

SCOTTISHPOWER ELECTRICITY GENERAL TERMS AND CONDITIONS FOR BUSINESS CUSTOMERS (LARGE I & C VERSION)

1. MEANINGS

1.1 Any reference in the Agreement and the Conditions to a statute, statutory enactment, licence, regulation, direction or order or to other agreements includes any amendments or variations to them. References to the singular include the plural and vice versa, and references to natural persons include companies, corporations and other legal entities. Headings do not form part of the Agreement. The word "including" is to be construed without limitation.

1.2 The following meanings apply in these terms and conditions and in the Agreement:

"**Act**" the Electricity Act 1989;

"**Agreement**" the agreement between us and you, incorporating the Schedule and the Conditions;

"**Authorised Capacity**" expressed in kVA or kW, means for each Connection Point the maximum amount of kVA or kW which you are entitled to take through that Connection Point (as declared from time to time by the Distributor);

"**Authority**" the Gas and Electricity Markets Authority;

"**Billing Period**" such period which may elapse between readings of the Meter(s) for a Connection Point or estimates used for the purposes of making a charge to you;

"**BSC**" or "**Balancing and Settlement Code**" the meaning given to that expression in the Transmission Licence;

"**BSC Company**" the meaning given to that expression in the BSC;

"**Commencement Date**" the meaning given to that expression in Clause 2 of the Agreement;

"**Conditions**" the meaning given to that expression in Clause 2 of the Agreement;

"**Connected**" or "**Connection**" the installation of the Connection Equipment in such a way that you may receive a supply of electricity through the Distributor's System;

"**Connection Agreement**" an agreement in terms of which you have the right for Your Installation to be and to remain Connected to the Distributor's System upon the terms and conditions of that agreement or an agreement on the Distributor's standard terms of connection (the "Standard Connection Agreement"), a copy of the Standard Connection Agreement is printed after the end of the Conditions;

"**Connection Equipment**" that part of the Distributor's Equipment situated on that one of the Premises, which has been provided and installed by the Distributor for the purposes of providing a Connection at the Connection Point(s) for such one of the Premises;

"**Connection Point(s)**" for that one of the Premises the point(s) at which such one of the Premises are connected to the Distributor's System;

"**CUSC**" or "**Connection and Use of System Code**" the meaning given to that expression in the Transmission Licence;

"**De-energise**" or "**De-energisation**" the taking of any step whereby no electrical current can flow through a Connection Point;

"**Disconnect**" the permanent electrical disconnection of all or any of the Connection Equipment;

"**Distribution Code**" the meaning given to that expression in the Distributor's Licence;

"**Distributor**" for that one of the Premises, the electricity distributor that operates and/or owns the electricity distribution network connected to the Connection Point(s) through which electricity is conveyed to such one of the Premises;

"**Distributor's Equipment**" the switchgear, metering or other equipment, lines or other parts of the Distributor's System or any other property or rights of the Distributor;

"**Distributor's Licence**" the electricity distribution licence granted to the Distributor under the Act;

"**Distributor's System**" the system for the distribution of electricity operated and/or owned by the Distributor;

"**Due Date**" as regards any account relating to any of the Premises shall be the date 14 days after the date of such account;

"**Earliest Termination Date**" the meaning given to that expression in Clause 2 of the Agreement;

"**Electricity Supplier**" the meaning given to that expression in the Licence;

"**Employees**" shall include contractors, sub-contractors, consultants, officers and agents;

"**Energised**" or "**Energisation**" the taking of any step whereby an electrical current can flow through a Connection Point;

"**Force Majeure**" any event or circumstances beyond the reasonable control of either us or you (as the case may be), provided that lack of funds shall not constitute Force Majeure;

"**Grid Code**" the meaning given to that expression in the Distributor's Licence;

"**Licence**" the electricity supply licence granted to us under the Act;

"**Master Registration Agreement**" the agreement of that name dated 1 June 1998 entered into among us and the other parties named or referred to in it;

"**Maximum Demand**" expressed in kVA or kW, means twice the number of kVAh or kWh taken through a Connection Point during any thirty consecutive minutes in the period in question as measured by the Meter(s) at that Connection Point;

"**Meter(s)**" the meter(s) used to measure the kWh and kVAh and/or kVAh and/or kW and/or kVAr and/or kVA demand at a Connection Point;

"**Metering Equipment**" the meaning given to that expression in the Master Registration Agreement, except for the purposes of Condition 3.14 where it has the meaning given to that expression in the BSC;

"**Meter Operator**" the meaning given to the definition of "Meter Operator Agent" in the BSC;

"**Meter Operator Agreement**" an agreement in terms of which the Meter Operator is appointed to perform the functions of the Meter Operator in respect of the Metering Equipment for a Connection Point;

"**Meter Technical Details**" the meaning given to that expression in the BSC;

"**Negotiated Price Period**" the period specified as such in Part 2 of the Schedule and each subsequent period during the subsistence of the Agreement which we and you agree is to be a "Negotiated Price Period";

"**Nominated Sum**" the meaning given to that expression in Clause 2 of the Agreement;

"**Premises**" the property or properties (as the case may be) at the address(es) listed in Part 1 of the Schedule;

"**Regulations**" the Electricity Safety, Quality and Continuity Regulations 2002;

"**Schedule**" the schedule annexed to the Agreement;

"**Special Conditions**" the special conditions (if any) contained in Part 3 of the Schedule;

"**Supply**" the supply of electricity to be provided by us to you at any Connection Point in terms of the Agreement;

"**Supply Characteristics**" the meaning given to that expression in Clause 2 of the Agreement;

"**Supply Number**" the meaning given to that expression in the Master Registration Agreement;

"**Termination Date**" the meaning given to that expression in Clause 2 of the Agreement;

"**Transmission Licence**" the electricity transmission licence granted to the Transmission System Operator under the Act;

"**Transmission System Operator**" the electricity transmission system operator that operates and/or owns the electricity transmission network connected to the Distributor's System;

"**Use of System Agreements**" such agreements as are necessary for us to enter into with the Transmission System Operator, the Distributor or any other owner or operator of any system (for the transmission or distribution of electricity) through which the Supply is delivered to any Connection Point, or in the absence of such an agreement an interim arrangement or agreement between us and the Transmission System Operator, the Distributor or such other owner or operator (as the case may be) giving us rights equivalent to those which we would enjoy under Use of System Agreements;

"**Use of System Metering Equipment**" metering equipment suitable to provide the Distributor with such data as it requires for the purposes of any Use of System Agreements;

"**Voltage**" Low Voltage means in relation to alternating current, a voltage exceeding 50 volts but not exceeding 1,000 volts, in each case measured between the phase conductors taking the square root of the mean of the squares of the instantaneous values of a voltage during a complete cycle. High Voltage means any voltage exceeding low voltage but not exceeding 22,000 volts with any variations of voltage allowed by the Regulations. Extra High Voltage means a voltage of 22,000 volts or higher;

"**we**", "**us**", "**our**", "**ScottishPower**" or "**ScottishPower Energy Retail Limited**" a company incorporated in Scotland under the Companies Acts under the registered number 190287 and having its registered office at 1 Atlantic Quay, Glasgow G2 8SP;

“you” or “your” the person identified by that expression in the Agreement;

“Your Installation” any structures, equipment, lines, metering equipment, appliances or devices owned, installed or maintained by you or provided for you by a third party or otherwise.

2. PRECONDITIONS AND SUPPLY

Notwithstanding the other provisions in the Agreement, the Agreement shall come into force in respect of each of the Premises only on the occurrence of the last of the following events to occur in respect of that one of the Premises:

- 2.1 you have given to us such information and taken such action required of you in order to enable us to obtain, and we have obtained, all authorisations or registrations required under the Act (including the BSC, the Distribution Code and the Grid Code) to enable us to provide a supply of electricity to you at such one of the Premises (we have “been registered” in respect of such Premises),
- 2.2 at least 15 working days prior to the intended Commencement Date, you have given to us such details of the electricity consumption at such one of the Premises over the preceding 12 months required in order to enable us to comply with the BSC, the Distribution Code and the Grid Code, and
- 2.3 each one of the Connection Point(s) has or have been Energised for such one of the Premises,

and if all of the foregoing events have not been fulfilled in respect of at least one of the Premises within 3 months of the last date of execution of the Agreement, we, by giving notice to you, may terminate the Agreement without any liability due by us to you.

3. PAYMENT

3.1 The quantity of electricity supplied to each Connection Point shall be measured by the Meter(s) for it, and you will pay to us all the charges calculated in accordance with the Schedule, provided that nothing in the Agreement will prevent us from submitting to you an estimated account where a reading of such Meter(s) is not available to us. Where an estimated account is issued an appropriate adjustment (if any) will be made on the basis of the next actual reading of the Meter(s). In addition you will pay to us:

- (a) Value Added Tax (if any) on all such charges, and
- (b) any other tax, levy, charge or duty related to, or on, the supply of electricity or imposed on us as an Electricity Supplier as we may reasonably attribute to you.

3.2 You will also pay to us on demand:

- (a) such part, as we may reasonably attribute to you, of
 - (i) any amount we have to pay to the BSC Company or its agent or those who distribute or transmit electricity for us, or
 - (ii) any costs, charges or liabilities incurred by us (including costs related to our being a party to the BSC, default Meter Operator costs and other costs incurred by us related to any obligation imposed on us as an Electricity Supplier under any statute, statutory enactment, licence, regulation, direction or order),
- (b) such charges as may be levied by us, acting reasonably, or upon us by the BSC Company or its agent, those who distribute or transmit electricity for us, a Meter Operator, a data collector or others arising from or in respect of the Agreement, and/or
- (c) any costs, charges or expenses incurred by us in connection with
 - (i) any attempt to Disconnect or re-connect the supply of electricity to any of the Premises, or
 - (ii) any Energisation or De-energisation of any Connection Point(s), or
 - (iii) the taking of an amount of power through a Connection Point which exceeds the Authorised Capacity for that Connection Point.

3.3 You will at any time provide to us such security for payment as we may require.

3.4 You shall pay any account due under the Agreement in full on the Due Date for such account. If any account remains unpaid after the Due Date we can charge you interest on the unpaid account from the Due Date at the annual rate of 4% above the base lending rate of The Royal Bank of Scotland plc (or failing the quotation of such rate, at such other reasonably equivalent rate to be decided upon by us) for the time being until payment of such account and such accrued interest in full. Such interest will be calculated on the daily balance due and unpaid.

3.5 All payments due by you to us under the Agreement shall be made without deduction, withholding or set-off whatsoever.

3.6 On giving to you at least 1 month’s prior notice to expire at any time or from time to time after the Earliest Termination Date, we will be entitled to vary all or any of the charges and provisions specified in Part 2 of the Schedule that apply outside of a Negotiated Price Period.

3.7 If any of the information supplied by you to us and which we use for preparing prices and/or charges is untrue, incomplete or inaccurate for those

purposes we will be entitled by giving you notice to vary, acting reasonably, those prices and/or charges contained in the Schedule with effect from the Commencement Date.

CONDITIONS 3.8 TO 3.13 (INCLUSIVE) ONLY APPLY WHERE THE AGREEMENT RELATES TO MORE THAN ONE PREMISES.

3.8 Notwithstanding the other provisions in the Agreement, in the event that, unless due solely to our negligent act or omission, all of the Premises have not been registered and each one of the Connection Point(s) has or have not been Energised by the date 28 days after the Commencement Date then:

- (a) we may vary the charges payable under the Agreement by giving to you notice of that variation and those charges will be varied as specified in that notice from us with effect from the Commencement Date. If within 10 days of your receipt of that notice from us you give to us notice terminating the Agreement, the Agreement will terminate on the date 1 month after we receive that notice from you, and/or
- (b) we, on giving at least 1 month’s prior notice to you, may terminate the Agreement, in which event the Agreement will terminate upon the expiry of that notice from us.

3.9 In the event of our exercising our right under Condition 3.8(a) to vary the charges, then notwithstanding the termination of the Agreement pursuant to Conditions 3.8(a) or (b), you will be obliged to pay us in terms of Condition 3 for all electricity supplied to you by us at those of the Premises which have been registered and for which the Connection Point(s) has or have been Energised, and that at the varied charges.

3.10(a) In respect of those of the Premises which have not been registered, for which details of the electricity consumption over the preceding 12 months have not been given to us and/or for which each one of the Connection Point(s) has or have not been Energised within 3 months of the last date of execution of the Agreement unless due solely to our negligent act or omission, we may require you, and you will then be obliged, to reimburse us for the whole amount of any costs, charges or expenses which we may incur in attempting to obtain all such authorisations or registrations, information and Energisations as are referred to in Conditions 2.1, 2.2 and 2.3 respectively in respect of those of the Premises.

- (b) Any termination of the Agreement in accordance with Conditions 3.8(a) or (b) will be without any costs, charges or liabilities due by us to you, but without prejudice to any rights which you or we may have accrued under the Agreement prior to such termination.

3.11 If at any time after the Commencement Date you give to us notice requesting to incorporate any one or more additional properties into the Agreement, those additional properties may be incorporated into the Agreement if and as agreed between you and us. Any such additional property will only be incorporated into the Agreement on the date when we have been registered at that property, details of the electricity consumption at that property over the preceding 12 months have been given to us and the Connection Point(s) for that property has or have been Energised.

3.12 In the event that at any time after the Commencement Date you cease to own or occupy any one or more of the properties which then comprise the Premises and you give to us a withdrawal notice (in such form as may be specified by us to you at that time) requesting to withdraw such one or more of those properties from the Agreement, in respect of each of those properties:

- (a) we will accept such a request, but that one of the properties will only be withdrawn from the Agreement when
 - (i) another Electricity Supplier has obtained all authorisations or registrations required under the Act to enable that Electricity Supplier to provide a supply of electricity to such one of the properties, or
 - (ii) we under another arrangement commence a supply of electricity to such one of the properties,

and

- (b) where the charges payable under the Agreement in respect of that one of the properties are based on the aggregated load profile of that one of the properties and any one or more of the other properties which comprise the Premises, we may vary the charges payable under the Agreement in respect of such one or more of the other properties which comprise the Premises on giving you notice of that variation and those charges will be varied as specified in that notice from us with effect from the date such one of the properties is withdrawn from the Agreement in accordance with Condition 3.12(a).

3.13(a) Those properties:

- (i) which have been withdrawn from the Agreement in accordance with Condition 3.12 will upon such withdrawal taking effect, or
- (ii) which have not been registered or for which each one of the Connection Point(s) has or have not been Energised by the date 3 months after the last date of execution of the Agreement will upon that date,

cease to comprise part of the definition of the "Premises" and shall be deemed to be removed from Part 1 of the Schedule. Any additional property incorporated into the Agreement in accordance with Condition 3.11 will upon such incorporation comprise part of the definition of the "Premises" and be deemed to be added to Part 1 of the Schedule.

- (b) The Agreement will continue in full force and effect in relation to the properties (if any) comprising the Premises which have not been so withdrawn and which have been registered and for which the Connection Point(s) has or have been Energised.
- 3.14(a) If requested by us at any time, whether before or after the Commencement Date, you will provide and/or confirm to us true, complete and accurate Supply Numbers and/or details of the Metering Equipment and/or Meter reading arrangements in place at that time for each of the Premises.
- (b) In the event that for any reason whatsoever it is necessary to change the Metering Equipment and/or the Meter reading arrangements in place at any time throughout the duration of the Agreement for any or all of the Premises (including where the Metering Equipment and/or the Meter reading arrangements (i) do not meet the requirements of the BSC and/or (ii) do not enable us to calculate the charges payable by you in terms of the Agreement, including where such a situation arises due to your failure to provide the details referred to in Condition 3.14(a)), we will be entitled to change or arrange for a change in the Metering Equipment and/or the Meter reading arrangements for those of the Premises.
- (c) Should any change to the Metering Equipment and/or the Meter reading arrangements referred to in Condition 3.14(b) result in us incurring any cost, charge or expense whatsoever in connection with the implementation or the taking of measures due in connection with any such change you will pay to us within 14 days after the date of demand the whole amount of any such costs, charges or expenses, provided that you shall not be obliged to make such payment unless and until we have reasonably vouched the extent and nature of such costs, charges or expenses which we are seeking to recover from you.
- 3.15 If any amount due in terms of Condition 3.14 remains unpaid after the expiry of the period of 14 days after the date of demand then we (but without prejudice to any other remedies) will be entitled to charge interest on the unpaid amount from that date of demand at the same rate and by the same calculation provided for the calculation of interest in Condition 3.4.
- 3.16 On each occasion that you pay to us in full and final settlement of the amount due an amount which is less than the amount due, should we accept such payment that does not mean that we agree to that payment being full and final settlement of the amount due. You agree that:
- we can retain such payment as part-payment towards the amount due without the requirement for us to notify you of our rejection of that part-payment as full and final settlement of the amount due; and
 - our retention of such payment will not prevent us recovering from you the amount due which we consider remains to be paid.
- 3.17 We may charge you, and you will pay to us, the reasonable costs, charges or expenses incurred by us in relation to any breach by you of the Agreement, including any costs, charges or expenses incurred in recovering any amount which is not paid by you on the date payment was due.
- 3.18 If we require to charge you with any of the charges noted in the Schedule as being payable by you in addition to the charges applying to the Supply, you will pay such charges to us on demand. Where any such charges are charged by us on an estimated basis, an appropriate adjustment (if any) will be made when the actual charges payable are known.
- 3.19 For the avoidance of doubt, your obligations to pay to us any costs, charges, expenses or liabilities in accordance with Condition 3 (including an adjustment to any estimated charges) shall survive termination of the Agreement.
- #### 4. YOUR OBLIGATIONS AND UNDERTAKINGS
- 4.1 It is your responsibility to check and take into consideration your other electricity supply contract(s) (if any) and you shall arrange for any termination of such contract(s) as may be required in order to allow the Agreement to come into force in respect of each of the Premises. We shall not incur any liability of any kind whatsoever to you arising from such contract(s), other than to the extent that you are entitled to recover compensation from us under Condition 10.
- 4.2 (a) With the exception of where you cease to own or occupy any one or more of the properties which then comprise the Premises, you undertake throughout the duration of a Negotiated Price Period and thereafter until the Termination Date not to do or omit to do anything which may cause or result in an Electricity Supplier other than us obtaining the authorisations or registrations required under the Act to enable that Electricity Supplier to provide a supply of electricity to such one or more of the Premises.
- (b) If it is proposed that an Electricity Supplier other than us seeks to obtain those authorisations or registrations, we shall be entitled to object to such

an Electricity Supplier seeking to obtain those authorisations or registrations for so long as you (i) do not pay charges for the supply of electricity to the Premises which are due to us and have been demanded and/or (ii) are bound by the provisions of the Agreement which will neither expire nor be terminated on or before the date of a proposed transfer.

- 4.3 You undertake not to do or omit to do anything which may cause or result in us or you being in breach of or failing to comply with, or observe, any of the provisions of the BSC, the Distribution Code or the Grid Code applicable to us or you respectively.
- 4.4 You will notify us of the details of your reasonable requirements in respect of health and safety and site security in relation to the rights of access to the Premises referred to in Condition 6.1. In addition, if requested by us at any time you will give to us all other information we reasonably require to enable us to operate the Agreement.
- 4.5 We may at your expense at any time and from time to time appoint or replace a Meter Operator under a Meter Operator Agreement in respect of the Metering Equipment for each Connection Point, if such an appointment is not made by you in accordance with Condition 4.6 or a Meter Operator appointed by you does not in our view perform adequately to meet the requirements of the Agreement (including the BSC).
- 4.6 Notwithstanding the provisions of Condition 4.5, you will procure that throughout the duration of the Agreement (a) a Meter Operator continues to be appointed under a Meter Operator Agreement in respect of the Metering Equipment for each Connection Point, (b) we are notified of the details of the contact name and telephone and facsimile number(s) for a Meter Operator appointed by you and (c) the Metering Equipment for each Connection Point is maintained and operated in all respects in accordance with the BSC.
- 4.7 You will, throughout the duration of the Agreement, upon the occurrence of each and any of the following events forthwith notify us of the occurrence of such events and the details of those events, namely:
- (a) a change to the details of your reasonable requirements in respect of health and safety and site security in relation to the rights of access to the Premises referred to in Condition 6.1;
 - (b) a material change in your pattern of electricity use;
 - (c) if the Distributor shall De-energise or Disconnect any Connection Point;
 - (d) if the Distributor shall reduce or require a reduction or increase or allow an increase in the Authorised Capacity of any Connection Point;
 - (e) the Connection Agreement in respect of any Connection Point being amended or terminated by the Distributor or otherwise changing, terminating or expiring;
 - (f) Force Majeure occurring so as to relieve the Distributor or you of any or all of its or your respective obligations in respect of any Connection Point;
 - (g) a change to the Meter Technical Details for any Metering Equipment (including any communications link) at least 20 working days prior to such change taking effect; and/or
 - (h) termination of the Meter Operator Agreement in respect of the Metering Equipment for any Connection Point (including details of the contact name and telephone and facsimile number(s) for the new Meter Operator).
- 4.8 You shall fully indemnify us and keep us fully indemnified from and against all costs, damages, losses and expenses incurred or suffered by, or made against, us (a) as a result of any act or omission of you or your Employees which causes the termination of any of the Use of System Agreements and (b) by any person in terms of or arising from the CUSC as a result of, or arising directly or indirectly from, any acts or omissions of you or any of your Employees or any other persons for whom you are responsible, provided that you shall not be obliged to make such payment until we have reasonably vouched the extent and nature of such costs, damages, losses and expenses which we are seeking to recover from you.
- For the purpose of Condition 4.8, reference to "we", "us" or "our" shall include all references to our Employees.
- #### 5. METERING
- 5.1 The reading shown on the register of the Meter(s) for each of the Premises shall be regarded as prima facie evidence of the amount of electricity supplied to such one of the Premises. However, if either we or you dispute the accuracy of such reading, then:
- (a) if and to the extent that we or you (as applicable) are obliged or entitled to refer the Metering Equipment for such one of the Premises to any procedure under the BSC and do so, we and you shall be bound to accept and implement the outcome of such reference, or
 - (b) if we are not so obliged or being so entitled do not make any such reference arrangements shall be made for the Metering Equipment for such one of the Premises to be inspected and tested under the Act.

5.2 If the Metering Equipment for any of the Premises is examined and tested pursuant to Condition 5.1 and is found to be operating within the limits of accuracy required by the BSC or the Act (as applicable), the cost of inspection and testing that Metering Equipment will be borne by whoever disputed the accuracy of such reading.

5.3 If the Metering Equipment for any of the Premises is examined and tested pursuant to Condition 5.1 and is shown to be registering outwith the said limits of accuracy, in respect of the period during which we reasonably believe the Metering Equipment so operated for those Premises an assessment shall be made by us of the quantity of electricity supplied for that period.

6. ACCESS & SECURITY

6.1 You will allow the Distributor or any other person authorised by the BSC Company or its agent, the Distributor, a Meter Operator or us full, free and safe rights of access to each of the Premises at all times if the Distributor or we think it is necessary to De-energise or Disconnect the supply of electricity to such one of the Premises to avoid danger to life or property and at all reasonable times for any other purpose authorised by the Act or in connection with the Agreement, the BSC or the Use of System Agreements, subject to the Distributor or other persons authorised by the BSC Company or its agent, the Distributor, a Meter Operator or us complying with your reasonable requirements in respect of health and safety and site security for such Premises.

6.2 You will procure that you and your Employees and invitees will not interfere with the Metering Equipment for any Connection Point or the Use of System Metering Equipment (as applicable) or the immediate connections to such Metering Equipment or the Use of System Metering Equipment (as applicable) except to the extent that emergency actions have to be taken to protect the health and safety of persons or to prevent serious damage to property proximate to the Metering Equipment for any Connection Point or the Use of System Metering Equipment (as applicable).

7. ALTERATION OR TEMPORARY DISCONTINUANCE OF SUPPLY

The Supply to any Connection Point may be discontinued or altered in the event of Force Majeure, or at our sole discretion if we consider it necessary to do so:

7.1 to avoid danger, or because failure to discontinue or alter the Supply would involve us being in breach of the Act or the Regulations; or to avoid failure of or interference with our supply of electricity to any other person caused by any failure by you to comply with your obligations under the Regulations; or in the case of accident or other emergency affecting or likely to affect the Distributor's System or any other system through which (directly or indirectly) we receive a supply of electricity; or

7.2 if and to the extent that the Distributor De-energises, Disconnects or reduces the Authorised Capacity of that Connection Point; or

7.3 in the event of any breach of the Agreement by you; or

7.4 if at any time and for so long as (a) the Connection Agreement in respect of that Connection Point ceases to be in full force and effect, or (b) the Use of System Agreements in respect of that Connection Point cease to be in full force and effect or to entitle us to provide the Supply to that Connection Point; or

7.5 at any time and for so long as the Supply to that Connection Point is shut down, interrupted, delayed, reduced, impaired or limited as a result of a reduction or suspension of demand by the Transmission System Operator or the Distributor (as the case may be) in accordance with the Distribution Code by any method, including voltage reduction; or

7.6 at any time and for so long as the Distributor requires us under the Use of System Agreements in respect of that Connection Point to discontinue or suspend the Supply,

and the Supply to that Connection Point may be discontinued or altered on each occasion for such period as we in our sole discretion may consider necessary. Where the discontinuation of the Supply to such Connection Point is due to your or any of your Employees act or omission, any restoration of that Supply may be conditional upon you paying a restoration charge. The Supply will be subject to the variations permitted by the Regulations.

8. POWER TO TERMINATE THE AGREEMENT IN CERTAIN EVENTS

8.1 Notwithstanding the other provisions in the Agreement, either we or you can terminate the Agreement by giving notice to that effect to the other if:

(a) the other fails to pay any account due under the Agreement within 14 days after the Due Date, or any other sum due under the Agreement within 14 days after the date for payment of that sum, or fails in any material respect to perform or comply with any of its obligations under the Agreement; or

(b) the other becomes insolvent or subject to administration; or a petition is presented or an order is made or a meeting is convened to consider a resolution, or a resolution is passed, for its liquidation, winding-up or dissolution or an administration application is made or notice of an

intention to appoint an administrator is served in respect of the other (otherwise, in each case, than for the purpose of a bona fide solvent amalgamation or reconstruction); or the other makes any composition, scheme or arrangement with (or assignation for the benefit of) its creditors or a voluntary arrangement is made in accordance with Part 1 of the Insolvency Act 1986; or a trustee, receiver, administrative receiver or manager is appointed over all or part of its business, property or assets; or for the purposes of Section 123 of the Insolvency Act 1986 the other is deemed unable to pay its debts; or, if the other is an individual or a partnership, that individual or partnership, or any of its partners, is sequestrated or becomes apparently insolvent or makes any composition, scheme or arrangement with, or grants any trust deed or any assignation for the benefit of, its creditors,

and in each case the Agreement will terminate upon the expiry of such notice.

8.2 If the Connection Agreement for any Connection Point for any of the Premises terminates or if a supply of electricity is taken through any Connection Point which as a result of an act or default of you or any of your Employees is not accurately recorded by the Meter(s) for it, then we will be entitled to terminate the Agreement by giving notice to that effect to you and the Agreement will terminate upon the expiry of such notice.

8.3 If at any time (a) you put us in a position such that our ability to comply with our obligations and duties under all applicable laws, the Licence, the BSC, the Distribution Code or the Grid Code is adversely affected, (b) we are entitled to discontinue or alter the Supply to a Connection Point in accordance with Condition 7 or (c) we cease to hold the Licence or we cease to hold or to be a party to any other licence or any agreement, consent or approval necessary to allow the Supply to be provided, then in any such event we will be entitled to terminate the Agreement immediately by giving notice to that effect to you and the Agreement will terminate upon the expiry of such notice.

9. STANDARD CONNECTION AGREEMENT

Where you do not have an agreement which gives you the right for Your Installation to be and to remain Connected to the Distributor's System, you agree that by entering into the Agreement, you are also entering into a Standard Connection Agreement (the terms of which we have made known to you) with the Distributor.

10. LIMITATION OF LIABILITY

10.1 Neither we nor you shall be liable for any breach of the Agreement directly or indirectly caused by Force Majeure.

10.2 Subject to Conditions 10.4 and 10.6 and save as provided in Condition 10.2 and Condition 10.3 and save where any provision in the Agreement provides for an indemnity, neither we nor you (the "party liable") nor any of its Employees shall be liable to the other for loss arising from any breach of the Agreement other than for loss directly resulting from such breach and which at the Commencement Date was reasonably foreseeable as likely to result in the ordinary course of events from such breach and which resulted from

(a) where the other is you (i) physical damage to the property of you or your Employees on the Premises; and (ii) your liability to any person in terms of a written contract entered into in the ordinary course of your trade for loss arising from physical damage to the property of that person on the Premises,

(b) where the other is us, physical damage to the property of us or our Employees.

Provided that (i) in respect of liability under Conditions 10.2(a) or 10.2(b) the total liability of either us or you in respect of all claims for such loss or damage shall not exceed the Nominated Sum, and in addition, (ii) in respect of liability under Condition 10.2(a)(ii) our total liability in respect of claims for such loss or damage shall not exceed the cost to you of repairing, or if necessary replacing, the physically damaged property of such person to whom you are so contractually liable.

Provided further that we shall be entitled to deduct from any such sums paid by way of compensation for loss or damage under the Agreement any sums (the "Deductions") paid or payable by the Distributor under a Connection Agreement in respect of such loss or damage suffered by you to the extent that the Deductions were not or will not be paid to us by virtue of the operation of the provisions of any Use of System Agreements.

10.3 Nothing in the Agreement shall exclude or limit the liability of the party liable for (a) fraudulent misrepresentation or (b) death or personal injury resulting from the negligence of the party liable or any of its Employees and the party liable shall indemnify and keep indemnified the other and its Employees from and against all such and any loss or liability which the other may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the party liable or any of its Employees.

10.4 Subject to Condition 10.6 and save where any provision of the Agreement provides for an indemnity, neither we nor you or your Employees shall in any circumstances whatsoever be liable to the other for:

(a) any loss of profit, loss of revenue, loss of use, loss of contract, loss of goodwill or economic loss, or

- (b) any indirect or consequential loss (including loss resulting from loss or corruption of or damage to any data stored electronically and/or computer software), or
- (c) loss resulting from the liability of the other to any other person save as provided in Conditions 10.2 and 10.3.

10.5 The rights and remedies provided by the Agreement are exclusive and not cumulative and exclude and are in place of all substantive (but not procedural) rights or remedies express or implied and provided by common law or statute, including actions brought in negligence and/or nuisance. Accordingly we and you hereby waive to the fullest extent possible all such rights and remedies provided by common law or statute, and release the party liable to the same extent from all duties, liabilities, responsibilities or obligations provided by common law or statute in respect of the matters dealt with in the Agreement and undertakes not to enforce any of the same except as expressly provided in the Agreement.

10.6 Save as otherwise expressly provided in the Agreement, Condition 10 in so far as it excludes or limits liability shall override any other provision of the Agreement, provided that nothing in Condition 10 shall exclude or restrict or otherwise prejudice or affect any of: (a) the rights, powers, duties and obligations of either us or you which are conferred or created by the Act, the Licence or the Regulations; or (b) the rights, powers, duties and obligations of the Authority or the Secretary of State under the Act, the Licence or otherwise.

10.7 For the avoidance of doubt, nothing in Condition 10 shall prevent or restrict either us or you from enforcing any obligation (including suing for a debt) owed to us or you under the Agreement. Notwithstanding the provisions of Condition 10, neither our nor your Employees shall have any right to veto the rescission or variation of the Agreement.

11. FORCE MAJEURE

If either we or you are unable to carry out any of our or your respective obligations under the Agreement due to Force Majeure, the Agreement shall continue but, unless otherwise provided for in the Agreement, both our and your respective obligations other than any obligation as to payment of charges shall be suspended without liability for the period of such Force Majeure.

12. GENERAL

12.1 We may assign and transfer any or all of our whole rights and obligations under and in terms of the Agreement (including any monies payable to us) to another party provided they have obtained all the licences and approvals from the Authority or other regulatory authorities necessary for them to supply electricity to you at the Premises. As a result, that party will acquire the rights and assume the obligations as if it had been the original party to the Agreement with you. We will be released from all of our obligations under the Agreement so assigned and transferred, and, from then on, your dealings will be with that party in respect of the rights and obligations assigned and transferred. You cannot assign or transfer any of your rights or obligations under or in terms of the Agreement without our prior written consent.

12.2 Nothing in the Agreement shall prejudice or affect our rights, powers or obligations under any statute, statutory enactment, licence, regulation, direction or order for the time being in force. We and you shall effect any amendment required to be made to the Agreement as a result of any change in the Licence or any order made in terms of the Act or as a result of any direction of the Secretary of State or any court or competent authority, or as a result of the Authority settling any variations of the terms of the CUSC or any Use of System Agreements.

12.3 Any waiver by either us or you of a breach of the Agreement must be in writing and shall not be treated as a waiver of any further breach of the same or any other provision.

12.4 The Agreement shall constitute the entire agreement between us and you with respect to its subject matter.

12.5 (a) Notices under the Agreement shall be in writing and shall be delivered by hand or post to you at the address given for you in the Agreement or us for the attention of the Business Sales Manager at ScottishPower Energy Retail Limited, Business Sales Department, Customer Sales & Services, PO Box 7111, Cathcart Business Park, Spean Street, Glasgow G44 4BE or for the attention of such other person or to such other address notified to us or you for this purpose.

(b) A notice or other communication is deemed to have been received: (i) at the time when it is delivered personally; or (ii) 48 hours after the document was delivered to the postal authorities, if it is sent by post.

To prove personal or postal service has been carried out it is sufficient to prove that personal delivery was made or that the envelope containing the notice was properly addressed (as described in Condition 12.5(a)) and delivered to the postal authorities.

12.6 The Agreement shall be construed and implemented in accordance with Scots law if any of the Premises are in Scotland and in accordance with English law if all of the Premises are in England and Wales.

13. SURVIVAL ON TERMINATION

Termination of the Agreement or discontinuance or alteration of the Supply in terms of the Agreement shall not affect any of our or your rights, remedies or obligations which may have accrued prior to or as a result of such termination, discontinuance or alteration and shall not affect any rights, remedies or obligations of either us or you which either expressly or by implication in the Agreement are stated to continue after such termination, discontinuance or alteration.

This and the foregoing 4 pages comprise the ScottishPower Electricity General Terms and Conditions for Business Customers (Large I & C Version) dated 31st March 2005.

STANDARD CONNECTION AGREEMENT

Standard Terms of Connection

(A) The electricity you receive from your electricity supplier will be delivered using the distribution network run by your local network operator. To receive a supply of electricity you require both:

- a connection agreement with your local network operator to maintain the connection of your premises to the network; and
- a supply contract with your electricity supplier.

(B) Your electricity supplier has been appointed as the agent of your local network operator to obtain a connection agreement with you on these standard terms. When you enter into your electricity supply contract, you are also entering into this connection agreement with your local network operator.

(1) *Interpretation:* In this agreement the terms “we”, “our” and “local network operator” mean, for each connection to a network through which you are supplied under your electricity supply contract, the distributor which owns or operates that network.

(2) *Existing terms:* Any existing terms applying to your connection to our network (except for our tariff terms or another standard connection agreement) will apply instead of this agreement to the extent that they are inconsistent with this agreement.

(3) *Duration of this connection agreement:* This agreement takes effect from the time that your electricity supply contract takes effect and will continue (even if your electricity supply contract ends) until it ends under Clause 11 below.

(4) *Connection to our network:* Your premises will remain connected to our network in accordance with the provisions of the Electricity Act 1989, any other legal requirements that apply from time to time, and the terms of this agreement.

(5) *Network constraints:* Our obligations under this agreement are subject to the maximum capacity and any other design feature of your connection. In accordance with existing legal rules, you must contact us in advance if you propose to make any significant change to your connection, electric lines or electrical equipment, install or operate generating equipment or do anything else that could affect our network or require alterations to your connection.

(6) *Delivery of electricity:* We do not guarantee that we will deliver electricity through our network at all times or that electricity delivered through our network will be free of brief variations in voltage or frequency.

(7) *Cutting off your supply:* We may cut off the supply of electricity to your connection where we are entitled to do so under the general law. We may also cut off your supply of electricity where we are required to do so under your electricity supply contract or the electricity industry arrangements under which we operate.

(8) *If something goes wrong:* If we fail to comply with any terms of this agreement, or are negligent, you may be entitled under the general law to recover compensation from us for any loss you have suffered. However, we will not be required to compensate you for loss caused by anything beyond our reasonable control, or for any indirect, consequential, economic or financial loss (including losses of revenue, profit or opportunity, wasted expenses or loss of contract or goodwill), other than where you are entitled to recover compensation for such loss under the general law in relation to death or personal injury.

(9) *Business customers:* If the electricity supplied to your premises is used wholly or mainly for business purposes, each of us will only be liable to the other in accordance with the limitations in Clause 8 and up to a maximum of £100,000 per calendar year.

(10) *Changing this connection agreement:* The terms of this connection agreement will be changed automatically to incorporate any changes which are approved by the Gas and Electricity Markets Authority. Any change which is approved will be announced in at least three national daily newspapers and will take effect from the date stated in those announcements.

Either of us may ask the other to accept a change to any part of this agreement at any time if either believes the change is needed because of the nature of your connection or because this agreement is no longer appropriate. (It is unlikely that we will propose any changes unless your connection is at high

voltage, you have generating equipment or there are other special features.) If a change is proposed under this clause, and cannot be agreed between us within 28 days, either of us may ask the Gas and Electricity Markets Authority to decide whether or not the change should be made.

(11) *Ending this connection agreement:* This agreement will end in relation to a connection when one of the following occurs:

- you begin to take your electricity supply through that connection from us on our tariff terms;
- you permanently stop having electricity delivered through that connection;
- you no longer either own or occupy the premises at which that connection is situated; or
- any circumstances arise which legally entitle us to cut off your electricity supply to that connection and we write to you advising you that this agreement is ended.

The ending of this agreement will not affect any rights, remedies or obligations which may have come into being under this agreement and Clauses 8 and 9 will continue to apply to those rights, remedies and obligations.

(12) *Transferring this connection agreement:* You are not entitled to transfer this agreement to another person without our consent.

(13) *Providing information:* You must provide us with any information we request in relation to the nature, or use by you, of electrical equipment on your premises. We will only ask for information that we need in relation to this agreement or the Distribution Code that applies under our Electricity Distribution Licence.