
**INDUSTRIAL CARBON CAPTURE
GRANT FUNDING
STANDARD TERMS AND CONDITIONS**

DRAFT

[Note: This document is subject to further development as the T&S business model develops. This document is intended to be read alongside the Industrial Carbon Capture business model summary (December 2022) and Government response to consultation on the Industrial Carbon Capture business model (December 2022) and is subject to the "Disclaimer" within the Industrial Carbon Capture business model summary (December 2022).]

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PRELIMINARY

- (A) Guidance: You should note that these Terms and Conditions are only suitable to be used when the grant being awarded does not fall within the scope of Article 10 of the Northern Ireland Protocol, because the Funded Activities being undertaken using the grant do not affect trade in goods or wholesale electricity between Northern Ireland and the European Union. If the Northern Ireland Protocol does apply to the Grant then the EU State Aid Rules will continue to apply and the subsidy control provisions of these terms will need to be amended by your legal advisors.

- (B) Under the Data Protection Legislation, a “Controller” determines how and why Personal Data is processed and a “Processor” acts on a Controller’s behalf (i.e. processes the data in accordance with the Controller’s instructions). The personal data provisions in these Terms and Conditions are only suitable to cover the situation where both the Secretary of State and the Grant Recipient are independent Controllers of any Personal Data that is shared between the Parties and are not suitable for any other scenario (for example the Parties acting as Joint Controllers, or one party processing personal data on behalf of the other). If you believe any of these scenarios apply you will need to seek legal advice and the terms will need to be amended.

Part 1 Introduction

INTRODUCTION

- 1.1 These Terms and Conditions apply to the Grant Recipient receiving the Grant from the Secretary of State for Business, Energy and Industrial Strategy up to the Maximum Sum, specified in Paragraph 5 of the Grant Offer Letter.
- 1.2 These Terms and Conditions are to be read in conjunction with the Grant Offer Letter and the schedules to the Grant Offer Letter.
- 1.3 The Grant is offered under an Act of Parliament, that is listed in Paragraph 3¹ of the Grant Offer Letter.

DEFINITIONS AND INTERPRETATION OF THE GRANT FUNDING AGREEMENT

- 2.1 In the Terms and Conditions and the Grant Offer Letter the following definitions apply:

"Agreement Date" means the date on which the Grant Funding Agreement is entered into between the Parties;

"Approved Signatory" means the Chief Finance Officer of the Grant Recipient or a Director with proper delegated authority, acting on behalf of the Grant Recipient, who should be listed on Companies House records and should not appear on the Disqualified Directors Register;

"Arbitrator" means any person to whom a dispute is referred in accordance with Paragraph 25.6;

"Arbitral Tribunal" has the meaning given to that term in the LCIA Arbitration Rules;

"Asset" means the Capture Plant (as such term is defined in the ICC Contract [or the Waste ICC Contract]) including any land, buildings, plant and equipment acquired, developed, enhanced, or constructed in connection with the Funded Activities through Eligible Expenditure under the Grant Funding Agreement;

"Asset Retention Period" means the period that the Assets must be retained, as set out in Schedule 4 to the Grant Offer Letter;

"Bribery Act" means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning this legislation;

"Change of Control" means the sale of all or substantially all the assets of a Party; any merger, consolidation or acquisition of a Party with, by or into another corporation, entity

¹ Note to Reader: legislative references to be confirmed throughout.

or person, or any change in the ownership of more than fifty percent (50%) of the voting capital stock of a Party in one or more related transaction;

"CO₂ Utilisation" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Code of Conduct" means the most recent version of Code of Conduct for Recipients of Government General Grants published by the Cabinet Office and available on request from the Department;

"Commencement Date" means the date on which the Grant Funding Agreement comes into effect and is specified in Schedule 4 to the Grant Offer Letter;

"Conclusion Date" has the meaning given to it in Schedule 4 to the Grant Offer Letter;

"Confidential Information" means any information (however conveyed, recorded or preserved) disclosed by a Party or its personnel to another Party (and/or that Party's personnel) whether before or after the Commencement Date of the Grant Offer Letter, including but not limited to:

- (A) any information that ought reasonably to be considered to be confidential (whether or not it is so marked) relating to:
 - (i) the business, affairs, customers, clients, suppliers or plans of the disclosing Party; and
 - (ii) the operations, processes, product information, know-how, designs, trade secrets or software of the disclosing Party; and
- (B) any information developed by the Secretary of State in the course of delivering the Funded Activities;
- (C) Department Personal Data;
- (D) any information derived from any of the above;

Confidential Information shall not include information which:

- (A) was public knowledge at the time of disclosure (otherwise than by breach of Paragraph 10 of these Terms and Conditions);
- (B) was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (C) is received from a Third Party (who lawfully acquired it) without restriction as to its disclosure; or
- (D) is independently developed without access to the Confidential Information;

"Contracting Authority" means any contracting body acting on the specifically delegated authority of the Secretary of State as defined in Regulation 2 of the Public Contracts Regulations 2015 (as amended);

"Controller and Processor" have the meaning given to them in the Data Protection Legislation;

"Crown Body" means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;

"Data Protection Legislation" means (i) the UKGDPR, (ii) the Data Protection Act 2018 to the extent that it relates to the processing of Personal Data and privacy; and (iii) all applicable Law relating to the processing of Personal Data and privacy;

"Deliverables" means collectively the agreed outputs, outcomes and key performance indicators of the Funded Activities described in Schedule 2 to the Grant Offer Letter;

"Department" means the Department for Business, Energy and Industrial Strategy and any successor government department;

"Department Personal Data" means any Personal Data supplied for the purposes of, or in connection with, the Grant Funding Agreement by the Secretary of State to the Grant Recipient;

"Disposal" means the disposal, sale, transfer of an Asset or any interest in any Asset and includes any contract for disposal;

"Document Retention Period" has the meaning given to it in Schedule 4 to the Grant Offer Letter;

"Domestic Law" means an applicable law, statute, byelaw, regulation, order, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation which replaces EU law as a consequence of the UK leaving the European Union;

"Duplicate Funding" means grant funding, provided by any public sector organisation or any other Third Party to the Grant Recipient, which is for the same purpose for which the Grant was made, excluding the funding provided pursuant to the ICC Contract [or the Waste ICC Contract];

"Economic Actor" has the meaning given to it in Article 363 of the Trade and Cooperation Agreement;

"Eligibility Criteria" mean the Secretary of State's selection criteria used to determine who should be grant recipients including the Grant Recipient;

"Eligible Expenditure" means the expenditure incurred and defrayed by the Grant Recipient during the Investment Period for the purposes of delivering the Funded

Activities which is specified in Schedule 2 to the Grant Offer Letter. Eligible Expenditure must comply in all respects with the eligibility rules set out in Paragraph 5 of these Terms and Conditions. Expenditure incurred or defrayed prior to the Commencement Date will not be considered Eligible Expenditure;

"**EIR**" means the Environmental Information Regulations 2004;

"**Event of Default**" means an event or circumstance set out in Paragraph 23.1 of these Terms and Conditions;

"**Financial Year**" means from 1 April to 31 March;

"**FOIA**" means the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation;

"**Funded Activities**" means the activities defined in Schedule 1 to the Grant Offer Letter;

"**Grant** " means the sum or sums the Secretary of State will pay to the Grant Recipient in accordance with Paragraph 4 and subject to the provisions set out at Paragraph 23 of these Terms and Conditions;

"**Grant Claim**" means the payment request claim submission provided by the Grant Recipient to the Secretary of State for payment of the relevant Grant Instalment(s), with the Supporting Information and any other information that may be requested by the Secretary of State from time to time;

"**Grant Drawdown Period**" means the period set out in Schedule 4 to the Grant Offer Letter within which the Grant can be drawn down, if the requirements specified in the Grant Funding Period have been fully met;

"**Grant Funding Agreement**" means the collective combination of:

- (A) the Grant Offer Letter together with its Schedules;
- (B) if applicable, any additional agreed variation to the Grant Offer Letter and/or its Schedules;
- (C) these Terms and Conditions; and
- (D) if applicable, any variation to these Terms and Conditions agreed by the Secretary of State and the Grant Recipient;

"**Grant Instalments**" means the instalments in which the Secretary of State shall pay the Grant as set out in Schedule 3 to the Grant Offer Letter;

"**Grant Offer Letter**" means the letter the Secretary of State issued to the Grant Recipient detailing the nature of the Grant;

"**Grant Payment Requirements**" means all of the requirements listed in Schedule 3 to the Grant Offer Letter in respect of each Grant Instalment;

"Grant Recipient" means the sole or joint legal entity named in Paragraph 1 of the Grant Offer Letter, who will receive the Grant to deliver the Funded Activities, Deliverables and Investment as specified in the Schedules to the Grant Offer Letter;

"Group" means the Grant Recipient, any subsidiary or any holding company or parent undertaking from time to time of the Grant Recipient, and any subsidiary from time to time of a holding company or parent undertaking of the Grant Recipient. Each company in a Group is a member of the Group;

"HRA" means the Human Rights Act 1998 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation or any successor legislation;

"ICC Contract" means the Industrial Carbon Capture Contract entered into between the Grant Recipient and the ICC Contract Counterparty [or the Waste ICC Contract Counterparty] (as such terms are defined therein) on or around the date of the Grant Funding Agreement;

"Independent Accountant's Report" means the form of report to be prepared by an independent accountant appended at Annex 2;

"Ineligible Expenditure" means expenditure incurred by the Grant Recipient which is not Eligible Expenditure specified in Schedule 2 to the Grant Offer Letter and/or that set out in Paragraph 5 of these Terms and Conditions;

"Information Acts" means the Data Protection Legislation, FOIA and the EIR, as amended from time to time;

"Intellectual Property Rights" or "IPRs" means copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions semiconductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade names, designs, know-how, trade secrets and any modifications, amendments, updates and new releases of the same and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

"Intervention Rate" means the fiscal value of the Grant represented as a proportion of the relevant investment cost and may be discounted for time;

"IPR Material" means all material produced by the Grant Recipient or its Representatives in relation to the Funded Activities during the Investment Period (including but not limited to, materials expressed in any form of report, database, design, document, technology, information, know how, system or process);

"Investment" means the Eligible Expenditure and Ineligible Expenditure detailed in Schedule 2 to the Grant Offer Letter which the Grant Recipient has committed to make;

"Investment Period" has the meaning given to it in Schedule 4 to the Grant Offer Letter;

"Joint Controllers" means where two or more Controllers jointly determine the purposes and means of processing of Personal Data;

"Law" means any applicable law, statute, byelaw, regulation, order, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation;

"Large Enterprise" means any entity engaged in an economic activity, irrespective of its legal form which is neither a Small Enterprise or Medium Enterprise;

"LCIA Arbitration Rules" means the arbitration rules published under that name by the LCIA;

"Losses" means all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and **"Loss"** will be interpreted accordingly;

"Match Funding" means any contribution to the Funded Activities from any Third Party to the Grant Recipient to meet the balance of the Eligible Expenditure that is not otherwise supported by the Grant;

"Maximum Sum" means the maximum amount of the Grant the Secretary of State will provide to the Grant Recipient for the Funded Activities as set out in Paragraph 5 of the Grant Offer Letter;

"Medium Enterprise" has the meaning given to it in Article 2 of EU recommendation 2003/361;

"Minimum CO₂ Capture Rate Obligation" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Monitoring Officer" means the individual, within the Department, who has been nominated by the Secretary of State to be the single point of contact for the Grant Recipient in relation to the Grant;

"Monitoring Period" means the period from the Commencement Date to the Conclusion Date in which the Secretary of State will actively monitor the Funded Activities, Deliverables, Eligible Expenditure and Ineligible Expenditure, as specified in Schedule 4 to the Grant Offer Letter;

"Mutual Appointment Decision" has the meaning given to that term in Paragraph 25.9;

"No Obligation To Pay Dates" or **"NOPDs"** mean those dates described as such in Schedule 3 to the Grant Offer Letter;

"Northern Ireland Protocol" means the Protocol on Ireland/Northern Ireland in the EU Withdrawal Agreement;

"Parent Company" means the ultimate parent company in the Group who provides the Parent Company Guarantee;

"Parent Company Guarantee" means the form of parent company guarantee provided for at Annex 1;

"Party" means the Secretary of State or Grant Recipient and **"Parties"** shall be each Party together;

"Personal Data" has the meaning given to it in the Data Protection Legislation;

"Premises" mean the premises identified in Schedule 1 to the Grant Offer Letter, owned or operated by the Grant Recipient where the Funded Activities are undertaken;

"Pre-Payment Conditions" means the conditions set out in Paragraph 7 of the Grant Offer Letter that will need to be satisfied before the Grant is paid to the Grant Recipient;

"Procurement Regulations" means the Public Contracts Regulations 2015, Concession Contracts Regulations 2016, Defence Security Public Contracts Regulations 2011 and the Utilities and Contracts Regulations 2016 together with their amendments, updates and replacements from time to time;

"Prohibited Act" means:

- (A) directly or indirectly offering, giving or agreeing to give to any servant of the Secretary of State or the Crown any gift, consideration or advantage of any kind as an inducement or reward for:
 - (i) doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of the Grant Funding Agreement; or
 - (ii) showing or not showing favour or disfavour to any person in relation to the Grant Funding Agreement;
- (B) committing any offence:
 - (i) under the Bribery Act;
 - (ii) under legislation creating offences in respect of fraudulent acts; or
 - (iii) at common law in respect of fraudulent acts in relation to the Funding Agreement;
- (C) defrauding or attempting to defraud or conspiring to defraud the Secretary of State, the Department or the Crown; or
- (D) any activity practice or conduct which would constitute one of the offences listed under (b) or (c) above if such activity practice or conduct had been carried out in the UK;

"Prolonged FM Event" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Prolonged FM Termination Date" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Prolonged FM Termination Notice" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Publication" means any announcement, comment or publication of any publicity material by the Grant Recipient concerning the grant supported Assets, Eligible Expenditure, the Funded Activities or the Secretary of State;

"QCiL Termination Notice" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"Related Party" means any holding company from time to time of the Grant Recipient and any subsidiary from time to time of the Grant Recipient, or any subsidiary of any such holding company;

"Remedial Action Plan" means the plan of action submitted by the Grant Recipient to the Secretary of State following an Event of Default;

"Representatives" means any of the Parties' duly authorised directors, employees, officers, agents, professional advisors and consultants;

"Secretary of State" means Secretary of State for Business, Energy and Industrial Strategy or successor departments;

"Small Enterprise" has the meaning given to it in Article 2 of EU recommendation 2003/361;

"State Aid Law" means the law embodied in Articles 107-109 of Section 2, Title VII of the Common Rules on Competition, Taxation and Approximation of Laws – Consolidated Versions of the Treaty on European Union and the Treaty for the Functioning of the European Union or any Domestic Law which replaces such State Aid Law following the UK's exit from the European Union;

"Supporting Information" means the information required by the Secretary of State to assess a Grant Claim, as specified by the Monitoring Officer from time to time;

"Terms and Conditions" means these Terms and Conditions together with any appendices;

"Third Party" means any person or organisation other than the Grant Recipient, the Department, or Secretary of State;

"Trade and Cooperation Agreement" means the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (as that agreement is modified or supplemented from time to time in accordance with any provision of it or of any other future relationship agreement);

"T&S Prolonged Unavailability Event" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"T&S Prolonged Unavailability Termination Date" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"T&S Prolonged Unavailability Termination Notice" has the meaning given to it in the ICC Contract [or the Waste ICC Contract];

"UK General Data Protection Regulation" and **"UKGDPR"** has the meaning given to it in Section 3(10) (as supplemented by Section 205(4)) of the Data Protection Act 2018;

"Unspent Monies" means any monies paid to the Grant Recipient in advance of its Eligible Expenditure, which remains unspent and uncommitted at the end of the Financial Year, the Investment Period or because of termination or breach of these Terms and Conditions;

"VAT" means Value Added Tax chargeable in the UK;

"Waste ICC Contract" means the Waste Industrial Carbon Capture Contract entered into between the Grant Recipient and the ICC Contract Counterparty [or the Waste ICC Contract Counterparty] (as such terms are defined therein) on or around the date of the Grant Funding Agreement; and

"Working Day" means any day from Monday to Friday (inclusive) which is not specified or proclaimed as a Bank Holiday in England and Wales pursuant to Section 1 of the Banking and Financial Dealings Act 1971 including Christmas Day and Good Friday or alternatively, if the Funded Activities are being delivered in Northern Ireland or Scotland, means any day from Monday to Friday (inclusive) which is not a statutory bank holiday in Northern Ireland or Scotland.

2.2 In these Terms and Conditions, unless the context otherwise requires:

- (A) the singular includes the plural and vice versa;
- (B) reference to a gender includes the other gender and the neuter;
- (C) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
- (D) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
- (E) the words "including", "other", "in particular", "for example" and similar words will not limit the generality of the preceding words and will be construed as if they were immediately followed by the words "without limitation";
- (F) references to "writing" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of

representing or reproducing words in a visible form, and expressions referring to writing will be construed accordingly;

- (G) references to “representations” will be construed as references to present facts, to “warranties” as references to present and future facts and to “undertakings” as references to obligations under the Grant Funding Agreement;
- (H) references to “Paragraphs” and “Annexes” are, unless otherwise provided, references to the Paragraphs and Annexes of these Terms and Conditions and references in any Annex to parts, paragraphs and tables are, unless otherwise provided, references to the parts, paragraphs and tables of the Annex in which these references appear;
- (I) these Terms and Conditions shall be binding on and enure to the benefit of the parties to the Grant Funding Agreement and their respective successors and permitted assigns and references to any party shall include that party's successors and assigns; and
- (J) the headings in these Terms and Conditions are for ease of reference only and will not affect the interpretation or construction of these Terms and Conditions.

2.3 Where there is any conflict between the documents that make up the Grant Funding Agreement the conflict shall be resolved in accordance with the following order of precedence:

- (A) these Terms and Conditions; and
- (B) the terms of the Grant Offer Letter and schedules to the Grant Offer Letter.

Conditions

DURATION AND PURPOSE OF THE GRANT

- 3.1 The Grant Funding Agreement shall become effective and binding on the Agreement Date and the Grant Recipient shall use all reasonable endeavours to ensure that the Funded Activities start on the Commencement Date.
- 3.2 If, notwithstanding Paragraph 3.1, the Grant Recipient has not commenced the Funded Activities on the Commencement Date, it shall commence the Funded Activities no later than two (2) months after the Commencement Date. In the event of any delays to the Commencement Date, the Grant Recipient shall notify the Monitoring Officer as soon as it becomes aware of any such delays.
- 3.3 The Grant Recipient shall use the Grant solely for: (i) the delivery of the Funded Activities, (ii) to achieve the Deliverables and (iii) to contribute to the Eligible Expenditure. The Grant Recipient may not make any changes to the Funded Activities or Eligible Expenditure after the Agreement Date.
- 3.4 The Secretary of State shall be permitted to make any changes to the Funded Activities or Eligible Expenditure at its discretion, including:

- (A) changing the Funded Activities and/or Eligible Expenditure by way of reducing the Grant or removing certain Funded Activities; or
- (B) following a request from a Grant Recipient to amend the terms of the Grant.

PAYMENT OF GRANT

- 4.1 Subject to the remainder of this Paragraph 4, the Secretary of State shall pay to the Grant Recipient an amount provided for in the Grant Offer Letter.
- 4.2 The Grant represents the Maximum Sum that the Secretary of State will pay to the Grant Recipient under the Grant Funding Agreement. The Maximum Sum shall not, for any reason whatsoever, be increased in the event of any overspend by the Grant Recipient in its delivery of the Funded Activities.
- 4.3 The Grant Recipient acknowledges that the Secretary of State shall not be obliged to make any payment of the Grant until it is satisfied that any Pre-Acceptance Conditions and Pre-Payment Conditions specified in Paragraphs 6 and 7 of the Grant Offer Letter have been satisfied by the Grant Recipient.
- 4.4 If the Grant Recipient considers that the Grant Payment Requirements relating to a Grant Instalment have been satisfied, it shall submit a Grant Claim to the Secretary of State. The Grant Claim shall be in a form specified by the Secretary of State and shall be accompanied by the following:
 - (A) a report demonstrating the progress made towards achieving the agreed Deliverables and the Grant Recipient's performance of the Funded Activities (a "**Monitoring Report**"), by reference to the Funded Activities' targets;
 - (B) a statement of Eligible Expenditure and Ineligible Expenditure incurred or defrayed;
 - (C) a copy of the Grant Recipient's most up to date financial statements and accounts; and
 - (D) such other information that the Secretary of State may require including receipts and invoices or any other documentary evidence that demonstrates Eligible Expenditure has been incurred and/or defrayed.
- 4.5 The Secretary of State reserves the right not to pay any Grant Claims which are not submitted by the relevant NOPD for the applicable Grant Instalment or Grant Claims, or which are incomplete, incorrect or submitted without full supporting documentation.
- 4.6 The Secretary of State will review the Grant Claim submitted by the Grant Recipient and shall only pay the relevant Grant Instalment to the Grant Recipient once the Secretary of State is satisfied that:
 - (A) the Grant Claim contains all the information specified in Paragraph 4.4; and
 - (B) any relevant Grant Payment Requirements have been achieved;

- 4.7 The Grant Recipient shall declare to the Secretary of State any Match Funding or Duplicate Funding from any other source which has been approved or received before the Commencement Date.
- 4.8 If the Grant Recipient intends to apply for, is offered or receives any further Match Funding or Duplicate Funding from any other source during the Investment Period, the Grant Recipient shall notify the Secretary of State before accepting or using any such Match Funding or Duplicate Funding. On notifying the Secretary of State of the Match Funding or Duplicate Funding, the Grant Recipient shall confirm the amount, purpose and source of the Match Funding or Duplicate Funding, and supply the terms and conditions attached to that offer. The Secretary of State shall confirm whether it agrees to the Grant Recipient accepting or using the Match Funding. If the Secretary of State does not agree to the acceptance or use of Match Funding or where Duplicate Funding has been obtained, the Secretary of State shall be entitled to terminate the Grant Funding Agreement in accordance with Paragraph 23 of these Terms and Conditions and where applicable, require all or part of the Grant to be repaid, with interest in accordance with Paragraph 23.24.
- 4.9 If the Grant Recipient has given notice pursuant to Paragraph 4.8 and the Secretary of State provides approval for the use of Match Funding, the Grant Recipient shall provide the details of any Match Funding it receives in a format agreed with the Secretary of State.
- 4.10 The Grant Recipient agrees that:
- (A) it will not apply for, or obtain, Duplicate Funding in respect of any part of the Funded Activities and/or Eligible Expenditure which have been or may be paid for in full using the Grant;
 - (B) the Secretary of State may refer the Grant Recipient to the police should it dishonestly and intentionally obtain Duplicate Funding for the Funded Activities; and
 - (C) the Secretary of State will not make the first payment of the Grant and/or any subsequent payments of the Grant unless or until, the Secretary of State is satisfied that:
 - (i) the Grant will be used for Eligible Expenditure only; and
 - (ii) if applicable, any previous Grant payments have been used for the Funded Activities, or where there are Unspent Monies, have been repaid to the Secretary of State.
- 4.11 Unless otherwise stated in these Terms and Conditions or in the Grant Offer Letter, payment of a Grant Instalment will be made within thirty (30) days of the Secretary of State approving the Grant Recipient's Grant Claim for that Grant Instalment.
- 4.12 The Secretary of State shall have no liability to the Grant Recipient for any Losses caused by a delay in the payment of a Grant Claim howsoever arising.

- 4.13 The Grant Recipient shall promptly notify and repay immediately with interest where applicable to the Secretary of State any money incorrectly paid to it either as a result of an administrative error or otherwise. This includes (without limitation) situations where the Grant Recipient is paid in error before it has complied with its obligations under the Grant Funding Agreement. Any sum, which falls due under this Paragraph 4.13, shall fall due immediately. If the Grant Recipient fails to repay the due sum immediately or within any other timeframe expressly specified in writing by the Secretary of State, the sum will be recoverable summarily as a civil debt.
- 4.14 If the Grant Recipient enters into a contract with a Third Party in connection with the Funded Activities, the Grant Recipient will remain responsible for all payments to that Third Party. The Secretary of State shall have no responsibility for making any payments relating to Third Party invoices or any other Third Party costs whatsoever.
- 4.15 Onward payment of the Grant and the use of subcontractors shall not relieve the Grant Recipient of any of its obligations under the Grant Funding Agreement, including any obligation to repay the Grant with interest.
- 4.16 The Grant Recipient may not retain any Unspent Monies without the Secretary of State's prior written permission.
- 4.17 If by the Conclusion Date there are Unspent Monies, the Grant Recipient shall repay such Unspent Monies to the Secretary of State no later than thirty (30) days of the Secretary of State's request for repayment, with interest in accordance with Paragraph 23.24.
- 4.18 With effect from the Start Date, the Grant Recipient undertakes to the Secretary of State to use all reasonable endeavours to ensure that the Average Achieved CO₂ Capture Rate of the Capture Plant will be equal to or greater than the Minimum CO₂ Capture Rate (as such terms are defined in the ICC Contract [or the Waste ICC Contract]).

ELIGIBLE AND INELIGIBLE EXPENDITURE

- 5.1 The Secretary of State will only pay the Grant in respect of Eligible Expenditure incurred and defrayed by the Grant Recipient to deliver the Funded Activities and the Grant Recipient shall use the Grant solely for delivery of the Funded Activities.
- 5.2 The following costs may in some circumstances be classified as Eligible Expenditure if they are incurred and defrayed by the Grant Recipient for the purposes of the Funded Activities where this has been expressly agreed in writing by the Secretary of State in advance:
- (A) giving evidence to Parliamentary Select Committees;
 - (B) attending meetings with government ministers or officials to discuss the progress of a taxpayer funded grant scheme;
 - (C) responding to public consultations, where the topic is relevant to the objectives of the Funded Activities, save that, the Grant Recipient shall not be permitted to use the Grant to lobby responses to any such consultation (unless otherwise permitted in the Grant Funding Agreement);

- (D) providing independent, evidence-based policy recommendations to local government, departments or government ministers, where that is the objective of the Grant; and
- (E) providing independent evidence-based advice to local or national government as part of the general policy debate, where that is in line with the objectives of the Grant.

Prohibited use of grant

5.3 Any expenditure which is not Eligible Expenditure will be deemed to be Ineligible Expenditure and shall include:

- (A) paid for lobbying, which means using the Grant to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, government or political activity; or attempting to influence legislative or regulatory action;
- (B) using the Grant to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the Grant;
- (C) using the Grant to petition for additional funding;
- (D) expenses such as for entertaining, specifically aimed at exerting undue influence to change government policy;
- (E) input VAT reclaimable by the Grant Recipient from HMRC (Her Majesty's Revenue and Customs) or any successor body;
- (F) payments for activities of a political or exclusively religious nature;
- (G) contributions in-kind;
- (H) interest payments, service charge payments or arrangement fees for finance leases or other forms of financing or hire purchase agreements;
- (I) gifts;
- (J) statutory fines, criminal fines or penalties civil penalties, damages or any associated legal costs;
- (K) payments for works or activities which the Grant Recipient, or any associated party has a statutory duty to undertake, or that are fully funded by other sources;
- (L) bad debts to related parties;
- (M) payments for unfair dismissal or other compensation;
- (N) depreciation, amortisation or impairment of assets owned by the Grant Recipient;

- (O) the acquisition or improvement of Assets by the Grant Recipient (unless the Grant is explicitly for capital use as may be stipulated in the Grant Offer Letter); and
- (P) liabilities incurred before the Commencement Date or beyond the Conclusion Date unless expressly agreed in writing by the Secretary of State.

GRANT REVIEW

- 6.1 The Secretary of State shall periodically review the Grant, including undertaking at least one (1) review annually, and shall be permitted to carry out as many reviews as it deems necessary. As part of such review, the Secretary of State will evaluate the Grant Recipient's delivery of the Funded Activities against the Deliverables in accordance with Paragraph 7.2 of these Terms and Conditions.
- 6.2 Each Grant review may result in the Secretary of State reaching a number of decisions which may include the following:
 - (A) that the Funded Activities and the Grant Funding Agreement must continue in accordance with the provisions of this Grant Funding Agreement;
 - (B) that there should be an increase or decrease in the Grant for the subsequent Financial Year;
 - (C) that the Deliverables should be re-defined and agreed;
 - (D) that the Grant Recipient should provide the Secretary of State with a draft Remedial Action Plan setting out the steps the Grant Recipient will take to improve the delivery of the Funded Activities; or
 - (E) that the Secretary of State should recover any Unspent Monies with interest.
- 6.3 If the Grant Recipient is required to submit a draft Remedial Action Plan, the process set out in Paragraphs 23.14 to 23.20 inclusive shall apply.
- 6.4 The Grant Recipient may make representations to the Secretary of State regarding the Secretary of State's decisions made in accordance with Paragraph 6.2. The Secretary of State shall not be obliged to take such representations into account when reaching its decision as any such decision will be final and at the Secretary of State's absolute discretion.

MONITORING AND REPORTING

- 7.1 The Grant Recipient shall closely monitor the delivery and success of the Funded Activities throughout the Monitoring Period, to ensure that the aims and objectives of the Funded Activities are achieved.
- 7.2 The Grant Recipient shall provide the Secretary of State with all reasonable assistance and cooperation in relation to any information, explanations and documents as the Secretary of State may require, from time to time, so the Secretary of State may establish if the Grant Recipient has used the Grant in accordance with the Grant Funding Agreement.

- 7.3 The Grant Recipient shall also provide the Secretary of State with quarterly reports during the Monitoring Period outlining:
- (A) the progress made towards achieving the agreed Deliverables and the Grant Recipient's performance of the Funded Activities, by reference to the Funded Activities' targets; and
 - (B) if relevant, the details of any Assets either acquired, purchased, developed, or improved using the Grant.
- 7.4 The Grant Recipient shall provide the Secretary of State a statement of actual Eligible Expenditure and Ineligible Expenditure incurred and/or defrayed in respect of the Funded Activities, supported by receipts and defrayment evidence if requested by the Secretary of State during the Monitoring Period.
- 7.5 The Grant Recipient shall permit any person authorised by the Secretary of State reasonable access, with or without notice, to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Grant Recipient's fulfilment of its obligations under the Grant Funding Agreement and will, if so required, provide appropriate oral or written explanations to such authorised persons as required up to the end of the Monitoring Period.
- 7.6 The Grant Recipient shall record in its financial reports to the Secretary of State the amount of Match Funding it receives together with details of what it has used that Match Funding for and any terms and conditions attached to that funding.
- 7.7 The Grant Recipient shall notify the Secretary of State as soon as reasonably practicable of:
- (A) any actual or potential failure to comply with any of its obligations under the Grant Funding Agreement, which includes those caused by any administrative, financial or managerial or trading/market difficulties; and
 - (B) actual or potential variations to the Eligible Expenditure and/or any event which materially affects the continued accuracy of such information.
- 7.8 The Grant Recipient represents and undertakes (and shall repeat such representations on delivery of its reports):
- (A) that the reports and information it gives pursuant to this Paragraph 7 and Paragraph 8 are accurate;
 - (B) that it has diligently made full and proper enquiry of the matter pertaining to the reports and information given; and
 - (C) that any data it provided pursuant to an application for the Grant may be shared within the powers conferred by legislation with other organisations for the purpose of preventing or detecting crime.

AUDITING AND ASSURANCE

- 8.1 The Grant Recipient shall provide the Secretary of State with independent assurance in the form of an Independent Accountant's Report that the Grant has been used for delivery of the Funded Activities and Eligible Expenditure each year during the Monitoring Period. The template in Annex 2 of these Terms and Conditions must be used in all instances, unless expressly specified in writing by the Secretary of State. The Grant Recipient shall provide this Independent Accountant's Report certified by an independent and appropriately qualified auditor, which must be accompanied by the Grant Recipient's annual audited accounts and most recent management accounts (including Profit and Loss, Balance Sheet and Cash Flow Statement).
- 8.2 The Secretary of State may, at any time during the Documentation Retention Period, conduct additional audits or ascertain additional information where the Secretary of State considers it necessary. The Grant Recipient agrees to grant the Secretary of State or its Representatives access, as required, to all Funded Activities sites and relevant records. The Grant Recipient shall ensure that necessary information and access rights are explicitly included within all arrangements with subcontractors.
- 8.3 If the Secretary of State requires further information, explanations, documents or evidence, in order for the Secretary of State to establish that the Grant has been used properly in accordance with the Grant Funding Agreement, the Grant Recipient shall, within five (5) Working Days of a request by the Secretary of State, provide the Secretary of State, free of charge, with the requested information.
- 8.4 The Grant Recipient shall:
- (A) nominate an independent auditor to verify the final statement of Eligible Expenditure submitted to the Secretary of State;
 - (B) identify separately the value and purpose of the Grant Funding in its audited accounts and its annual report; and
 - (C) maintain a record of internal financial controls and procedures and provide the Secretary of State with a copy if requested.
- 8.5 The Grant Recipient shall keep adequate records to support the amount, date and nature of the Eligible Expenditure, which is funded from the Grant, demonstrating an audit trail in respect of such Eligible Expenditure. The Grant Recipient shall also maintain a copy of the Grant Offer Letter, its Schedules, and relevant supporting documents to demonstrate that it has complied with all the requirements of the Grant Funding Agreement. This requires retaining all invoices, receipts, accounting records and any other documentation (including but not limited to, correspondence) relating to the Eligible Expenditure for the Document Retention Period.
- 8.6 The Grant Recipient shall promptly provide revised forecasts of income and expenditure:
- (A) when these forecasts increase or decrease by more than ten per cent. (10%) of the original expenditure forecasts; and/or

- (B) at the request of the Secretary of State.
- 8.7 Where the Grant Recipient is a company registered at Companies House, the Grant Recipient shall file its annual return and accounts by the dates specified by Companies House.
- 8.8 Where the Grant Recipient is a registered charity, the Grant Recipient shall file its charity annual return by the date specified by the Charity Commissioner.
- 8.9 The Grant Recipient shall provide the Secretary of State with copies of its annual return, accounts and charity annual return (as applicable) within five (5) days of filing them at Companies House and/or the Charity Commissioner. If a Grant Recipient fails to comply with Paragraphs 8.7 or 8.8 of these Terms and Conditions it shall constitute an Event of Default under Paragraph 23.1.

FINANCIAL MANAGEMENT AND PREVENTION OF BRIBERY, CORRUPTION, FRAUD AND OTHER IRREGULARITY / CONFLICT OF INTEREST

- 9.1 The Grant Recipient shall at all times comply with all applicable Laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act.
- 9.2 The Grant Recipient shall have a sound administration and audit process, including internal financial controls, to safeguard against fraud, theft, money laundering, terrorist financing or any other impropriety, or mismanagement in connection with the administration of the Grant. The Secretary of State may require that external auditors report on the adequacy or otherwise of such process and the Grant Recipient shall provide reasonable assistance and cooperation to such external auditors.
- 9.3 The Grant Recipient shall notify the Secretary of State and the Monitoring Officer and the counter fraud team (at the following email address: counterfraud@beis.gov.uk) of all cases of fraud, theft or other financial irregularity (whether proven or suspected) relating to the Funded Activities (unless the Monitoring Officer is implicated in such fraud or theft) as soon as they are identified. In circumstances where the Monitoring Officer is proven or suspected to be complicit in any fraudulent activities, then the Grant Recipient shall only notify the Secretary of State and the counter fraud team. The Grant Recipient shall explain to the Secretary of State and Monitoring Officer what steps are being taken to investigate such irregularity and shall keep the Secretary of State and Monitoring Officer informed about the progress of any such investigation. The Secretary of State and/or the Monitoring Officer may however request that the matter is referred (which the Grant Recipient is obliged to carry out) to external auditors or another Third Party as required.
- 9.4 The Secretary of State will have the right, at its absolute discretion, to require the Grant Recipient to address any actual or suspected fraud, theft or other financial irregularity and/or to suspend future payment of the Grant to the Grant Recipient. Any grounds for suspecting financial irregularity includes what the Grant Recipient, acting with due care, should have suspected as well as what it actually proven.
- 9.5 The Grant Recipient acknowledges and agrees that it may become ineligible for Grant support and may be required to repay all or part of the Grant with interest if it engages in

tax evasion or aggressive tax avoidance in the opinion of Her Majesty's Revenue and Customs.

- 9.6 For the purposes of Paragraphs 9.3 and 9.4 "financial irregularity" includes (but is not limited to) potential fraud or other impropriety, mismanagement, and the use of the Grant for any purpose other than those stipulated in the Grant Funding Agreement. The Grant Recipient may be required to and shall provide statements and evidence to the Secretary of State and/or the appropriate organisation as part of pursuing sanctions, criminal or civil proceedings in relation to such irregularities.

Conflicts of Interest

- 9.7 Neither the Grant Recipient nor its Representatives shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations in relation to the Grant Funding Agreement.
- 9.8 The Grant Recipient shall have and shall keep in place adequate procedures to manage and monitor any actual or perceived bias or conflicts of interest.

Relationship with the Secretary of State

- 9.9 Nothing in the Grant Funding Agreement creates a relationship of employment, agency, partnership or joint venture between the Parties. Accordingly, the Grant Recipient shall not hold itself out as having any such relationship with the Secretary of State.

Further Funding

- 9.10 The Secretary of State shall not be obliged to provide the Grant Recipient with any further funding exceeding the Maximum Sum in respect of the Funded Activities or for any other purpose.

CONFIDENTIALITY

- 10.1 Except to the extent set out in this Paragraph 10 or where disclosure is expressly permitted, the Grant Recipient shall treat all Confidential Information belonging to the Secretary of State as confidential and shall not disclose any Confidential Information belonging to the Secretary of State to any other person without the express prior written consent of the Secretary of State, except to such persons who are directly involved in the provision of the Funded Activities and who need to know the information.
- 10.2 The Grant Recipient gives its consent for the Secretary of State to publish the Grant Funding Agreement in any medium in its entirety (but with any information which is Confidential Information belonging to the Secretary of State or the Grant Recipient redacted), including from time-to-time agreed changes to the Grant Funding Agreement.
- 10.3 Nothing in this Paragraph 10 shall prevent the Secretary of State disclosing any Confidential Information obtained from the Grant Recipient:
- (A) for the purpose of the examination and certification of the Secretary of State's accounts; or

- (B) pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Secretary of State has used its resources;
 - (C) to any government department, consultant, contractor or other person engaged by the Secretary of State, provided that in disclosing such information, the Secretary of State only discloses the information which is necessary for the purpose concerned and requests that the information is treated in confidence and that a confidentiality undertaking is given where appropriate; or
 - (D) where disclosure is required by Law, including under the Information Acts.
- 10.4 Nothing in this Paragraph 10 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under the Grant Funding Agreement in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.

TRANSPARENCY

- 11.1 The Secretary of State and the Grant Recipient acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the Information Acts and Paragraph 10.2, the content of the Grant Funding Agreement is not confidential.

STATUTORY DUTIES

- 12.1 The Grant Recipient agrees to adhere to its obligations under the Law including but not limited to the Information Acts and the HRA.
- 12.2 Where requested by the Secretary of State, the Grant Recipient shall provide reasonable assistance and cooperation to enable the Secretary of State to comply with its information disclosure obligations under the Information Acts.
- 12.3 On request from the Secretary of State, the Grant Recipient shall provide the Secretary of State with all such relevant documents and information relating to the Grant Recipient's data protection policies and procedures as the Secretary of State may reasonably require.
- 12.4 The Grant Recipient acknowledges that the Secretary of State, acting in accordance with the codes of practice issued and revised from time to time under the Information Acts, may disclose information concerning the Grant Recipient and the Grant Funding Agreement without consulting the Grant Recipient.
- 12.5 The Secretary of State will take reasonable steps to notify the Grant Recipient of a request for information to the extent that it is permissible and reasonably practical for it to do so. Notwithstanding any other provision in the Grant Funding Agreement, the Secretary of State will be responsible for determining in its absolute discretion whether any information is exempt from disclosure in accordance with the Information Acts.

DATA PROTECTION AND PUBLIC PROCUREMENT

- 13.1 The Grant Recipient and the Secretary of State shall comply at all times with their respective obligations under Data Protection Legislation.
- 13.2 To the extent that the Grant Recipient and the Secretary of State share any Personal Data for the purposes of this Grant Funding Agreement, the Parties accept that they are each a separate independent Controller in respect of such Personal Data. Each Party:
- (A) shall comply with the applicable Data Protection Legislation in respect of its processing of such Personal Data;
 - (B) will be individually and separately responsible for its own compliance; and
 - (C) do not and will not Process any Personal Data as Joint Controllers.
- 13.3 Each Party shall, with respect to its processing of Personal Data as independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UKGDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UKGDPR.
- 13.4 The Grant Recipient shall ensure that any of its Representatives involved in the Funded Activities shall adopt such policies and procedures that are required in order to ensure that value for money has been obtained in the procurement of goods or services funded by the Grant.
- 13.5 Where the Grant Recipient is a Contracting Authority within the meaning of the Procurement Regulations, the Grant Recipient shall comply, as necessary, with the Procurement Regulations when procuring goods and services in connection with the Grant Funding Agreement and the Secretary of State shall not be liable for the Grant Recipient's failure to comply with its obligations under the Procurement Regulations.

SUBSIDY CONTROL

- 14.1 The Grant Recipient shall be responsible for ensuring that the delivery of the Funded Activities and associated Eligible Expenditure costs do not result in a breach of the Subsidy Control Act 2022 and any other relevant subsidy control legislation or obligations in the UK.
- 14.2 The Grant Recipient shall maintain appropriate records of compliance with the UK's international obligations in relation to subsidies until the end of the Documentation Retention Period and shall take all reasonable steps to assist the Secretary of State to comply with the same.
- 14.3 The Grant Recipient shall take all reasonable steps to assist the Secretary of State to:
- (A) respond to any proceedings or investigation(s) into the Funded Activities by any relevant court or tribunal of relevant jurisdiction or regulatory body; and/or

- (B) respond to any requests from the European Union for information regarding the Funded Activities or the Grant pursuant to the Trade and Cooperation Agreement.
- 14.4 The Grant Recipient acknowledges and represents that the Grant is being awarded on the basis that the Funded Activities being undertaken using the Grant do not affect trade in goods or wholesale electricity between Northern Ireland and the European Union, and the Grant Recipient shall ensure that the Grant is not used in any way that affects any such trade.
- 14.5 The Grant Recipient acknowledges and accepts that the Grant is awarded on the basis specified in Paragraph 23 of the Grant Offer Letter.
- 14.6 Where Paragraph 23 of the Grant Offer Letter states that the Grant is being made relying on the basis that the UK's international obligations in respect of subsidies do not apply, the Grant Recipient acknowledges and accepts that the Grant is awarded on the basis that the Funded Activities being undertaken using the Grant are, and will remain, non-economic activities. The Grant Recipient shall ensure that measures are taken (where necessary), and maintained, to ensure that the Grant is not used to cross-subsidise any economic activity.
- 14.7 The Grant Recipient shall inform the Secretary of State of any likely or actual variation or deviation from the Funded Activities, Deliverables, Eligible Expenditure and/or Ineligible Expenditure costs, especially where Investment is reduced. Any forecasted changes to the spend profile or any forecasted alternative expenditure shall require the express written agreement from the Secretary of State. The Grant Recipient shall ensure that any such changes do not give rise to a breach of the UK's international obligations in respect of subsidies. Any breach of UK's international obligations in respect of subsidies that necessitates a repayment of the Grant will be enforced by the Secretary of State and the Grant Recipient shall immediately repay any such amount, with interest, as directed by the Secretary of State.
- 14.8 In the event that the Eligible Expenditure is reduced during the lifetime of the Funded Activities after the Grant has been paid and maximum Intervention Rates have been specified in Paragraph 5 of the Grant Offer Letter, the maximum Intervention Rate awarded in each category as identified in Paragraph 5 of the Grant Offer Letter must not be exceeded. Where the Grant Recipient has already received the Grant and a maximum Intervention Rate is exceeded, the Grant Recipient shall immediately repay some or all of the Grant as appropriate, with interest, as directed by the Secretary of State. The maximum Intervention Rate awarded in each category will be reviewed by the Secretary of State at regular intervals throughout the Monitoring Period and after the Investment has been completed.
- 14.9 The Grant Recipient acknowledges and represents that it is a viable enterprise/going concern (which shall be defined by the Secretary of State by reference to the particular characteristics of the Grant Recipient prior to the Commencement Date) and shall inform the Secretary of State as soon as reasonably practicable of any change in this status during the Monitoring Period. The Secretary of State reserves the right to terminate the Grant Funding Agreement if there is a status change in this regard.

- 14.10 The Grant Recipient consents to the publication of the following information by the Secretary of State: Company name; Company identifier; size and type of company/business (including whether it is a Small Enterprise, Medium Enterprise or Large Enterprise) on the Commencement Date; region in which the Company is located; sector of activity; amount of Grant; subsidy instrument; date of granting; objective of the subsidy; granting authority; the duration of Grant and any other time limits attached to the Grant and reference of the subsidy measure.
- 14.11 In accepting this Grant, the Grant Recipient specifically accepts that it understands that compliance with the UK's international obligations in relation to subsidies is a mandatory requirement. Should any circumstances arise under the UK's international obligations in relation to subsidies which require the Grant Recipient to repay any or all of the Grant, the Grant Recipient shall immediately repay such amount to the Secretary of State, with interest.
- 14.12 The Grant Recipient shall provide the Secretary of State with all information and assistance necessary in order for the Secretary of State to comply with all reporting requirements under the UK's international obligations in relation to subsidies.

INTELLECTUAL PROPERTY RIGHTS

- 15.1 Intellectual Property in all IPR Material will be the property of the Grant Recipient. Other than as expressly set out in these Terms and Conditions, neither Party will have any right to use any of the other Party's names, logos or trademarks on any of its products or services without the other Party's prior written consent.
- 15.2 The Grant Recipient grants to the Secretary of State a non-exclusive, irrevocable and royalty-free, sub-licensable, worldwide licence to use all the IPR Material for the purpose of supporting the Funded Activities and other projects.
- 15.3 Ownership of Third Party software or other IPR necessary to deliver Funded Activities will remain with the relevant Third Party.
- 15.4 The Grant Recipient shall ensure that it has obtained the relevant agreement from the Third Party proprietor before any additions or variations are made to the standard 'off-the-shelf' versions of any Third Party software and other IPR. The Grant Recipient shall be responsible for obtaining and maintaining all appropriate licences to use the Third Party software.

ENVIRONMENTAL REQUIREMENTS

- 16.1 The Grant Recipient shall perform the Funded Activities in accordance with the Department's environmental policy, which is to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.
- 16.2 The Grant Recipient shall pay due regard to the use of recycled products, so long as they are not detrimental to the provision of the Funded Activities or the environment, to include the use of all packaging, which should be capable of recovery for re-use or recycling.

- 16.3 The Grant Recipient shall take all possible precautions to ensure that any equipment and materials used in the provision of the Funded Activities do not contain chlorofluorocarbons, halons or any other damaging substances, unless unavoidable, in which case the Grant Recipient shall notify the Secretary of State in advance of their use. The Grant Recipient shall endeavour to reduce fuel emissions wherever possible.

COMPLIANCE WITH ANTI-SLAVERY AND HUMAN TRAFFICKING LAWS AND POLICIES

- 17.1 In performing its obligations under this Grant Funding Agreement, the Grant Recipient shall:
- (A) comply with all applicable anti-slavery and human trafficking Laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;
 - (B) have and maintain throughout the Monitoring Period its own policies and procedures to ensure its compliance with all such Laws, statutes, regulations and codes;
 - (C) not engage in any activity, practice or conduct that would constitute an offence under Sections 1, 2 or 4, of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK; and
 - (D) include in its contracts with its direct subcontractors and suppliers anti-slavery and human trafficking provisions that are at least as onerous as those set out in this Paragraph 17.

ASSETS

Inventory of the Assets

- 18.1 If Schedule 2 of the Grant Funding Letter specifically allows the purchase of Assets as Eligible Expenditure, the Grant Recipient shall keep a register of all such Assets acquired or improved wholly or partly using the Grant provided under the Grant Funding Agreement.
- 18.2 For each entry in the register the following particulars must be shown where appropriate:
- (A) date of acquisition or improvement;
 - (B) description of the Asset;
 - (C) serial number of the Asset;
 - (D) cost, net of recoverable VAT;
 - (E) location of the Asset;
 - (F) serial or identification numbers;
 - (G) location of the title deeds;

- (H) date of any Disposal;
- (I) depreciation/amortisation policy applied;
- (J) proceeds of any Disposal net of VAT;
- (K) the identity of any person to whom the Asset has been transferred or sold; and
- (L) evidence of legal and beneficial ownership of the Assets by the Grant Recipient.

18.3 The Secretary of State reserves the right to require the Grant Recipient to maintain the above particulars as set out in Paragraph 18.2 for any additional items which the Secretary of State considers material to the overall Grant.

Transfer of the Assets

18.4 Where the Grant Recipient uses any of the Grant to develop, improve or purchase any Assets, the Grant Recipient shall ensure that the Assets are maintained in good condition and retained at the Premises for the Asset Retention Period.

18.5 The Grant Recipient shall not transfer to a Third Party any Assets that have been totally or partly bought, restored, conserved (maintained or protected from damage) or improved with the Grant during the Asset Retention Period without the prior written consent of the Secretary of State. If the Secretary of State grants consent to such transfer, such consent may be subject to the satisfaction of certain conditions, to be determined by the Secretary of State, which shall be in addition to those conditions set out in Paragraph 20.3 below.

Charging of any Asset

18.6 The Grant Recipient shall not create any charge, legal mortgage, debenture or lien over any Asset during the Asset Retention Period without the express prior written consent of the Secretary of State.

INSURANCE

19.1 The Grant Recipient shall ensure that it has and maintains, at all times during the Monitoring Period adequate insurance with an insurer of good repute to cover claims under the Grant Funding Agreement or any other claims or demands which may be brought or made against it by any person suffering any injury damage or loss in connection with the Funded Activities or the Grant Funding Agreement.

19.2 The Grant Recipient shall upon request produce to the Secretary of State its policy or policies of insurance or where this is not possible, a certificate of insurance issued by the Grant Recipient's insurance brokers confirming the insurances are in full force and effect together with confirmation that the relevant premiums have been paid.

19.3 Where the Grant Recipient receives more than fifty (50%) of the Grant Recipient's total income (turn-over) from public funds, the Grant Recipient shall notify the Secretary of State. The Secretary of State shall review the nature of the control of Grant Recipient's organisation to determine any resulting requirement for reclassification which may in turn change the insurance requirements under the Grant Funding Agreement.

ASSIGNMENT

- 20.1 The Grant Recipient may not transfer, assign, novate or otherwise dispose of the whole or any part of the Grant Funding Agreement or any rights under it, to any Third Party, without the prior written consent of the Secretary of State. If the Secretary of State grants consent to such transfer, assignment, novation or disposal, such consent may be subject to satisfaction of certain conditions, to be determined by the Secretary of State, which shall be in addition to those conditions set out in Paragraph 20.3 below.
- 20.2 The Secretary of State may assign or transfer its rights under the Grant Funding Agreement to any successor without the consent of the Grant Recipient.
- 20.3 If the consent of the Secretary of State is required for the Grant Recipient to:
- (A) transfer any Assets to a Third Party under Paragraph 18.5; and/or
 - (B) transfer, assign, novate or otherwise dispose of all or substantially all of the Grant Recipient's rights, benefits and obligations under the Grant Funding Agreement to a Third Party under Paragraph 20.1,

and such consent is given, the Grant Recipient shall transfer ownership of the Assets to the same transferee of the Grant Recipient's rights, benefits and obligations under the Grant Funding Agreement contemporaneously. Any transfer effected, or purported to be effected, in breach of this Paragraph 20.3 shall be ineffective and void.

MARKETING, PUBLICITY OR COMMUNICATION

- 21.1 The Grant Recipient gives consent to the Secretary of State to publicise in the press or any other medium the Grant and details of the Funded Activities using any information gathered from the Grant Recipient's initial Grant application, Monitoring Reports or any supporting information submitted to the Secretary of State in accordance with Paragraph 7 of these Terms and Conditions, unless the Secretary of State has provided a specific waiver in writing.
- 21.2 The Grant Recipient shall comply with all reasonable requests from the Secretary of State to facilitate visits, provide reports, statistics, photographs and case studies that will assist the Secretary of State in its promotional and fundraising activities relating to the Funded Activities.
- 21.3 The Grant Recipient shall not make, or permit any person to make, marketing, publicity or communications related in any way to the Funded Activities or Grant without the express prior written agreement of the Secretary of State.
- 21.4 Any marketing, publicity or communication material related in any way to the Funded Activities or Grant must refer to the Grant awarded.
- 21.5 The Secretary of State may require any marketing, publicity or communication material related in any way to the Funded Activities or Grant to feature the Department's logo. If a Third Party wishes to use the Department's logo, the Grant Recipient shall first seek permission from the Secretary of State in writing.

- 21.6 The Grant Recipient shall acknowledge the support of the Secretary of State and HM Government in any materials that refer to the Funded Activities or Grant and in any written or spoken public presentations about the Funded Activities. Such acknowledgements (where appropriate or as requested by the Secretary of State) will include the Department's name and logo (or any future name or logo adopted by the Secretary of State) using the templates provided by the Secretary of State from time to time.
- 21.7 In using the Department's name and logo, the Grant Recipient shall comply with all reasonable branding guidelines issued by the Secretary of State and current at the time of publication.
- 21.8 The Secretary of State may publish information relating to the Grant and this Grant Funding Agreement to promote government activity relating to the wider carbon capture, usage and storage programme. Prior to publication, the Secretary of State will consider any representations made by the Grant Recipient in relation to information it considers to be commercially sensitive.
- 21.9 The Grant Recipient acknowledges and agrees that the Secretary of State may be obliged to disclose information relating to the Grant under the Information Acts or any other requirement of Law.
- 21.10 The Grant Recipient shall assist and cooperate with the Secretary of State, as reasonably requested, to enable the Secretary of State to comply with its obligations under the Information Acts.

CHANGES TO THE DEPARTMENT'S REQUIREMENTS

- 22.1 The Secretary of State will notify the Grant Recipient of any changes to the Department's activities, which are supported by the Grant.
- 22.2 The Grant Recipient shall accommodate any changes to the Department's needs and requirements under these Terms and Conditions.

GRANT RECOVERY, EVENTS OF DEFAULT, TERMINATION AND RIGHTS RESERVED FOR BREACH AND TERMINATION (INCLUDING VARIATION, REDUCTION, WITHDRAWAL AND REPAYMENT OF GRANT)

Events of Default

- 23.1 Subject to Paragraphs 23.6, 23.6 and 23.7 the Secretary of State may exercise the rights set out in Paragraph 23.13 including the right to vary or withhold any or all of the Grant payments and/or require repayment of Grant already paid to the Grant Recipient with interest, if at any time before the Conclusion Date, any of the following events occur:

Pre-Acceptance Conditions

- (A) any Pre-Acceptance Conditions stated in Paragraph 6 of the Grant Offer Letter are not satisfied and/or cease to be satisfied;

Funded Activities – Progress and Delivery

- (B) the Grant Recipient has entered into an arrangement to defray money or has already de-frayed money on the Funded Activities or Eligible Expenditure before the Commencement Date unless expressly given permission in writing to do so by the Secretary of State;
- (C) delivery of the Funded Activities does not start within two (2) months of the Commencement Date and the Grant Recipient fails to provide the Secretary of State with a satisfactory explanation for the delay, or fails to agree a new date on which the Funded Activities will start with the Secretary of State;
- (D) in the opinion of the Secretary of State, progress on the Funded Activities, including, without limitation to, progress towards reaching the Deliverables specified in Schedule 2 and/or investment targets specified in Schedule 2 to the Grant Offer Letter, is not satisfactory;
- (E) in the opinion of the Secretary of State there is a significant change in the scale, nature or delivery of the Funded Activities and/or Eligible Expenditure from that set out in the Grant Offer Letter schedules which has not been agreed in advance with the Monitoring Officer;
- (F) in the opinion of the Secretary of State, the Grant Recipient is delivering the Funded Activities in a negligent manner (in this context negligence includes but is not limited to failing to prevent or report actual or anticipated fraud or corruption);
- (G) in the opinion of the Secretary of State, the future of the Funded Activities is in jeopardy;
- (H) the Grant Recipient fails to submit an adequate Remedial Action Plan to the Secretary of State following a request by the Secretary of State;
- (I) the Grant Recipient fails to improve delivery of the Funded Activities in accordance with any Remedial Action Plan in place;

Funding Package

- (J) the arrangements for financing the Funded Activities have or are likely to change in any way;
- (K) the Grant Recipient fails to declare any Duplicate Funding or changes the arrangements for financing the Funded Activities and/or Eligible Expenditure without the express prior written approval from the Secretary of State;
- (L) the Grant Recipient fails to declare any Match Funding in accordance with Paragraph 4.7 or 4.8 of these Terms and Conditions;
- (M) assistance for the Funded Activities is received or promised, additional to that disclosed by the Grant Recipient to the Secretary of State before the Commencement Date from an institution of the European Union, a Government

Department, a local authority or any other partly or wholly publicly financed body or charitable fund;

- (N) the Grant Recipient uses the Grant for Ineligible Expenditure or for a purpose other than the Funded Activities and/or Eligible Expenditure;
- (O) the Grant Recipient receives funding from a Third Party which, in the opinion of the Secretary of State, undertakes activities that are likely to bring the reputation of the Funded Activities or the Secretary of State or the Department into disrepute;

Information Submissions

- (P) the Grant Recipient provides the Secretary of State with any materially misleading or inaccurate information and/or any of the information provided in their grant application or in any subsequent supporting information or correspondence is found to be incorrect or incomplete to an extent which the Secretary of State considers to be significant;
- (Q) in the opinion of the Secretary of State, any information the Grant Recipient has given in relation to the Funded Activities becomes incorrect or misleading due to a change in circumstances and is not corrected by the Grant Recipient, is shown to be or misleading, or any claim for Grant is based on misleading information;
- (R) the Secretary of State requests additional information from the Grant Recipient and the information provided does not comply with that request;
- (S) the Grant Recipient fails to comply with Paragraphs 8.7 or 8.8 of these Terms and Conditions;

Prohibited Acts

- (T) the Grant Recipient commits or has committed a Prohibited Act or fails to report a Prohibited Act to the Secretary of State, whether committed by the Grant Recipient, its Representatives, or a Third Party, as soon as they become aware of it;
- (U) the Secretary of State determines (acting reasonably) that the Grant Recipient or any of its Representatives has:
 - (i) acted dishonestly or negligently at any time during the term of the Grant Funding Agreement and to the detriment of the Secretary of State or the Department;
 - (ii) taken any actions which unfairly bring or are likely to unfairly bring the Department's name or reputation and/or the Department into disrepute. Actions include omissions in this context;
 - (iii) transferred, assigned, novated or otherwise disposed of the Grant Funding Agreement and/or the Assets to any Third Party without the

Secretary of State's prior written consent in breach of Paragraph 18.5 and/or Paragraph 20.1;

- (iv) failed to comply with the requirements set out in Paragraph 20.3; or
 - (v) failed to act in accordance with the Law, howsoever arising, including incurring expenditure on unlawful activities;
- (V) in the opinion of the Secretary of State, any part of the Grant has been used to support activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action;

Eligible Expenditure and Assets

- (W) the Grant Recipient offers the Assets purchased as Eligible Expenditure as security to a Third Party without obtaining the Secretary of State's prior written consent;
- (X) the Grant Recipient uses the Grant to make purchases or other transactions for the benefit of a Related Party without obtaining the Secretary of State's express prior written consent;
- (Y) the Grant Recipient, for a period of more than three (3) months, stops using for the purposes of the Funded Activities any of the Assets purchased as Eligible Expenditure (including where appropriate, Premises);

Insolvency and Change of Control

- (Z) the Grant Recipient ceases to operate for any reason, or it passes a resolution (or any court of competent jurisdiction makes an order) that it be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation);
- (AA) the Grant Recipient becomes insolvent as defined by Section 123 of the Insolvency Act 1986, or it is declared bankrupt, or it is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due;
- (BB) the Grant Recipient or its Parent Company undergoes a Change of Control which the Secretary of State, acting reasonably, considers:
 - (i) will be materially detrimental to the Funded Activities;
 - (ii) the new body corporate cannot continue to receive the Grant because they do not meet the Eligibility Criteria used to award the Grant to the Grant Recipient;

- (iii) the Secretary of State believes that the Change of Control would raise national security concerns; and/or
- (iv) the new body corporate intends to make fundamental change(s) to the purpose for which the Grant was given;

State Aid/Subsidy control

- (CC) the European Commission or the Court of Justice of the European Union requires any Grant paid to be recovered by reason of a breach of State Aid Law through its application under Article 10 of the Northern Ireland Protocol;
- (DD) a court, tribunal or independent body or authority of competent jurisdiction requires any Grant paid to be recovered with interest by reason of breach of the UK's obligations under the Trade and Cooperation Agreement, a breach of any of the UK's international obligations in relation to subsidies, or the terms of any UK subsidy control legislation;

Parent Company Guarantee

- (EE) in the opinion of the Secretary of State, any Parent Company Guarantee referred to in Paragraph 6 of the Grant Offer Letter becomes ineffective for any reason whatsoever;
- (FF) any event or series of events occurs which in the opinion of the Secretary of State will have a material adverse effect on the ability of the parent company to perform its obligations under the guarantee referred to in Paragraph 6 of the Grant Offer Letter;

General

- (GG) the Grant Recipient breaches the Code of Conduct and/or fails to report an actual or suspected breach of the Code of Conduct by the Grant Recipient or its Representatives;
- (HH) the Grant Recipient fails to comply with Paragraph 17 of these Terms and Conditions;
- (II) the Grant Recipient fails to comply with any part of the Terms and Conditions of the Grant Funding Agreement; and/or
- (JJ) subject to Paragraphs 23.1 and 23.6, the ICC Contract [or the Waste ICC Contract] is terminated for any reason whatsoever.

CO₂ Utilisation

- 23.2 The Grant Recipient shall not undertake CO₂ Utilisation without the express prior written consent of the Secretary of State, which the Grant Recipient shall request in writing, accompanied by any evidence and supporting information that the Secretary of State requires from the Grant Recipient in relation to the proposed CO₂ Utilisation.

- 23.3 The Secretary of State may, in its absolute discretion as a condition to granting its consent under paragraph 23.2, impose certain conditions on the Grant Recipient in respect of the Grant, which may include the immediate repayment of some or all of the Grant or the exercise of Secretary of State's rights pursuant to paragraph 23.13.
- 23.4 Notwithstanding paragraph 23.3, the Parties agree and acknowledge that the Secretary of State shall not be entitled to impose any conditions under this Grant Funding Agreement which would automatically give rise to a cross-default termination right under condition 40.1(J) of the ICC Contract [or the Waste ICC Contract].

T&S Prolonged Unavailability Event

- 23.5 If, at any time prior to the Conclusion Date, the ICC Contract Counterparty [or the Waste ICC Contract Counterparty] issues a T&S Prolonged Unavailability Termination Notice to the Grant Recipient under the ICC Contract [or the Waste ICC Contract], the Secretary of State shall not be permitted to require the repayment of any amounts of the Grant that have already paid to the Grant Recipient prior to the T&S Prolonged Unavailability Termination Date. In such circumstances, the Grant Recipient acknowledges and agrees that the Secretary of State shall not be required to make any future payments that may otherwise have been payable under the Grant Funding Agreement from the T&S Prolonged Unavailability Termination Date.

Prolonged FM Events and QCiL Termination

- 23.6 If, at any time prior to the Conclusion Date, the ICC Contract Counterparty [or the Waste ICC Contract Counterparty] issues a Prolonged FM Termination Notice to the Grant Recipient under the ICC Contract [or the Waste ICC Contract], the Secretary of State shall not be permitted to require the repayment of any amounts of the Grant that have already paid to the Grant Recipient prior to the Prolonged FM Termination Date. In such circumstances, the Grant Recipient acknowledges and agrees that the Secretary of State shall not be required to make any future payments that may otherwise have been payable under the Grant Funding Agreement from the Prolonged FM Event Termination Date.
- 23.7 If, at any time prior to the Conclusion Date, the ICC Contract Counterparty [or the Waste ICC Contract Counterparty] issues a QCiL Termination Notice to the Grant Recipient under the ICC Contract [or the Waste ICC Contract], the Secretary of State shall not be permitted to require the repayment of any amounts of the Grant that have already paid to the Grant Recipient prior to the QCiL Termination Date. In such circumstances, the Grant Recipient acknowledges and agrees that the Secretary of State shall not be required to make any future payments that may otherwise have been payable under the Grant Funding Agreement from the QCiL Termination Date.

Leasing, Lease Finance or Hire Purchase

- 23.8 The Secretary of State may vary the value of the Grant downwards and the payment sequence or arrangements if:
- (A) there is any change in the lease purchase, hire purchase or extended credit arrangements of the Investment to be provided for the Eligible Expenditure as set out in Schedule 2 of the Grant Offer Letter;

- (B) the lease purchase, hire purchase or extended credit arrangements are not made with a party independent of the Grant Recipient;
 - (C) (with the exception of land and buildings acquired under leasehold) any lease purchase, hire purchase or extended credit arrangement used to finance Eligible Expenditure does not contain an obligation to purchase at the expiry of the terms of the lease or hire purchase or extended credit agreement; or
 - (D) in the case of the lease of land and buildings, the lease does not continue for at least five (5) years if the Grant Recipient is a Large Enterprise or three (3) years if the Grant Recipient is classed as a Small Enterprise or Medium Enterprise after the Conclusion Date.
- 23.9 If any of the Assets purchased as Eligible Expenditure are to be provided under a lease finance agreement which is made by a leasing company to the Grant Recipient, then the capital cost of that equipment (excluding VAT) shall be treated as having been committed by the Grant Recipient on the date on which the relevant lease finance agreement is signed, provided the Asset has been delivered to the Premises. However, no payment in respect of any instalment of Grant shall be made which would result in the total payments then made under the Grant Offer Letter exceeding the aggregate of:
- (A) the amounts then defrayed by the Grant Recipient on Eligible Expenditure of the Funded Activities which are not the subject of lease purchase or hire purchase agreements; and
 - (B) the actual amounts then defrayed by Grant Recipient in respect of deposits and/or instalments on assets purchased as Eligible Expenditure which are the subject of lease purchase, hire purchase or extended credit agreements.
- 23.10 The Secretary of State will require repayment of any Grant that has been used to support activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action.
- 23.11 Where, the Secretary of State determines that an Event of Default has or may have occurred, the Secretary of State shall notify the Grant Recipient to that effect in writing, setting out any relevant details, of the failure to comply with any part of these Terms and Conditions or pertaining the Event of Default, and details of any action that the Secretary of State intends to take or has taken.
- 23.12 Each of the above provisions (Paragraphs 23.8-23.11 inclusive) is without prejudice to any other provisions in the remainder of this Paragraph 23.

Rights reserved for the Secretary of State in relation to an Event of Default

- 23.13 Where the Secretary of State determines that an Event of Default has or may have occurred then, subject to Paragraphs 23.1 and 23.6, the Secretary of State may take any one or more of the following actions:

- (A) suspend or terminate the payment of Grant for such period as the Secretary of State shall determine; and/or
- (B) reduce the Maximum Sum in which case the payment of Grant shall thereafter be made in accordance with such reduction and notified to the Grant Recipient; and/or
- (C) require the Grant Recipient to repay the Secretary of State the whole or any part of the amount of Grant previously paid to the Grant Recipient with interest. Such sums shall be recovered as a civil debt; and/or
- (D) give the Grant Recipient an opportunity to remedy the Event of Default (if remediable) in accordance with the procedure set out in Paragraphs 23.14 to 23.26; and/or
- (E) terminate the Grant Funding Agreement.

Opportunity for the Grant Recipient to remedy an Event of Default

- 23.14 Where the Grant Recipient is provided with an opportunity to submit a draft Remedial Action Plan, the Grant Recipient shall submit the draft Remedial Action Plan to the Secretary of State for approval, within five (5) Working Days of the Grant Recipient receiving notice from the Secretary of State of the opportunity to submit a draft Remedial Action Plan.
- 23.15 The draft Remedial Action Plan shall set out:
- (A) full details of the Event of Default;
 - (B) the steps which the Grant Recipient proposes to take to rectify the Event of Default including timescales; and
 - (C) an updated Risk Register in the form prescribed by the Secretary of State from time to time.
- 23.16 On receipt of the draft Remedial Action Plan and as soon as reasonably practicable, the Secretary of State will submit their comments on the draft Remedial Action Plan to the Grant Recipient.
- 23.17 The Secretary of State shall have the right to accept or reject the draft Remedial Action Plan in their absolute discretion. If the Secretary of State rejects the draft Remedial Action Plan, the Secretary of State shall confirm, in writing, the reasons why they have rejected the draft Remedial Action Plan and will confirm whether the Grant Recipient is required to submit an amended Remedial Action Plan to the Secretary of State.
- 23.18 If the Secretary of State directs the Grant Recipient to submit an amended draft Remedial Action Plan, the Parties shall agree a timescale for the Grant Recipient to amend the draft Remedial Action Plan to take into account the Secretary of State's comments.

- 23.19 If the Secretary of State does not approve the draft Remedial Action Plan the Secretary of State may, at their absolute discretion, exercise any of its rights under Paragraph 23.13.
- 23.20 Where the Grant Recipient is provided with an opportunity to submit a draft Remedial Action Plan, the Secretary of State shall not by reason of the occurrence of the relevant Event of Default, exercise its rights under Paragraph 23.13 unless the Grant Recipient has failed to rectify the default to the reasonable satisfaction of the Secretary of State in accordance with an agreed Remedial Action Plan.
- 23.21 The Grant Recipient shall inform the Secretary of State immediately in writing, if the Grant Recipient considers that any of the grounds cited in Paragraph 23.1 of these Terms and Conditions has occurred.
- 23.22 If an Event of Default occurs after the Grant Recipient has received a Grant payment, the Grant Recipient shall not make any use of such payment until the Secretary of State has authorised continued use of the Grant in writing.
- 23.23 A decision by the Secretary of State to require the Grant Recipient to repay the Grant will be communicated in writing to the Grant Recipient, following which the Grant Recipient shall make such repayment (with interest calculated in accordance with Paragraph 23.24 and/or 23.25) within thirty (30) days of the date on which the Grant Recipient receives such notice or within any later reasonable deadline agreed by the Secretary of State in writing.
- 23.24 Interest on any Grant repayments will be calculated and shall apply from the date of the Grant payment until the date it is repaid by the Grant Recipient, in accordance with the retail prices index (that index being taken as zero per cent. (0%) for any period during which the index is negative).
- 23.25 Where the Grant Recipient fails to repay the Grant by the deadline specified at Paragraph 23.23, further interest on the outstanding sum (inclusive of interest already charged) will accrue after that deadline, at the statutory rate of interest under Section 6 of the Late Payment of Commercial Debts (Interest) Act 1998 or any other rate required by Law in the circumstances if it is higher.
- 23.26 Any failure by the Secretary of State to exercise the Secretary of State's rights under the Grant Funding Agreement or any delay in doing so, shall not constitute a waiver of those rights unless the Secretary of State confirms that waiver in writing. Furthermore, any such waiver shall not be taken as a waiver in respect of any other rights that the Secretary of State has available to them under the Grant Funding Agreement.

General Termination rights – Termination for Convenience

- 23.27 Notwithstanding the Secretary of State's right to terminate the Grant Funding Agreement pursuant to Paragraph 23.13 above, the Secretary of State may terminate the Grant Funding Agreement at any time by giving at least three (3) months' (or such shorter period as is proportionate to the Investment Period as may be determined by the Secretary of State) written notice to the Grant Recipient.

- 23.28 If applicable, all Unspent Monies (other than those irrevocably committed in good faith before the date of termination, in line with the Grant Funding Agreement and approved by the Secretary of State as being required to finalise the Funded Activities) shall be returned to the Secretary of State within thirty (30) days of the date of receipt of a written notice of termination from the Secretary of State.
- 23.29 If the Secretary of State terminates the Grant Funding Agreement in accordance with Paragraph 23.27, the Secretary of State may elect (in its absolute discretion) to pay the Grant Recipient's reasonable costs in respect of the delivery of the Funded Activities performed up to the termination date. Reasonable costs will be identified by the Grant Recipient and will be subject to the Grant Recipient demonstrating that it has taken adequate steps to mitigate such costs. For the avoidance of doubt, the amount of reasonable costs payable will be determined solely by the Secretary of State.
- 23.30 The Secretary of State will not be liable to pay any of the Grant Recipient's costs or those of any contractor/supplier of the Grant Recipient related to any transfer or termination of employment of any employees engaged in the provision of the Funded Activities.
- 23.31 Nothing in the Grant Funding Agreement will affect any provision which is expressly or by implication intended to apply or continue to apply for any reason following termination of this Agreement.

Change of Control

- 23.32 The Grant Recipient shall notify the Secretary of State immediately in writing as soon as the Grant Recipient is aware (or ought reasonably to be aware) that it is anticipating, undergoing, undergoes or has undergone a Change of Control, provided such notification does not contravene any Law.
- 23.33 The Grant Recipient shall ensure that any notification made pursuant to Paragraph 23.32 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.
- 23.34 Where the Grant has been awarded to a consortium and the Grant Recipient has entered into a collaboration agreement, the notification required under Paragraph 23.32 shall include any changes to the consortium members as well as the lead Grant Recipient.
- 23.35 Following notification of a Change of Control, the Secretary of State shall be entitled to exercise its rights under Paragraph 23.13 of these Terms and Conditions by providing the Grant Recipient with notification of its proposed action in writing within three (3) months of:
- (A) being notified in writing that a Change of Control is anticipated or is in contemplation or has occurred; or
 - (B) where no notification has been made, the date that the Secretary of State becomes aware that a Change of Control is anticipated or is in contemplation or has occurred,

23.36 The Secretary of State shall not be entitled to terminate this Grant Funding Agreement where they grant prior written approval to such Change of Control.

EXIT PLAN

24.1 If the Secretary of State requires the Grant Recipient to prepare an Exit Plan to allow the cessation or seamless transfer of the Funded Activities, the Grant Recipient shall prepare the Exit Plan within a timescale specified by the Secretary of State.

DISPUTE RESOLUTION

25.1 The Parties will use all reasonable endeavours to negotiate in good faith, and settle amicably, any dispute that arises during the continuance of the Grant Funding Agreement.

25.2 The Grant Recipient and the Secretary of State shall continue to comply with all of their obligations under the Grant Funding Agreement, notwithstanding any dispute which fails to be resolved in accordance with this Paragraph 25.

25.3 All disputes and complaints (except for those which relate to the Secretary of State's right to withhold funds or terminate the Grant Funding Agreement) shall be referred in the first instance to the Parties Representatives.

25.4 If the dispute cannot be resolved between the Parties Representatives within a maximum of six (6) months, then the matter will be escalated to a formal meeting between the Monitoring Officer and the Grant Recipient's chief executive (or equivalent) (the "**Senior Representatives**").

25.5 If both Parties agree that the Senior Representatives of the Parties will not be able to agree, settle, compromise or resolve the dispute, then either Party may refer the dispute for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure.

25.6 Either Party may, subject to Paragraph 25.4 refer a dispute to arbitration. Any dispute so referred to arbitration shall be resolved in accordance with the LCIA Arbitration Rules, which rules are to be treated as incorporated by reference into this Paragraph 25.6.

25.7 The Arbitral Tribunal shall make its award in writing (the "**Arbitral Award**") and the Parties agree that all final Arbitral Awards shall be binding on the Parties.

25.8 No Arbitral Award shall have the effect of amending the Grant Funding Agreement unless expressly permitted pursuant to the Grant Funding Agreement.

25.9 The Arbitral Tribunal shall consist of three (3) Arbitrators except where the Parties have agreed in writing that the Arbitral Tribunal shall consist of one (1) Arbitrator (the "**Mutual Appointment Decision**").

25.10 If the Arbitral Tribunal is to consist of:

(A) three (3) Arbitrators, each Party shall nominate one (1) Arbitrator to be appointed by the LCIA as contemplated by the LCIA Arbitration Rules and the third Arbitrator

shall be nominated by the Arbitrators nominated by the Parties and shall act as chairman; or

- (B) one (1) Arbitrator, the Parties shall use reasonable endeavours to agree on the identity of the Arbitrator no later than ten (10) Business Days after the Mutual Appointment Decision, failing which the Arbitrator shall be appointed by the LCIA as contemplated by the LCIA Arbitration Rules.

25.11 The seat, or legal place, of any arbitration shall be London.

25.12 The language to be used in any arbitral proceedings shall be English.

25.13 If:

- (A) any Dispute raises issues which are substantially the same as, connected with or related to issues raised in any dispute or claim relating to or arising out of the ICC Contract [or the Waste ICC Contract] (each, a **"Connected Dispute"**);
- (B) the dispute resolution procedure has been commenced in relation to the dispute; and
- (C) a dispute resolution procedure under the ICC Contract [or the Waste ICC Contract] document has been commenced in relation to the Connected Dispute under that contract,

then either Party may request consolidation of those Connected Disputes at any time so that the Connected Disputes shall be determined together and in respect of any Connected Dispute, the Parties consent, pursuant to Article 22.7 and/or Article 22.8 of the LCIA Arbitration Rules (or any equivalent provisions in any version of the LCIA Arbitration Rules that may come into force hereafter), to the consolidation of an arbitration commenced pursuant to the ICC Contract [or the Waste ICC Contract] with an arbitration commenced under the relevant Grant Funding Agreement.

25.14 Where a Party wishes to consolidate Connected Disputes pursuant to Paragraph 25.13, that Party shall give notice in writing to all of the parties to the Connected Disputes (a **"Consolidation Request"**). A Consolidation Request shall be copied to the Arbitrator(s) of each Connected Dispute at the same time that it is given to the parties to each Connected Dispute, or, to the extent that the Arbitrator(s) have not been appointed at that date, forthwith upon appointment of the Arbitrator(s).

LIMITATION OF LIABILITY

26.1 The Secretary of State accepts no liability for any Losses, whether direct or indirect, arising out of or in connection with the Grant Recipient carrying out the Funded Activities, the use of the Grant or the withdrawal, withholding or suspension of the Grant. The Recipient shall indemnify and hold harmless the Secretary of State, the Department and its Representatives against all Losses arising out of or in connection with the actions and/or omissions of the Grant Recipient and/or its Representatives in relation to the Funded Activities and/or any breach or default by the Grant Recipient of this Grant Funding Agreement or its obligations to Third Parties.

- 26.2 Subject to Paragraph 26.1, the Secretary of State's liability under this Grant Funding Agreement shall be limited to the amount of Grant outstanding.

VAT

- 27.1 If VAT is held to be chargeable in respect of the Grant Funding Agreement, all payments shall be deemed to be inclusive of all VAT and the Secretary of State shall not be obliged to pay any additional amount by way of VAT.
- 27.2 All sums or other consideration payable to or provided by the Grant Recipient to the Secretary of State at any time shall be deemed to be exclusive of all VAT payable and where any such sums become payable or due or other consideration is provided, the Grant Recipient shall at the same time or as the case may be on demand by HMRC in addition to such sums, or other consideration, pay to HMRC all the VAT so payable upon the receipt of a valid VAT invoice.

CODE OF CONDUCT FOR GRANT RECIPIENTS

- 28.1 The Grant Recipient acknowledges and agrees that, by signing the Grant Funding Agreement, it shall comply with the Code of Conduct, which includes ensuring that its Representatives undertake their duties in a manner consistent with the principles set out in the Code of Conduct.
- 28.2 The Grant Recipient shall immediately notify the Secretary of State if it becomes aware of any actual or suspected breaches of the principles outlined in the Code of Conduct.
- 28.3 The Grant Recipient acknowledges that a failure to notify the Secretary of State of an actual or suspected breach of the Code of Conduct may result in the Secretary of State immediately suspending the Grant funding, terminating the Grant Funding Agreement, and taking action to recover some or all of the funds paid to the Grant Recipient as a civil debt in accordance with paragraph 23.1(U).

NOTICES

- 29.1 All notices and other communications in relation to this Grant Funding Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, e-mailed, or mailed (first class postage prepaid) to the address of the relevant party, as referred to in the Grant Offer Letter or as otherwise notified in writing. All notices and other communications must be marked for the attention of the contact specified in Paragraph 19 of the Grant Offer Letter. If personally delivered or if e-mailed all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5.00 pm on any Working Day they shall be deemed received on the next Working Day) and if mailed all such communications shall be deemed to have been given and received on the second Working Day following such mailing.
- 29.2 The contact at the Department will be the Monitoring Officer, specified in Paragraph 19 of the Grant Offer Letter, the contact at the Grant Recipient will be the Approved Signatory.

GOVERNING LAW

- 30.1 These Terms and Conditions will be governed by and construed in accordance with the law of England and Wales and the Parties irrevocably submit to the exclusive jurisdiction of England and Wales.

Annex 1 Parent Company Guarantee

In some cases, a Grant Funding Agreement will require a Parent Company Guarantee from the Grant Recipient's Parent or Ultimate Parent Company as part of the Pre-Conditions specified in Paragraph 6 of the Grant Funding Agreement. This will specify which parent company is required to provide the guarantee.

The undertaking and guarantee should be written on the guaranteeing parent company's headed paper and accompanied by a certified copy of the Resolution of the Board of Directors from the guaranteeing parent (or the equivalent thereof) authorising the signatory to sign the document and a certificate from the Secretary of **the parent company** that the signature on the document is that of the person so authorised to sign.

Where the guaranteeing parent is incorporated outside England or Wales, the Secretary of State will also require a formal legal opinion from a lawyer duly qualified to practice law in **country the parent is registered in**. This may be the in-house lawyer of that parent however the undertaking and guarantee should impose upon that parent legally valid and binding obligations in accordance with its terms, enforceable against that parent under the laws of the country it is registered in, to the satisfaction of the Secretary of State.

The Parent Guarantee must be in the following form:

The Secretary of State for Business, Energy and Industrial Strategy
Department for Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

[Date]

[Grant Recipient Name] [Grant Scheme Name] Assistance

In consideration of the Secretary of State for Business, Energy and Industrial Strategy (the "Secretary of State") being willing, at our request, to make **[Grant Recipient Name]** an offer of up to **[£X (amount in pounds)]** under the terms of the Grant Funding Agreement dated **[date of Final Grant Funding Agreement]** under reference [ref] *[Note: This should refer to the Final Grant Funding Agreement and the Guarantee should be dated the same date as the Final Grant Funding Agreement]* or under the terms of any letter relating to the same grant which varies or supersedes that letter (together the "Grant Funding Agreement") **[Guaranteeing Parent Company Name]** hereby undertakes to provide sufficient funds to enable **[Grant Recipient Name]** to perform its obligations in accordance with the terms of the Grant Funding Agreement.

In this guarantee "**Guaranteed Obligations**" means all duties, obligations, monies, debts and liabilities of any nature (whether actual or contingent) from time to time due, owing or incurred by or from **[Grant Recipient Name]** to the Secretary of State under or in connection with the Grant Funding Agreement and all warranties, covenants and undertakings given by **[Grant Recipient Name]** under and pursuant to the Grant Funding Agreement. .

[Guaranteeing Parent Company Name] guarantees to the Secretary of State that, whenever **[Grant Recipient Name]** does not pay any of the Guaranteed Obligations when due, and fails to remedy such failure within any applicable remedial period specified in the Grant Funding Agreement, the Guarantor shall pay that sum within fifteen (15) days to the Secretary of State on first demand by the Secretary of State, to pay on demand the Guaranteed Obligations.

[Guaranteeing Parent Company Name] will make any payments under this guarantee in full, without any deduction or withholdings whatsoever.

Further, **[Guaranteeing Parent Company Name]** agrees that if any payments due from **[Grant Recipient Name]** are not recoverable from **[Guaranteeing Parent Company Name]** as guarantor or surety for **[Grant Recipient Name]** for any reason whatsoever those payments shall nevertheless be recoverable from **[Guaranteeing Parent Company Name]** as principal debtor and shall be payable by **[Guaranteeing Parent Company Name]** on demand.

[Guaranteeing Parent Company Name] as principal debtor and as a separate and independent obligation and liability agrees to indemnify and keep indemnified the Secretary of State in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands, charges and expenses suffered or incurred by the Secretary of State arising out of, or in connection with, any failure of **[Grant Recipient Name]** to perform or discharge any of its obligations or liabilities in respect of the Guaranteed Obligations.

[Guaranteeing Parent Company Name] agrees to indemnify and hold harmless the Secretary of State from and against any loss incurred by the Secretary of State as a result of any of the Guaranteed Obligations of **[Grant Recipient Name]** under or pursuant to the Grant Funding Agreement being or becoming void, voidable, unenforceable, invalid, or otherwise ineffective as against **[Grant Recipient Name]** for any reason whatsoever (whether or not known to the Secretary of State), the amount of such loss being an amount which the Secretary of State would otherwise have been entitled to recover from **[Grant Recipient Name]** under the terms of the Grant Funding Agreement.

Any amounts due from **[Guaranteeing Parent Company Name]** shall carry interest at 1.5% above the base rate for the time being of the Bank of England from the date of demand to the date of payment.

The Secretary of State may claim under this guarantee at the same time as or after making demand of **[Grant Recipient Name]** or before, at the same time as, or after taking any action to claim under or enforce any other right, security or guarantee which it may hold from time to time in respect of the Guaranteed Obligations.

[Guaranteeing Parent Company Name] shall accept a certificate or other document signed by the Secretary of State or on his/her behalf as conclusive evidence of amounts repayable by **[Grant Recipient Name]**

Any notice, demand or communication to be given under this Guarantee shall be in writing and may be delivered by hand or sent by registered post or recorded delivery to **[Guaranteeing Parent Company Name]** address specified below or such other address as such party designates by written notice to the Secretary of State:

Address: [●]

Attention: [●]

With copy to:

[●]

[Guaranteeing Parent Company Name] has not received any security from **[Grant Recipient Name]** for giving this guarantee and we shall not take any security for its liability under this guarantee for so long as any sums may become repayable under the Grant Funding Agreement without first obtaining written consent from the Secretary of State. If, in contravention of that undertaking, **[Guaranteeing Parent Company Name]** takes any security **[Guaranteeing Parent Company Name]** hold the security and all or any amounts realised by **[Guaranteeing Parent Company Name]** from it on trust for the Secretary of State.

If the company is a large multinational, then the following paragraph may be removed:

[Guaranteeing Parent Company Name] undertakes not, without the Secretary of State's consent, to create or permit to subsist any encumbrance on any of its assets, undertaking or revenues, except for those approved by the Secretary of State and for liens arising by operation of law securing sums owed to trade creditors not more than 90 days overdue.

[Guaranteeing Parent Company Name] shall not take any steps to enforce any right or claim against **[Grant Recipient Name]** or any co guarantor in respect of any monies paid by **[Guaranteeing Parent Company Name]** to the Secretary of State pursuant to this guarantee or any other liabilities between **[Grant Recipient Name]** and **[Guaranteeing Parent Company Name]** unless and until all of the Guaranteed Obligations owing to the Secretary of State (both actual and contingent) have been performed and discharged in full.

This guarantee is a continuing guarantee and will remain in force until the Guaranteed Obligations have been performed and discharged in full. **[Guaranteeing Parent Company Name]**'s liability under this guarantee will not be affected by: (a) any concession, time, indulgence or release granted by the Secretary of State to **[Grant Recipient Name]** or any other person, (b) the Secretary of State's failure to take, perfect, enforce or hold unimpaired any security, indemnity or guarantee taken for the Guaranteed Obligations (c) any payment or dealing or anything else (whether by or relating to **[Grant Recipient Name]** **[Guaranteeing Parent Company Name]** or any other person) which would, but for this paragraph, operate to discharge or reduce the Guaranteed Obligations or (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Guaranteed Obligations (including without limitation any change in the purpose of, any increase in or extension of, the Guaranteed Obligations).

[Guaranteeing Parent Company Name] shall not assign its rights, title and/or interest in and to this Guarantee without the prior written consent of the Secretary of State.

This guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of England. **[Guaranteeing Parent Company Name]** agrees that the courts of England will have jurisdiction to hear and settle any dispute which arises in connection with this guarantee, although this shall not limit the right of the Secretary of State to bring proceedings against **[Guaranteeing Parent Company Name]** in any other court of competent jurisdiction. **[Guaranteeing Parent Company Name]** irrevocably agree only to bring proceedings in the courts of England. **[Guaranteeing Parent Company Name]** agrees in connection with proceedings in England that any writ, judgment or other notice of process shall be sufficiently and effectively served on **[Guaranteeing Parent Company Name]** if delivered to [please insert address for service in UK].

This guarantee shall be in addition to any other guarantee for the Guaranteed Obligations under the Grant Funding Agreement by **[Grant Recipient Name]** signed by **[Guaranteeing Parent Company Name]** that the Secretary of State may hold.

This guarantee shall remain in full force and effect even if **[Guaranteeing Parent Company Name]** or **[Grant Recipient Name]** have merged or amalgamated with another company or if **[Guaranteeing Parent Company Name]** or **[Grant Recipient Name]** have changed their respective constitutional documents.

Any demand or other communication concerning this guarantee should be sent to **[Guaranteeing Parent Company Name]** at our registered office for the time being.

Signed:

Print name:

Company Director
for and on behalf of:
[Guaranteeing Parent Company Name]

Annex 2 Independent Accountant's Report

The Accountant's Report will be paid for by the Grant Recipient. It must be provided on the accountant's headed paper in the format shown in this template.

The accountant should be independent of the Grant Recipient or their parent company and be eligible under Part 42 of the Companies Act 2006 for appointment as a company auditor. Our expectation is that the total aggregate liability of the accountant whether in contract, tort (including negligence) or otherwise to BEIS alone (i.e., not in total relation to the BEIS and Grant Recipient together) shall be as set out in the table below:

Amount of Grant being reported in this claim	Proportion of amount	Total cap
Up to £1m	100%	Amount of Grant included in claim
Between £1m and £5m	100% of first £1m and 50% of remainder	£1m + 50% of amount in excess of £1m
Between £5m and £15m	100% of first £1m and 50% of amount between £1m and £5m and 20% of remainder	£3m + 20% of amount in excess of £5m
Above £15m	Negotiate	Negotiate

The Independent Accountant's Report should be in the following format:

[Date]

1. [Name of Accountant] has examined the enclosed claims from **[Grant Recipient Company Name]** (the "Company") for the period from [date] to [date] in accordance with the terms and conditions of the engagement letter dated [date] and the **Grant Funding Agreement** dated [date]. These claims have been prepared by and are the sole responsibility of the directors of the Company.

2. [Name of Accountant] has carried out a reasonable level of assurance assignment by performing the following tests:

- a. [Name of Accountant] has selected a random sample of Eligible Expenditure incurred by value as reported on the claims and traced them to invoices or other supporting documentation and evidence of payment to check that they have been properly incurred and defrayed in accordance with the **Terms and Conditions of the Grant Offer Agreement, (the collective Grant Offer Letter, its Schedules and the Terms and Conditions)**

[Include subparagraph (b) where hire purchase or lease finance forms part of the eligible expenditure:

- b. [Name of Accountant] has selected a random sample of [Fixed |Assets] which have been financed by hire purchase or lease finance and confirmed these to relevant hire purchase or lease finance agreements;]

- c. [Name of Accountant] has confirmed the arithmetical accuracy of the schedules relating to the claims and agreed them to the appropriate supporting documentation. [Name of Accountant] has also checked whether the Grant claimed by the Company has been calculated in accordance with the Terms and Conditions of the Grant Offer Agreement.
3. Statement of any errors and reservations/exceptions. [These, if any, should be clearly stated under this paragraph.]
4. Based on the examination as above and subject to the possible financial effect of any reservations or qualifications set out in Paragraph 3, [Name of Accountant] report that based on the findings, in [Name of Accountant's firm] opinion the claims for Grant payment meet the conditions of the Terms and Conditions of the Grant Offer Agreement, (the collective Grant Offer Letter dated [xx xx xx], its Schedules and the Terms and Conditions).
5. [Name of Accountant's firm]: confirm that:
- a. during the period from Commencement Date of the Funded Activities **[date]** to **[date]**² the Company defrayed the cumulative expenditure totals as per the table below for the different types of expenditure that are eligible for grant aid for the Funded Activities in accordance with the Terms and Conditions of the Grant Offer Agreement, (the collective Grant Offer Letter dated [xx xx xx], its Schedules and the Terms and Conditions.)

Expenditure Type for which grant aid is being provided.	Cumulative amount achieved from the Commencement Date of the Funded Activities [date] to [date] ³ (excluding VAT).			

- b. according to hire purchase or lease finance agreements seen by [Name of Accountant], that during the period from [date] to [date] the Company entered into unconditional obligations [hire purchase or lease finance] committing it to further expenditure £[amount] (excluding VAT) on [Assets] for the Funded Activities in accordance with the Terms and Conditions of the Grant Offer Agreement, (the collective Grant Offer Letter dated [xx xx xx], its Schedules and the Terms and Conditions);

² This date will be the date of the last claim made in the financial year.

³ Ibid

- c. the Company has maintained adequate records to enable us to report on this claim and has made available all evidence that was attached to claims made in the period [date] to [date].

6. Our report is prepared solely for the confidential use of the Company and the Department for Business, Energy and Industrial Strategy (BEIS) or any other UK central government department and solely for the purpose of verifying the grant claimed. It may not be relied upon by the Company or BEIS or any other UK central government department for any other purpose whatsoever. Our report must not be recited or referred to in whole or in part in any other published document without our written permission except where disclosure is required as a result of a statutory obligation. Our report must not be made available, copied or recited to any other party without our express written permission in every case except that the Company or BEIS or any other UK central government department may disclose the report where it has a statutory obligation to do so. Other than to the Company and, BEIS or any other UK central government department [Name of Accountant] do not have any duty to any other party to whom this report may be disclosed.

7. The engagement to report on the grant claim is separate from, and unrelated to, the audit of the annual financial statements of the Company and the report relates only to the matters specified and that it does not extend to the grant recipient's annual financial statements taken as a whole.

8. Name and signature of the reporting accountant.

9. Date of the report.

Name for enquiries.