

## DCP 256 Draft Legal Text

### Section 1B

8.3 Each Draft Budget shall be accompanied by a detailed work plan showing the activities and projects to which the relevant costs and expenses relate, and shall set out the Panel's good-faith estimate of the Recoverable Costs that it anticipates will either be:

8.3.1 incurred in the Financial Year to which the Draft Budget relates; or

8.3.2 committed to in the Financial Year to which the Draft Budget relates, even though the Recoverable Costs are not expected to be incurred until a subsequent Financial Year.

8.3A The Draft Budget shall separately identify the amount of the costs, and the expected value of charges to be invoiced each quarter, split between each Party Category.

8.3B The Draft Budget shall be accompanied by the Panel's latest estimate of the outcome of the annual review for the current Financial Year, which will be carried out pursuant to Clause 8.11.

8.3C The Draft Budget shall be accompanied by the Panel's best view of the dates invoices will be raised during the Financial Year to which it relates.

8.10 The Panel shall, in respect of each Party and ~~as soon as reasonably practicable~~ within 7 calendar days after the start of each Quarter;

8.10.1 calculate the Panel's best estimate (by reference to the Approved Budget) of that Party's Cost Contribution (together with VAT thereon, if applicable) in respect of that Quarter; and

8.10.2 arrange for an invoice or other statement, ~~in a paper format or eMailed electronic format or both as specified by the Party and where no such format has been specified a Paper format only, payable within 30 calendar days and on such other terms as the Panel may from time to time prescribe, for an amount equal to such estimate to be sent to that Party. Such invoice shall separately identify TRAS costs.~~

## DCP 256 Draft Legal Text

8.11 Each Party shall, on receipt of an invoice or other statement submitted under Clause 8.10, pay the amount requested of it in accordance with (and within the time period prescribed by) the terms referred to in Clause 8.10.

8.11A.1 Failure by a Party to pay any sum due as cleared funds by the due date for payment in accordance with Clause 8.11 shall be a DCUSA Payment Default.

8.11A.2 Where a Party so defaults, the Panel shall send a notice (a DCUSA Late Payment Notice) to the Party and its alternative contacts:

(a) setting out the amount owed by the Party

(b) stating to whom payment should be made;

(c) specifying that payment must be made by a method of same day payment (e.g. CHAPS).

8.11A.3 Failure by the Party to remedy a DCUSA Payment Default within five Working Days of receipt of a DCUSA Late Payment Notice from the Panel shall be a material breach of this Agreement by the Party for the purposes of Clause 54.1.1, and, if the Party is a Supplier Party, the Panel at its discretion shall be entitled to instruct each DNO Party and each IDNO Party to suspend registrations for the Supplier MPID in Payment Default forthwith, in accordance with the provisions of the Master Registration Agreement, and the DNO Parties and IDNO Parties shall do so and confirm that the suspension has been instigated to the DCUSA Panel. Where the Panel takes such action, it shall notify the defaulting Party.

8.11A.4 If a DCUSA Payment Default of its share of TRAS costs by a Supplier Party will cause DCUSA Ltd to be unable to pay the TRAS Service Provider, the Panel shall consider whether additional funding is required. Where additional funding is required the Panel shall be entitled to invoice the amount in default to all other Supplier Parties, their share calculated in accordance with Clause 8.9A. Such invoices shall be payable within 7 days and Clause 8.11 shall apply to them. Where the defaulting Supplier Party subsequently pays the amount in default, each other Supplier Party shall be credited with any amount paid pursuant to this Clause 8.11A.4.

8.11A.4A Following the remedy of a DCUSA Payment Default, the Panel shall as soon as reasonably practical:

## DCP 256 Draft Legal Text

a) Instruct the DNO Parties and IDNO Parties to remove any suspension of registrations forthwith applied pursuant to Clause 8.11A.3 and confirm this back to the DCUSA Panel; and

b) Issue a reconciling invoice or credit note to all other Supplier Parties invoiced pursuant to Clause 8.11A.4,

as appropriate.

8.11A.5 Failure by the Party to remedy a DCUSA Payment Default within ten Working Days of receipt of a DCUSA Late Payment Notice from the Panel shall be a material breach of this Agreement and regardless of Clause 54.6, that Party's accession to this Agreement may be terminated by resolution of the Panel, having regard to all of the circumstances. The defaulting Party and the Authority shall be entitled to attend the Panel meeting at which such resolution is determined. Where the Party's accession to this Agreement is terminated, the Panel shall notify all other Parties and the Authority.

Clause 8.14 could also be moved into 8.11A:

8.14 The Panel shall be entitled, without prejudice to any other right or remedy, to charge (and where charged, a Party shall pay) interest on any payment not duly made in accordance with Clause 8.11, calculated from day to day at a rate per annum equal to the Default Interest Rate from the day after the date on which payment was due up to and including the date of payment, together with an administration charge as notified by the Panel to the Parties from time to time.