

**SCHEDULE 5.4**

**ADDITIONAL APPROVED FUNDING**

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## VERSION CONTROL

| VERSION NUMBER | DATE             | COMMENT  |
|----------------|------------------|--|
| 0.1            | 27 July 2016     | Preliminary draft template version made available for general comment    |
| 0.2            | 2 September 2016 | Uplifted draft, following feedback, made available for final comment     |
| 0.3            | 25 October 2016  | Uplifted following local body and supplier feedback                      |
| 1.0            | 16 November 2016 | Baselined Version 1.0  |
| 1.1            | 26 January 2018  | Updated for Next Generation Access Broadband Wales – Phase 2 Procurement |
| 1.2            | 16 March 2018    | Updated following minor CQ's   |

## **SCHEDULE 5.4 – ADDITIONAL APPROVED FUNDING**

### **1. BACKGROUND**

This Schedule 5.4 contains provisions relating to Additional Approved Funding obtained by the Welsh Ministers for the purposes of this Agreement.

### **2. FUNDING**

2.1 The Parties acknowledge that, as stated in the ITT, the Welsh Ministers may during the Term secure a sum of Additional Approved Funding of an amount up to one hundred and thirty eight million pounds (£138,000,000). This Additional Approved Funding may be utilised in accordance with this Agreement to further the project aims in the Coverage Area (extending the coverage and/or improving broadband speeds), subject to:

2.1.1 such utilisation falling within the permitted parameters of the Commission Decision; and

2.1.2 the further provisions of this Schedule.

### **3. APPLICATION OF ADDITIONAL APPROVED FUNDING**

3.1 The Additional Approved Funding may, at the Welsh Ministers' sole discretion and subject to the Parties agreeing a corresponding Contract Change, be utilised for Deployed Services extending coverage and/or improving broadband speeds.

3.2 If at any time during the Term the Welsh Ministers are able to secure all or part of the Additional Approved Funding, they may (in accordance with paragraph 3.1 above) issue a Change Request for all or part of that secured amount. The Grantee shall provide the Change Impact Assessment, proposing an allocation of the funding, within ten (10) Working Days of receipt of the completed Change Request (or such longer period as may be agreed in writing by the Parties) or such extended period either specified by the Welsh Ministers in the Change Request or as agreed in accordance with the process for extending Change Impact Assessment delivery timelines in paragraph 2.4 of Schedule 6.2 (Change Control Procedure). Paragraph 2.5 of Schedule 6.2 (Change Control Procedure) shall also apply in respect of any Grantee failure to provide a Change Impact Assessment in accordance with this paragraph 3.2 within twenty (20) Working Days from the date determined by this paragraph 3.2.

### **4. GENERAL PROVISIONS APPLICABLE TO ADDITIONAL FUNDING**

4.1 Any Grantee Change Impact Assessment provided pursuant to paragraph 3.2 above shall, without limitation to the other requirements of the Change Control Procedure, include:

4.1.1 the additional investment by the Grantee;

4.1.2 a summary of the proposed additional areas of coverage, including speed and coverage outcomes for the additional Deployed Services to be performed;

4.1.3 details of any impact on the existing contracted Deployed Services; and

4.1.4 an update to the Speed and Coverage Template, Project Model, Project Plan, Implementation Plan, Project Plan and Milestone Payments table.

4.2 The Parties shall seek to agree a corresponding Contract Change in respect of the proposed use of the Additional Approved Funding, through the Change Control Procedure. For the avoidance of doubt, any issuing of a Change Request and/or

seeking to agree a Contract Change does not commit the Welsh Ministers to the inclusion of Additional Approved Funding under this Agreement, which is only committed to the extent specified in a corresponding agreed Contract Change.

- 4.3 Each Party's costs associated with the preparation and subsequent agreement of any Contract Change incorporating Additional Approved Funding shall be borne by that Party (and accordingly paragraph 2.6.2 of Schedule 6.2 (Change Control Procedure) in respect of costs for preparation of the Change Impact Assessment shall apply).
- 4.4 The Parties acknowledge that the agreement of any Contract Change in respect of the Additional Approved Funding shall be subject to the Welsh Ministers obtaining the prior approval of the Programme Authority to proceed (and that, inter alia, this will involve consideration of compliance with the requirements of the Commission Decision).