

## **62.6 DBFO Co Conduct of Claims Against Third Parties**

62.6.1 Subject to the prior consent of the Secretary of State (such consent to be on such terms as the Secretary of State may reasonably require), the DBFO Co may if necessary bring any action against a person referred to in Clause 62.1.7 in relation to the Operations other than the LUS Works or Clause 62.1A.7 in relation to the LUS Works in the name of the Secretary of State, provided that:

62.6.1.1 the DBFO Co shall bear the costs of the conduct of any such action and of any incidental negotiations, and shall indemnify and keep indemnified the Secretary of State against all costs and expenses of and Losses and Claims arising out of any such action; and

62.6.1.2 the DBFO Co shall give such security in advance in respect of such Claim as the Secretary of State may reasonably deem appropriate.

62.6.1A When requesting the consent required by Clause 62.6.1 the DBFO Co shall, during the ASC Service Period, inform the Secretary of State whether the circumstances under which the relevant claim arose may also give rise to a Green Technology Claim by the Secretary of State.

62.6.2 With respect to any action brought under Clause 62.6.1 and without prejudice to any terms which the Secretary of State may reasonably require in accordance with such Clause 62.6.1:

62.6.2.1 the DBFO Co shall keep the Secretary of State fully informed about the conduct of any such action;

62.6.2.2 the DBFO Co shall consult with the Secretary of State about the conduct of any such action and shall take account of the reasonable requirements of the Secretary of State in the conduct of such action;

62.6.2.3 the DBFO Co shall not settle any such action without the consent of the Secretary of State, provided that such consent shall not be required to the settlement of any action if the amount of the claim at issue does not exceed £20,000 (indexed); and

62.6.2.4 the DBFO Co may retain so much of the proceeds of any such action as are required to meet the reasonable and proper costs to the DBFO Co of pursuing the action and the reinstatement of any loss or damage (or other application of those proceeds by way of compensation for loss suffered) where, by reason of this Agreement, that loss was borne by the DBFO Co and not the Secretary of State.