liability which such other Party may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the Party liable or any of its officers, employees or agents; or
- 11.3.2 any fraudulent misrepresentation.
- 11.4 Provided always that:-
- 11.4.1 neither Party shall admit liability in respect of any such matter or thing for which the other Party is or may be liable without first notifying the other Party of such claim and giving that other Party such opportunity as is reasonable in the circumstances to limit, negate or mitigate such loss or claim; and
- 11.4.2 if by virtue of its statutory obligations or if it shall desire to do so SSW may have the conduct of any such claim in which event if liability is accepted or agreed by SSW to an extent or in an amount that the LWS would not have accepted or agreed then SSW shall pay the difference;
- the Party having the conduct of a claim shall consult with and keep the other informed of the progress of such claim to the intent that the Party having the conduct of a claim shall have regard to clause 11.5 below, in particular where SSW is contemplating the acceptance or agreement to liability in the manner described in clause 11.4.2 above the LWS shall state its position in writing when requested to do so by SSW within a reasonable period having regard to the nature and status of the claim in question.
- 11.5 No Party shall in any circumstances be liable in respect of any breach of this Agreement to any other Party for:-
- 11.5.1 any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill, or increased cost of working save as provided in clauses 5.6, 6.5, 11.2 or 18.3 ; or

- 11.5.2 any indirect or consequential loss save as provided in clauses 5.6, 6.5, 11.2 or 18.3; or
- 11.5.3 except as provided in clauses 11.2 and 11.3, loss resulting from the liability of any Party to any other person howsoever and whensoever arising.
- 11.6 Save as otherwise expressly provided in this Agreement, this clause 11 insofar as it excludes or limits liability shall override any other provision in this Agreement provided that nothing in this clause 11 shall exclude or restrict or otherwise prejudice or affect any of:-
- 11.6.1 the rights, powers, duties and obligations of either Party which are conferred or created by the Act or by any Instrument of Appointment or Water Supply Licence granted pursuant to the Act or any subordinate legislation made under the Act; or
- 11.6.2 the rights, powers, duties and obligations of any Competent Authority in respect of any such Instrument of Appointment or Water Supply Licence or otherwise howsoever.
- 11.7 For the avoidance of doubt, nothing in this clause 11 shall prevent any Party from or restrict it in enforcing any obligation (including suing for a debt) owed to it under or pursuant to this Agreement.
- 11.8 Nothing in this clause 11 shall constitute a waiver by either Party of any right or remedy it may have (other than pursuant to this Agreement) in respect of a breach by the other Party of any Legal Requirement.
- 11.9 Each Party acknowledges and agrees that the provisions of this clause 11 have been the subject of discussion and negotiation and are fair and reasonable having regard to the circumstances as at the date of this Agreement.
- 11.10 Where this Agreement prescribes a Dispute resolution procedure or action the operation of that procedure or action shall be without prejudice to the operation of this Agreement generally.
- 11.11 For the avoidance of doubt the provisions of Schedule 9 to The Water Resources Act 1991 shall apply to the question of liability where there exists a serious deficiency of supplies caused by an exceptional shortage of rain.
- 11.12 Nothing in this Agreement shall be construed as imposing upon SSW any obligation or duty to or enforceable by an LWS Customer or a supplier and the LWS shall not make any commitment to any LWS Customer or supplier binding on or purporting to bind SSW.
- 11.13 Nothing in this Agreement shall prevent SSW from exercising any right or remedy which it may have against an LWS Customer or supplier at law or pursuant to the Act or otherwise.
- 11.14 Each of the sub-clauses of this clause 11 shall be constructed as a separate and severable contract term and if one or more of such sub-clauses is held to be invalid, unlawful or otherwise unenforceable the other or others of such sub-clauses shall remain in full force and effect and shall continue to bind the parties and survive termination of this Agreement.

11.15 Each Party hereby acknowledges and agrees that the other Party holds the benefit of clauses 11.1 and 11.5 above for itself and as trustee and agent for its officers, employees and agents.

12. **INSURANCE**

12.1 The LWS warrants to SSW that it has and shall maintain, with a reputable insurer, employer's liability, product liability and public liability insurance, providing cover of at least £5 million per event or series of connected events.

12.2 The LWS shall as soon as reasonably practicable following SSW's demand, provide proof that the insurance policies referred to in clause 12.1 are current and valid.

13. **DISPUTE RESOLUTION**

13.1 If any Dispute concerning this Agreement shall arise between the Parties such Dispute shall be resolved only in accordance with this clause 13.

13.2 The Parties shall, within 30 Business Days of a written request by one Party to the other meet and negotiate in good faith and shall use their reasonable respective endeavours to resolve such Dispute.

13.3 Any Dispute that cannot be resolved by the Parties within 30 Business Days of the written request referred to in sub clause 13.2 shall within a further 10 Business Days be referred by either Party to a LWS Senior Manager and a SSW Senior Manager who shall meet and negotiate in good faith and shall use their reasonable respective endeavours to resolve amicably the Dispute. The Parties hereby agree to provide the LWS Senior Manager and SSW Senior Manager with all such information as they reasonably require to enable them to determine the Dispute or difference.

13.4 In the event of a Dispute which cannot be resolved by negotiation in accordance with clauses 13.2 and 13.3 or where clause 2.3 applies:

13.4.1 if the Dispute is within the jurisdiction of the Authority, either Party shall be entitled to refer the same thereto for determination;

13.4.2 if the Dispute is within the jurisdiction of the Secretary of State, either party shall be entitled to refer the same thereto for determination;

13.4.3 if the Dispute relates to Water Quality and:

13.4.3.1 is within the jurisdiction of the Chief Inspector of the Drinking Water Inspectorate;
or

13.4.3.2 the Parties are otherwise prepared to refer it to the Chief Inspector for adjudication and the Chief Inspector is prepared to so adjudicate,

either party in relation to clause 13.4.3.1 shall be entitled to and both parties in relation to clause 13.4.3.2 shall, refer the same thereto for determination or adjudication as the case may be;

13.4.4 any Dispute not falling to be determined under sub-clauses 13.4.1, 13.4.2 or 13.4.3 hereof may be brought by either Party to the courts of England for settlement, unless the relevant provision of this Agreement specifically provides for referral to the Independent Expert for determination.

14. INDEPENDENT EXPERT

- 14.1 Where any provision of this Agreement provides for a Dispute between the Parties to be referred to the Independent Expert, the Parties agree that he shall act as an expert and not as an arbitrator and shall decide those matters referred to him by reference to Good Industry Practice using his skill, experience and knowledge and with regard to all such other matters as he in his sole discretion considers appropriate. All references to the Independent Expert shall be made in writing by either Party with notice to the other being given contemporaneously. The Parties shall promptly supply the Independent Expert with such documents and information as he may reasonably request when considering any referral. The Independent Expert shall be requested to use his best endeavours to give his decision upon the question before him as soon as possible following its referral to him. The Parties shall share equally his fees and expenses. The Parties shall treat the Independent Expert's decision as final and binding.

15. INTELLECTUAL PROPERTY RIGHTS

- 15.1 All Intellectual Property (and any appropriate Know How) in the Supply System and any Plant or equipment associated with it or developed from or arising out of the Supply System shall belong to and vest in SSW.
- 15.2 Any disclosure or provision of Intellectual Property Rights by either Party to the other shall be for the purposes of implementation of this Agreement and no other purpose.
- 15.3 Subject to clause 15.4.1, the data, including Metering data, which is processed by or recorded or maintained by SSW (including all Intellectual Property rights in such data) shall belong to SSW; and subject to clause 15.4.2 SSW may, but without prejudice to clause 20.2 or any other requirement of this Agreement, use and deal with such data as it thinks fit.
- 15.4 Where pursuant to this Agreement the LWS provides or arranges for the provision of data to SSW:-
- 15.4.1 such data (as provided to SSW by the LWS) shall belong to the LWS;
- 15.4.2 the LWS hereby grants to SSW a perpetual, non-exclusive, royalty-free licence (which shall survive the Termination Date) in respect of such data and all intellectual rights therein to use, copy, adapt and deal with such data for the purposes of performance and implementation of this Agreement, compliance with its obligations under the SSW Licence (including, inter alia, leakage calculation and hydraulic modelling purposes) and for other purposes contemplated by this Agreement, but not otherwise; and
- 15.5 Where pursuant to this Agreement SSW provides or arranges for the provision of data to LWS:
- 15.5.1.1 such data (as provided to LWS by SSW) shall be the property of SSW; and
- 15.5.1.2 SSW hereby grants to LWS a perpetual, non-exclusive, royalty-free licence (which shall survive any termination of this Agreement) in respect of such data and all intellectual property rights therein to use, copy, adapt and deal with such data for the limited purposes of performance and implementation of this Agreement, compliance with its Water Supply Licence and for other purposes contemplated by this Agreement, but not otherwise.

15.5.2 clause 15.3 shall apply in respect of data derived (pursuant to any process) by SSW from such data and in all compilations created by or on behalf of SSW of such data.

16. EFFECT OF THIS AGREEMENT

16.1 The LWS and SSW agree that the provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement.

16.2 This Agreement is without prejudice to any Legal Requirement. Any obligation to comply with any Legal Requirement shall not constitute a breach of this Agreement.

17. TERMINATION

17.1 This Agreement will automatically terminate in the event that the LWS ceases to hold a Water Supply Licence.

17.2 SSW may, without prejudice to any of its other rights arising hereunder, terminate this Agreement or (where sub-clause 17.2.7 applies) a Premises Specific Customer Schedule with immediate effect by notice ("Termination Notice") to the LWS if:

17.2.1 the LWS shall be in material breach of the terms or conditions hereof (including in particular its payment obligations under clause 7 hereof) and such breach (if capable of remedy) shall continue thirty (30) days after notice in writing, specifying the breach and requiring the same to be remedied, has been given;

17.2.2 the LWS relies on the existence of the circumstance of Force Majeure to excuse performance under this Agreement for a continuous or cumulative period of more than [90] days;

17.2.3 an order is made or a resolution is passed for the winding up of the LWS except in the case of a voluntary winding up for the purposes of a scheme of reconstruction or amalgamation the terms of which have previously been approved in writing by SSW;

17.2.4 an administrative order is made in respect of the LWS or a petition for such an order is presented or steps are taken to appoint an administrator;

17.2.5 a receiver (which expression shall include an administrative receiver within the meaning of Section 29 of the Insolvency Act 1986) is appointed in respect of the LWS or all or any of its assets;

17.2.6 the LWS is unable to pay its debts within the meaning of s.123 of the Insolvency Act 1986;

17.2.7 where any of the provisions set out in Part 2 of this Agreement or any Premises Specific Customer Schedule provides that SSW shall have the right to terminate this Agreement or the Premises Specific Customer Schedule (as the case may be), such circumstances as set out have been fulfilled and SSW exercises such right;

17.2.8 any material governmental or other licence, consent or authority required by the LWS to enable it to observe or perform any of its obligations under this Agreement ceases to be in full force and effect so that it becomes unlawful for the LWS to observe or perform any of its obligations hereunder;

- 17.2.9 the continuation of a Force Majeure event affecting the LWS for a period of time which in the reasonable opinion of SSW materially prejudices compliance by the LWS of its obligations to SSW; and/or
- 17.2.10 this Agreement is amended in accordance with clause 26 and the LWS fails to provide or maintain a Financial Guarantee in accordance with such amendments and fails to remedy such breach within [] days' notice of such breach from SSW to the LWS.

Provided that any such termination of this Agreement by SSW shall be without prejudice to any statutory duties of supply SSW may have to continue the supply of water to the LWS Customers on an interim or permanent basis.

- 17.3 The LWS may, without prejudice to any of its other rights arising hereunder, terminate this Agreement:
 - 17.3.1 in whole, by not less than [28] days' notice to SSW;
 - 17.3.2 in relation to any one or more Premises Specific Customer Schedule by not less than [28] days' notice to SSW;
 - 17.3.3 by notice with immediate effect if SSW ceases to be the holder of an Instrument of Appointment.

Provided that any such termination of this Agreement by the LWS shall be without prejudice to any statutory duties of supply SSW may have to continue the supply of water to the LWS Customers on an interim or permanent basis.

- 17.4 For the purposes of this Agreement:-
 - 17.4.1 the "Termination Date" is the date with effect from which (in accordance with any of clauses 17.1,17.2 or 17.3 or by effluxion of time) this Agreement terminates; and
 - 17.4.2 the "CS Termination Date" is the date with effect from which (in accordance with any of clauses 17.2 or 17.3 or by effluxion of time) any Premises Specific Customer Schedule terminates.
- 17.5 Where SSW has given a Termination Notice it shall be entitled to inform such persons as it thinks fit that it has done so, including the LWS Customers and any person from whom SSW believe the LWS to have purchased water for delivery to the Supply System.

18. CONSEQUENCES OF TERMINATION

- 18.1 In the event of termination of this Agreement or any Premises Specific Customer Schedule by either Party in accordance with clause 17, SSW shall be entitled to recover from the LWS its reasonable costs, charges and expenses in taking over responsibility from the LWS for the supply of water to the LWS Customer(s) and the provision of related services thereto, on an interim or permanent basis, save only to the extent that any such costs, charges or expenses are properly payable to SSW by such LWS Customer(s) in accordance with any statutory provisions applicable thereto.
- 18.2 Except where expressly stated to the contrary, the rights and obligations of the Parties under this Agreement or any Premises Specific Customer Schedule shall cease immediately upon its termination. However, Termination shall not affect any

- rights, obligations or remedies which have accrued on or before the date of Termination and this clause 18 shall continue to apply to such rights, obligations and remedies.
- 18.3 SSW shall have no liability for any costs, charges, expenses, claims, losses, damages or liabilities whatsoever of the LWS, the LWS Customers or any assignee, sub-contractor or delegatee of the LWS, in consequence of termination of this Agreement or any Premises Specific Customer Schedule in accordance with clause 17.
- 18.4 Following the Termination Date or CS Termination Date, SSW shall arrange for final meter readings to be taken from SSW Meters and final invoices to be rendered.
- 18.5 Except where expressly stated to the contrary, the rights and obligations of the Parties under this Agreement or any Premises Specific Customer Schedule shall cease immediately upon Termination however any Termination shall be without prejudice to the operation or continued operation of this clause 18 and clauses 7, 11, 15 or 20 of this Agreement and any other provisions of this Agreement or any Premises Specific Customer Schedule which are capable of operating or expressed to operate after Termination.
- 18.6 In the event of Termination in accordance with clause 17.2, SSW shall, in addition to its rights pursuant to clause 18.2, have the right to assess any direct and reasonable costs incurred or to be incurred by SSW in connection with the provision of Water Services which remain unrecovered as a result of early termination of this Agreement or any Premises Specific Customer Schedule and to recover such costs from the LWS.
- 19. INTERIM SUPPLIER**
- 19.1 Subject to the provisions of Section 63AC of the Act, SSW shall become the interim supplier to LWS Customer(s) where the LWS ceases to supply water to any Eligible Premises of the LWS Customer other than where this is as a result of the transfer of the Eligible Premises to another Licensed Water Supplier under the Customer Transfer Protocol.
- 19.2 Where clause 19.1 above applies, the LWS shall remain liable for the Supply Charges which accrue for any water supplied to those premises until the date on which SSW receives notice that the provisions of section 63AC (1) of the Act apply.
- 20. INFORMATION AND CONFIDENTIALITY**
- 20.1 The confidentiality obligations contained herein shall supersede the terms of the Confidentiality Agreement between the Parties dated [].
- 20.2 SSW and the LWS each hereby agree and undertake to the other Party:
- 20.2.1 on receipt of any confidential information from the other in connection with this Agreement which is so marked (“Confidential Information”), to use the same solely in connection with this Agreement and for no other purpose and keep the same confidential and not disclose the whole or any part thereof to any party without the prior consent in writing of the Party from whom it is received Provided that the receiving Party shall not be prevented by this Agreement and undertaking from disclosing the Confidential Information, on the same terms of confidentiality herein contained, to:

- 20.2.1.1 any of its professional advisers and consultants who it is consulting in relation to this Agreement;
- 20.2.1.2 any members of its staff who are involved in this Agreement;
- 20.2.1.3 any contractors or other third parties who the disclosing Party is using for the purpose of this Agreement;
- 20.2.1.4 any regulatory authority which has responsibility for any part of the subject matter of this Agreement; and
- 20.2.1.5 any sewerage Undertaker who provides sewerage services to the LWS Customers or the customers of SSW or to any other Undertaker who supplies water to SSW; and
- 20.2.2 the receiving Party shall also not be prevented from disclosing the Confidential Information if and to the extent that it is properly required to do so by any regulatory authority or by any court, judicial or arbitration tribunal or body or in order to comply with any statutory or regulatory requirement or in response to a requirement of any stock exchange or the Panel on Take-overs and Mergers;
- 20.2.3 not to copy or otherwise re-produce the Confidential Information other than is required for any permitted use thereof;
- 20.2.4 to maintain managerial and operational systems which prevent unauthorised access to the Confidential Information;
- 20.2.5 not to incorporate the Confidential Information into any information not belonging to the disclosing party so as to prejudice its confidential nature in any way;
- 20.2.6 in the event that this Agreement expires or is terminated for any reason, to return the Confidential Information to the disclosing Party forthwith together with all copies thereof in whatever form the same has been supplied or held;
- 20.2.7 to continue to observe the agreements and undertakings set out in this clause 20, at all times hereafter unless and until any Confidential Information to which they apply enter the public domain other than in consequence of any breach of any such agreements or undertakings.
- 20.3 SSW shall be permitted to disclose Confidential Information (with the exception of price sensitive information) to any person proposing to make a connection directly or indirectly to the Supply System, where and to the extent that the disclosure of such information is reasonably required for the purposes of supporting SSW's charges or requirements to allow such proposed connection to the Supply System to be made and provided that the person to whom the information is to be disclosed is informed in writing of the confidentiality of such information and that prior to disclosure, such person has entered into a confidentiality agreement with SSW which prohibits use or disclosure of such Confidential Information in terms no less onerous than those contained in this clause 20.
- 20.4 Neither Party shall, without the prior written consent of the other, use the name, any trade name or any registered trade mark of the other Party in any advertising or communication, in any format, such consent not to be unreasonably withheld.
- 20.5 Neither Party shall, without the prior written consent of the other, make any publicity releases or announcements regarding this Agreement, such consent not to be unreasonably withheld.

- 20.6 For the avoidance of doubt, the provisions of this Agreement are without prejudice to the requirements of The Data Protection Act 1998 and the obligations of the Parties to comply with the same.
- 20.7 Where Confidential Information is disclosed by either Party as permitted under clause 20.1 the receiving Party shall (without prejudice to its obligations under this clause 20) take all reasonable steps to secure that the person to whom the information is disclosed:-
- 20.7.1 is aware of the receiving Party's obligations under this clause 20 in relation thereto; and
- 20.7.2 does not use or disclose the Confidential Information other than as is permitted of such Party in accordance with this clause 20.
- 20.8 The provisions of clauses 20.2 to 20.7 shall continue, for a period of [] years after the Termination Date, to bind the LWS and SSW, notwithstanding that the LWS has ceased to be a user of the Supply System and irrespective of the reason for such cessation.
- 20.9 Nothing in this Agreement shall be construed as requiring SSW to disclose or use any information in breach of any requirement of the SSW Licence.
- 20.10 The obligations in this clause 20 shall not apply to Confidential Information, which the receiving Party can show from its written records was in its possession prior to disclosure to it under this Agreement, and/or under any predecessor of this Agreement and/or the Confidentiality Agreement between the Parties referred to in clause 20.1.
- 21. EIR**
- 21.1 The Parties recognise that they are subject to legal duties, which may require the release of information under the EIR and may be under an obligation to provide information on request. Such information may include matters relating to, arising out of or under this Agreement in any way.
- 21.2 The Parties recognise that each request for information must be considered individually.
- 21.3 Notwithstanding anything in this Agreement to the contrary including, but without limitation, the general obligation of confidentiality imposed on the Parties pursuant to clause 20, in the event that either Party ("the Relevant Party") receives a request for information under the EIR, the Relevant Party shall be entitled to disclose all information and documentation (in whatever form) as necessary to respond to that request in accordance with the EIR PROVIDED ALWAYS that where the information requested is information that has been given to the Relevant Party by the other Party ("the Other Party"), the Relevant Party:-
- 21.3.1 shall use reasonable endeavours to consult the Other Party as soon as reasonably practicable and the Other Party agrees to respond to such consultation within 7 days of receiving the consultation notice; and
- 21.3.2 shall not disclose any information that the Parties have agreed is Exempted Information and shall rely on the EIR Exemption, at the Other Party's request and cost, and use reasonable endeavours to ensure that the Exempted Information

remains withheld, including the lodging of any appeal against a decision by the Information Commissioner in relation to the request.

21.4 In the event that the Relevant Party incurs any costs, including but not limited to external legal costs, in seeking to maintain the withholding of the information, including but not limited to responding to information notices or lodging appeals against a decision of the Information Commissioner in relation to disclosure, the Other Party shall indemnify the Relevant Party, save that the Relevant Party shall use reasonable endeavours to consult the Other Party before incurring any such costs and comply with all reasonable requirements of the Other Party before incurring such costs and shall permit the Other Party to take over the sole conduct of the matter if it so chooses.

22. NOTICES

22.1 References in this clause 22 to a notice are to a notice or communication to be given by one Party to the other under this Agreement.

22.2 Any notice shall be in writing and shall be addressed to the recipient Party at the recipient Party's address, designated e-mail address or facsimile number referred to in Appendix 1 and marked for the attention of the representative (identified by name or title) referred to in that Schedule, or to such other address or facsimile number and/or marked for such other attention as the recipient Party may from time to time specify by notice given in accordance with this clause 22 to the other giving the notice.

22.3 The initial address, designated e-mail address or facsimile number of a Party, and representative for whose attention notices are to be marked, shall be as specified in Appendix 1.

22.4 Any notice given by delivery shall be given by letter delivered by hand, and any notice given by post shall be sent by first class prepaid post (airmail if overseas).

22.5 Any notice shall be deemed to have been received:-

22.5.1 in the case of delivery by hand, when delivered; or

22.5.2 in the case of first class prepaid post, on the second day following the day of posting or (if sent airmail overseas or from overseas) on the fifth day following the day of posting; or

22.5.3 in the case of e-mail or facsimile, on acknowledgement by the recipient Party's e-mail or facsimile receiving equipment.

22.6 Where a notice is sent by e-mail or facsimile:-

22.6.1 the Party giving the notice shall (but without prejudice to clause 22.5.3) if requested by the recipient Party, re-send as soon as reasonably practicable the notice by post; and

22.6.2 in the case of a Termination Notice, SSW shall in any event, within 2 days following the sending of such e-mail or facsimile, send to the LWS a copy of the notice by first class prepaid post (airmail if overseas).

22.7 A Party may specify different addresses, e-mail addresses or facsimile numbers and representatives pursuant to clause 22.2 for the purposes of notices of different kinds or relating to different matters.

23. **ASSIGNMENT**

23.1 The LWS may only assign its rights and obligations under this Agreement to another person PROVIDED THAT:-

23.1.1 the assignee is a Licensed Water Supplier and has complied with all other requirements which (if the person were the LWS) it would be required under clause 3 to comply with; and

23.1.2 (where this Agreement is amended in accordance with clause 26 and SSW so requires) the assignee provides a Financial Guarantee.

23.2 SSW may only assign its rights and obligations under this Agreement to a person who holds an Instrument of Appointment as an Undertaker under the Act.

23.3 Except as provided in this clause 23, a Party shall not assign or transfer and shall not purport to assign or transfer any of its rights or obligations under this Agreement.

23.4 Where a Party assigns its rights and obligations under this Agreement pursuant to this clause 20 the assigning Party shall be released from obligations under this Agreement arising after the time at which the assignment is effective, but shall remain liable for any obligations accruing up to such time.

24. **LIAISON**

Liaison meetings will initially be held when this Agreement commences and quarterly thereafter during the period of two years following the Commencement Date. Thereafter, the Parties shall agree the frequency of all subsequent liaison meetings.

25. **MODIFICATION**

25.1 Save as provided otherwise herein, no alternative or variation of the terms of this Agreement (including any Premises Specific Customer Schedule) shall be effective unless agreed to by both Parties in writing expressed to be a variation to this Agreement and signed by a director on behalf of both Parties.

25.2 Both Parties agree to make any variations to this Agreement (including any Premises Specific Customer Schedule) which become necessary due to a change in any Legal Requirement or the Access Code.

25.3 Accordingly each Party agrees to notify the other of any material changes in law, regulation, guidance, licence conditions, the Access Code and/or any circumstances affecting either Party and/or this Agreement.

25.4 SSW and the LWS acknowledge that, because of the novel nature of this Agreement the provisions of Part 2 of this Agreement and Appendix 1 may be inaccurate or deficient in some manner. Accordingly, SSW and the LWS undertake (where

necessary) to discuss in good faith any of the information set out in Part 2 of this Agreement and Appendix 1 which either Party reasonably believes is inaccurate or deficient with a view to amending the same as necessary to incorporate the correct or any missing information.

- 25.5 To the extent that agreement on any alternative, variation or amendment either required in accordance with clause 25.2 or proposed in accordance with clause 25.4 cannot be reached within 3 months of either Party proposing such alternative, variation or amendment, the matter may be referred by either Party to an Independent Expert in accordance with clause 14 of this Agreement who shall determine whether any such alternative, variation or amendment is required and the form thereof and this Agreement shall be amended accordingly following agreement or determination (as the case may be).
- 25.6 If SSW wishes to make a modification to the Supply System that affects the provisions of Part 2 of this Agreement, Appendix 1 or the provisions of any Premises Specific Customer Schedule (“an SSW Modification”) SSW shall advise the LWS in writing of any works which SSW reasonably believes that the LWS may have to carry out as a result.
- 25.7 Subject to the payment of its reasonable costs, if any, as provided for in this clause SSW undertakes to the LWS to provide all advice and assistance reasonably requested by the LWS to enable the LWS adequately to assess the implications (including the feasibility) of making a modification affecting the Pipework, plant or other asset belonging to the LWS or LWS’s Customer (whether such modification is to be made in consequence of a proposed SSW Modification notified by SSW in accordance with clause 25.6 or on the LWS’s own initiative). If the proposed modification affecting the LWS is or may be required as a result of an SSW Modification proposed by SSW then SSW shall provide such advice and assistance free of charge. If the proposed modification is or may be proposed by the LWS then SSW may charge the LWS its reasonable costs for such advice and assistance. The provision of such advice and assistance shall be subject to any confidentiality obligations binding on SSW and the LWS.
- 25.8 When giving such advice and assistance SSW shall comply with Good Industry Practice.
- 25.9 Provided always SSW shall have no obligation to compensate the LWS for the cost or expense of any SSW Modification required to be made by the LWS where SSW confirms in writing to the LWS that such SSW Modification is essential in order to:-
- 25.9.1 satisfy the requirements of another Licensed Water Supplier; or
- 25.9.2 maintain the integrity of the Supply System and/or the supply of drinking water to SSW’s customers that meets the Water Quality Regulations.

26. **FINANCIAL GUARANTEES**

If at any time the Charges Scheme is amended to require customers of SSW who would be eligible to be supplied with water under this Agreement to provide Financial Guarantees then, provided always that the Authority or any other Competent Authority permits the use by SSW of Financial Guarantees with Licensed Water Suppliers, SSW may, where it determines (acting reasonably and in consultation with the LWS) that the financial standing of the LWS is such that it requires the provision by the LWS of a Financial Guarantee, notify the LWS of such requirement and this Agreement shall be amended forthwith to state that an

equivalent Financial Guarantee reflecting the financial standing of the LWS and the potential exposure faced by SSW shall be provided by the LWS in respect of the supply of water under this Agreement.

27. GENERAL

- 27.1 This Agreement sets out the entire agreement between the Parties and supersedes all prior representations, arrangements, understandings and agreements between the Parties relating to the subject matter hereof and subject to clause 27.2 sets forth the entire complete and exclusive agreement and understanding between the Parties hereto relating to the subject matter hereof. Neither Party has relied on any representation, arrangement, understanding or agreement (whether written or oral) not expressly set out or referred to in this Agreement.
- 27.2 Nothing contained in a document or referred to in this Agreement, beyond what is expressly contemplated by this Agreement as being contained in such document or is necessary for the purposes of giving effect to a provision of this Agreement, shall modify or have any effect for the purposes of this Agreement or be construed as relevant to the interpretation of this Agreement.
- 27.3 No failure to exercise nor any delay in exercising on the part of a Party to this Agreement any right of termination or any other right or remedy under this Agreement or otherwise howsoever arising shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided herein are cumulative and not exclusive or any rights or remedies provided by law.
- 27.4 Nothing herein contained shall be construed as giving rise to the relationship of principal and agent (save as otherwise expressly provided herein) or partnership or joint venture.
- 27.5 If any term or provision of this Agreement shall be held to be illegal or unenforceable in whole or in part under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this Agreement but the validity and enforceability of the remainder of this Agreement shall not be affected.
- 27.6 Subject and without prejudice to the provisions of clauses 13 and 14 the Parties irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any Dispute which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding (collectively "proceedings") arising out of or in connection with this Agreement may be brought in such courts.
- 27.7 Each Party irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any proceedings in any such court in the jurisdiction as is referred to in clause 27.6 and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any proceedings brought in the English courts shall be conclusive and binding upon such Party and may be enforced in the courts or any other jurisdiction.
- 27.8 Unless a right of enforcement is expressly provided for in this Agreement it is not intended that a third party shall have the right to enforce any term of this Agreement pursuant to the Contract (Rights of Third Parties) Act 1999.

- 27.9 The construction, validity and performance of this Agreement shall be governed in all respects by exclusive Jurisdiction of English law.
- 27.10 Every notice or other communication to be given by one Party to the other under this Agreement, shall be in the English language.

PART 2: NON-STANDARD TERMS AND CONDITIONS - *The following are non-exhaustive example clauses which are intended for discussion with the LWS and adaptation to the agreed requirements of SSW and the LWS.*

28. CUSTOMER CONTACT AND COMPLAINT HANDLING

- 28.1 Each LWS Customer shall be the responsibility of the LWS and the LWS shall provide full information to each LWS Customer of the contact arrangements and procedures agreed between LWS and SSW in this Agreement together with an explanation of SSW's responsibilities with regard to problems with the Supply System as described in this Agreement and the Access Code.
- 28.2 The LWS shall be the first point of contact for all enquires (including complaints) from LWS Customers, with the exception of emergencies, in respect of which clause 28.3 shall apply. If required the LWS should then liaise with the SSW.
- 28.3 In the event of an emergency, SSW will expect the LWS Customer to contact it directly. It is envisaged that emergency contact will be direct to SSW's 24-hour Control Room (Tel No 01922 624979). SSW will then work with the LWS to keep the LWS Customer informed of the status of the situation.
- 28.4 A In the first instance all complaints from LWS Customers should be directed to the LWS. The LWS shall then forward any operational complaints, complaints about the Supply System or other complaints about SSW to SSW. Upon receipt of any such complaint from the LWS, SSW shall investigate such complaint and will comply with the timescales for response and the roles and responsibilities of SSW set out in the SSW Complaints Procedure as if references therein to "customer(s)" were to "the LWS". The LWS should ensure that its LWS Customer is fully aware of the responsibilities of the LWS and SSW with regard to complaints as set out in this Agreement.
- 28.5 The LWS shall be responsible for billing each LWS Customer and collecting any outstanding debt. Therefore where an LWS Customer reads the SSW Water Meter and wishes to supply an alternative reading to that utilised by the LWS in the billing process, the LWS Customer should contact the LWS.
- 28.6 Where a special agreement exists between the LWS and SSW for SSW (on the LWS's behalf to:-
- 28.6.1 bill a LWS Customer; and/or
- 28.6.2 collect any outstanding debt from a LWS Customer,
- the LWS Customer should contact the party specified in that agreement which may be SSW or the LWS. If a special agreement exists the LWS shall advise the LWS Customer of the correct contact procedure at the commencement of the special agreement.

28.7 Provisions for billing for surface water charges and sewerage services will continue to be made by SSW on behalf of Severn Trent Water Ltd.

29. OPERATIONAL SERVICE LEVELS

29.1 SSW shall ensure that the LWS Customers receive the same level of service, relating to the Supply System, as that received by SSW existing customers.

29.2 Unless detailed in this Agreement, the LWS shall be responsible for all other services received by LWS Customers.

29.3 SSW and the LWS shall liaise on issues where the actions of each other may pose a threat to service standards provided by either Party.

30. INTERRUPTIONS TO SUPPLY

Where there are to be planned interruptions to supply then SSW shall give the LWS reasonable notice and the LWS shall as soon as reasonably practicable thereafter inform LWS Customers. Where however there is an unplanned interruption resulting in emergency action being required then SSW will endeavour to inform both the LWS and the LWS Customers directly as appropriate.

31. REVERSION OF LWS CUSTOMERS TO SSW

31.1 In the event that an LWS Customer wishes to revert from the LWS back to SSW for its water supply services, it shall be the responsibility of SSW to notify the LWS, along with the transfer date, within [x] Business Days of notification in writing by the LWS Customer of such wish.

31.2 The LWS shall serve a notice on SSW upon the LWS ceasing to supply water to any premises of an LWS Customer, informing SSW to that effect and providing SSW with a final meter reading taken from the SSW Water Meter for such supply to those premises.

31.3 In the event of Termination or the LWS ceases trading, the LWS shall notify LWS Customers that their water supply service will be undertaken by SSW, along with relevant contact details for SSW. The LWS shall also notify SSW of the need for LWS Customers to transfer and shall supply a full and up to date list of LWS Customer details, along with a date on which transfer shall take place. In any event SSW shall notify LWS Customers of the position within 12 hours of receiving such notification from the LWS.

32. CUSTOMER BILLING

32.1 The LWS shall be responsible for any financial enquiries from LWS Customer(s), and shall be responsible for billing and revenue collection activities in relation to the same.

32.2 The LWS shall supply to SSW such billing and LWS Customer information as is necessary to enable SSW to charge for sewerage services and to determine the Supply Charges.

33. PROVISION OF INFORMATION TO SSW

33.1 The LWS shall inform SSW of LWS Customers' names, and addresses and other details, and of any changes in the LWS Customer base using the Supply System,

reflecting SSW's Supply System management role. The LWS shall inform SSW if any additional LWS Customers are served within an existing premises supplied by the LWS, or of any modifications to buildings, including any alterations to existing premises that result in the creation of additional separately occupied properties or the merger of previously separately occupied properties. No alterations to Pipework shall be made to supply water to new buildings or parts of buildings within an existing premises supplied by the LWS without the approval of SSW.

33.2 The LWS shall be responsible for supplying SSW with such details as SSW requires to ensure that LWS Customers who are vulnerable and other similar customers are protected. This shall include, but is not limited to, customers who are special consumers under the terms of Condition R of SSW's appointment.

34. **METER OWNERSHIP, INSTALLATION AND MAINTENANCE**

34.1 Except where there is an existing SSW Water Meter in place, SSW will install a SSW Water Meter and any associated apparatus at or as close as reasonably practicable to the boundary of the LWS Customer's premises and thereafter operate, maintain and renew SSW Water Meters, provided that if any repair or renewal is required due to misuse, wilful damage or negligence, SSW will be entitled to recover the costs of repair from the LWS where either:-

34.1.1 the SSW Water Meter is located within the boundary of the LWS Customer's premises; or

34.1.2 where the SSW Water Meter is located outside the boundary of the LWS Customer's premises, the repair or renewal was due to the misuse, wilful damage or negligence of either the LWS or the LWS Customer, but not otherwise.

All metering equipment will comply with all relevant Legal Requirements. Where the SSW Water Meter is located within the LWS Customer's premises, the LWS shall ensure that arrangements for access to the SSW Water Meter remain in place for the purposes of this clause 34.1 and clause 35.6.

34.2 SSW Water Meters may be of electro-magnetic or mechanical type. Any SSW Water Meter installed by SSW shall:-

34.2.1 be sized correctly to measure the range of flows required by the LWS Customer;

34.2.2 be compatible with data logging equipment in either an analogue or digital format.

34.3 SSW may review the specification of any SSW Water Meter measuring the supply to the premises of an LWS Customer and, where SSW requires, upgrade the same to enable, inter alia, the use of encoded output.

34.4 All SSW Water Meters and any associated apparatus shall remain the property of SSW. If the LWS wishes (at its own cost) to fit to any SSW Water Meter(s) and operate telemetry or other flow monitoring devices, it will obtain written permission from SSW first.

34.5 Where the SSW Water Meter in place is unable to support the format of telemetry or flow monitoring that the LWS requires, the LWS may request SSW to exchange the SSW Water Meter for one that will support its device. In carrying out such an exchange SSW will charge the LWS for the cost of the new SSW Water Meter and associated work and apparatus.

34.6 Where the LWS or LWS Customer questions the validity of the data obtained from the installed SSW Water Meter, the LWS may (on either its own or the LWS Customer’s behalf) request that the SSW Water Meter is removed by SSW for water meter accuracy testing and the LWS shall (where the SSW Water Meter is found to register accurately or to register inaccurately to a degree not exceeding the limits of error prescribed by the Measuring Equipment (Cold Water Meters) Regulations 1988 (hereinafter referred to as “the Permitted Error Limits”)) pay a charge equivalent to the charge in respect of this service payable by customers of SSW as specified in the Charges Scheme, otherwise the cost of testing the accuracy of the SSW Water Meter shall be borne by SSW.

34.7 Where an SSW Water Meter is found to register inaccurately to a degree exceeding the Permitted Error Limits:-

34.7.1 SSW shall, acting reasonably and in consultation with the LWS, determine the period of time during which the SSW Water Meter registered inaccurately and notify the LWS of such determination; and

34.7.2 SSW shall recalculate the volume of water affected by such inaccurate registering as if the SSW Water Meter had been registering accurately during such period and adjust the Supply Charges payable by the LWS accordingly.

35. METER READING

35.1 Where either Party has undertaken within this Agreement to take readings from the SSW Water Meter at the frequency specified in clause 35.2 or where either Party obtains such a reading from the LWS Customer, it will provide that reading to the other Party at no cost. Any additional meter readings taken at any time or provided by any Party will similarly be passed to the other Party.

35.2 A reading will be taken from the SSW Water Meter at each premises of an LWS Customer on the last Business Day of each calendar month and will be provided to SSW before the end of the calendar month in question. Readings will be in the following format:

Meter Reference Number	Reading	Date of reading	Previous reading	Reading status* (A, C, U, LE, CE, UE,)

Reading Status is as follows

- A Actual read from the LWS or its agent
- C LWS Customer read
- U SSW read

- LE LWS's estimate
- CE LWS Customer's estimate
- UE SSW estimate

The reading will be sent by [e-mail] in a [csv text file] format to [e-mail address].

35.3 Where the LWS is responsible for reading the SSW Water Meter at the premises of an LWS Customer and no meter reading has been provided within 4 Business Days of the end of the calendar month, SSW shall, as soon as reasonably practicable after, and in any event within 6 Business Days of, the Scheduled Invoice Issue Date, send to the LWS an invoice for its estimate of the Supply Charges.

35.4 Notwithstanding and in addition to any remedy provided under clause 17.2, in the event of a meter reading not being provided by the LWS for two consecutive months, SSW may read the SSW Meter at the LWS Customer's premises and recover its reasonable costs in respect thereof and send to the LWS an invoice for Supply Charges based on that reading as soon as reasonably practicable after the Scheduled Invoice Date.

35.5 Where clause 35.3 or 35.4 applies, the due date for payment shall be 30 [calendar] days after the Scheduled Invoice Issue Date.

35.6 Where the LWS is responsible for reading the SSW Water Meter at the premises of an LWS Customer, SSW reserves the right, for data verification purposes, to read the SSW Water Meter at such premises in the last two Business Days of March and September of each year during the term of the relevant Premises Specific Customer Schedule.

36. DISCONNECTION OF THE LWS CUSTOMER

36.1 SSW may disconnect the supply to a LWS Customer(s) subject to this Agreement during planned works where notice has been given to the LWS and/or the LWS Customer or without prior notice during an emergency or unplanned works where it is necessary to interrupt or disconnect the supply for operational reasons.

36.2 SSW will not disconnect the supply to the LWS Customer as a result of any default on payment by the LWS where this Agreement or the Premises Specific Customer Schedule remains in force and is not terminated or suspended.

36.3 SSW will not disconnect a supply to the LWS Customer at the request of the LWS in the event of any default of payment or other dispute between the LWS and the LWS Customer.

36.4 SSW will not disconnect a supply to the LWS Customer at the request of the LWS except where the request for disconnection is supported by a signed notice from the LWS Customer, where the said notice confirms that the LWS Customer no longer requires a supply of water.

36.5 The LWS may not use SSW apparatus including any stop tap or valve to effect the disconnection of the LWS Customer(s) except where such disconnection is required in the event of an emergency and where any such disconnection is made by the LWS it will notify SSW immediately using the contact points set out in the [Premises Specific Customer Schedule] in respect of that LWS Customer.

36.6 The LWS shall make a request in writing to SSW in the event that the LWS wishes to disconnect an LWS Customer and has power to do so.

36.7 The LWS shall pay SSW's costs of disconnection where the request detailed in clause 30.6 above has been carried out by SSW. For the avoidance of doubt the LWS shall not pay where a notice is received in accordance with clause 36.4 above.

37. EXIT INFORMATION

37.1 Where water off-taken from the Supply System by the LWS or the LWS Customer has been taken in breach of this Agreement at or at a point other than through the SSW Water Meter, insofar as the quantity of water so taken has not been properly metered such adjustments shall be made in respect of the quantities treated as off-taken from the Supply System by the LWS as are required to ensure that the quantity of water estimated to be so taken is treated as off-taken by the LWS.

37.2 Where water is used by the LWS Customer or the LWS for the purposes of fire fighting or the testing of fire fighting equipment SSW will allow the LWS a credit for the volume of such water used providing that; the LWS notifies SSW in writing of the volume of water used and the dates on which it was used within 30 days of such use; and any additional evidence of such use that SSW may reasonably require. Where notice is received from the LWS after an invoice has been issued by SSW the invoice will remain fully payable and any credit allowed by SSW will be made to a subsequent invoice.

37.3 The customer connection together with that part of the service pipe which lies between the SSW Water Meter, or the boundary of the LWS Customer's premises where the SSW Water Meter is located on the LWS Customer's premises, and the water main from which the supply is taken will become the property of SSW who shall be responsible for its maintenance.

37.4 Where leakage occurs on the Supply System, SSW shall be responsible for these losses and the resolution thereof. Where leakage occurs on any part of the service pipe located on the premises of the LWS Customer, the LWS Customer will be responsible for the resolution of these losses. For so long as SSW operates a policy pursuant to which a commercial customer of SSW who experiences leakage from the service pipe on its premises may, upon presentation of appropriate data to SSW and where the leakage has been stopped by the customer within the appropriate timescales, be granted a one-off leakage allowance adjustment to the billed volume of water, SSW shall, on the application of the LWS, apply this policy mutatis mutandis to leakage from a service pipe on the premises of any LWS Customer as if the LWS Customer were a commercial customer of SSW.

37.5 The LWS shall take all reasonable steps to ensure that:-

37.5.1 no person improperly breaks any seal affixed to any part of any SSW Water Meter or tampers or otherwise interferes with any SSW Water Meter; and

37.5.2 upon each visit to the SSW Water Meter by any representative of the LWS or by any person (or by SSW where it is engaged as a meter reader) engaged by the LWS to obtain an on-site meter-read, there is promptly reported to SSW any evidence which is or ought (having regard to the purpose for which that person is visiting the premises) to be apparent to such representative or person of any such seal or any such tampering or interference or otherwise of theft or attempt theft of water.

APPENDIX 1

EXIT POINT INFORMATION

1. **Contact details**
- 1.1 LWS name (including names of all of the parties in any consortium)
- 1.2 Contact Details:
 - Address
 - Telephone no
 - Fax no
 - E-mail address
 - Company Registration Number
- 1.3 the LWS's Water Supply Licence Number: C03/2005
- 1.4 Nominated contact for the LWS:
 - Address
 - Telephone no
 - Fax no
 - E-mail address
- 1.5 Nominated contact for SSW
 - Address
 - Telephone no
 - Fax no
 - E-mail address

APPENDIX 2

CHARGES

1. General

The Supply Charges shall be the charges calculated in accordance with any relevant Legal Requirement from time to time and comprise those case-specific price components as are applicable to the supply to the individual LWS Customer and set out in the Premises Specific Customer Schedule applicable thereto and include:-

1.1 Connection and Supply System Extension/Reinforcement Charge:

The Connection and Supply System Extension/Reinforcement Charge if applicable is payable in respect of the cost of any Works incurred by SSW where necessary, in respect of reinforcement of the Supply System to accommodate the supply to LWS's Customer(s) via the Supply System. "Works" includes (inter alia) materials, design and supervision of construction, acquisition of rights or interest in land, and the reinstatement of any land. [The LWS may wish to perform part of these works directly. Arrangements to accommodate this shall be the subject of negotiation and agreement between SSW and the LWS.]

1.2 Wholesale Access Charge:

The charge for the provision of wholesale supplies to the LWS for the duration of this Agreement.

1.3 SSW Standard Retail Tariffs:

In the event that the LWS places a burden on the Supply System, the cost of which is not otherwise recovered for by way of other charges specified in 1.1 above, then the LWS shall pay for that burden in accordance with SSW standard retail tariffs as set out in the Charges Scheme.

2. Billing and Debt

SSW and the LWS shall be responsible for billing their respective customers and each Party shall be responsible for the collection of monies due in respect of those bills.

AS WITNESS the hands of the parties hereto or their duly authorised representatives the date and year first before written

for and on behalf of **South Staffordshire**)
Water PLC (“SSW”))

for and on behalf of [])
] (“the LWS”))

ANNEX 1 - FEASIBILITY STUDY

- Site:
- Developer:
- Customer:
- Delivery Point Location:
- Average Daily Demand: (cubic metres)
- Average Weekly Demand: (cubic metres)
- Min Flow Requirement: (cubic metres per hour)
- Max Flow Requirement: (cubic metres per hour)
- Pressure critical production processes: / n y
- Supply critical production processes: y / n
- Significant fire flow requirements: y / n

SPECIMEN PREMISES SPECIFIC CUSTOMER SCHEDULE

LWS Customer

Name(s) of LWS Customer(s):	
Unique Premises Reference (if known):	
Existing SSW Account Number(s):	
Address of premises to be supplied - include post code:	
LWS Customer's telephone number:	
LWS Customer's facsimile number:	
LWS Customer's email address:	
Name of LWS Customer contact (in case of emergency):	

Transfer Date

Date of transfer:	
Time of transfer:	

Meters

Meter Details	Meter number as recorded on LWS Customer bills	Serial No.r	Location Description	Meter Type [Note if Combined (C) or Bypass (B) meter]
1				
2				
3				

Metering

Party responsible for reading SSW Meter:	[the LWS]
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Demand

Demand requirements:-	2007-08	2008-09	2009-10	2010-11	2011-12
Annual consumption: m ³					
Average daily demand: m ³					
Peak daily demand: m ³					
Peak hourly demand: m ³					
Average weekly demand: m ³					
Peak weekly demand: m ³					
Any other information agreed between the LWS and SSW					

Supply Charges

Wholesale Access Charges

The LWS shall pay to SSW a charge in accordance with table 1 below:-

[Table 1 shall detail case specific charges presented in a format by reference to the indicative charges shown in the access code from time to time applying.]

[Connection and Supply System Extension/Reinforcement Charge

By [] the LWS shall pay a sum, or provide equivalent third party security, equal to [£] being the agreed initial estimate of the Connection and Supply System Extension/Reinforcement Charge, from which sums shall be drawn down by SSW to meet necessary payments as the construction continues. SSW shall commence these works on [to be agreed]. The actual Connection and Supply System Extension/Reinforcement Charge shall be calculated on the completion of the works and either a further sum shall be paid by the LWS or be re-paid by SSW (in either case within 30 days of notification by SSW of the costs of the works). [Notwithstanding these provisions, the LWS may wish to choose who carries out the greater part of any necessary work on connections, in accordance with SSW self lay policies.]

Other Premises Specific Matters

Where any additional duties/obligations are required not contained in the Master Agreement insert the details

Conditions Precedent

The coming into force of this Premises Specific Customer Schedule shall be conditional upon completion of the transfer of the premises of the LWS Customer from SSW to the LWS in accordance with the Customer Transfer Protocol.

SSW'S AGREEMENT OF PREMISES SPECIFIC CUSTOMER SCHEDULE

SSW hereby agrees to the provisions of this Premises Specific Customer Schedule which shall be subject to the Wholesale Supply of Water Master Agreement dated [] entered into between SSW and the LWS as the same may be varied by the provisions of this Premises Specific Customer Schedule (where applicable).

Signed

for and on behalf of

South Staffordshire Water plc

.....

Date

THE LWS'S AGREEMENT OF PREMISES SPECIFIC CUSTOMER SCHEDULE

The LWS hereby agrees to the provisions of this Premises Specific Customer Schedule which shall be subject to the provisions of the Wholesale Supply of Water Master Agreement dated [] entered into between SSW and the LWS as the same may be varied by the provisions of this Premises Specific Customer Schedule (where applicable).

Signed
for and on behalf of
[]

Date