

DCP 431 – Party Novation Process

Legal Text

Amend Clause 2.2.1 of Section 1A as follows:

Duration

- 2.2 Once it comes into effect, this Agreement shall remain in effect:
- 2.2.1 in respect of each Party, until (subject to Clauses 54.8 and 54.9) such Party ceases to be a Party in accordance with Clause 54.5 or 60.19; and
 - 2.2.2 generally, until (subject to Clauses 54.8 and 54.9) all of the DNO Parties and all of the IDNO Parties have ceased to be Parties in accordance with Clause 54.5.

Add new subheading and Clauses 60.16 to 60.19 to Section 3 as follows:

Novation

- 60.16 With the approval of the Panel (at their discretion, but subject to Clause 60.19), a Party may transfer its rights and obligations under this Agreement to another entity. In order to give effect to such transfer, the transferring Party, the transferee entity and DCUSA Ltd (on behalf of itself and each other Party) shall enter into a novation agreement (in such form as the Panel may approve from time to time). Without limitation, the Panel must not approve novation to a transferee entity which is not eligible to accede to this Agreement in the Party Category(ies) of the transferring Party.
- 60.17 Each Party hereby irrevocably and unconditionally authorises DCUSA Ltd to execute and deliver, on behalf of such Party, any novation agreement approved by the Panel under Clause 60.16.
- 60.18 For clarity, the entity wishing to take a transfer of rights and obligations under Clause 60.16 may or may not already be a Party via its own Accession Agreement. Where the transferee entity is already a Party, the transferred rights and obligations shall become subject to such Party's existing Accession Agreement from the effective date of the novation agreement. Where the transferee entity is not already a Party, the transferring

Party's Accession Agreement shall, from the effective date of the novation agreement, be treated as the transferee Party's Accession Agreement (and the transferee entity shall be deemed to have acceded to this Agreement).

60.19 The effect of each novation agreement entered into pursuant to Clause 60.16 will be to end the transferring Party's accession to this Agreement from the effective date of the novation agreement. Accordingly, the Panel shall not approve a Party's transfer of its rights and obligations under Clause 60.16 if such Party's accession cannot be terminated in accordance with Clause 54.6.

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