

5.1 SUBSIDY PAYMENTS

1 INTRODUCTION

1.1 This Schedule sets out:

1.1.1 the Subsidy Payments in respect of Permitted Expenditure to be paid under this Agreement subject to the Contract Assumptions, Changes set out in a Change Authorisation and claw-back, which are broken down into:

(A) Deployment Milestone Payments that are payable upon Achievement of Deployment Payment Milestones over the Deployment Period and which Deployment Milestone Payments and Deployment Payment Milestones are as set out in Appendix 1 (Deployment Milestone Payments) to this Schedule 5.1 (Subsidy Payments);

(B) Connection Milestone Payments that are payable upon Achievement of Connection Payment Milestones in accordance with the provisions of Paragraphs 6 (Connection Milestone Payments) and 7 (Connection Milestone Payment Claims);

(C) Additional Connection Milestone Payments that are payable upon Achievement of Connection Payment Milestones in accordance with the provisions of Paragraph 6B (Additional Connection Milestone Payments) and Paragraph 7B (Additional Connection Milestone Payment Claims); and

(D) Ongoing Capital Payments that are payable on a Quarterly basis:

(1) on and from Achievement of the Deployment Payment Milestone M2.01 (which, for the avoidance of doubt, relates to Deployment Area Complete for one Deployment Area); and

(2) upon Achievement of each subsequent Deployment Payment Milestone of type M2 after M2.01;

and which Ongoing Capital Payments are determined (including by application of the Performance Credits) in accordance with Paragraph 10 (Performance Points and Performance Credits) and the provisions of Paragraph 8 (Ongoing Capital Payments);

1.1.2 the caps on Subsidy Payments;

1.1.3 the claims procedure applicable to Deployment Milestone Payments;

1.1.4 the claims procedure applicable to Connection Milestone Payments;

1.1.5 the claims procedure applicable to Additional Connection Milestone Payments;

1.1.6 the claims procedure and Performance Credits applicable to Ongoing Capital Payments;

1.1.7 certain payment specific record keeping, audit and reporting obligations;

1.1.8 details of eligibility criteria for Permitted Expenditure;

- 1.1.9 the claw-back mechanisms applicable to certain components of Subsidy Payments;
- 1.1.10 principles regarding Changes to the Subsidy Payments;
- 1.1.11 relevant definitions and descriptions in respect of costs, expenditure and revenues in Appendix 4 (Costs, Permitted Expenditure and Revenues); and
- 1.1.12 a worked example of the application of aspects of this Schedule in Appendix 6 (Worked Examples).

1.2 Supplementary requirements (relating to matters including funding claims, reporting and audit) specific to funding streams for Subsidy Payments other than those provided directly by the Minister are contained in Schedule 5.4 (Eligibility Requirements for ERDF Funding).

2 SUBSIDY PAYMENTS

2.1 Subject, in particular, to the other provisions of this Paragraph 2 (Subsidy Payments), the Subsidy Payments are the amount of public subsidy payments eligible to be paid, subject to the provisions of this Agreement, by the Minister to NBPco during the Contract Period. The Subsidy Payments comprise the following four elements:

$$SP = TMP + TCP + TACP + TOCP$$

where:

SP = subject to the provisions of this Agreement, the amount of public subsidy payments eligible to be paid by the Minister to NBPco during the Contract Period;

TMP = the total Deployment Milestone Payments payable over the Deployment Period as determined in accordance with Paragraph 3 (Deployment Milestone Payments) of this Schedule 5.1 (Subsidy Payments);

TCP = the total Connection Milestone Payments payable over the Contract Period as determined in accordance with Paragraph 6 (Connection Milestone Payments) of this Schedule 5.1 (Subsidy Payments);

TACP = the total Additional Connection Milestone Payments payable over the Contract Period as determined in accordance with Paragraph 6B (Additional Connection Milestone Payments) of this Schedule 5.1 (Subsidy Payments); and

TOCP = the total Ongoing Capital Payments payable over the Contract Period as determined in accordance with Paragraph 8 (Ongoing Capital Payments) of this Schedule 5.1 (Subsidy Payments).

Adjustment of the Subsidy Payments

2.2 Subject to the Subsidy Payment caps set out in Paragraph 2.3 (Subsidy Payments) of this Schedule, the Subsidy Payments calculated in respect of Paragraph 2.1 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments) may be amended in accordance with Annex 5 (Post Build Contract Assumptions) and Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures) as follows:

2.2.1 Deployment Milestone Payments for M2 Milestone types and Ongoing Capital Payments may be adjusted either upwards or downwards as a result of the

application of Build Related Contract Assumptions, having first complied with Paragraphs 8.2.19 (Network Deployment Requirements) to 8.2.39 (Network Deployment – Requirements) of Schedule 2.3 (Deployment Requirements), in accordance with Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures) provided that, subject to the Minister’s right to reallocate as set out in Paragraph 2.4 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments), the aggregate net upward adjustment in the total Deployment Milestone Payments and Ongoing Capital Payments paid as a result of the application of all Build Related Contract Assumptions does not exceed the sum of the Conditional Build Related Subsidy and the Conditional Exceptional Subsidy; and

- 2.2.2 Ongoing Capital Payments may be adjusted either upwards or downwards as a result of the application of the Post Build Contract Assumptions in accordance with Annex 5 (Post Build Contract Assumptions) of Schedule 6.2 (Change Control Procedure) provided that, subject to the Minister’s right to reallocate as set out in Paragraph 2.4 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments), the aggregate net upward adjustment in the total Ongoing Capital Payments paid as a result of the application of all Post Build Contract Assumptions does not exceed the Conditional Post Deployment Subsidy.

Subsidy Payment Caps

- 2.3 Subject to the Minister’s right to reallocate as set out in Paragraph 2.4 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments), the following Subsidy Payment caps will apply throughout the Contract Period with the result that no Subsidy Payments are or shall be payable in excess of the following Subsidy Payment caps (including, for clarity, notwithstanding the application of the Contract Assumptions in accordance with Annex 5 (Post Build Contract Assumptions) and/or Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedure)):

- 2.3.1 The sum of (A) and (B) and (C) will not exceed the Maximum Deployment Subsidy where:
- (A) is equal to the “**Deployment Subsidy**”, being the sum of TMP (as defined in Paragraph 2.1 (Subsidy Payments)) and TOCP (as defined in Paragraph 2.1 (Subsidy Payments)) as set out in Appendix 1 (Deployment Milestone Payments) and Appendix 3 (Ongoing Capital Payments) of this Schedule 5.1 (Subsidy Payments) at the Effective Date;
 - (B) is the Conditional Build Related Subsidy, from which any additional DMPs and OCPs arising from application of the Build Related Contract Assumptions (but excluding the Exceptional Cost Circumstances Build Related Contract Assumption) are payable in accordance with Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures); and
 - (C) is the Conditional Exceptional Subsidy, from which any additional DMPs and OCPs arising from application of the Exceptional Cost Circumstances Build Related Contract Assumption are payable in

accordance with Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures);

2.3.2 The sum of (D) and (E) will not exceed the Maximum Connection Subsidy where:

(D) is equal to TCP, as defined in Paragraph 2.1 (Subsidy Payments); and

(E) is equal to TACP, as defined in Paragraph 2.1 (Subsidy Payments); and

2.3.3 The sum of (F), (G) and (H) will not exceed the Contracted Maximum Subsidy where:

(F) is equal to the Maximum Deployment Subsidy

(G) is equal to the Maximum Connection Subsidy; and

(H) is the Conditional Post Deployment Subsidy;

and

2.3.4 the TACP will not exceed the ACMP Cap.

Reallocation of Subsidy

2.4 The Minister reserves the absolute discretion, by prior written notice to NBPco at any time during the Contract Period, to reallocate amounts:

2.4.1 between the Maximum Deployment Subsidy, Maximum Connection Subsidy and Conditional Post Deployment Subsidy; and/or

2.4.2 between the Deployment Subsidy, Conditional Build Related Subsidy and the Conditional Exceptional Subsidy;

with a consequent corresponding reduction or increase, as applicable, in the above amounts provided that:

(A) the Contracted Maximum Subsidy remains the same;

(B) any such reallocation is intended to support achievement of any of the policy objectives set out in Clause 8.1 (Policy Objectives); and

(C) any such reallocation does not reduce the Maximum Deployment Subsidy, Maximum Connection Subsidy or Conditional Post Deployment Subsidy below the level that the evidence available at that time suggests might reasonably be required for its intended purpose.

The Parties will reflect the Minister's written notice in respect of a reallocation in a Change Authorisation without any right of rejection for NBPco under Paragraph 5 (NBPco's Right

of Rejection of a Change Request) of Part 2 (Change Procedure) of Schedule 6.2 (Change Control Procedure).

Payment of Subsidy Payments

- 2.5 Each Subsidy Payment is payable in accordance with, and subject to, Clause 27 (Subsidy Payments) of this Agreement.
- 2.6 The Minister shall pay to NBPco a Subsidy Payment subject to, and in accordance with, the provisions of this Schedule 5.1 (Subsidy Payments) and the other provisions of this Agreement provided and on condition that:
- 2.6.1 payment by the Minister of the Subsidy Payment concerned is due subject to, and in accordance with, the provisions of this Schedule 5.1 (Subsidy Payments), Schedule 2.3 (Deployment Requirements), Annex 5 (Post Build Contract Assumptions) and/or Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedure) and the provisions of Clause 27 (Subsidy Payments);
 - 2.6.2 a valid payment claim has been issued by NBPco to the Minister subject to, and in accordance with, the provisions of this Schedule 5.1 (Subsidy Payments);
 - 2.6.3 NBPco has provided the Minister with all supporting documentation set out in or required pursuant to the provisions of this Schedule 5.1 (Subsidy Payments) to support the relevant payment claim; and
 - 2.6.4 any and all certificates and executed Change Authorisations required to be obtained by NBPco before NBPco can submit a payment claim (including the Authority to Proceed Certificate and the Milestone Achievement Certificate) has been obtained and NBPco has submitted a copy of the same to the Minister with the relevant DMPC, CMPC, ACMPC or OCPC as applicable.
- 2.7 The Minister's obligation to make Subsidy Payments to NBPco under or pursuant to this Agreement is limited to the following:
- 2.7.1 the Deployment Milestone Payments, Connection Milestone Payments, Additional Connection Milestone Payments and Ongoing Capital Payments set out in this Schedule 5.1 (Subsidy Payments) as amended by the application of Build Related Contract Assumptions and Post Build Related Contract Assumptions in accordance with Annex 5 (Post Build Contract Assumptions) and Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures); and
 - 2.7.2 if applicable, such other amounts in respect of Changes as set out in a Change Authorisation executed by the Parties in accordance with this Agreement.
- 2.8 For the avoidance of doubt, Deployment Milestone Payments, Ongoing Capital Payments and Additional Connection Milestone Payments are not subject to indexation. Subsidy Payments may only be reduced by the Minister where the Minister is expressly permitted to do so in accordance with the provisions of this Agreement, including but not limited to this Schedule 5.1 (Subsidy Payments), Schedule 2.3 (Deployment Requirements), Paragraph 5.5 (Changes to Subsidy Payments) of Schedule 6.2 (Change Control Procedures), Annex 5 (Post Build Contract Assumptions) and Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures) and in accordance

with the provisions of Clause 27 (Subsidy Payments) and Clause 33 (Set-Off and Withholding).

Subsidy Payments in respect of only Permitted Expenditure and the PE Test

2.9 For the avoidance of doubt, the Subsidy Payments are payments of subsidy provided by the Minister related to the establishment of the Network in respect of the Permitted Expenditure incurred by NBPco in the implementation of the Network. Despite any other provision of this Agreement NBPco shall use its reasonable endeavours to ensure or procure that, at no time during the Contract Period shall the net present value of the total Subsidy Payments paid or payable by the Minister to NBPco since the Effective Date exceed the aggregate net present value of (i) the Permitted Expenditure WIP at that time; and (ii) the total Permitted Expenditure that has been incurred since the Effective Date and evidenced by NBPco and verified by the Minister in accordance with the provisions of this Schedule 5.1 (Subsidy Payments), including in particular Paragraph 2.11 (Subsidy Payments), both discounted to the Effective Date based on the Discount Rate (the “**PE Test**”). NBPco shall prepare an updated calculation of the PE Test in respect of every Deployment Milestone Payment Claim, Ongoing Capital Payment Claim, Connection Milestone Payment Claim and Additional Connection Milestone Payment Claim as set out in this Schedule 5.1 (Subsidy Payments).

2.10 For the avoidance of doubt, as stated in Clause 30.1 (State Aid), it is the Minister's intention to comply with the State Aid Decision and State Aid Law and the Subsidy Payments made by the Minister to NBPco pursuant to this Agreement are therefore made pursuant to an authorised State aid scheme. In accordance with the State Aid Decision and despite any other provision of this Agreement, at no time during the Contract Period shall the net present value of the total Subsidy Payments paid or payable or due to be paid (based on the date such payment is payable) by the Minister to NBPco between the Effective Date and the Expiry Date exceed 95% (ninety five percent) of the aggregate net present value of:

2.10.1 the total Permitted Expenditure Passed, total Permitted Expenditure Connect and total Permitted Expenditure New Premises that has been incurred and evidenced by NBPco and verified by the Minister in accordance with the provisions of this Schedule 5.1 (Subsidy Payments), including in particular Paragraph 2.11 (Subsidy Payments), between the Effective Date and the date of calculation of the State Aid Intensity Test; and

2.10.2 the total Permitted Expenditure Passed, total Permitted Expenditure Connect and total Permitted Expenditure New Premises that is forecast to be incurred between the date of calculation of the State Aid Intensity Test and the Expiry Date (based on the date such expenditure is forecast to be incurred by NBPco in the latest Project Financial Model and not the date such expenditure is forecast to be verified by the Minister in accordance with this Schedule 5.1 (Subsidy Payments));

discounted to the Effective Date based on the SAIT Discount Rate (the “**State Aid Intensity Test**”). Notwithstanding the requirement for NBPco to include with the State Aid Report a calculation for the State Aid Intensity Test in accordance with Paragraph 4 (State Aid Report – Permitted Expenditure) of Appendix 5 (Reports) of this Schedule 5.1 (Subsidy Payments), at least once every Contract Year and at no more than 12 (twelve) month intervals, NBPco shall submit for review by the Minister an updated calculation for the State Aid Intensity Test. If at any time during the Contract Period the calculation of the State Aid Intensity Test results in a percentage that is greater than 92% (ninety-two

percent), NBPco shall be required from that point forward to submit for review by the Minister the updated calculation for the State Aid Intensity Test on a Quarterly basis until such time as the calculation of the State Aid Intensity Test results in a percentage that is lower than 92% (ninety-two percent).

2.11 Despite any other provision of this Agreement, the Minister shall not make any Subsidy Payments to NBPco in respect of expenditure that:

2.11.1 is not Permitted Expenditure; or

2.11.2 is Permitted Expenditure that has not been evidenced by NBPco and verified by the Minister:

- (A) in respect of Permitted Expenditure Passed (DA), in accordance with Paragraph 5 (DMPC Supporting Documentation) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure Passed (DA) and (ii) was actually incurred (as distinct from contracted for) by NBPco in the deployment of Network which directly related to the Achievement of M1 and M2 Milestones that have been Achieved;
- (B) in respect of Permitted Expenditure Passed (Common), in accordance with Paragraph 5B (General PE Supporting Documentation) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure Passed (Common); and (ii) was actually incurred (as distinct from contracted for) by NBPco;
- (C) in respect of Permitted Expenditure Passed (Infra Rental), in accordance with Paragraph 5B (General PE Supporting Documentation) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure Passed (Infra Rental); and (ii) was actually incurred (as distinct from contracted for) by NBPco;
- (D) in respect of Permitted Expenditure NBPco, in accordance with Paragraph 5B (General PE Supporting Documentation) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure NBPco; and (ii) was actually incurred (as distinct from contracted for) by NBPco;
- (E) in respect of Permitted Expenditure New Premises, in accordance with Paragraph 5B (General PE Supporting Documentation) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure New Premises; and (ii) was actually incurred (as distinct from contracted for) by NBPco; or
- (F) in respect of Permitted Expenditure Connect, in accordance with Paragraphs 7 (Connection Milestone Payment Claims) and 7B (Additional Connection Milestone Payment Claims) as Permitted Expenditure that (i) satisfies the definition of Permitted Expenditure Connect; and (ii) was actually incurred (as distinct from contracted for)

by NBPco in the Achievement of a Connection Payment Milestone that has been Achieved,

provided that, subject to Paragraphs 2.17 (Subsidy Payments) and 3.2 (Deployment Milestone Payments), this does not limit or affect the timing of payments of DMPs pursuant to Paragraph 3.1 (Deployment Milestone Payments).

Survival of Subsidy Related Provisions

2.12 Paragraphs 4.10 (Deployment Milestone Payment Claims), 7.10 (Connection Milestone Payment Claims), 7B.10 (Additional Connection Milestone Payment Claims), 9.10 (Ongoing Capital Payment Claims) (inclusive) and 2.10 (Subsidy Payments) shall continue to be effective until:

2.12.1 the expiration of twelve (12) months following the Expiry Date; or

2.12.2 in the event of termination of this Agreement prior to the Expiry Date, the expiration of twenty-four (24) months following such Termination Date.

2.13 Paragraphs 4.8 (Deployment Milestone Payment Claims), 4.9 (Deployment Milestone Payment Claims), 7.8 (Connection Milestone Payment Claims), 7.9 (Connection Milestone Payment Claims), 7B.8 (Additional Connection Milestone Payment Claims), 7B.9 (Additional Connection Milestone Payment Claims), 9.8 (Ongoing Capital Payment Claims), 9.9 (Ongoing Capital Payment Claims), 16 (Over-Subsidy Claw-Back: IRR) and 17 (Over-Subsidy Claw-Back: Terminal Value) shall continue to be effective until the expiration of seven (7) years following the Termination Date.

Disputes regarding Performance Points

2.14 If there is a Dispute in relation to the accrual of Performance Points, the Subsidy Payments shall, pending resolution of the Dispute, be paid as if the relevant Performance Points determined by the Minister had not accrued. NBPco shall within thirty (30) days of the resolution of the Dispute make any repayment (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) to the Minister that is agreed or determined to be payable pursuant to the Expedited Dispute Resolution Procedure or, at the Minister's absolute discretion, the Parties may agree to set off NBPco's repayment against the next payment due from the Minister to NBPco.

Review by the Minister of Subsidy Payments

2.15 As part of its own internal financial control process, the Minister (and/or its agents or representatives) may undertake a review of the payments made under this Agreement at any time it is reasonable to do so (including where there are reasonable grounds to consider a material or other error has been made in respect of an DMPC, CMPC, ACMPC or OCPC). In such circumstances, the Minister (and/or its agents or representatives) may require NBPco to provide (or to procure that its Subcontractors provide), as soon as is reasonably practical and in any event within ten (10) Working Days of any request, additional reasonable assistance and reasonable supporting information regarding any DMPC, CMPC, ACMPC or OCPC (as supplementary assurance to the evidence provided pursuant to the other provisions of this Schedule).

2.16 NBPco acknowledges the need for complete transparency in respect of the forecast and actual financial and non-financial performance of the Services including, in respect of financial performance information, NBPco Costs, Project Costs (including Permitted

Expenditure), NBPco Revenues and Project Revenues. NBPco shall at all times provide information to the Minister (or the Minister’s Representative) on an “**Open Book**” basis, which means that:

- 2.16.1 in respect of NBPco, all information provided by NBPco is to be:
- (A) complete and accurate and not misleading;
 - (B) a true and fair reflection of the information held by NBPco;
 - (C) transparent and of sufficient detail to enable the Minister to fully understand and scrutinise the information and to appropriately undertake the tasks for which the information was provided;
 - (D) prepared in accordance with Best Industry Practice; and
 - (E) able to be further scrutinised, reviewed, verified and/or audited in accordance with the terms of this Agreement.
- 2.16.2 in respect of NBPco’s Subcontractors, NBPco shall ensure that all information provided by NBPco’s Subcontractors is:
- (A) complete and accurate and not misleading;
 - (B) a true and fair reflection of the information held by the Subcontractor;
 - (C) transparent and of sufficient detail to enable it to be fully understood, scrutinised and used appropriately for the tasks for which the information was provided;
 - (D) prepared in accordance with Best Industry Practice; and
 - (E) able to be further scrutinised, reviewed, verified and/or audited in accordance with the terms of this Agreement.
- 2.17 Subject to Paragraph 2.10 (Subsidy Payments), between the Effective Date and the Expiry Date, with the exception of Paragraphs 6.1 (Connection Milestone Payments) and 6B.1 (Additional Connection Milestone Payments), where and to the extent that the claiming of a Subsidy Payment would, at the date of that claim, result in NBPco failing the State Aid Intensity Test, then the Parties shall, in accordance with the Change Control Procedure, agree a Change Authorisation reflecting an appropriate re-profiling of the remaining Subsidy Payments so that NBPco is able to claim the Subsidy Payments over the agreed re-profiled period provided that:
- 2.17.1 the re-profiling of the remaining Subsidy Payments enables NBPco to claim and be paid the re-profiled amount of the Subsidy Payment (i.e. the amount which was not able to be paid as a result of failing the State Aid Intensity Test) at the earliest date prior to the Expiry Date at which the State Aid Intensity Test can be passed; and
- 2.17.2 the net present value to the Minister of paying the reprofiled Subsidy Payments shall be no higher than the net present value to the Minister of paying the

remaining Subsidy Payments prior to the reprofiling (discounted to the Effective Date based on the Discount Rate).

2.18 For the avoidance of doubt, if at any stage during the Deployment Period NBPco identifies an alternative way of procuring fibre and/or poles (i.e. different to that set out in the NBPco Solution, Project Cost Model and Project Financial Model) that will:

2.18.1 reduce the Subsidy Payments; and/or

2.18.2 increase the likelihood and/or amount of Deployment Claw-Back Benefit;

then NBPco shall be permitted to issue a Change Request in respect of a proposed change to the NBPco Solution, Project Cost Model, Project Financial Model and Subsidy Payments (as applicable) in accordance with the provisions of Paragraph 2 (Change Requests) of Part 2 (Change Procedure) of Schedule 6.2 (Change Control Procedure). This does not limit or affect the Minister's right to request amendments to the Change Request, to approve it or to reject it in the manner set out in the provisions of Paragraph 4 (Minister's Evaluation and Right of Approval) of Part 2 (Change Procedure) of Schedule 6.2 (Change Control Procedure).

3 DEPLOYMENT MILESTONE PAYMENTS

3.1 The Deployment Milestone Payment payable, subject to the provisions of this Agreement (including Paragraph 2 (Subsidy Payments), Paragraph 3 (Deployment Milestone Payments) and Paragraph 4 (Deployment Milestone Payment Claims)), to NBPco for Achievement of a particular Deployment Payment Milestone (in accordance with the provisions of Schedule 2.3 (Deployment Requirements)) over the Deployment Period is as set out in Appendix 1 (Deployment Milestone Payments) to this Schedule 5.1 (Subsidy Payments) subject to any adjustment as a result of the application of Build Related Contract Assumptions as set out in Paragraph 2.2 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments). Subject to Paragraph 2.8 (Subsidy Payments), the Minister shall, following Achievement of the relevant Deployment Payment Milestone set out in Appendix 1 (Deployment Milestone Payments) and receipt of a corresponding valid and compliant DMPC in accordance with the provisions of this Schedule (and, in particular, Paragraphs 4 (Deployment Milestone Payment Claims), 5 (DMPC Supporting Documentation) and 5B (General PE Supporting Documentation)), pay a DMP in the amount set out in Appendix 1 (Deployment Milestone Payments) in respect of the DMPC concerned even if the Permitted Expenditure evidenced in the DMPC is less than or more than the amount of the relevant DMP set out in Appendix 1 (Deployment Milestone Payments), except to the extent that such payment would result in a breach of the PE Test or State Aid Intensity Test. If such payment would result in a breach of the PE Test or State Aid Intensity Test, that portion of the DMP which would result in the PE Test or State Aid Intensity Test being failed will be withheld and Paragraph 3.2 (Deployment Milestone Payments) or, as applicable, Paragraph 2.17 (Subsidy Payments) shall apply.

3.2 Between the Effective Date and the Expiry Date, where and to the extent that the claiming of a Deployment Milestone Payment or Ongoing Capital Payment would, at the date of that claim, result in NBPco failing the PE Test, then the Parties shall, in accordance with the Change Control Procedure, agree a Change Authorisation reflecting an appropriate re-profiling of the remaining Deployment Milestone Payments and/or Ongoing Capital Payments so that NBPco is able to claim the withheld portion of the Deployment Milestone

Payment or Ongoing Capital Payment (as applicable) over the agreed re-profiled period provided that:

- 3.2.1 the re-profiling of the remaining Deployment Milestone Payments and/or Ongoing Capital Payments enables NBPco to claim and be paid the withheld amount of the DMP or OCP (i.e. the amount which was not able to be paid as a result of failing the PE Test) at the earliest Deployment Milestone Payment or Ongoing Capital Payment at which the PE Test can be passed;
 - 3.2.2 at the Deployment Completion Date, the actual Additional NBPco Expenditure (Passed) shall be equal, above or likely to be above that forecast in the Project Financial Model; and
 - 3.2.3 the net present value to the Minister of paying the reprofiled Subsidy Payments shall be equal to or no higher than the net present value to the Minister of paying the remaining Subsidy Payments prior to the reprofiling (discounted to the Effective Date based on the Discount Rate).
- 3.3 For the avoidance of doubt, the final Deployment Milestone Payment in respect of Milestone Type M2 shall only be payable by the Minister (as set out in Table 1: Deployment Milestone Payments of Appendix 1 (Deployment Milestone Payments)) when all of the Deferred Premises (as determined in accordance with Schedule 2.3 (Deployment Requirements)) have been Passed.

4 DEPLOYMENT MILESTONE PAYMENT CLAIMS

- 4.1 Subject to the provisions of Paragraph 2 (Subsidy Payments) (inclusive), where and when:
- 4.1.1 the Independent Certifier has issued (or in the case of Milestone M0.14, M0.15 and M0.16, the Minister has issued) (in accordance with the provisions of Schedule 2.3 (Deployment Requirements)) Milestone Achievement Certificates (or equivalent) that together satisfy the Milestone Achievement Criteria (as such Milestone Achievement Criteria are set out in Schedule 2.3 (Deployment Requirements)) in respect of a particular Deployment Payment Milestone; and
 - 4.1.2 in respect of an M1 Milestone only, the Minister has issued an Authority to Proceed Certificate, if applicable, in accordance with Paragraph 8.2.30 (Network Deployment - Requirements) of Schedule 2.3 (Deployment Requirements),
- NBPco is entitled to submit a Deployment Milestone Payment Claim to the Minister in respect of that particular Deployment Payment Milestone.
- 4.2 The Minister shall, subject to the provisions of this Schedule, make payment of Deployment Milestone Payments to NBPco by electronic transfer of funds in Euro in accordance with the provisions of Clause 27 (Subsidy Payments). Payment will be made:
- 4.2.1 within thirty (30) days of receipt of a valid DMPC that complies with the requirements of the provisions of this Schedule 5.1 (Subsidy Payments); or
 - 4.2.2 where the original DMPC was deficient and was returned to NBPco in accordance with Paragraph 4.7 (Deployment Milestone Payment Claims), within thirty (30) days of receipt of the original DMPC provided that:

- (A) the replacement DMPC was received by the Minister at least ten (10) days prior to the date falling thirty (30) days after the receipt of the original deficient DMPC; and
- (B) the replacement DMPC was not returned to NBPco in accordance with Paragraph 4.7 (Deployment Milestone Payment Claims).

A DMPC is only valid and compliant (including for the purposes of determining the due date for payment) for the purposes of the provisions of this Schedule 5.1 (Subsidy Payments) if it is accompanied by DMPC Supporting Documentation that is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine the eligibility of the Permitted Expenditure Passed associated with that DMPC and the validity of the DMPC to the Minister's reasonable satisfaction.

4.3 NBPco shall ensure that each DMPC contains the following information:

- 4.3.1 the date of the DMPC;
- 4.3.2 a unique DMPC number;
- 4.3.3 the unique Deployment Area Milestone, Deployment Payment Milestone and Deployment Milestone Payment references (as applicable);
- 4.3.4 the period and activity to which the DMPC relates;
- 4.3.5 the correct reference for this Agreement;
- 4.3.6 for an M1 Milestone for a Deployment Area, the total Permitted Expenditure Passed (DA) incurred by NBPco directly in relation to the Achievement of that M1 Milestone for that Deployment Area;
- 4.3.7 for an M2 Milestone:
 - (A) the total Permitted Expenditure Passed (DA) incurred by NBPco directly in relation to the Achievement of that M2 Milestone for that Deployment Area; and
 - (B) the total Permitted Expenditure Passed (DA) incurred by NBPco in respect of Deferred Premises (if any) that have been included in the Milestone Achievement Report for the Achievement of that M2 Milestone in accordance with Paragraph 2.3.10 (G) (M2 Milestone (Network Deployment Complete)) of Appendix 3 (Milestone Achievement Criteria) of Schedule 2.3 (Deployment Requirements) and which relate to a Deployment Area for which the M2 Milestone has already been Achieved; and
 - (C) the total Permitted Expenditure Passed (DA) incurred by NBPco in respect of Expensive Premises (if any) that have been included in the Milestone Achievement Report for the Achievement of that M2 Milestone in accordance with Paragraph 2.3.10 (G) (M2 Milestone (Network Deployment Complete)) of Appendix 3 (Milestone Achievement Criteria) of Schedule 2.3 (Deployment Requirements)

and which relate to a Deployment Area for which the M2 Milestone has already been Achieved; and

(D) details of the amount of the Permitted Expenditure Passed (DA) that was incurred by NBPco in respect of each ERDF Programme Area;

4.3.8 for an M0 Milestone, an updated calculation of the PE Test assuming the DMPC is accepted as valid and paid by the Minister together with a reference to the General PE Supporting Documentation that relates to the Achievement of that M0 Milestone;

4.3.9 an invoice (in a format to be agreed by the Minister's Representative) specifying the Deployment Milestone Payment due in respect of the Achievement of the Deployment Payment Milestone (gross and net of any deductions), including the Milestone Achievement Certificate and, if applicable, Change Authorisation and/or the Authority to Proceed Certificate numbers for the relevant Deployment Payment Milestone;

4.3.10 for an M1 or M2 Milestone, reference to the DMPC Supporting Documentation;

4.3.11 the contact name and telephone number of the NBPco Representative (or a responsible person in NBPco's finance department) in the event of administrative queries; and

4.3.12 subject to Clause 27 (Subsidy Payments), the banking details for payment to NBPco via electronic transfer of funds (i.e. name and address of bank, account name, BIC (Bank Identifier Code) and IBAN (International Bank Account Number)).

4.4 NBPco shall ensure that each DMPC is at all times accompanied by:

4.4.1 for an M1 or M2 Milestone, DMPC Supporting Documentation; and

4.4.2 copies of any applicable Milestone Achievement Certificates, Authority to Proceed Certificates and Change Authorisations; and

4.4.3 copies of, or reference to, the latest General PE Supporting Documentation,

to enable the Minister to assess (acting reasonably) whether the DMPC is correctly calculated and valid and whether any Deployment Milestone Payment is properly payable.

4.5 NBPco shall submit all DMPCs, Change Authorisations and supporting information (including the DMPC Supporting Documentation and General PE Supporting Documentation) required under the provisions of this Schedule 5.1 (Subsidy Payments) to the Minister's Representative at the following address (or such alternative address as notified by the Minister's Representative in accordance with this Agreement):

Department of Communications, Climate Action & Environment
29 – 31 Adelaide Road
Dublin
D02 X285

- 4.6 NBPco shall ensure that all DMPCs are expressed in Euros (€).
- 4.7 A DMPC is only valid and compliant (including for the purposes of determining the due date for payment) if it complies with the provisions of this Agreement. Where any DMPC does not comply with the provisions of this Agreement, the Minister shall return the deficient DMPC to NBPco within ten (10) Working Days identifying the deficiencies in which case NBPco shall promptly issue a replacement DMPC. If the Minister fails to return any such purportedly deficient DMPC to NBPco within such ten (10) Working Day period, such DMPC will be deemed to be valid for the purposes of this Paragraph 4 (Deployment Milestone Payment Claims).
- 4.8 Where NBPco identifies (whether through DMPC verification or otherwise) that any overpayment has been made by the Minister (including due to administrative error or where it becomes apparent a Deployment Payment Milestone had not in fact been Achieved), NBPco shall within ten (10) Working Days notify the Minister's Representative of such overpayment and provide the Minister with all relevant details in respect of the same, including the total amount of the overpayment.
- 4.9 Where either Party identifies (whether through DMPC verification, application of Build Related Contract Assumptions or otherwise) that any overpayment or underpayment has been made by the Minister (including due to administrative error or where it becomes apparent a Deployment Payment Milestone had not in fact been Achieved):
- 4.9.1 NBPco shall, where the next Deployment Milestone Payment is due less than ninety (90) days after identification of the overpayment or underpayment, reduce or increase the claim for the next Deployment Milestone Payment by the full amount of the overpayment or underpayment; or
- 4.9.2 where no further Deployment Milestone Payments are to be made (including where the Agreement has expired or terminated) or the next planned Deployment Milestone Payment is more than ninety (90) days after identification of the overpayment or underpayment, NBPco or the Minister (as applicable) shall issue a refund in full (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) for that overpayment or underpayment in the form of an electronic re-payment (with the payment details to be notified to the payor by the payee) to be completed in cleared funds within fifteen (15) days of when the overpayment or underpayment was first identified by either the Minister or NBPco (whichever is earlier) (or in the case of an overpayment or underpayment as a result of the application of the Build Related Contract Assumptions, within fifteen (15) days of when the relevant Change Authorisation was signed by the Minister).

At the Minister's absolute discretion, where the overpayment is due to a Default of NBPco, the refund (or any amount by which the next claim for a Deployment Milestone Payment is reduced, as applicable) by NBPco shall also include an interest rate based uplift calculated as follows:

$$C = O + (O \times (\text{interest rate}) \times (T / 360))$$

Where:

C = the amount of refund or reduced claim, as applicable;

O = the overpayment;

Interest rate = notwithstanding any other provision of this Agreement, an annual rate equivalent to two per cent (2%) above the European Central Bank's base rate (as adjusted from time to time by the European Central Bank).

T = the number of days between the date on which the overpayment occurred and the date on which the notification of the overpayment was made by the Minister or NBPco to the other Party.

4.10 Without limiting or affecting Paragraph 4.9 (Deployment Milestone Payment Claims), where the Minister's Representative has reasonable grounds for believing that an overpayment has been made in respect of any DMPC, it may request that NBPco reviews and re-submits verification of the supporting evidence provided pursuant to the provisions of this Paragraph 4 (Deployment Milestone Payment Claims), Paragraph 5 (DMPC Supporting Documentation) and Paragraph 5B (General PE Supporting Documentation). Such verification shall be provided by NBPco within fifteen (15) Working Days, or such longer period as may be reasonably agreed between the Parties, of receiving that Minister's Representative request.

5 DMPC SUPPORTING DOCUMENTATION

5.1 NBPco shall submit (or, where and to the extent agreed in writing by the Minister, make available for review by the Minister's Representative) the following DMPC Supporting Documentation in respect of, unless otherwise specified, NBPco and each of the relevant Claw-backable Subcontractors on an Open Book basis:

5.1.1 with the Milestone Achievement Report for each M1 and M2 Milestone, a provisional and materially complete version of the DMPC Supporting Documentation required by the following provisions:

(A) Paragraph 5.1.2(A) (DMPC Supporting Documentation) to Paragraph 5.1.2(C) (DMPC Supporting Documentation) (inclusive); and

(B) Paragraph 5.1.2(G) (DMPC Supporting Documentation) to Paragraph 5.1.2(L) (DMPC Supporting Documentation) (inclusive),

unless such DMPC Supporting Documentation has already been provided in respect of the relevant M1 or M2 Milestone under and in accordance with those provisions; and,

5.1.2 either with or in advance of each DMPC in respect of an M1 and M2 Milestone, the following DMPC Supporting Documentation:

(A) evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 2 (DMPC Supporting Documentation) of Appendix 7 (Supporting Documentation) of this Schedule 5.1 (Subsidy Payments)) detailing separately:

(1) for an M1 Milestone for a Deployment Area, the total Permitted Expenditure Passed (DA) actually incurred (as distinct from contracted for) by NBPco directly in relation to

- the Achievement of that M1 Milestone for that Deployment Area;
- (2) for an M2 Milestone, the Permitted Expenditure Passed (DA) actually incurred (as distinct from contracted for) by NBPco directly in relation to the Achievement of that M2 Milestone for that Deployment Area, which for the avoidance of doubt, shall exclude Permitted Expenditure Passed (DA) that has been included in the DMPC Supporting Documentation for a prior DMPC;
 - (3) for an M2 Milestone, any other Capital Expenditure actually incurred (as distinct from contracted for) by NBPco directly in relation to the Achievement of the M2 Milestone to which the DMPC relates, which for the avoidance of doubt, shall exclude Capital Expenditure that has been included in the DMPC Supporting Documentation for a prior DMPC for an M2 Milestone; and
 - (4) for an M2 Milestone, the Permitted Expenditure Passed (DA) actually incurred (as distinct from contracted for) by NBPco in respect of Deferred Premises (if any) that have been included in the Milestone Achievement Report for the Achievement of that M2 Milestone in accordance with Paragraph 2.3.10 (G) (M2 Milestone (Network Deployment Complete)) of Appendix 3 (Milestone Achievement Criteria) of Schedule 2.3 (Deployment Requirements) and which relate to a Deployment Area for which the M2 Milestone has already been Achieved; and
 - (5) for an M2 Milestone, the Permitted Expenditure Passed (DA) actually incurred (as distinct from contracted for) by NBPco in respect of Expensive Premises (if any) that have been included in the Milestone Achievement Report for the Achievement of that M2 Milestone in accordance with Paragraph 2.3.10 (G) (M2 Milestone (Network Deployment Complete)) of Appendix 3 (Milestone Achievement Criteria) of Schedule 2.3 (Deployment Requirements) and which relate to a Deployment Area for which the M2 Milestone has already been Achieved; and
 - (6) for an M1 Milestone or an M2 Milestone, the Permitted Expenditure WIP at the time that the M1 Milestone or M2 Milestone concerned was Achieved that does not relate to the Achievement of that M1 Milestone or M2 Milestone;
- (B) evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraphs 2 (DMPC Supporting Documentation) and 5 (Supporting Documentation for Permitted Expenditure WIP) of Appendix 7 (Supporting Documentation)) of this Schedule 5.1 (Subsidy Payments) that the applicable Permitted Expenditure and Permitted Expenditure

WIP referenced in Paragraph 5.1.2(A) (DMPC Supporting Documentation) is in relation to the scope of this Agreement only;

- (C) evidence that the applicable Permitted Expenditure and Permitted Expenditure WIP referenced in Paragraph 5.1.2(A) (DMPC Supporting Documentation) has actually been incurred (through payment or bank records and statements, BACS lists, receipts or other confirmation) or will be incurred (through an invoice from a subcontractor in accordance with Paragraph 5.2 (DMPC Supporting Documentation)), at the date of the DMPC, provided that in relation to Services performed by subcontractors, Permitted Expenditure and Permitted Expenditure WIP shall, subject to Paragraph 5.3 (DMPC Supporting Documentation), for the purposes of this Paragraph 5.1.2(C) (DMPC Supporting Documentation) be deemed "incurred" if the circumstances in Paragraph 5.2 (DMPC Supporting Documentation) are satisfied (this qualification of how the word "incurred" is construed for the purposes of this Paragraph 5.1.2(C) (DMPC Supporting Documentation) does not limit or affect any other requirement or provision in this Schedule);
- (D) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that the applicable Permitted Expenditure and Permitted Expenditure WIP referenced in Paragraph 5.1.2(A) (DMPC Supporting Documentation) is not covered by:
 - (1) any other form of public subsidy; or
 - (2) more than one form of public subsidy;
- (E) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that part apportionment or allocation of Permitted Expenditure and Permitted Expenditure WIP between this Agreement and, subject to the provisions of this Agreement, other permitted contracts or services provided by NBPco, is accurate and a fair reflection of the work carried out;
- (F) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that:
 - (1) the Permitted Expenditure and Permitted Expenditure WIP has been actually incurred (as distinct from contracted for) and that none of the claimed Permitted Expenditure and Permitted Expenditure WIP relates, directly or indirectly, to cost categories that fall outside the definition of Permitted Expenditure and Permitted Expenditure WIP (as applicable);
 - (2) the Permitted Expenditure and Permitted Expenditure WIP has been incurred and is in accordance with the financial

- control, financial management and internal risk processes of NBPco or the Claw-backable Subcontractor (as the case may be);
- (3) the Permitted Expenditure and Permitted Expenditure WIP has been incurred and is in accordance and is consistent with accepted accounting practice and the Accounting Policies that NBPco, and the accounting policies that the Claw-backable Subcontractor (as the case may be), applies under its corporate financial reporting and audit standards; and
- (4) all of the works, services, equipment and materials to which the Permitted Expenditure WIP relates have been, in the case of works and services, undertaken and, in the case of equipment and materials, delivered and available for use by or on behalf of NBPco. NBPco shall, on receipt of a written request from the Minister, provide to the Minister within 5 Working Days information and/or documentation evidencing that the works, services, equipment and materials to which the Permitted Expenditure WIP relates have been, in the case of works and services, undertaken and, in the case of equipment and materials, delivered and available for use by or on behalf of NBPco for review by the Minister to enable the Minister to determine the eligibility of the applicable Permitted Expenditure WIP;
- (G) where the DMPC is in respect of a Deployment Area for which ERDF Funding will be claimed by the Minister, the ERDF Supporting Documentation (to the extent that this is different to the information set out in the other provisions above of this Paragraph 5.1 (DMPC Supporting Documentation));
- (H) the total Deployment Milestone Payment amount as well as a breakdown of this amount between:
- (1) the amount due as set out in Appendix 1 (Deployment Milestone Payments) of this Schedule 5.1 (Subsidy Payments) prior to any adjustment pursuant to an executed Change Authorisation as a result of the application of Build Related Contract Assumptions in accordance with Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures);
- (2) if applicable, the adjustment in the Deployment Milestone Payment set out in an executed Change Authorisation (whether positive or negative) in respect of the M2 Deployment Milestone Payment as a result of the application of the Build Related Contract Assumptions in accordance with Annex 6 (Build Related Contract

- Assumptions) of Schedule 6.2 (Change Control Procedures);
- (3) if applicable, any adjustment to the amount set out in Paragraph 5.1.2(H)(2) (DMPC Supporting Documentation) in accordance with Paragraphs 11 (Conditional Build Related Subsidy), 12 (Subcontractor Equipment and Material Rates) and 13 (Conditional Exceptional Subsidy) of Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures);
 - (4) if applicable, the amount agreed and set out in any other Change Authorisation in respect of the Deployment Milestone Payment, together with the applicable reference numbers for such Change Authorisation(s);
- (I) in respect of a DMPC relating to an M2 Milestone only:
- (1) if applicable, the reference numbers for the relevant Change Authorisation(s) in respect of any change in the Deployment Milestone Payment as set out in Paragraph 5.1.2(H)(2) (DMPC Supporting Documentation);
 - (2) if applicable, the calculation of any further adjustment to the Deployment Milestone Payment as set out in Paragraph 5.1.2(H)(3) (DMPC Supporting Documentation), evidencing that the DMPC is prepared in accordance with Paragraphs 11 (Conditional Build Related Subsidy), 12 (Subcontractor Equipment and Material Rates) and 13 (Conditional Exceptional Subsidy) of Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures);
 - (3) a copy of the latest CA Tracker which shall include calculations detailing the unused amount of Conditional Build Related Subsidy, Equipment and Materials Cap and Conditional Exceptional Subsidy:
 - (i) prior to the submission of the DMPC; and
 - (ii) assuming the DMPC is accepted as valid and paid by the Minister;
- (J) a copy of the latest approved PE Tracker;
- (K) an updated calculation of the PE Test assuming the DMPC is accepted as valid and paid by the Minister;
- (L) such other information and documentation as the Minister's Representative may reasonably specify from time to time to enable the Minister (acting reasonably) to assess the Permitted Expenditure and Permitted Expenditure WIP actually incurred and whether the Subsidy Payments due from the Minister are properly payable, provided that the Minister shall not use its right of request under this Paragraph

5.1.2(L) (DMPC Supporting Documentation) to delay the payment of a Subsidy Payment.

- 5.2 Subject to Paragraph 5.3 (DMPC Supporting Documentation) below, Permitted Expenditure or Permitted Expenditure WIP in respect of the services performed by a subcontractor to NBPco or to a Claw-backable Subcontractor (as the case may be) is deemed incurred for the purposes of Paragraph 5.1.2(C) (DMPC Supporting Documentation) and 5B.1(C) (General PE Supporting Documentation) when the subcontractor has invoiced NBPco or the Claw-backable Subcontractor (as the case may be) for the amount to be claimed by NBPco or the Claw-backable Subcontractor (as the case may be) as Permitted Expenditure or Permitted Expenditure WIP, provided that NBPco or the Claw-backable Subcontractor (as the case may be) includes in the DMPC Supporting Documentation or General PE Supporting Documentation (as applicable) signed confirmation from their chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) that the invoice(s) in question are correct, due and payable in accordance with the terms of the relevant Subcontract.
- 5.3 NBPco agrees that, once a minimum of sixty (60) days has elapsed since payment of the relevant DMPC, the Minister may request that NBPco or the Claw-backable Subcontractor (as the case may be) provides evidence to demonstrate that NBPco or the Claw-backable Subcontractor (as the case may be) has in fact paid the subcontractor the applicable amount(s) due to it. NBPco shall procure that its Claw-backable Subcontractor provides such evidence. If no evidence or unsatisfactory evidence is provided to the Minister, then NBPco, upon request by the Minister, shall issue a refund in full (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) of any amounts claimed as being incurred Permitted Expenditure or Permitted Expenditure WIP in respect of the subcontractor concerned in the form of an electronic re-payment (with the payment details to be notified to NBPco by the Minister) to be completed in cleared funds within fifteen (15) days of the request by the Minister. If subsequently NBPco or the Claw-backable Subcontractor (as the case may be) provides evidence to demonstrate that the applicable amounts were actually paid to the subcontractors, such amounts will then be re-paid by the Minister to NBPco (without any interest being due or payable).
- 5.4 NBPco shall ensure that in all cases the DMPC Supporting Documentation is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine (acting reasonably) the eligibility of the applicable Permitted Expenditure and Permitted Expenditure WIP referenced in Paragraph 5.1.2(A) (DMPC Supporting Documentation) and the validity of the DMPC to the Minister's satisfaction. NBPco shall include the Permitted Expenditure (but not the Permitted Expenditure WIP) referenced in Paragraph 5.1.2(A) (DMPC Supporting Documentation) that is accepted by the Minister's Representative as being eligible and valid in the PE Tracker report.
- 5.5 The DMPC Supporting Documentation is only valid and compliant for the purposes of the provisions of this Schedule 5.1 (Subsidy Payments), including in particular for the purposes of the PE Test and State Aid Intensity Test, if it is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine the eligibility and validity of the Permitted Expenditure to the Minister's reasonable satisfaction.

5B GENERAL PE SUPPORTING DOCUMENTATION

- 5B.1 Each month NBPco shall submit (or, where and to the extent agreed in writing by the Minister, make available for review by the Minister's Representative) on an Open Book basis the following supporting documentation (the "**General PE Supporting Documentation**") in

respect of, unless otherwise specified, NBPco and each of the relevant Claw-Backable Subcontractors in respect of Permitted Expenditure Passed (Common), Permitted Expenditure Passed (Infra Rental), Permitted Expenditure NBPco and Permitted Expenditure New Premises that is actually incurred and evidenced by NBPco in the preceding month and which does not relate to Permitted Expenditure (DA) or Permitted Expenditure (Connect) (i.e. it is not included in DMPC Supporting Documentation or CMPC Supporting Documentation):

- (A) evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 4 (General PE Supporting Documentation) of Appendix 7 (Supporting Documentation) of this Schedule 5.1 (Subsidy Payments)) detailing separately the Permitted Expenditure Passed (Common), Permitted Expenditure Passed (Infra Rental), Permitted Expenditure NBPco and Permitted Expenditure New Premises actually incurred (as distinct from contracted for) since the submission of the preceding General PE Supporting Documentation (or, for the first submission of the General PE Supporting Documentation, since the Effective Date), which for the avoidance of doubt, shall exclude Permitted Expenditure that has been included in any DMPC Supporting Documentation or CMPC Supporting Documentation;
- (B) evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 4 (General PE Supporting Documentation) of Appendix 7 (Supporting Documentation)) that the Permitted Expenditure referenced in Paragraph 5B.1(A) (General PE Supporting Documentation) is in relation to the scope of this Agreement only;
- (C) evidence that the Permitted Expenditure referenced in Paragraph 5B.1(A) (General PE Supporting Documentation) has actually been incurred (through payment or bank records and statements, BACS lists, receipts or other confirmation) or will be incurred (through an invoice from a subcontractor in accordance with Paragraph 5.2 (DMPC Supporting Documentation)), at the date of the DMPC, provided that in relation to Services performed by subcontractors, Permitted Expenditure shall, subject to Paragraph 5.3 (DMPC Supporting Documentation), for the purposes of this Paragraph 5B.1 (General PE Supporting Documentation) be deemed "incurred" if the circumstances in Paragraph 5.2 (DMPC Supporting Documentation) are satisfied (this qualification of how the word "incurred" is construed for the purposes of this Paragraph 5B.1 (General PE Supporting Documentation) does not limit or affect any other requirement or provision in this Schedule);
- (D) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that the Permitted Expenditure referenced in Paragraph 5B.1(A) (General PE Supporting Documentation) is not covered by:

- (1) any other form of public subsidy; or
 - (2) more than one form of public subsidy;
- (E) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that part apportionment or allocation of Permitted Expenditure between this Agreement and, subject to the provisions of this Agreement, other permitted contracts or services provided by NBPco, is accurate and a fair reflection of the work carried out;
- (F) signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that:
- (1) the Permitted Expenditure has been actually incurred (as distinct from contracted for) and that none of the claimed Permitted Expenditure relates, directly or indirectly, to cost categories that fall outside the definition of Permitted Expenditure;
 - (2) the Permitted Expenditure has been incurred and is in accordance with the financial control, financial management and internal risk processes of NBPco or the Claw-backable Subcontractor (as the case may be); and
 - (3) the Permitted Expenditure has been incurred and is in accordance and is consistent with accepted accounting practice and the Accounting Policies that NBPco, and the accounting policies that the Claw-backable Subcontractor (as the case may be), applies under its corporate financial reporting and audit standards; and
- (G) where and to the extent that the General PE Supporting Documentation is in respect of Permitted Expenditure for which ERDF Funding will be claimed by the Minister, the ERDF Supporting Documentation (to the extent that this is different to the information set out in the other provisions above of this Paragraph 5B.1 (General PE Supporting Documentation));
- (H) such other information and documentation as the Minister's Representative may reasonably specify from time to time to enable the Minister (acting reasonably) to assess the Permitted Expenditure actually incurred.

5B.2 NBPco shall ensure that in all cases the General PE Supporting Documentation is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine (acting reasonably) the eligibility and validity of the applicable Permitted Expenditure referenced in Paragraph 5B.1(A) (General PE Supporting Documentation). NBPco shall include the Permitted Expenditure referenced in Paragraph 5B.1(A) (General PE

Supporting Documentation) that is accepted by the Minister's Representative as being eligible and valid in the PE Tracker report.

5B.3 The General PE Supporting Documentation is only valid and compliant for the purposes of the provisions of this Schedule 5.1 (Subsidy Payments), including in particular for the purposes of the PE Test and State Aid Intensity Test, if it is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine the eligibility and validity of the Permitted Expenditure to the Minister's reasonable satisfaction.

6 CONNECTION MILESTONE PAYMENTS

6.1 The Connection Milestone Payments payable, subject to the provisions of this Agreement (including Paragraph 2 (Subsidy Payments) and Paragraph 7 (Connection Milestone Payment Claims) of this Schedule 5.1 (Subsidy Payments)), to NBPco for the Achievement of the Connection Payment Milestones are each calculated as follows:

$$CMP = (CMP_j \times IE_{CMP})$$

Where:

CMP means a Connection Milestone Payment, the value of which is recalculated on 1st January of each Contract Year;

CMP_j means the value of the relevant Connection Milestone Payment in Appendix 2 (Connection Milestone Payments) to this Schedule 5.1 (Subsidy Payments);

$$IE_{CMP} \text{ means } \left(1 + \left(PSI_{CMP} \times \left(\frac{(HICP_{pd} - HICP_{bd})}{HICP_{bd}} \right) \right) \right)$$

Where, subject to Paragraph 6.2 (Connection Milestone Payments):

PSI_{CMP} means 100%;

HICP_{pd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for the month of November which most recently precedes the 1st January in the relevant Contract Year (i.e. the date on which the value of CMP is recalculated in each Contract Year);

HICP_{bd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for November 2018;

Subject to Paragraph 2.8 (Subsidy Payments), the Minister shall, following Achievement of the relevant Connection Payment Milestone set out in Appendix 2 and receipt of a corresponding valid and compliant CMPC in accordance with the provisions of this Schedule (and, in particular, Paragraphs 7 (Connection Milestone Payment Claims) and 7C (CMPC Supporting Documentation)), pay a CMP in the amount set out in Appendix 2 in respect of the CMPC concerned even if the Permitted Expenditure evidenced in the CMPC is less than or more than the amount of the relevant CMP set out in Appendix 2, except to the extent that such payment would result in a breach of the PE Test or State Aid Intensity Test. If such payment would result in a breach of the PE Test or State Aid Intensity Test, that portion of the CMP which would result in the PE Test or State Aid

Intensity Test being failed will be withheld until such time as the PE Test or State Aid Intensity Test (as applicable) can be passed.

- 6.2 Where movements in $HICP_{pd}$ would result in the value of IE_{CMP} calculated on the 1st January of a Contract Year reducing relative to the prior value of IE_{CMP} , such movements shall be disregarded such that the value of IE_{CMP} will be unchanged for that period and all subsequent periods until such time as the value of the $HICP_{pd}$ would result in the value of the IE_{CMP} increasing relative to prior periods.
- 6.3 No Connection Milestone Payments are payable to NBPCo in respect of any Connections beyond the final Connection Payment Milestone set out in Appendix 2 (Connection Milestone Payments).
- 6.4 For the avoidance of doubt, Connection Milestone Payments are payments of capital related subsidy provided by the Minister in respect of Permitted Expenditure. The intention of the Connection Milestone Payments is to incentivise NBPCo to Achieve the Connection Payment Milestones.
- 6.5 For the avoidance of doubt, in respect of the Achievement of the Connection Payment Milestones set out in Appendix 2 (Connection Milestone Payments) to this Schedule 5.1 (Subsidy Payments):
- 6.5.1 Premises Connected may be Existing Premises that are Connected after (not before) the Effective Date or New Premises; and
- 6.5.2 Premises shall only count as Premises Connected the first time the Premise is Connected. Reconnections shall not count as Premises Connected. Each Premise may only be counted once (i.e. only the first time that Premise is Connected).

6B ADDITIONAL CONNECTION MILESTONE PAYMENTS

- 6B.1 The Additional Connection Milestone Payments payable, subject to the provisions of this Agreement (including Paragraph 2 (Subsidy Payments) and Paragraph 7 (Connection Milestone Payment Claims) on Achievement of the Connection Milestone Payments are calculated in accordance with this Paragraph 6B (Additional Connection Milestone Payments). Subject to Paragraph 2.8 (Subsidy Payments), if the Additional Connection Milestone Payment calculated in accordance with Paragraph 6B.4 (Additional Connection Milestone Payments) is positive, the Minister shall, following Achievement of the relevant Connection Payment Milestone set out in Appendix 2 and receipt of a corresponding valid and compliant ACMPC in accordance with the provisions of this Schedule (and, in particular, Paragraphs 7B (Additional Connection Milestone Payment Claims) and 7C (CMPC Supporting Documentation)), pay the ACMPC in accordance with Paragraph 7B (Additional Connection Milestone Payment Claims) in the amount calculated in accordance with this Paragraph 6B (Additional Connection Milestone Payments) in respect of the ACMPC concerned except to the extent that such payment would result in a breach of the PE Test or State Aid Intensity Test. If such payment would result in a breach of the PE Test or State Aid Intensity Test, that portion of the ACMPC which would result in the PE Test or State Aid Intensity Test being failed will be withheld until such time as the PE Test or State Aid Intensity Test (as applicable) can be passed.

6B.2 In aggregate, net Additional Connection Milestone Payments paid to NBPco over the Contract Period will not exceed the ACMP Cap.

6B.3 The Parties agree that:

6B.3.1 NBPco shall, in accordance with Paragraph 7B.2.2 (Additional Connection Milestone Payment Claims), pay the Additional Connection Milestone Payments to the Minister on Achievement of the Connection Payment Milestones if the amount calculated in accordance with Paragraph 6B.4 (Additional Connection Milestone Payments) is negative; and

6B.3.2 the Minister shall, in accordance with Paragraph 7B.2.1 (Additional Connection Milestone Payment Claims) pay Additional Connection Milestone Payments to NBPco on Achievement of the Connection Payment Milestones if the amount calculated in accordance with Paragraph 6B.4 (Additional Connection Milestone Payments) is positive.

6B.4 Subject to Paragraph 6B.1 (Additional Connection Milestone Payments) and Paragraph 6B.2 (Additional Connection Milestone Payments), the Additional Connection Milestone Payment shall be calculated as:

$$\mathbf{ACMP}_n = F \times P$$

where

F means 0.85 where P is a positive value and 0.75 where P is a negative value; and

$$P = \left(\left(\left(\left(\frac{TCC_n}{TC_n} \right) - (AMCC_n) \right) \times TC_n \right) - ECC_n \right)$$

where

ACMP_n means the Additional Connection Milestone Payments associated with the P6 Milestones;

TCC_n means the total Connection Costs of completed Connections associated with the P6 Milestones;

TC_n means the total number of completed Connections associated with the Achievement of the P6 Milestones to which the ACMP relates;

AMCC_n is calculated as $CMP_c \times IE_{CMP}$

Where:

CMP_c means [REDACTED]; and

IE_{CMP} is as defined in Paragraph 6 (Connection Milestone Payments) of this Schedule;

ECC_n means the total amount of payments due (whether received or not) to NBPco from Service Providers or End Users in respect of Connections associated with the P6 Milestones which are:

(A) Connections which exceed the Connection Cost Threshold; and/or

(B) Initial Non-Standard Connections of the type set out in Paragraph 3.1 (Initial Non-Standard Connections) of Part 4 (Initial Standard Connections and Initial Non-Standard Connections) of Appendix 1 (Performance Level Requirements) of Schedule 2.4 (Operational Performance) where the End User requested an alternative Connection solution other than the Initial Standard Connection.

6B.5 No Additional Connection Milestone Payments are payable to or by NBPco in respect of any Connections beyond the final Connection Payment Milestone set out in Appendix 2 (Connection Milestone Payments).

6B.6 For the avoidance of doubt, Additional Connection Milestone Payments are payments of capital related subsidy provided by the Minister in respect of Permitted Expenditure. The intention of the Additional Connection Milestone Payments is to incentivise NBPco to Achieve the Connection Payment Milestones.

7 CONNECTION MILESTONE PAYMENT CLAIMS

7.1 Subject to the provisions of Paragraph 2 (Subsidy Payments) (inclusive), where the Independent Certifier has issued (in accordance with the provisions of Schedule 2.3 (Deployment Requirements) a Milestone Achievement Certificate in respect of a particular Connection Payment Milestone, NBPco shall be entitled to include that Connection Payment Milestone in a Connection Milestone Payment Claim ("**CMPC**") to the Minister. NBPco may submit a CMPC in respect of multiple such Achieved Connection Payment Milestones but may only submit one CMPC per calendar month.

7.2 The Minister shall, subject to the provisions of this Schedule, make payment to NBPco of Connection Milestone Payments by electronic transfer of funds in Euro in accordance with the provisions of Clause 27 (Subsidy Payments). Payment of the Connection Milestone Payment will be made:

7.2.1 within thirty (30) days of receipt of both a valid CMPC and a valid ACMPC (where applicable) in respect of the Connection Payment Milestone(s) that complies with the requirements of the provisions of this Schedule 5.1 (Subsidy Payments); or

7.2.2 where the original CMPC or ACMPC in respect of the Connection Payment Milestone(s) was deficient and was returned to NBPco in accordance with Paragraph 7.7 (Connection Milestone Payment Claims) or Paragraph 7B.7 (Additional Connection Milestone Payment Claims) (as applicable), within thirty (30) days of receipt of both the original CMPC and ACMPC provided that:

(A) the replacement CMPC or ACMPC in respect of that Connection Payment Milestone was received by the Minister at least ten (10) days prior to the date falling thirty (30) days after the receipt of the original deficient CMPC or ACMPC (as applicable); and

(B) the replacement CMPC or ACMPC in respect of that Connection Payment Milestone was not returned to NBPco in accordance with Paragraph 7.7 (Connection Milestone Payment Claims) or Paragraph

7B.7 (Additional Connection Milestone Payment Claims) (as applicable).

- 7.3 NBPco shall ensure that each CMPC contains the following information:
- 7.3.1 the date of the CMPC;
 - 7.3.2 a unique CMPC number;
 - 7.3.3 the unique Connection Payment Milestone and Connection Milestone Payment references;
 - 7.3.4 the period, amount and Connection activity to which the CMPC relates;
 - 7.3.5 the correct reference for this Agreement;
 - 7.3.6 an invoice (in a format to be agreed by the Minister's Representative, acting reasonably) specifying the Connection Milestone Payment due in respect of the Achievement of the Connection Payment Milestone(s) (gross and net of any deductions), including the Milestone Achievement Certificate number(s) for the relevant Connection Payment Milestone(s);
 - 7.3.7 the contact name and telephone number of the NBPco Representative (or a responsible person in NBPco's finance department) in the event of administrative queries;
 - 7.3.8 subject to Clause 27 (Subsidy Payments), the banking details for payment to NBPco via electronic transfer of funds (i.e. name and address of bank, account name, BIC (Bank Identifier Code) and IBAN (International Bank Account Number)); and
 - 7.3.9 reference to the CMPC Supporting Documentation.
- 7.4 NBPco shall ensure that each CMPC is at all times accompanied by:
- 7.4.1 the CMPC Supporting Documentation in respect of the Connections included in the CMPC; and
 - 7.4.2 copies of any applicable Milestone Achievement Certificates and Change Authorisations,
- to enable the Minister to assess (acting reasonably) whether the CMPC is correctly calculated and valid and whether any Connection Milestone Payment is properly payable.
- 7.5 NBPco shall submit all CMPCs, Change Authorisations and supporting information (including the CMPC Supporting Documentation) required under the provisions of this Schedule 5.1 (Subsidy Payments) to the Minister's Representative at the following address (or such alternative address as notified by the Minister's Representative in accordance with this Agreement):

Department of Communications, Climate Action & Environment
29 – 31 Adelaide Road
Dublin
D02 X285

- 7.6 NBPco shall ensure that all CMPCs are expressed in Euros (€).
- 7.7 A CMPC is only valid and compliant (including for the purposes of determining the due date for payment) if it complies with the provisions of this Agreement. Where any CMPC does not comply with the provisions of this Agreement, the Minister shall return the deficient CMPC to NBPco identifying the deficiencies within ten (10) days in which case NBPco shall promptly issue a replacement CMPC. If the Minister fails to return any purportedly deficient CMPC within such ten (10) day period, such CMPC will be deemed to be a valid CMPC for the purposes of this Paragraph 7 (Connection Milestone Payment Claims).
- 7.8 Where NBPco identifies (whether through CMPC verification or otherwise) that any overpayment has been made by the Minister (including due to an administrative error or where it becomes apparent a Connection Payment Milestone had not in fact been Achieved), NBPco shall, within ten (10) Working Days, notify the Minister's Representative of such overpayment and provide the Minister with all relevant details in respect of the same, including the total amount of the overpayment.
- 7.9 Where either Party identifies (whether through CMPC verification or otherwise) that any overpayment has been made by the Minister (including due to administrative error or where it becomes apparent a Connection Payment Milestone had not in fact been Achieved), NBPco shall:
- 7.9.1 where the next Connection Milestone Payment is due less than ninety (90) days after identification of the overpayment, reduce the claim for the next Connection Milestone Payment by the overpayment; or
- 7.9.2 where no further Connection Milestone Payments are to be made (including where the Agreement has expired or terminated) or the next planned Connection Milestone Payment is more than ninety (90) days after identification of the overpayment, issue a refund in full (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) for that overpayment to the Minister in the form of an electronic re-payment (with the payment details to be notified to NBPco by the Minister) to be completed in cleared funds within fifteen (15) days of when the overpayment was first identified by either the Minister or NBPco (whichever is earlier).

At the Minister's absolute discretion, where the overpayment is due to a Default of NBPco, the refund (or any amount by which the next claim for a Connection Milestone Payment is reduced, as applicable) by NBPco shall also include an interest rate based uplift calculated as follows:

$$C = O + (O \times (\text{interest rate}) \times (T / 360))$$

Where:

C = the amount of refund or reduced claim, as applicable;

O = the overpayment;

Interest rate = notwithstanding any other provision of this Agreement an annual rate equivalent to two per cent (2%) above the European Central Bank's base rate (as adjusted from time to time by the European Central Bank);

T = the number of days between the date on which the overpayment occurred and the date on which the notification of the overpayment was made by the Minister or NBPco to the other Party.

7.10 Without limiting or affecting Paragraph 7.9 (Connection Milestone Payment Claims), where the Minister's Representative has reasonable grounds for believing that an overpayment has been made in respect of any CMPC, it may request that NBPco reviews and re-submits verification of the supporting evidence provided pursuant to the provisions of this Paragraph 7 (Connection Milestone Payment Claims) and Paragraph 7C (CMPC Supporting Documentation). Such verification shall be provided by NBPco within fifteen (15) Working Days, or such longer period as may be reasonably agreed between the Parties, of receiving that Minister's Representative's request.

7B ADDITIONAL CONNECTION MILESTONE PAYMENT CLAIMS

7B.1 Subject to the provisions of Paragraph 2 (Subsidy Payments) (inclusive), where the Independent Certifier has issued (in accordance with the provisions of Schedule 2.3 (Deployment Requirements)) a Milestone Achievement Certificate in respect of a particular Connection Payment Milestone, NBPco is required to submit an Additional Connection Milestone Payment Claim ("**ACMPC**") to the Minister in respect of the Connection Payment Milestone(s). NBPco may submit an ACMPC in respect of multiple such Achieved Connection Payment Milestones provided always that NBPco shall not submit an ACMPC more frequently than once per Quarter and that NBPco shall submit an ACMPC at least once per Contract Year.

7B.2 To the extent that:

7B.2.1 the Additional Connection Milestone Payment for a P6 Milestone or P6 Milestones is positive, the Minister shall, subject to the provisions of this Schedule, make payment to NBPco of the Additional Connection Milestone Payment by electronic transfer of funds in Euro in accordance with the provisions of Clause 27 (Subsidy Payments). Payment of the Additional Connection Milestone Payment will be made:

(A) within thirty (30) days of receipt of both a valid ACMPC and a valid CMPC in respect of the Connection Payment Milestone(s) that complies with the requirements of the provisions of this Schedule 5.1 (Subsidy Payments); or

(B) where the original ACMPC or CMPC in respect of the Connection Payment Milestone(s) was deficient and was returned to NBPco in accordance with Paragraph 7B.7 (Additional Connection Milestone Payment Claims) or Paragraph 7.7 (Connection Milestone Payment

Claims), within thirty (30) days of receipt of the original ACMPC or CMPC (as applicable) provided that:

- (1) the replacement ACMPC or CMPC in respect of the Connection Payment Milestone(s) was received by the Minister at least ten (10) days prior to the date falling thirty (30) days after the receipt of the original deficient ACMPC or CMPC (as applicable); and
- (2) the replacement ACMPC or CMPC in respect of the Connection Payment Milestone(s) was not returned to NBPco in accordance with Paragraph 7B.7 (Additional Connection Milestone Payment Claims) or Paragraph 7.7 (Connection Milestone Payment Claims);

7B.2.2 the Additional Connection Milestone Payment for a P6 Milestone or P6 Milestones is negative, NBPco shall make payment of the Additional Connection Milestone Payment to the Minister (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) within thirty (30) days of the Achievement of the Connection Payment Milestone unless and to the extent that the Minister notifies NBPco in writing that the Minister has determined to set off the Additional Connection Milestone Payment payable by NBPco against other payments due to NBPco.

7B.3 NBPco shall ensure that each ACMPC contains the following information:

- 7B.3.1 the date of the ACMPC and the period, amount and Connection activity to which it relates;
- 7B.3.2 a unique ACMPC number and corresponding CMPC number for the relevant Connection Payment Milestone(s);
- 7B.3.3 a copy of an “Agreed upon Procedures” report issued by NBPco’s external auditors to NBPco which reports upon NBPco’s allocation of time spent by internal resources on a per Connection basis for the relevant period. NBPco and the Minister (each acting reasonably and without undue delay) shall negotiate in good faith and agree the underlying procedures of “Agreed upon Procedures” report and, unless otherwise agreed between the Parties, the procedures are to be performed by the external auditors of NBPco at least once per Contract Year and no more than twice per Contract Year;
- 7B.3.4 the following information in respect of the Connections to which the Connection Payment Milestone(s) relates:
 - (A) the addresses of the Premises where the cost of the completed Connection Cost exceeded $AMCC_n$ (as defined in Paragraph 6B.4 (Additional Connection Milestone Payments));
 - (B) the dates on which the Premises where the Connection Cost exceeded $AMCC_n$ (as defined in Paragraph 6B.4 (Additional Connection Milestone Payments)) were completed;
 - (C) the number of each type of Connection, whether Initial Standard Connections or Initial Non-Standard Connections;

- (D) the number of Connections relating to each relevant scenario of Initial Standard Connection as set out in Paragraph 2.1 (Initial Non-Standard Connections) of Part 4 (Initial Standard Connections and Initial Non-Standard Connections) of Appendix 1 (Performance Level Requirements) of Schedule 2.4 (Operational Performance);
 - (E) the number of Connections of the type set out in Paragraph 3.1 (Initial Non-Standard Connections) of Part 4 (Initial Standard Connections and Initial Non-Standard Connections) of Appendix 1 (Performance Level Requirements) of Schedule 2.4 (Operational Performance);
 - (F) the Connection Payment Milestone(s) ID or IDs to which the Connections relate;
 - (G) the type of new Infrastructure required for the Connections which exceeded AMCC_n (as defined in Paragraph 6B.4 (Additional Connection Milestone Payments)) including an itemised breakdown of poles, ducts and other costs. Where the Connection is of the type set out in Paragraph 3.1 (Initial Non-Standard Connections) of Part 4 (Initial Standard Connections and Initial Non-Standard Connections) of Appendix 1 (Performance Level Requirements) of Schedule 2.4 (Operational Performance), this information should be provided in respect of the Initial Standard Connection offered by NBPco and the actual Connection solution implemented;
- 7B.3.5 the amount of ACMP Cap remaining both prior to and following the deduction of the ACMPC;
- 7B.3.6 calculations of the Additional Connection Milestone Payment in accordance with Paragraph 6B (Additional Connection Milestone Payments) of this Schedule 5.1 (Subsidy Payments);
- 7B.3.7 the correct reference for this Agreement;
- 7B.3.8 where an ACMP is due from the Minister to NBPco, an invoice (in a format to be agreed by the Minister's Representative, acting reasonably) specifying the Additional Connection Milestone Payment due in accordance with Paragraph 6B (Additional Connection Milestone Payments);
- 7B.3.9 the contact name and telephone number of the NBPco Representative (or a responsible person in NBPco's finance department) in the event of administrative queries; and
- 7B.3.10 where an ACMP is due from the Minister to NBPco and subject to Clause 27 (Subsidy Payments), the banking details for payment to NBPco via electronic transfer of funds (i.e. name and address of bank, account name, BIC (Bank Identifier Code) and IBAN (International Bank Account Number)); and

7B.3.11 reference to the CMPC Supporting Documentation.

7B.4 NBPco shall ensure that each ACMPC is at all times accompanied by:

7B.4.1 the CMPC Supporting Documentation in respect of the Connections included in the ACMPC (unless previously provided to the Minister); and

7B.4.2 copies of any applicable Milestone Achievement Certificates and Change Authorisations,

to enable the Minister to assess (acting reasonably) whether the ACMPC is correctly calculated and valid and whether any Additional Connection Milestone Payment is properly payable.

7B.5 NBPco shall submit all ACMPCs, Change Authorisations and supporting information (including CMPC Supporting Information) required under the provisions of this Schedule 5.1 (Subsidy Payments) to the Minister's Representative at the following address (or such alternative address as notified by the Minister's Representative in accordance with this Agreement):

Department of Communications, Climate Action & Environment
29 – 31 Adelaide Road
Dublin
D02 X285

7B.6 NBPco shall ensure that all ACMPCs are expressed in Euros (€).

7B.7 An ACMPC is only valid and compliant (including for the purposes of determining the due date for payment by the Minister) if it complies with the provisions of this Agreement. Where any ACMPC does not comply with the provisions of this Agreement, the Minister shall return the deficient ACMPC to NBPco identifying the deficiencies within ten (10) days in which case NBPco shall promptly issue a replacement ACMPC. If the Minister fails to return any purportedly deficient ACMPC within such ten (10) day period, such ACMPC will be deemed to be a valid ACMPC for the purposes of this Paragraph 7B (Additional Connection Milestone Payment Claims).

7B.8 Where NBPco identifies (whether through ACMPC verification or otherwise) that any overpayment has been made by the Minister (including due to an administrative error or where it becomes apparent a Connection Payment Milestone had not in fact been Achieved), NBPco shall, within ten (10) Working Days, notify the Minister's Representative of such overpayment and provide the Minister with all relevant details in respect of the same, including the total amount of the overpayment.

7B.9 Where either Party identifies (whether through ACMPC verification or otherwise) that any overpayment has been made by the Minister (including due to administrative error or where it becomes apparent a Connection Payment Milestone had not in fact been Achieved), NBPco shall (unless otherwise agreed) issue a refund in full (and without deduction, set-off, withholding, counter-claim or otherwise) for that overpayment to the Minister in the form of an electronic re-payment (with the payment details to be notified to

NBPco by the Minister) to be completed in cleared funds within fifteen (15) days of when the overpayment was first identified by either the Minister or NBPco (whichever is earlier).

At the Minister's absolute discretion, where the overpayment is due to a Default of NBPco, the refund shall also include an interest rate based uplift calculated as follows:

$$C = O + (O \times (\text{interest rate}) \times (T / 360))$$

Where:

C = the amount of refund or reduced claim, as applicable;

O = the overpayment;

Interest rate = notwithstanding any other provision of this Agreement, an annual rate equivalent to two per cent (2%) above the European Central Bank's base rate (as adjusted from time to time by the European Central Bank);

T = the number of days between the date on which the overpayment occurred and the date on which the notification of the overpayment was made by the Minister or NBPco to the other Party.

7B.10 Without limiting or affecting Paragraph 7B.9 (Additional Connection Milestone Payment Claims), where the Minister's Representative has reasonable grounds for believing that an overpayment has been made in respect of any ACMPC, it may request that NBPco reviews and re-submits verification of the supporting evidence provided pursuant to the provisions of this Paragraph 7B (Additional Connection Milestone Payment Claims) and Paragraph 7C (CMPC Supporting Documentation). Such verification shall be provided by NBPco within fifteen (15) Working Days, or such longer period as may be reasonably agreed between the Parties, of receiving that Minister's Representative's request.

7C CMPC SUPPORTING DOCUMENTATION

7C.1 NBPco shall submit (or, where and to the extent agreed in writing by the Minister, make available for review by the Minister's Representative) the following CMPC Supporting Documentation in respect of, unless otherwise specified, NBPco and each of the relevant Claw-backable Subcontractors on an Open Book basis either with or in advance of the CMPC and ACMPC in respect of a Connection Payment Milestone:

7C.1.1 evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 3 (CMPC Supporting Documentation) of Appendix 7 (Supporting Documentation)) detailing the Permitted Expenditure Connect incurred in respect of the completed Connections to which the CMPC relates;

7C.1.2 evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 3 (CMPC Supporting Documentation) of Appendix 7 (Supporting Documentation)) detailing the Permitted Expenditure Connect incurred in respect of the completed Connections (as defined in Paragraph 6B.4 (Additional Connection Milestone Payments)) to which the ACMPC relates;

7C.1.3 evidence (through copies of invoices, receipts, timesheets, payroll records and the other accounting information described in Paragraph 3 (CMPC Supporting Documentation) of Appendix 7 (Supporting Documentation)) that the applicable

Permitted Expenditure Connect referenced in Paragraphs 7C.1.1 and 7C.1.2 (CMPC Supporting Documentation) is in relation to the scope of this Agreement only;

- 7C.1.4 evidence that the applicable Permitted Expenditure Connect referenced in Paragraphs 7C.1.1 (CMPC Supporting Documentation) and 7C.1.2 (CMPC Supporting Documentation) has actually been incurred (through payment or bank records and statements, BACS lists, receipts or other confirmation) or will be incurred (through an invoice from a subcontractor in accordance with Paragraph 7C.2 (CMPC Supporting Documentation)), at the date of the CMPC or ACMPC (as applicable), provided that in relation to Services performed by subcontractors, Permitted Expenditure Connect shall, subject to Paragraph 7C.3 (CMPC Supporting Documentation), for the purposes of this Paragraph 7C.1.4 (CMPC Supporting Documentation) be deemed "incurred" if the circumstances in Paragraph 7C.2 (CMPC Supporting Documentation) are satisfied (this qualification of how the word "incurred" is construed for the purposes of this Paragraph 7C.1.4 (CMPC Supporting Documentation) does not limit or affect any other requirement or provision in this Schedule);
- 7C.1.5 calculations detailing the unused amount of the ACMP Cap and Maximum Connection Subsidy:
- (A) prior to the submission of the CMPC and ACMPC; and
 - (B) assuming the CMPC and ACMPC is accepted by the Minister;
- 7C.1.6 a copy of the latest approved PE Tracker, together with details of the Permitted Expenditure WIP at that time;
- 7C.1.7 an updated calculation of the PE Test assuming the CMPC is accepted as valid and paid by the Minister and the ACMPC is accepted as valid and paid by the Minister or by NBPco (as applicable);
- 7C.1.8 signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that the Permitted Expenditure Connect is not covered by:
- (A) any other form of public subsidy; or
 - (B) more than one form of public subsidy;
- 7C.1.9 signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that part apportionment or allocation of Permitted Expenditure Connect (if applicable) between this Agreement and, subject to the provisions of this Agreement, other permitted contracts or services provided by NBPco, is accurate and a fair reflection of the work carried out;
- 7C.1.10 signed confirmation from the chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's

Representative in advance) of NBPco and each relevant Claw-backable Subcontractor that:

- (A) the Permitted Expenditure Connect has been actually incurred (as distinct from contracted for) and that none of the claimed Permitted Expenditure Connect relates, directly or indirectly, to cost categories that fall outside the definition of Permitted Expenditure Connect;
- (B) the Permitted Expenditure Connect has been incurred and is in accordance with the financial control, financial management and internal risk processes of NBPco or the Claw-backable Subcontractor (as the case may be); and
- (C) the Permitted Expenditure Connect has been incurred and is in accordance and is consistent with accepted accounting practice and the Accounting Policies that NBPco, and the accounting policies that the Claw-backable Subcontractor (as the case may be), applies under its corporate financial reporting and audit standards;

7C.1.11 such other information and documentation as the Minister's Representative may reasonably specify from time to time to enable the Minister (acting reasonably) to assess the Permitted Expenditure Connect actually incurred and whether the Subsidy Payments due from the Minister are properly payable, provided that the Minister shall not use its right of request under this Paragraph 7C.1.11 (CMPC Supporting Documentation) to delay the payment of a Subsidy Payment.

7C.2 Subject to Paragraph 7C.3 (CMPC Supporting Documentation) below, Permitted Expenditure Connect in respect of the services performed by a subcontractor to NBPco or to a Claw-backable Subcontractor (as the case may be) is deemed incurred for the purposes of Paragraph 7C.1.4 (CMPC Supporting Documentation) when the subcontractor has invoiced NBPco or the Claw-backable Subcontractor (as the case may be) for the amount to be claimed by NBPco or the Claw-backable Subcontractor (as the case may be) as Permitted Expenditure Connect, provided that NBPco or the Claw-backable Subcontractor (as the case may be) includes in the CMPC Supporting Documentation signed confirmation from their chief financial officer or director of finance (or other suitably qualified finance representative approved in writing by the Minister's Representative in advance) that the invoice(s) in question are correct, due and payable in accordance with the terms of the relevant Subcontract.

7C.3 NBPco agrees that, once a minimum of sixty (60) days has elapsed since payment of the relevant CMPC or ACMPC, the Minister may request that NBPco or the Claw-backable Subcontractor (as the case may be) provides evidence to demonstrate that NBPco or the Claw-backable Subcontractor (as the case may be) has in fact paid the subcontractor the applicable amount(s) due to it. NBPco shall procure that its Claw-backable Subcontractor provides such evidence. If no evidence or unsatisfactory evidence is provided to the Minister, then NBPco, upon request by the Minister, shall issue a refund in full (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) of any amounts claimed as being incurred Permitted Expenditure Connect in respect of the subcontractor concerned in the form of an electronic re-payment (with the payment details to be notified to NBPco by the Minister) to be completed in cleared funds within fifteen (15) days of the request by the Minister. If subsequently NBPco or the Claw-backable Subcontractor (as the case may be) provides evidence to demonstrate that the applicable amounts were

actually paid to the subcontractors, such amounts will then be re-paid by the Minister to NBPco (without any interest being due or payable).

7C.4 NBPco shall ensure that in all cases the CMPC Supporting Documentation is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine (acting reasonably) the eligibility of the applicable Permitted Expenditure Connect and the validity of the CMPC and ACMPC to the Minister's satisfaction. NBPco shall include the Permitted Expenditure Connect referenced in Paragraph 7C.1.1 (CMPC Supporting Documentation) that is accepted by the Minister's Representative as being eligible and valid in the PE Tracker report.

7C.5 The CMPC Supporting Documentation is only valid and compliant for the purposes of the provisions of this Schedule 5.1 (Subsidy Payments), including in particular for the purposes of the PE Test and State Aid Intensity Test, if it is Open Book and of sufficient detail and quality to allow the Minister's Representative to determine the eligibility and validity of the Permitted Expenditure to the Minister's reasonable satisfaction.

8 ONGOING CAPITAL PAYMENTS

8.1 The Ongoing Capital Payments payable, subject to the provisions of this Agreement (including the provisions of this Paragraph 8 (Ongoing Capital Payments) and Paragraph 9 (Ongoing Capital Payment Claims)), to NBPco are determined in accordance with this Paragraph 8 (Ongoing Capital Payments) and Paragraph 9 (Ongoing Capital Payment Claims) and Table 1 (Ongoing Capital Payments) and Table 2 (Ongoing Capital Payment Adjustments) of Appendix 3 (Ongoing Capital Payments), subject to:

8.1.1 the application of Performance Credits as set out in Paragraph 10 (Performance Points and Performance Credits);

8.1.2 any adjustment as a result of the application of Build Related Contract Assumptions and Post Build Contract Assumptions as set out in Paragraph 2.2 (Subsidy Payments) of this Schedule 5.1 (Subsidy Payments); and

8.1.3 any adjustment required to Table 2 (Ongoing Capital Payment Adjustments) of Appendix 3 (Ongoing Capital Payments) that may be required as a result of the DMPC for Milestone M0.16 being less than **[REDACTED]**.

Subject to Paragraph 2.8 (Subsidy Payments), the Minister shall, following Achievement of the relevant Deployment Payment Milestone set out in Table 1 (Ongoing Capital Payments) of Appendix 3 (Ongoing Capital Payments) and receipt of a corresponding valid and compliant OCPC in accordance with the provisions of this Schedule (and, in particular, Paragraph 9 (Ongoing Capital Payment Claims), pay an OCP in the amount (subject to adjustment in accordance with the provisions this Agreement including the provisions of this Paragraph 8 (Ongoing Capital Payments)) set out in Appendix 3 (Ongoing Capital Payments) in respect of the OCPC concerned except to the extent that such payment would result in a breach of the PE Test or State Aid Intensity Test. If such payment would result in a breach of the PE Test or State Aid Intensity Test, that portion of the OCP which would result in the PE Test or State Aid Intensity Test being failed will be withheld and Paragraph 3.2 (Deployment Milestone Payments) or, as applicable, Paragraph 2.17 (Subsidy Payments) shall apply.

8.2 Ongoing Capital Payments set out in Table 1 (Ongoing Capital Payments) of Appendix 3 (Ongoing Capital Payments) are payable (subject to the other provisions of this Agreement including Paragraph 8.1 (Ongoing Capital Payments), Paragraph 8.3 (Ongoing Capital

Payments) and Paragraph 9.2 (Ongoing Capital Payment Claims)) by the Minister to NBPco on a Quarterly basis on and from the end of the Quarter in which the latest of the following occurs:

- 8.2.1 Achievement of Deployment Payment Milestone M2.01 (which, for the avoidance of doubt, relates to Deployment Area Complete for one Deployment Area); or
- 8.2.2 the Milestone Date for Deployment Payment Milestone M2.01 (which, for the avoidance of doubt, relates to Deployment Area Complete for one Deployment Area);

subject to application of the Performance Credits as set out in Paragraph 10 (Performance Points and Performance Credits).

- 8.3 Subject to the provisions of Paragraph 2 (Subsidy Payments) (inclusive) and Paragraphs 8.1 (Ongoing Capital Payments) and 8.2 (Ongoing Capital Payments), the actual Ongoing Capital Payments (adjusted for Performance Credits in the manner set out in the formula set out below) to be paid to NBPco in respect of a Quarter shall be calculated as follows:

$$\mathbf{TOCP}_n = \left(\left(\sum_1^m \mathbf{OCP}_{nm} \right) \right) + \mathbf{OCP}_{na} - (\mathbf{PC}_{n-1})$$

Where:

TOCP_n is the total Ongoing Capital Payment for Quarter n payable by the Minister;

OCP_{na} is the Ongoing Capital Payment adjustment amount for Quarter n stated in Table 2 (Ongoing Capital Payments Adjustments) of Appendix 3 (Ongoing Capital Payments);

OCP_{nm} is the Ongoing Capital Payment for Quarter n payable by the Minister in respect of each Deployment Payment Milestone m of type M2 that has been Achieved prior to the end of Quarter n, where:

- (a) If the relevant Deployment Payment Milestone was Achieved in a Quarter prior to Quarter n, the Ongoing Capital Payment for that Deployment Payment Milestone in Quarter n shall be as set out in Table 1 (Ongoing Capital Payments) of Appendix 3 (Ongoing Capital Payments);
- (b) If the relevant Deployment Payment Milestone was Achieved in Quarter n and was not delayed by more than twenty-eight (28) days, the Ongoing Capital Payment for that Deployment Payment Milestone in Quarter n shall be calculated in accordance with Paragraph 8.9 (Ongoing Capital Payments); and
- (c) If the relevant Deployment Payment Milestone was Achieved in Quarter n and was delayed by more than twenty-eight (28) days, the Ongoing Capital Payment for that Deployment Payment Milestone in Quarter n shall be calculated in accordance with Paragraph 8.9 if the relevant Deployment Payment Milestone was

Achieved in the first or second Contract Year, and otherwise in accordance with Paragraph 8.6 (Ongoing Capital Payments).

PC_{n-1} is the Performance Credits in respect of NBPCo's performance in Quarter n-1, calculated in accordance with Paragraph 10 (Performance Points and Performance Credits).

8.4 Not used.

8.5 Subject to Paragraph 8.12 (Ongoing Capital Payments), an Ongoing Capital Payment set out in Table 1 (Ongoing Capital Payments) of Appendix 3 (Ongoing Capital Payments) is not payable and shall not be paid by the Minister:

8.5.1 in respect of time periods prior to the Achievement of the Deployment Payment Milestone of type M2 to which the Ongoing Capital Payment relates;

8.5.2 in respect of time periods prior to the Milestone Date for the Deployment Payment Milestone M2 to which the Ongoing Capital Payment relates (even if the relevant Deployment Payment Milestone of type M2 is Achieved before then); and

8.5.3 in respect of time periods after the Termination Date or Expiry Date.

8.6 From the first day of the third Contract Year, where and to the extent that the Achievement of a Deployment Payment Milestone of type M2 (Deployment Area Complete) is Delayed by more than twenty-eight (28) days (the "**relevant Delayed Deployment Payment Milestone**"), then the Ongoing Capital Payment amount (i.e. OCP_{nm}) shall be calculated as:

$$OCP_{nm} = \left(\sum_p^n (OCP_m \times R_q) \right) - (SV \times (D - 28))$$

where

OCP_{nm} is the Ongoing Capital Payment (prior to adjustment for OCP_{na} in accordance with Paragraph 8.3 (Ongoing Capital Payments)) and prior to the application of any Performance Credits) in respect of that relevant Delayed Deployment Payment Milestone m of type M2 for the period from the Quarter p in which the relevant Original M2 Milestone Date was scheduled to occur to the Quarter n in which the relevant Delayed Deployment Payment Milestone of type M2 is actually Achieved (inclusive). OCP_{nm} is payable at the end of the Quarter n in which the relevant Delayed Deployment Payment Milestone of type M2 is Achieved;

OCP_m is the Ongoing Capital Payment that would be payable by the Minister in respect of that relevant Delayed Deployment Payment Milestone m of type M2

for a full Quarter, with such Ongoing Capital Payment as set out in Table 1: Ongoing Capital Payments of Appendix 3 (Ongoing Capital Payments);

R_q equals (A) divided by (B), where

(A) is the number of days in the relevant Quarter q (such Quarter q being within the period from Quarter p to Quarter n inclusive) that are after the Original M2 Milestone Date for the relevant Delayed Deployment Payment Milestone of type M2; and

(B) is the number of days in the relevant Quarter q

SV is the delay payment per day of € **[REDACTED]**;

D is the number of days of Delay to the Achievement of the relevant Delayed Deployment Payment Milestone of type M2 (i.e. the number of days between the Original M2 Milestone Date for the relevant Delayed Deployment Payment Milestone of type M2 and the date that the relevant Delayed Deployment Payment Milestone of type M2 is actually Achieved) but excluding any days of Delay that:

- (i) occur prior to the Relief End Date for the relevant Delayed Deployment Payment Milestone; or
- (ii) occur between the 2021 Milestone Date and the Grace Period End Date for the relevant Delayed Deployment Payment Milestone.

The aggregate of all OCP Delay Payments (i.e. the aggregate deductions of $(SV \times (D-28))$) shall be capped at **[REDACTED]**

NBPco agrees that the application of this Paragraph is reasonable, commercially justifiable, is not penal in nature and reflects an appropriate adjustment in the sums being paid to NBPco under this Agreement where a Deployment Payment Milestone of type M2 is Delayed by more than twenty-eight (28) days.

- 8.7 Where the Achievement of a Deployment Payment Milestone of type M2 is Delayed by twenty-eight (28) days or less, or the Deployment Payment Milestone of type M2 is Achieved prior to the first day of the third Contract Year, the calculation of the Ongoing Capital Payments shall not be impacted by the Delay and the total Ongoing Capital Payments shall continue to be calculated in accordance with Paragraphs 8.3 (Ongoing Capital Payments) and 8.9 (Ongoing Capital Payments).
- 8.8 For the avoidance of doubt and in all cases, subject to the application of Performance Credits in accordance with Paragraph 10 (Performance Points and Performance Credits) of this Schedule 5.1 (Subsidy Payments), the Ongoing Capital Payment amounts relating to Deployment Payment Milestones of type M2 that were Achieved prior to the start of Quarter n shall be included in full in OCP_{nm} in the calculation of the Ongoing Capital Payments for Quarter n (pursuant to Paragraph 8.3 (Ongoing Capital Payments)) and shall not be impacted by the Delay.
- 8.9 Where and to the extent that the Ongoing Capital Payment for a Quarter relates to a Deployment Payment Milestone of type M2 that is Achieved during that Quarter and which (i) is not delayed by more than twenty-eight (28) days; or (ii) is delayed by twenty-eight (28) days or more but is Achieved in the first or second Contract Year, the Ongoing Capital

Payment in respect of that Deployment Payment Milestone of type M2 shall be calculated as:

$$OCP_{nm} = \sum_p (OCP_m \times R_q)$$

Where,

OCP_{nm} is the Ongoing Capital Payment (prior to the application of any Performance Credits) in respect of that relevant Delayed Deployment Payment Milestone *m* of type M2 for the period from the Quarter *p* in which the relevant Original M2 Milestone Date was scheduled to occur to the Quarter *n* in which the relevant Delayed Deployment Payment Milestone of type M2 is actually Achieved (inclusive).

OCP_{nm} is payable at the end of the Quarter *n* in which the relevant Delayed Deployment Payment Milestone of type M2 is Achieved;

OCP_m is the Ongoing Capital Payment that would be payable by the Minister in respect of that relevant Delayed Deployment Payment Milestone *m* of type M2 for a full Quarter, with such Ongoing Capital Payment as set out in Table 1: Ongoing Capital Payments of Appendix 3 (Ongoing Capital Payments);

R_q equals (A) divided by (B), where:

(A) is the number of days in the relevant Quarter *q* that are after the Original M2 Milestone Date for the relevant Delayed Deployment Payment Milestone of type M2; and

(B) is the number of days in the relevant Quarter *q*.

- 8.10 The calculation of the Ongoing Capital Payments in respect of the final full Quarter before the Termination Date or Expiry Date (as the case may be) and any final part Quarter ending on the day before the Termination Date or Expiry Date (as the case may be) shall take account of NBPco's performance in accordance with Paragraph 10 (Performance Points and Performance Credits) in the final full Quarter before the Termination Date or Expiry Date (as the case may be) (and any final part Quarter ending on the day before the Termination Date or Expiry Date as the case may be) in addition to the preceding Quarter(s).
- 8.11 Where and to the extent that the calculation of the Ongoing Capital Payment (as adjusted in accordance Paragraph 8.3 (Ongoing Capital Payments)) for a Quarter results in a negative amount (the "**Reverse OCP**") (for example, (i) where the sum of $(\sum_1^m OCP_{nm}) + OCP_{na}$ is a negative amount; (ii) where the value of Performance Credits exceeds the sum of the Ongoing Capital Payments due in the Quarter; or (iii) as a result of a Change Authorisation resulting from application of the Build Related Contract Assumptions and/or the Post Build Contract Assumptions), NBPco shall either:
- 8.11.1 pay in full (and without deduction, retention, set-off, withholding, abatement, counter-claim or similar) to the Minister the Reverse OCP within thirty (30) days of the end of the Quarter to which the Ongoing Capital Payments relates; or
- 8.11.2 no later than ten (10) days prior to the end of the Quarter to which the Ongoing Capital Payment relates, write to the Minister requesting that the Minister sets off the Reverse OCP against any other payments payable within the same Quarter as the Quarter within which the Ongoing Capital Payment is to be paid

(the “**Relevant Same Quarter**”) by the Minister to NBPco under this Agreement. The Minister shall act reasonably in considering such request and shall notify NBPco in writing within five (5) Working Days of receipt of the written request from NBPco of the Minister’s decision as to whether or not to set off the Reverse OCP (in whole or in part) against any other payments payable in that Relevant Same Quarter by the Minister to NBPco under this Agreement. If the Minister determines that the Reverse OCP shall not be set off in full against any other payments payable within the Relevant Same Quarter under this Agreement by the Minister to NBPco, NBPco shall pay the Reverse OCP (or, if applicable, such part of the Reverse OCP which the Minister notified NBPco in writing will not be set off by the Minister) to the Minister in accordance with Paragraph 8.11.1 (Ongoing Capital Payments). If the Minister determines that the Reverse OCP shall be set off (in whole or in part) against any other payments payable within the Relevant Same Quarter by the Minister under this Agreement to NBPco, the Minister shall notify NBPco in writing of the amount of the Reverse OCP which is being set off and shall set off such amount against the relevant sums payable by the Minister.

For the avoidance of doubt, the Minister is entitled to set-off a Reverse OCP against any payments payable by the Minister to NBPco under this Agreement whether or not NBPco requests the Minister to do so pursuant to Paragraph 8.11.2 (Ongoing Capital Payments).

8.12 Where and to the extent that:

8.12.1 a Deployment Payment Milestone of type M2 is Achieved prior to its Original M2 Milestone Date (or, if applicable, its Relief End Date); and

8.12.2 the OCP Delay Payments Balance at the relevant time is positive,

NBPco shall be entitled to claim from the Minister, in addition to Ongoing Capital Payments calculated in accordance with Paragraph 8.3 (Ongoing Capital Payments) for Quarter n as normal (i.e. without any doubling up), an “**OCP Delay Reimbursement**” calculated as follows:

$$\text{OCPDR}_m = \text{SV} \times \text{E}$$

Where:

OCPDR_m is the OCP Delay Reimbursement payable by the Minister in respect of the Deployment Payment Milestone m of type M2 that is Achieved prior to its Original M2 Milestone Date (or, if applicable, its Relief End Date, provided that OCPDR_m shall be limited to (i.e. shall never exceed) the amount of the OCP Delay Payments Balance at a relevant time.

SV is the delay payment per day of **[REDACTED]**;

E is the number of days early that the Milestone was Achieved (i.e. the number of whole days between the Milestone Achievement Date and the Original M2 Milestone Date) (or, if applicable, its Relief End Date).

8.13 Where and to the extent that:

8.13.1 The final Deployment Payment Milestone is Achieved on or prior to its Milestone Date in the Implementation Programme; and

8.13.2 the OCP Delay Payments Balance is positive at a relevant time; and

8.13.3 one or more of the prior Deployment Payment Milestones of type M2 were Achieved prior to their Milestone Date but an OCP Delay Reimbursement could not be paid (in whole or in part) in accordance with Paragraph 8.12 (Ongoing Capital Payments) at the time the relevant Deployment Payment Milestone was Achieved as a result of there being an insufficient OCP Delay Payments Balance at that time,

NBPco shall be entitled to claim from the Minister, in addition to Ongoing Capital Payments calculated in accordance with Paragraph 8.3 (Ongoing Capital Payments) for Quarter n, an OCP Delay Reimbursement calculated as the sum of the OCP Delay Reimbursement amounts (whole or part) that were not paid by the Minister in accordance with Paragraph 8.12 (Ongoing Capital Payments) as a result of there being an insufficient OCP Delay Payments Balance at the time the relevant Deployment Payment Milestone was Achieved, provided that:

8.13.4 the OCP Delay Reimbursement claimed from the Minister at the relevant time shall never exceed the OCP Delay Payments Balance at that time; and

8.13.5 the sum of all of the OCP Delay Reimbursements paid by the Minister to NBPco shall never exceed the sum of all of the Delay Payments paid by NBPco to the Minister.

8.14 For the avoidance of doubt, the final Deployment Payment Milestone shall only be Achieved and its Ongoing Capital Payment (as set out in Table 1: Ongoing Capital Payments of Appendix 3 (Ongoing Capital Payments) to this Schedule 5.1 (Subsidy Payments)) shall only commence when all of the Deferred Premises (as determined in accordance with Schedule 2.3 (Deployment Requirements)) have been Passed.

8.15 For the avoidance of doubt, Ongoing Capital Payments are payments of subsidy related to the establishment of the Network provided by the Minister in respect of Permitted Expenditure incurred by NBPco in the implementation of the Network.

9 ONGOING CAPITAL PAYMENT CLAIMS

9.1 Subject to the provisions of Paragraph 2 (Subsidy Payments) (inclusive) and the provisions of Paragraph 8 (Ongoing Capital Payments) of this Schedule, NBPco is required to submit an Ongoing Capital Payment Claim to the Minister on a Quarterly basis in respect of Quarters or part Quarters commencing on and from the later of:

9.1.1 the date on which the Milestone Achievement Criteria are shown in the Milestone Achievement Certificate to have been satisfied for Deployment Payment

Milestone of type M2.01 (which, for the avoidance of doubt, relates to Deployment Area Complete for one Deployment Area); or

9.1.2 the Milestone Date for Deployment Payment Milestone of type M2.01 (which, for the avoidance of doubt, relates to Deployment Area Complete for one Deployment Area).

9.2 Despite any other provision of this Agreement, an Ongoing Capital Payment is not payable in respect of a Deployment Payment Milestone of type M2 unless NBPco has been provided with a Milestone Achievement Certificate in respect of that particular Deployment Payment Milestone of type M2 pursuant to the provisions of Schedule 2.3 (Deployment Requirements).

9.3 The Minister shall, subject to the provisions of this Schedule, make payment of Ongoing Capital Payments to NBPco by electronic transfer of funds in Euro in accordance with the provisions of Clause 27 (Subsidy Payments). Payment will be made:

9.3.1 within thirty (30) days of receipt of a valid OCPC that complies with the requirements of the provisions of this Schedule 5.1 (Subsidy Payments); or

9.3.2 where the original OCPC was deficient and was returned to NBPco in accordance with Paragraph 9.7 (Ongoing Capital Payment Claims), within thirty (30) days of receipt of the original OCPC provided that:

(A) the replacement OCPC was received by the Minister at least ten (10) days prior to the date falling thirty (30) days after the receipt of the original deficient OCPC; and

(B) the replacement OCPC was not returned to NBPco in accordance with Paragraph 9.7 (Ongoing Capital Payment Claims).

9.4 NBPco shall ensure that each OCPC contains the following information:

9.4.1 the date of the OCPC;

9.4.2 a unique OCPC number;

9.4.3 the Ongoing Capital Payment reference to which the OCPC relates;

9.4.4 the Quarter to which the OCPC relates;

9.4.5 the correct reference for this Agreement;

9.4.6 the Performance Credits determined by the Minister in respect of NBPco's performance in the previous Quarter, calculated in accordance with the provisions of Paragraph 10 (Performance Points and Performance Credits) of this Schedule 5.1 (Subsidy Payments);

- 9.4.7 the calculation of the total Ongoing Capital Payment, which shall include a breakdown showing:
- (A) the Ongoing Capital Payment that would be payable by the Minister for a full Quarter n as set out in Table 1: Ongoing Capital Payments of Appendix 3 (Ongoing Capital Payments) prior to any adjustments;
 - (B) if applicable, the change in the Ongoing Capital Payment agreed with the Minister (whether positive or negative) in a Change Authorisation in accordance with Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures) as a result of the application of the Build Related Contract Assumptions;
 - (C) if applicable, any adjustment to the amount set out in Paragraph 9.4.7(B) (Ongoing Capital Payment Claims) in accordance with Paragraphs 11 (Conditional Build Related Subsidy), 12 (Subcontractor Equipment and Material Rates) and 13 (Conditional Exceptional Subsidy) of Annex 6 (Build Related Contract Assumptions) of Schedule 6.2 (Change Control Procedures);
 - (D) if applicable, the change in the Ongoing Capital Payment agreed with the Minister (whether positive or negative) in a Change Authorisation in accordance with Annex 5 (Post Build Contract Assumptions) of Schedule 6.2 (Change Control Procedure) as a result of the application of the Post Build Contract Assumptions;
 - (E) if applicable, any adjustment to the amount set out in Paragraph 9.4.7(D) (Ongoing Capital Payment Claims) in accordance with Paragraph 7 (Conditional Post Deployment Subsidy) of Annex 5 (Post Build Contract Assumptions) of Schedule 6.2 (Change Control Procedure);
 - (F) if applicable, the amount agreed in respect of the Ongoing Capital Payments and set out in any other Change Authorisation, together with the applicable reference numbers for such Change Authorisation(s); and
 - (G) the deduction of Performance Credits for the Quarter; and
 - (H) the final calculation of the Ongoing Capital Payment, in accordance with the provisions of Paragraph 8 (Ongoing Capital Payments) of this Schedule 5.1 (Subsidy Payments).
- 9.4.8 a copy of the latest CA Tracker which shall include calculations detailing the amount of Conditional Build Related Subsidy, Equipment and Materials Cap, Conditional Exceptional Subsidy and Conditional Post Deployment Subsidy:
- (1) prior to the submission of the OCPC; and
 - (2) assuming the OCPC is accepted as valid and paid by the Minister;

- 9.4.9 a copy of the latest approved PE Tracker;
- 9.4.10 an updated calculation of the PE Test assuming the DMPC is accepted as valid and paid by the Minister;
- 9.4.11 a contact name and telephone number of the NBPco Representative (or a responsible person in NBPco's finance department) in the event of administrative queries; and
- 9.4.12 subject to Clause 27 (Subsidy Payments), the banking details for payment to NBPco via electronic transfer of funds (i.e. name and address of bank, account name, BIC (Bank Identifier Code) and IBAN (International Bank Account Number)).
- 9.5 NBPco shall submit all OCPCs, Change Authorisations and supporting information required under the provisions of this Schedule 5.1 (Subsidy Payments) to the Minister's Representative at the following address (or such alternative address as notified by the Minister's Representative in accordance with this Agreement):
- Department of Communications, Climate Action & Environment
29 – 31 Adelaide Road
Dublin
D02 X285
- 9.6 NBPco shall ensure that all OCPCs are expressed in Euros (€).
- 9.7 An OCPC is only valid and compliant (including for the purposes of determining the due date for payment) if it complies with the provisions of this Agreement. Where any OCPC does not comply with the provisions of this Agreement, the Minister shall return the deficient OCPC to NBPco within ten (10) days identifying the deficiencies in which case NBPco shall promptly issue a replacement OCPC. If the Minister fails to return any such purportedly deficient OCPC to NBPco within such ten (10) day period, such OCPC will be deemed to be a valid OCPC for the purposes of this Paragraph 9 (Ongoing Capital Payment Claims).
- 9.8 Where NBPco identifies (whether through OCPC verification, the application of Build Related Contract Assumptions or Post Build Contract Assumptions or otherwise) that any overpayment or underpayment has been made by the Minister of an OCP or any underpayment has been made by NBPco of a Reverse OCP (including administrative error or where it becomes apparent a Deployment Payment Milestone had not in fact been Achieved), NBPco shall within ten (10) Working Days notify the Minister's Representative of such overpayment or underpayment (as the case may be) and provide the Minister's Representative with all relevant details in respect of the same, including the total amount of the overpayment or underpayment (as the case may be).
- 9.9 Where either Party identifies (whether through OCPC verification, the application of Build Related Contract Assumptions or Post Build Contract Assumptions or otherwise) that any overpayment or underpayment of an OCP has been made by the Minister or any underpayment has been made by NBPco of a Reverse OCP (as the case may be) (including due to an administrative error or where it becomes apparent a Deployment Payment Milestone had not in fact been Achieved):
- 9.9.1 NBPco shall reduce the claim for the next Ongoing Capital Payment by the full amount of that overpayment or underpayment (as the case may be) (provided

that in the case of an overpayment or underpayment as a result of the application of Build Related Contract Assumptions or Post Build Contract Assumptions, the reduction or increase in the claim for the next Ongoing Capital Payment shall be equal to the amount required to be deducted or added in respect of Ongoing Capital Payments that have been paid as at the date of the relevant Change Authorisation and any future Ongoing Capital Payments shall be reduced or increased accordingly); or

- 9.9.2 where no further Ongoing Capital Payments are to be made (including where the Agreement has expired or terminated), NBPco or the Minister (as applicable) shall issue a refund in full (and without deduction, set-off, withholding, abatement, counter-claim or otherwise) for that overpayment or underpayment (as the case may be) in the form of an electronic re-payment (with the payment details to be notified to the payor by the payee where relevant) to be completed in cleared funds within fifteen (15) days of when the overpayment or underpayment was first identified by either the Minister or NBPco (whichever is earlier) (or in the case of any overpayment or underpayment as a result of the application of Build Related Contract Assumptions or Post Build Contract Assumptions, within fifteen (15) days of when the relevant Change Authorisation has been signed by the Minister).

At the Minister's absolute discretion, where the overpayment or underpayment (as the case may be) is due to a Default of NBPco, the refund (or any amount by which the next claim for an Ongoing Capital Payment is reduced, as applicable) reduced claim, as applicable) by NBPco shall also include an interest rate based uplift calculated as follows:

$$C = O + (O \times (\text{interest rate}) \times (T / 360))$$

Where:

C = the amount of refund or reduced claim, as applicable;

O = the overpayment;

Interest rate = notwithstanding any other provision of this Agreement, an annual rate equivalent to two per cent (2%) above the base rate of the European Central Bank (as adjusted from time to time by the European Central Bank);

T = the number of days between the date on which the overpayment occurred and the date on which the notification of the overpayment was made by the Minister or NBPco to the other Party.

- 9.10 Without limiting or affecting Paragraph 9.9 (Ongoing Capital Payment Claims), where the Minister has reasonable grounds for believing that an overpayment has been made in respect of any OCPC, it may request that NBPco reviews and re-submits verification of the supporting evidence or information provided pursuant to the provisions of this Paragraph 9 (Ongoing Capital Payment Claims) or pursuant to the provisions of Schedule 6.7 (Performance Levels). Such verification shall be provided by NBPco within fifteen (15) Working Days, or such longer period as may reasonably be agreed between the Parties, of receiving that Minister request.

10 PERFORMANCE POINTS AND PERFORMANCE CREDITS

- 10.1 Performance Credits shall be calculated and applied in accordance with Paragraph 10.2 (Performance Points and Performance Credits) by reference to the number of Performance Points accrued in each Quarter pursuant to the provisions of Schedule 6.7 (Performance Levels).
- 10.2 For each Quarter (or part Quarter) during the Contract Period, the total Performance Points accrued in respect of that Quarter (or part Quarter) in accordance with the provisions of Schedule 6.7 (Performance Levels) shall be converted to a payment deduction (i.e. Performance Credit) that shall be applied to the calculation of the Ongoing Capital Payment for the subsequent Quarter, as set out in Paragraph 8.3 (Ongoing Capital Payments) of this Schedule. The Performance Credit shall be calculated by reference to the number of Performance Points accrued in the Quarter in accordance with the following formula:

$$PC = TPP \times V \times IE_{PC}$$

Where:

PC = the total Performance Credits for the relevant Quarter.

TPP = the total Performance Points that have accrued for the relevant Quarter.

V = the monetary value of (€[REDACTED]), such amount being the agreed monetary value of each Performance Point at the Effective Date.

$$IE_{PC} = \left(1 + \left(\frac{HICP_{pd} - HICP_{bd}}{HICP_{bd}} \right) \right)$$

where

HICP_{pd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for the month of November which most recently precedes the 1st January in the relevant Contract Year (i.e. the date on which the value of IE_{PC} is recalculated in each Contract Year);

HICP_{bd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for November 2018;

- 10.3 Where movements in $HICP_{pd}$ would result in the value of IE_{PC} calculated on the 1st January of a Contract Year reducing relative to the prior value of IE_{PC} , such movements shall be disregarded such that the value of IE_{PC} will be unchanged for that period and all subsequent periods until such time as the value of $HICP_{pd}$ would result in the value of IE_{PC} increasing relative to prior periods.
- 10.4 NBPco acknowledges and agrees that Performance Credits shall be applied by the Minister to reflect the reduced value of the Network, Wholesale Products and Services

actually provided by NBPco to IA End Users, Service Providers, the Minister and to other parties (where applicable).

10.5 For the avoidance of doubt, subject to Paragraph 8.10 (Ongoing Capital Payments), Performance Credits shall be shown as a deduction from the Ongoing Capital Payment due from the Minister to NBPco in the invoice for the Quarter immediately succeeding the Quarter to which they relate.

10.6 The Performance Credits applied shall be subject to the Performance Credit Cap.

11 PROJECT ACCOUNTS AND FINANCIAL RECORDS

11.1 NBPco shall, and shall procure that its Claw-backable Subcontractors shall, at all times throughout the Contract Period, prepare and maintain on an Open Book basis, subject to and in accordance with this Agreement, detailed Management Accounts, Project Accounts and other financial records (including but not limited to the financial Reports as set out in Schedule 6.5 (Reports and Records)) in order to, among other matters:

11.1.1 demonstrate the Project Costs including actual Permitted Expenditure (with the actual Permitted Expenditure Passed, actual Permitted Expenditure Connect, actual Permitted Expenditure New Premises and actual Permitted Expenditure NBPco demonstrated separately), other expenditure and costs incurred in each Quarter and in each Contract Year in respect of this Agreement and the Project;

11.1.2 facilitate a detailed comparison of the actual Project Costs incurred in each Quarter and in each Contract Year to those forecast in the Project Financial Model at the Effective Date, the reforecast Project Financial Model and Project Cost Model;

11.1.3 demonstrate the reconciliation of Subsidy Payment claims to:

(A) Permitted Expenditure incurred; and

(B) Contracted Maximum Subsidy;

11.1.4 demonstrate the Eligible ERDF Expenditure actually incurred in respect of this Agreement;

11.1.5 demonstrate all Subsidy Payments, Project Revenues and all other income whatever received in each Quarter and in each Contract Year in respect of this Agreement and the Project;

11.1.6 evidence a detailed comparison of the actual Project Revenues and other income received in each Quarter and in each Contract Year to those forecast in the Project Financial Model;

11.1.7 for NBPco only, demonstrate the detailed calculation of actual EBITDA with such calculation providing the necessary detail to facilitate the calculation of the Terminal Value Claw-Back Amount (if any) in accordance with Paragraph 17.3 (Over-Subsidy Claw-Back: Terminal Value) in respect of this Agreement in each Contract Year; and

11.1.8 for NBPco and each of its Claw-backable Subcontractors, demonstrate the detailed calculations relevant to clawback in accordance with Paragraphs 15

(Over-Subsidy Claw-Back: Deployment) to 17 (Over-Subsidy Claw-Back: Terminal Value) inclusive of this Schedule 5.1 (Subsidy Payments).

- 11.2 NBPco shall and shall procure that its Claw-backable Subcontractors shall, in particular, include within the Management Accounts and Project Accounts:
- 11.2.1 a detailed revenue and expenditure statement (including public subsidy received) in respect of this Agreement and, subject to the provisions of this Agreement, all other activities of NBPco permitted under this Agreement;
 - 11.2.2 a record of all tangible and intangible Assets created, acquired, leased, licensed or deployed in respect of this Agreement in accordance with Clause 53 (Asset Register) and Schedule 2.1 (Technical Solution Specification);
 - 11.2.3 a record of its fibre and pole stocks (including the value of Permitted Expenditure Stock and the change in value of Permitted Expenditure Stock over the period covered by the Management Accounts and Project Accounts (as applicable));
 - 11.2.4 in respect of the Project Accounts only, details (evidenced through copies of subcontracts, invoices, receipts and other records and accounting information provided in accordance with Paragraph 5 (DMPC Supporting Documentation), Paragraph 5B (General PE Supporting Documentation) and 7C (CMPC Supporting Documentation)) of the Permitted Expenditure actually incurred in respect of Paragraph 2.11.2 (Subsidy Payments); and
 - 11.2.5 supporting notes and information as appropriate to facilitate and provide for a clear explanation and understanding of the Management Accounts and Project Accounts (as applicable).
- 11.3 The Management Accounts and Project Accounts shall be:
- 11.3.1 prepared in accordance with the requirements of Appendix 5 (Reports) of this Schedule and, to the extent relevant, Schedule 5.5 (Accounting Separation) and Schedule 6.5 (Reports and Records);
 - 11.3.2 prepared on a basis that is consistent with the Accounting Policies that NBPco or its Claw-backable Subcontractor (as relevant) applies under its own corporate financial reporting and accounting standards;
 - 11.3.3 prepared on a basis and in a format that facilitates direct comparison with the Project Financial Model at the Effective Date and reforecast Project Financial Model;
 - 11.3.4 in respect of the Project Accounts only, prepared on a basis and in a format that facilitates annual reconciliation with the Separated Accounts, as set out in Schedule 5.5 (Accounting Separation);
 - 11.3.5 prepared on a transparent and Open Book basis with clear and detailed breakdowns of major line items; and
 - 11.3.6 in respect of the Project Accounts only, subject to NBPco's or the relevant Claw-backable Subcontractor's (as applicable) external audit procedures.

- 11.4 In respect of the Management Accounts and Project Accounts:
- 11.4.1 NBPco shall procure that each Claw-backable Subcontractor provides Management Accounts and Project Accounts to NBPco at the times and in accordance with the requirements set out in Schedule 6.5 (Reports and Records). In circumstances where a Claw-backable Subcontractor does not provide Management Accounts or Project Accounts to NBPco, NBPco must notify the Minister, within a reasonable timeframe, that it has not received Management Accounts or Project Accounts from the relevant Claw-backable Subcontractor and such notification shall set out the reasons why Management Accounts or Project Accounts have not been made available in respect of the relevant Claw-backable Subcontractor. This will not limit the obligations of NBPco or the Claw-backable Subcontractor in respect of this Paragraph 11.4 (Project Accounts and Financial Records) or the other provisions of this Paragraph 11 (Project Accounts and Financial Records).
- 11.4.2 For the duration of the Contract Period, NBPco shall submit to the Minister a copy of the Management Accounts and Project Accounts in respect of NBPco and for each Claw-backable Subcontractor at the times and in accordance with the requirements set out in Schedule 6.5 (Reports and Records). NBPco shall submit with the Project Accounts an accompanying short narrative report for the twelve (12) month period covered by the Project Accounts, certified by a suitably qualified finance representative who is engaged or employed by NBPco or the external auditor of NBPco or the Claw-backable Subcontractor. The accompanying narrative report shall address the requirements set out in Schedule 5.5 (Accounting Separation) and any such other requirements as the Minister's Representative may specify from time to time.
- 11.5 NBPco shall no later than five (5) months after the Expiry Date or Termination Date (as applicable) prepare and submit to the Minister a copy of the Project Accounts and shall procure that its Claw-backable Subcontractors prepare and submit to the Minister Project Accounts for the period since the preceding copy of Project Accounts was produced pursuant to Paragraph 11.4 (Project Accounts and Financial Records) (noting that the specific timing of the production of such copy must support the operation of those provisions of this Agreement which themselves survive or take effect at the Expiry Date or on termination of this Agreement).
- 11.6 NBPco shall, and shall procure that its Claw-backable Subcontractors shall, maintain accounting records for all Permitted Expenditure funded partly or wholly pursuant to this Agreement. NBPco shall ensure that these accounting records include original invoices, receipts, Accounts, deeds, bank records and any other relevant documentation whether in written or electronic form. Further requirements in this regard are set out in Appendix 5 (Reports) of this Schedule and in Schedule 5.4 (Eligibility Requirements for ERDF Funding).

12 NBPCO AUDIT

- 12.1 NBPco shall ensure that the Project Accounts, its claims for Subsidy Payments and all Subsidy Payments it receives pursuant to this Agreement are prepared in accordance with generally accepted accounting principles or IFRS, Best Industry Practice and the requirements of this Agreement and are subject to NBPco's external audit processes.
- 12.2 Within ninety (90) days of the Effective Date, NBPco shall notify the Minister of the external audit plans and processes that NBPco and its Claw-backable Subcontractors intend to

apply to the Project Accounts, its claims for Subsidy Payments and the Subsidy Payments it receives pursuant to this Agreement.

- 12.3 For the avoidance of doubt, NBPco's claims for Subsidy Payments, and the Subsidy Payments it receives pursuant to this Agreement, are not required to be individually audited by NBPco at the point in time they each occur.
- 12.4 NBPco shall procure that the Claw-backable Subcontractors prepare their Project Accounts in accordance with generally accepted accounting principles or IFRS, Best Industry Practice and the requirements of this Agreement and subject their Project Accounts to their own external audit processes.

13 CLAW-BACK RATIOS

- 13.1 NBPco shall ensure that the Project Financial Model:
- 13.1.1 contains all of the payments that are forecast to be made to its Subcontractors in respect of this Agreement during the Contract Period;
 - 13.1.2 contains all of the Project Costs, Project Revenues and Permitted Expenditure forecast to be incurred by NBPco in respect of this Agreement during the Contract Period; and
 - 13.1.3 calculates a Project Claw-Back IRR.
- 13.2 Between the Effective Date and the Expiry Date, the Minister may from time to time:
- 13.2.1 calculate the Outturn Claw-Back IRR; and
 - 13.2.2 compare the Outturn Claw-Back IRR to the Project Claw-Back IRR,
- to assess and report on the rate of return actually achieved by NBPco in respect of the Project, in comparison to that originally forecast in the Project Financial Model at the Effective Date.

14 CLAW-BACK

- 14.1 NBPco acknowledges that the procedures set out in Paragraphs 15 (Over-Subsidy Claw-Back: Deployment) to 17 (Over-Subsidy Claw-Back: Terminal Value) inclusive, apply to support the prevention of over-subsidisation taking place under this Agreement. In this respect, NBPco acknowledges and agrees that the Minister is entitled to claw-back:
- 14.1.1 the Deployment Claw-Back Amount;
 - 14.1.2 the IRR Claw-Back Amount; and
 - 14.1.3 the Terminal Value Claw-Back Amount,
- subject to and in accordance with Paragraphs 15 (Over-Subsidy Claw-Back: Deployment) to 17 (Over-Subsidy Claw-Back: Terminal Value) inclusive (whether before, on or after the Termination Date) (and including by application of Clause 33 (Set-off and Withholding),

provided that such application shall not result in the double recovery of claw-back amounts by the Minister). These provisions survive the termination or expiration of this Agreement.

14.2 In accordance with the provisions of Paragraphs 15 (Over-Subsidy Claw-Back: Deployment) to 17 (Over-Subsidy Claw-Back: Terminal Value) inclusive, the Minister shall not be entitled to claw-back any amounts from a Subcontractor that is not a Claw-backable Subcontractor.

15 OVER-SUBSIDY CLAW-BACK: DEPLOYMENT

15.1 The Deployment Claw-Back Amount shall be calculated at the end of the Quarter immediately following the Quarter in which the Deployment Completion Date is Achieved (or, if earlier, the Termination Date or, if applicable, the date on which any Partial Termination of this Agreement takes effect in accordance with its terms) in accordance with Paragraphs 15.2 (Over-Subsidy Claw-Back: Deployment) to 15.4 (Over-Subsidy Claw-Back: Deployment) (inclusive).

15.2 NBPco shall not be required to claw-back any Subcontractor Deployment Claw-Back Amount or part thereof, either directly or indirectly, from a Subcontractor that is not a Claw-backable Subcontractor. This does not limit or affect NBPco's obligation to pay the Deployment Claw-Back Amount calculated in accordance with Paragraphs 15.2 (Over-Subsidy Claw-Back: Deployment) to 15.4 (Over-Subsidy Claw-Back: Deployment) (inclusive). NBPco shall be required to claw-back any Subcontractor Deployment Claw-Back Amount from a Claw-backable Subcontractor.

15.3 Subject to Paragraph 15.7 (Over-Subsidy Claw-Back: Deployment), the Deployment Claw-Back Amount shall be calculated by NBPco in accordance with Paragraphs 15.3.1 (Over-Subsidy Claw-Back: Deployment) to 15.3.4 (Over-Subsidy Claw-Back: Deployment) (inclusive):

15.3.1 The "**Forecast Build PE**" is the total nominal value (in aggregate) of:

- (A) Permitted Expenditure Passed (DA);
- (B) Permitted Expenditure Passed (Common); and
- (C) Permitted Expenditure NBPco (Build);

included in the Project Cost Model and Project Financial Model at the Effective Date in respect of (only) the Milestones Achieved by NBPco up to the date on which the Deployment Claw-Back Amount is calculated in respect of which Deployment Milestone Payments have been paid or are payable to NBPco.

15.3.2 The "**Actual Adjusted Build PE**" is calculated as (A) minus (B) where:

- (A) is the total value (in aggregate) of:
 - (1) Permitted Expenditure Passed (DA);
 - (2) Permitted Expenditure Passed (Common); and
 - (3) Permitted Expenditure NBPco (Build);

actually incurred and verified by the Minister in respect of (only) the Milestones Achieved by NBPco up to the date on which the

Deployment Claw-Back Amount is calculated in respect of which Deployment Milestone Payments have been paid or are payable to NBPco; and

(B) is the total value (in aggregate) of all DMP increases (expressed as positive amounts) and all DMP decreases (expressed as negative amounts) that have been verified and claimed (as applicable) in accordance with Paragraphs 5.1.2(H)(2) (DMPC Supporting Documentation) and 5.1.2(H)(3) (DMPC Supporting Documentation) as a result of the application of the Build Related Contract Assumptions between the Effective Date and date on which the Deployment Claw-Back Amount is calculated.

15.3.3 The Deployment Claw-Back Benefit is calculated as (A) minus (B) where:

(A) is the Forecast Build PE; and

(B) is the Actual Adjusted Build PE

15.3.4 If the Deployment Claw-Back Benefit is a positive amount, the Deployment Claw-Back Amount is calculated as fifty percent (50%) of the Deployment Claw-Back Benefit. If the Deployment Claw-Back Benefit is a negative amount, the Deployment Claw-Back Amount is zero.

15.4 Where and to the extent that the Deployment Claw-Back Amount is a positive amount, NBPco shall, subject to Paragraph 15.5 (Over-Subsidy Claw-Back: Deployment), within thirty (30) days of the end of the Quarter immediately following the Quarter in which the Deployment Completion Date is Achieved (or, if earlier, the Termination Date or, if applicable, the date on which any Partial Termination of this Agreement takes effect in accordance with its terms) pay in euro in cleared funds and in full, without deduction, retention, set-off, withholding, abatement, counter-claim or similar, to the Minister the Deployment Claw-Back Amount. For the avoidance of doubt, there will be no reverse payments from the Minister to NBPco in respect of Deployment Claw-Back Amounts.

15.5 Subject to Paragraph 15.2 (Over-Subsidy Claw-Back: Deployment), where and to the extent that NBPco is able to evidence to the satisfaction of the Minister (acting reasonably) that payment of all or part of the Deployment Claw-Back Amount would cause, or cause the continuance of, a Financial Distress Event in respect of NBPco, then:

15.5.1 NBPco shall pay to the Minister that part of the Deployment Claw-Back Amount as can be paid without causing, or causing the continuance of, a Financial Distress Event in respect of NBPco in accordance with Paragraph 15.4 (Over-Subsidy Claw-Back: Deployment); and

15.5.2 the balance of the Deployment Claw-Back Amount (the “**Deployment Claw-Back Debt**”) shall remain due and payable to the Minister as a debt in accordance with Paragraph 15.4 (Over-Subsidy Claw-Back: Deployment) but the time permitted for payment of those amounts by NBPco shall be extended until the earlier of:

(A) the expiration of thirty (30) days from the date on which the payment of the Deployment Claw-Back Debt (or, as applicable, part of it) would no longer cause, or cause the continuance of, a Financial Distress Event (the “**FD End Date**”) in respect of the Minister (and for which

purpose, NBPco shall, acting reasonably and in good faith, notify the Minister within ten (10) Working Days of the FD End Date that the FD End Date has occurred but, for the avoidance of doubt, the Minister shall be entitled to dispute that the date that the FD End Date occurred (or, if the Minister considers that it has happened earlier than the date of NBPco's notification, will occur) earlier, in which case either Party may refer the matter to the Expedited Dispute Resolution Procedure);

- (B) the issue by a Party of a Termination Notice;
- (C) the occurrence of an Insolvency Event in respect of NBPco; and/or
- (D) the termination of this Agreement or the occurrence of the Expiry Date.

15.6 NBPco is required to include within its Subcontract(s) with its Claw-backable Subcontractor(s) the requirement to provide information on an Open Book basis to inform the calculation of the Deployment Claw-Back Amount and the Subcontractor Deployment Claw-back Amount and to recover, to the extent applicable, payments from each respective Claw-backable Subcontractor in respect of the Deployment Claw-Back Amount and the Subcontractor Deployment Claw-Back Amount.

15.7 Where and to the extent that comparison of:

15.7.1 the Project Cost Model at the Effective Date; and

15.7.2 the Project Cost Model updated for actual Network deployment between Effective Date and the Deployment Completion Date,

identifies that, excluding any change resulting from the application of the Build Related Contract Assumptions, there has been a material change in the proportion or parts of the Network that are built and the proportion or parts of the Network that is rented (such that the Deployment Claw-Back Benefit calculated in accordance with Paragraph 15.3 (Over-Subsidy Claw-Back: Deployment) may be over-stated or under-stated by more than **[REDACTED]** the "**Network Build/Rent Change**"), either Party may request an Independent Assurance Review to determine an appropriate adjustment to the calculation of the Deployment Claw-Back Amount to take account of the Network Build/Rent Change so that the calculation of Deployment Claw-Back Benefit is based on a like for like comparison (in terms of proportion of Network build and rental) of Forecast Build PE and Actual Adjusted Build PE.

15.8 For the avoidance of doubt, the Deployment Claw-Back Amount (if any) paid to the Minister shall be considered to be unused Deployment Subsidy that may be reallocated by the Minister in accordance with Paragraph 2.4 (Subsidy Payments) of this Schedule.

16 OVER-SUBSIDY CLAW-BACK: IRR

16.1 IRR Claw-Back shall apply in accordance with Paragraph 16.1 (Over-Subsidy Claw-Back: IRR) to Paragraph 16.9 (Over-Subsidy Claw-Back: IRR) inclusive in respect of the Outturn Clawback IRR as adjusted in accordance with Paragraph 16.3 (Over-Subsidy Claw-Back: IRR).

16.2 NBPco shall only pay Distributions to the Shareholders at any time throughout the Contract Period subject to, and in accordance with, the provisions of this Paragraph 16 (Over-

Subsidy Claw-back: IRR). At each IRR Review Point, NBPco shall, prior to paying any Distribution to the Shareholders:

- 16.2.1 Calculate the Outturn Clawback IRR and Provisional Clawback IRR in accordance with Paragraph 16.3 (Over-Subsidy Claw-back: IRR);
 - 16.2.2 Calculate the IRR Comparator in accordance with Paragraph 16.4 (Over-Subsidy Claw-back: IRR);
 - 16.2.3 Only if the Provisional Clawback IRR is greater than the IRR Comparator, calculate the IRR Claw-Back Benefit, IRR Claw-Back Excess Benefit and IRR Claw-Back Amount in accordance with Paragraphs 16.5 (Over-Subsidy Claw-back: IRR) and 16.6 (Over-Subsidy Claw-back: IRR);
 - 16.2.4 Submit the calculations referenced in Paragraphs 16.2.1 (Over-Subsidy Claw-back: IRR) to 16.2.3 (Over-Subsidy Claw-back: IRR) (inclusive) for the Minister's review. Where any of the calculations referenced in Paragraphs 16.2.1 (Over-Subsidy Claw-back: IRR) to 16.2.3 (Over-Subsidy Claw-back: IRR) (inclusive) do not comply with the provisions of this Paragraph 16 (Over-Subsidy Claw-back: IRR), the Minister shall return the relevant calculation or calculations (as applicable) to NBPco within ten (10) Working Days identifying the deficiencies in which case NBPco shall promptly issue a replacement calculation or calculations (as applicable). If the Minister fails to return any such purportedly deficient calculation or calculations (as applicable) to NBPco within such ten (10) Working Day period, the calculations referenced in Paragraphs 16.2.1 (Over-Subsidy Claw-back: IRR) to 16.2.3 (Over-Subsidy Claw-back: IRR) (inclusive) will be deemed to be valid for the purposes of this Paragraph 16.2 (Over-Subsidy Claw-back: IRR);
 - 16.2.5 Only if the Provisional Clawback IRR is greater than the IRR Comparator, pay into the IRR Clawback Account the IRR Claw-Back Amount in accordance with Paragraph 16.7 (Over-Subsidy Claw-back: IRR); and
 - 16.2.6 Only after (or at the same time as) any positive IRR Claw-Back Amount has been paid into the IRR Clawback Account in accordance with Paragraph 16.7 (Over-Subsidy Claw-back: IRR), pay as the Distribution to the Shareholders an amount equal to (A) minus (B), where:
 - (A) is the full amount that is available for distribution to Shareholders at that IRR Review Point that was included in the calculation of the Provisional Claw-Back IRR at that IRR Review Point; and
 - (B) is the positive IRR Claw-Back Amount.
- 16.3 At each IRR Review Point, NBPco shall calculate the Outturn Claw-Back IRR and Provisional Claw-Back IRR using the same methodology that the Project Claw-Back IRR was calculated in the Original Project Financial Model except that:
- 16.3.1 the Outturn Claw-Back IRR and Provisional Claw-Back IRR shall be based on nominal cash flows;
 - 16.3.2 the Outturn Claw-Back IRR shall be calculated based on the Distributions paid and due to be paid up to but not including the relevant IRR Review Point. Such Distributions shall be the Distributions actually paid and due to be paid to

Shareholders up to but not including the relevant IRR Review Point (i.e. net of any IRR Claw-Back Amount paid or due to be paid in respect of such IRR Review Points);

16.3.3 subject to Paragraph 16.3.4 (Over-Subsidy Claw-back: IRR), the Provisional Claw-Back IRR shall be calculated:

(A) based on the Distributions paid and due to be paid up to the relevant IRR Review Point as set out in Paragraph 16.3.2 (Over-Subsidy Claw-back: IRR); and

(B) assuming that the full amount that is available for distribution to Shareholders at that IRR Review Point is paid as a Distribution to Shareholders at that IRR Review Point;

16.3.4 at the Final IRR Review Point only, in respect of the calculation of the Provisional Claw-Back IRR only, an additional amount equal to the higher of zero and (X) less (Y) is to be treated as an amount that is available to be paid as a Distribution to the Shareholders of NBPCo on the date of the Final IRR Review Point, where:

(X) is the value of NBPCo's Cash Balance at the Final IRR Review Point, expressed as a positive number; and

(Y) is the value of NBPCo's debt at the Final IRR Review Point, expressed as a positive number; and

16.3.5 in accordance with Clause 44.11 (Project Documents and Funding Documents) of this Agreement, the Outturn Claw-Back IRR and Provisional Claw-Back IRR shall take into account the impact of any Refinancing or other relevant matter on the amount of share capital subscribed in NBPCo, amounts advanced to NBPCo under the Subordinated Funding Documents and/or Distributions paid and projected to be paid up to and including the relevant IRR Review Point.

16.4 At each IRR Review Point, NBPCo shall submit its calculation of the IRR Comparator for the Minister's review as calculated in accordance with the following formula:

$$\text{IRR Comparator} = ((1 + r) \times (1 + n)) - 1$$

where:

r means the Project Claw Back IRR applicable as at that IRR Review Point and expressed as a decimal; and

n means $((HICP_{pd} / HICP_{bd})^{(1 / (t / 12))}) - 1$ where **t** is equal to the number of months that have elapsed from January 2019 until the month immediately preceding the month in which the IRR Review Point falls;

HICP_{pd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for the month immediately preceding the month in which the IRR Review Point falls; and

HICP_{bd} means the number published by the Central Statistics Office (or any successor thereto) in respect of the European Union Harmonised Index of Consumer Prices - Ireland for January 2019.

- 16.5 At each IRR Review Point, NBPco shall submit updated Project Accounts and supporting detailed calculations for the Minister's review showing:
- 16.5.1 the actual nominal cashflows in respect of Project Costs and Project Revenues over the period between the Effective Date and that IRR Review Point and the actual amounts of share capital subscribed in NBPco, actual amounts advanced to NBPco under the Subordinated Funding Documents, the actual Distributions paid or due to be paid up to but not including the relevant IRR Review Point, the IRR Claw-Back Amounts paid or due to be paid up to but not including the relevant IRR Review Point (and the timing of all such payments) and the amount that is available for distribution to Shareholders at that IRR Review Point;
 - 16.5.2 the Outturn Claw-Back IRR and Provisional Claw-Back IRR calculated in respect of the period between the Effective Date and the IRR Review Point and in accordance with Paragraph 16.3 (Over-Subsidy Claw-Back: IRR);
 - 16.5.3 only if the Provisional Claw-Back IRR exceeds twenty five percent (25%), the "**IRR Claw-Back Excess Benefit**", which is that portion of the amount available for distribution to Shareholders at the relevant IRR Review Point which, if excluded from the calculation of the Provisional Claw-Back IRR, would result in the Provisional Claw-Back IRR being equal to the higher of:
 - (A) the Outturn Claw-Back IRR; and
 - (B) twenty five percent (25%);
 - 16.5.4 only if the Provisional Claw-Back IRR exceeds the IRR Comparator at that IRR Review Point, the "**IRR Claw-Back Benefit**", where:
 - (A) only if the Outturn Claw-Back IRR is less than the IRR Comparator and the Provisional Claw-Back IRR is greater than the IRR Comparator at that IRR Review Point, the IRR Claw-Back Benefit shall be calculated as (1) minus (2) minus (3) where:
 - (1) is the amount available for distribution to Shareholders at the relevant IRR Review Point; and
 - (2) is that portion of the amount available for distribution to Shareholders at the relevant IRR Review Point which, if it was assumed to be the Distribution to Shareholders at that

IRR Review Point, would result in the Provisional Claw-Back IRR being equal to the IRR Comparator; and

(3) is the IRR Claw-Back Excess Benefit which, for the avoidance of doubt, shall be equal to zero if the Outturn Claw-Back IRR does not exceed twenty five percent (25%);

(B) only if the Outturn Claw-Back IRR and the Provisional Claw-Back IRR are both greater than the IRR Comparator at that IRR Review Point, the IRR Claw-Back Benefit shall be calculated as (1) minus (2) where:

(1) is the amount available for distribution to Shareholders at the relevant IRR Review Point; and

(2) is the IRR Claw-Back Excess Benefit which, for the avoidance of doubt, shall be equal to zero if the Outturn Claw-Back IRR does not exceed twenty five percent (25%);

16.5.5 only if the Provisional Claw-Back IRR exceeds the IRR Comparator at that IRR Review Point, the IRR Claw-Back Amount, as calculated in accordance with Paragraph 16.6 (Over-Subsidy Claw-Back: IRR);

16.5.6 only if that IRR Review Point is:

(A) the First IRR Review Point (i.e. the date that is ten (10) years from the Effective Date); or

(B) the Second IRR Review Point (i.e. the date that is fifteen (15) years from the Effective Date); or

(C) the Third IRR Review Point (i.e. the date that is twenty (20) years from the Effective Date); or

(D) the Final Review Point (i.e. the earlier of the Termination Date or the Expiry Date),

and the Provisional Claw-Back IRR is lower than the IRR Comparator at that IRR Review Point, the “**IRR Deficit Amount**”, which is the amount which, if included as an additional Distribution at the applicable IRR Review Point in the calculation of the Provisional Claw-Back IRR, would result in the Provisional Claw-Back IRR being equal to the IRR Comparator at that IRR Review Point; and

16.5.7 only if the Outturn Claw-Back IRR and the Provisional Claw-Back IRR are both less than or equal to the IRR Comparator at that IRR Review Point, the IRR Claw-Back Benefit shall be nil (zero).

16.6 At each IRR Review Point, if the Provisional Claw-Back IRR exceeds the IRR Comparator, the “**IRR Claw-Back Amount**” shall be calculated as:

IRR Claw-Back Amount = (IRR Claw-Back Benefit x [REDACTED]) + (IRR Claw-Back Excess Benefit x 75%)

16.7 Subject to Paragraph 16.10 (Over-Subsidy Claw-back: IRR), the IRR Claw-Back Amounts (if any) shall be paid in euro in cleared funds and in full (without deduction, set-off, withholding, abatement, counter-claim or otherwise) by NBPco into the IRR Clawback

Account within ninety (90) days of approval or deemed approval by the Minister of the calculations submitted by NBPco to the Minister pursuant to Paragraph 16.2.4 (Over-Subsidy Claw-back: IRR).

16.8 If at the relevant IRR Review Point the conditions set out in Paragraph 16.5.6 (Over-Subsidy Claw-back: IRR) are satisfied, there will be a reverse payment from the IRR Clawback Account to NBPco in which case NBPco shall, within ninety (90) days of approval or deemed approval by the Minister of the calculations submitted by NBPco to the Minister pursuant to Paragraph 16.2.4 (Over-Subsidy Claw-back: IRR), be paid by the Minister from the IRR Clawback Account the lesser of:

16.8.1 the IRR Deficit Amount; and

16.8.2 the balance of the IRR Clawback Account (excluding all interest paid or payable), provided that the balance of the IRR Clawback Account shall never be less than zero.

16.9 If and to the extent that:

16.9.1 the IRR Deficit Amount referenced in Paragraph 16.8.1 (Over-Subsidy Claw-back: IRR) is greater than the balance of the IRR Clawback Account (excluding all interest paid or payable on that IRR Clawback Account); and

16.9.2 the Minister has received payments of IRR Claw-Back Amounts in accordance with Paragraph 16.10 (Over-Subsidy Claw-back: IRR);

then the Minister shall, within ninety (90) days of approval or deemed approval by the Minister of the calculations submitted by NBPco to the Minister pursuant to Paragraph 16.2.4 (Over-Subsidy Claw-back: IRR), pay to NBPco the lesser of:

16.9.3 the amount of the IRR Deficit Amount that could not be paid in accordance with Paragraph 16.8 (Over-Subsidy Claw-back: IRR) (i.e. the amount by which the amount in Paragraph 16.8.1 (Over-Subsidy Claw-back: IRR) exceeds the amount in Paragraph 16.8.2 (Over-Subsidy Claw-back: IRR)); and

16.9.4 the total IRR Claw-Back Amounts received by the Minister in accordance with Paragraph 16.10 (Over-Subsidy Claw-back: IRR) that have not previously been paid to NBPco and are not due to be paid to NBPco pursuant to this Paragraph 16.9 (Over-Subsidy Claw-back: IRR).

16.10 If and to the extent that the payment of an IRR Claw-Back Amount into the IRR Clawback Account would take the balance of the IRR Clawback Account (excluding all interest paid or payable on that IRR Clawback Account) above **[REDACTED]** then the portion of the IRR Claw-Back Amount which would result in the balance of the IRR Clawback Account (excluding all interest paid or payable on that IRR Clawback Account) exceeding **[REDACTED]** shall not be paid into the IRR Clawback Account and shall instead be paid in euro in cleared funds and in full (without deduction, set-off, withholding, abatement, counter-claim or otherwise) to the Minister within ninety (90) days of the submission by

NBPco to the Minister of valid calculations as referenced in Paragraph 16.2.4 (Over-Subsidy Claw-back: IRR).

16.11 Interest paid or payable on the IRR Clawback Account shall accrue and be paid to either the Minister or to NBPco in accordance with Paragraph 16.11.1 (Over-Subsidy Claw-back: IRR) and Paragraph 16.11.2 (Over-Subsidy Claw-back: IRR) as follows:

16.11.1 in respect of each IRR Review Period, the interest that is paid or payable during that IRR Review Period in respect of IRR Claw-Back Amounts that were paid or are payable into the IRR Claw-Back Account in respect of prior IRR Review Periods shall accrue exclusively to the benefit of and is to be paid to the Minister (from the IRR Claw-Back Account) at the Minister's request; and

16.11.2 in respect of each IRR Review Period, the interest that is paid or payable during that IRR Review Period only in respect of the IRR Claw-Back Amounts that are paid or payable into the IRR Claw-Back Account during that IRR Review Period in respect of that IRR Review Period only shall accrue exclusively to the benefit of NBPco and shall be paid to NBPco by the Minister (from the IRR Claw-Back Account) within thirty (30) days of the end of that IRR Review Period.

16.12 If and only to the extent that at any time between the Effective Date and the Expiry Date:

16.12.1 there is a need for an additional amount of share capital to be subscribed in, and/or subordinated loans to be made available to, NBPco in order for NBPco to be able to pay for Connection Costs that:

(A) were not foreseen or forecast by NBPco; and

(B) are not able to be paid from any other funds available to NBPco, including the funds to be made available by the Minister and NBPco in respect of ACMPs in accordance with Paragraph 6B (Additional Connection Milestone Payments),

(the "**Capital Shortfall Amount**"); and

16.12.2 the amount of the Capital Shortfall Amount is verified by the Minister as an actual cost that:

(A) will be incurred by NBPco prior to the Expiry Date;

(B) was not foreseen and allowed for in the Project Financial Model at the Effective Date; and

(C) is not able to be paid from any other funds available to NBPco, including the funds to be made available by the Minister and NBPco in respect of ACMPs in accordance with Paragraph 6B (Additional Connection Milestone Payments);

then the Capital Shortfall Amount shall be funded as follows:

16.12.3 subject to the Shareholders providing the balance in accordance with Paragraph 16.12.4 (Over-Subsidy Claw-back: IRR), up to **[REDACTED]** of the Capital Shortfall Amount shall be made available from the IRR Clawback Account (provided that at that time there is a sufficient balance in the IRR Clawback Account (excluding all interest paid or payable)) and shall be claimed by NBPco

through Additional Connection Milestone Payments in accordance with Paragraph 6B (Additional Connection Milestone Payments) and Paragraph 7B (Additional Connection Milestone Payment Claims); and

16.12.4 the balance of the Capital Shortfall Amount shall be provided by the Shareholders as additional amounts of share capital subscribed in NBPco and/or subordinated debt to be made available to NBPco (in which case NBPco shall procure that the Subordinated Funding Documents are, subject to the provisions of Clause 44 (Project Documents and Funding Documents), amended accordingly to provide for such additional amounts of share capital and/or subordinated debt).

16.13 Subject to the Minister's right to be paid accrued interest in accordance with Paragraph 16.11.1 (Over-Subsidy Claw-back: IRR) standing to the IRR Claw-Back Account, the Minister shall not withdraw amounts from the IRR Clawback Account until after the completion of the Final IRR Review Point and any payment being made to NBPco in accordance with Paragraph 16.8 (Over-Subsidy Claw-back IRR). Immediately following the completion of the Final IRR Review Point, the balance of the IRR Clawback Account shall be paid in euro in cleared funds and in full (without deduction, set-off, withholding, abatement, counter-claim or otherwise) to the Minister.

17 OVER-SUBSIDY CLAW-BACK: TERMINAL VALUE

17.1 At the Terminal Value Review Point, NBPco shall submit to the Minister for the Minister's review an assessment of the actual Terminal Value and Net Terminal Value of NBPco in accordance with Paragraph 17.2 (Over-Subsidy Claw-Back: Terminal Value).

17.2 At the Terminal Value Review Point, the EBITDA multiple of 10 (ten) for Terminal Value will be applied to the average EBITDA (exclusive of Subsidy Payments) of NBPco over the previous three (3) years of Project Accounts, calculated based on the Accounting Policies applicable at the Terminal Value Review Point, to calculate an actual Terminal Value of NBPco. This actual Terminal Value shall be compared to the forecast Terminal Value as shown in cell F31 of the worksheet entitled "*Returns & Ratios Calc*" of the Original Project Financial Model. If the actual Terminal Value is more than the forecast Terminal Value the difference represents a "**Net Terminal Value**".

17.3 At the Terminal Value Review Point, the Terminal Value Claw-Back Amount shall be calculated by the Minister, with reference to the Net Terminal Value, as follows:

$$\text{Terminal Value Claw-Back Amount} = (\text{Net Terminal Value} - \text{NL}) \times 40\%$$

Where NL is the higher of zero and (B - A); and

(B) is the value of NBPco's debt at the Terminal Value Review Point, expressed as a positive number; and

(A) is the value of NBPco's Cash Balance at the Terminal Value Review Point, expressed as a positive number.

17.4 If the Terminal Value Claw-Back Amount is greater than zero at the Terminal Value Review Point, NBPco shall, from that date, pay in euro and in full (without deduction, set-off, withholding, abatement, counter-claim or otherwise) to the Minister, at the same point in time as any Distributions are paid to Shareholders, an amount equal to the Distributions paid to the Shareholders until the Terminal Value Claw Back Amount is paid to the Minister

in its entirety provided that, if the total amount of the Terminal Value Claw-Back Amount has not been paid in full to the Minister by the date which is three (3) years from the Terminal Value Review Point (the “**TV Longstop Date**”), NBPco shall be required to pay the unpaid balance of the Terminal Value Claw-Back Amount to the Minister within thirty (30) days of the TV Longstop Date. For the avoidance of doubt, the Terminal Value Claw-Back Amount shall never be less than zero (i.e. there will be no reverse payment from the Minister to NBPco in respect of the Terminal Value Claw-Back Amount).

18 PROCEEDS OF SALE

- 18.1 NBPco shall procure and ensure that the Minister receives, from the relevant seller(s), any sums due and payable to the Minister pursuant to the Proceeds of Sale Provisions in full and in euro (and without deduction, set-off, withholding, abatement, counter-claim or otherwise). This Paragraph does not limit or affect the Minister’s rights under the Proceeds of Sale Provisions to receive a first priority preferential dividend.
- 18.2 The amount paid to the Minister pursuant to the Proceeds of Sale Provisions shall be deemed to be an investment in the share capital of NBPco (effected at the time of sale completion) for the purposes of the calculation of the Outturn Claw-Back IRR at all subsequent IRR Review Points. For the avoidance of doubt, at no time will there be a reverse payment from the Minister to NBPco (or its Shareholders or any other person) in respect of the amount paid to the Minister pursuant to the Proceeds of Sale Provisions.

19 CASH BALANCES

- 19.1 NBPco agrees that it is intended that the Cash Balance will not exceed ten million euro (€10,000,000) during the Deployment Period. In order to achieve this objective, NBPco shall:
- 19.1.1 do all that is necessary to ensure that the Cash Balance does not exceed ten million euro (€10,000,000) on the last day of any Quarter during the Deployment Period and, in particular, NBPco shall implement and maintain in place throughout the Deployment Period such specific processes, resources and reporting systems as are necessary to undertake cash flow reporting for the business and specifically to ensure that it achieves compliance with the provisions of this Paragraph 19 (Cash Balances);
- 19.1.2 in each DMPC, OCPC, CMPC and ACMPC or any request for payment pursuant to Paragraph 19.3.2 (Cash Balances):
- (A) specify the Cash Balance at the date of, as applicable, the DMPC, OCPC, CMPC or ACMPC or request for payment pursuant to Paragraph 19.3.2 (Cash Balances) and expected Cash Balance on the last day of the Quarter in which the Subsidy Payment or other sum is, pursuant to the provisions of this Agreement, due to be paid to NBPco; and
- (B) confirm whether or not full payment of the relevant Subsidy Payment or other sum would result in the Cash Balance exceeding ten million euro (€10,000,000) on the last day of the Quarter in which the Subsidy Payment or other sum is, pursuant to the provisions of this Agreement, due to be paid to NBPco and, if applicable, the amount of the Subsidy Payment or other sum that should be withheld to prevent the Cash

Balance exceeding ten million euro (€10,000,000) on the last day of the Quarter concerned; and

- 19.1.3 not undertake any financial engineering which has the object or effect of circumventing the spirit or intent of this Paragraph 19 (Cash Balances).
- 19.2 Despite any other provision of this Agreement, the Minister is entitled (but not obliged) to withhold payment of any Subsidy Payments or other sums to NBPco (including any payments pursuant to Paragraph 19.3.2 (Cash Balances)) to the extent necessary to prevent the Cash Balance exceeding ten million euro (€10,000,000) on the last day of the Quarter in which the payment of the Subsidy Payment or other sum would otherwise be paid in full to NBPco.
- 19.3 If the Minister withholds any Subsidy Payments or other sums to NBPco pursuant to Paragraph 19.2 (Cash Balances):
- 19.3.1 interest shall accrue on the amount withheld by the Minister pursuant to Paragraph 19.2 (Cash Balances) from the date that the amount was withheld pursuant to Paragraph 19.2 (Cash Balances) and up to the earlier of (a) the date of payment by the Minister to NBPco pursuant to Paragraph 19.3.3 (Cash Balances); and (b) the date of the written request by NBPco pursuant to Paragraph 19.3.2 (Cash Balances) at an annual rate the equivalent to the greater of:
- (A) the base rate of the European Central Bank (as adjusted from time to time by the European Central Bank); and
- (B) zero percent (0%),
- plus, in either case, two percent (2%); and
- 19.3.2 the Minister shall, on written request by NBPco from time to time, pay to NBPco, within five (5) Working Days of the date of receipt of the written request as applicable, any sums withheld (and not previously paid out to NBPco pursuant to this Paragraph 19.3.2 (Cash Balances) or Paragraph 19.3.3 (Cash Balances)) by the Minister pursuant to Paragraph 19.2 (Cash Balances), together with any interest that has accrued on such sums pursuant to Paragraph 19.3.1 (Cash Balances) up to the date of the written request by NBPco, provided that such sums shall only be payable to NBPco to the extent that the payment would not result in the Cash Balance exceeding ten million euro (€10,000,000) on the last day of the Quarter in which the payment is to be made; and
- 19.3.3 the Minister is entitled, at its sole discretion, at any time (and from time to time) to pay to NBPco any sums withheld pursuant to Paragraph 19.2 (Cash Balances) and interest accrued pursuant to Paragraph 19.3.1 (Cash Balances) (despite the Minister not having received a written request for payment from NBPco and irrespective of whether such payment results in the Cash Balances exceeding ten million euro (€10,000,000)) in such amounts as determined by the Minister.

APPENDIX 1 (DEPLOYMENT MILESTONE PAYMENTS)

Note: An electronic version of Appendix 1 (Deployment Milestone Payments) and Appendix 3 (Ongoing Capital Payments) to this Schedule 5.1 (Subsidy Payments) (e.g. in the form of a spreadsheet) will be required to track all of the Changes to DMPs and OCPs during the Contract Period (e.g. as a result of Build Related Contract Assumptions) and to reference each Change to a specific Change Authorisation and specific Build Related Contract Assumption (as applicable).

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

APPENDIX 2 (CONNECTION MILESTONE PAYMENTS)

Table 1: Connection Milestone Payments

Connection Payment Milestone ID	Connection Payment Milestones	Connection Milestone Payment (CMP _i) payable in respect of the Achievement of each Connection Payment Milestone (subject to the provisions of this Schedule 5.1 (Subsidy Payments))
P6.1000XX	A Connection Payment Milestone for every 1,000 new Premises Connected up to 469,000 new Premises Connected (see note below)	[REDACTED]

Note: The limit on the number of new Premises Connected is the number of first time Connections forecast in the Original Project Financial Model.

APPENDIX 3 (ONGOING CAPITAL PAYMENTS)

Table 1: Ongoing Capital Payments

As stated in Paragraph 8.3 (Ongoing Capital Payments) of this Schedule 5.1 (Subsidy Payments), subject to Paragraph 2.2 (Subsidy Payments), OCP_{nm} shall equal €0 for all Quarters commencing on or after the tenth (10th) anniversary of the Effective Date.

Deployment Payment Milestone ID	Deployment Payment Milestone	Original M2 Milestone Date	Additional Ongoing Capital Payment (Euro) per full Quarter (resulting from the Achievement of that particular Deployment Payment Milestone)	Total Ongoing Capital Payment per Quarter ($\sum_1^m OCP_{nm}$) payable from the date that particular Deployment Payment Milestone is Achieved (i.e. the sum of the additional Ongoing Capital Payments in the fourth column up to and including that particular Deployment Payment Milestone) subject to the provisions of this Schedule 5.1	Quarter in which the Ongoing Capital Payment ends (i.e. the final Quarter for which the Ongoing Capital Payment is to be paid)
DP2.01	Deployment Area Complete for 1 Deployment Area	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.02	Deployment Area Complete for 2 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.03	Deployment Area Complete for 3 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.04	Deployment Area Complete for 4 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.05	Deployment Area Complete for 5 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.06	Deployment Area Complete for 6 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.07	Deployment Area Complete for 7 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.08	Deployment Area Complete for 8 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.09	Deployment Area Complete for 9 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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DP2.10	Deployment Area Complete for 10 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.11	Deployment Area Complete for 11 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.12	Deployment Area Complete for 12 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.13	Deployment Area Complete for 13 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.14	Deployment Area Complete for 14 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.15	Deployment Area Complete for 15 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.16	Deployment Area Complete for 16 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.17	Deployment Area Complete for 17 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.18	Deployment Area Complete for 18 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.19	Deployment Area Complete for 19 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.20	Deployment Area Complete for 20 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.21	Deployment Area Complete for 21 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.22	Deployment Area Complete for 22 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.23	Deployment Area Complete for 23 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.24	Deployment Area Complete for 24 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.25	Deployment Area Complete for 25 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.26	Deployment Area Complete for 26 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.27	Deployment Area Complete for 27 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.28	Deployment Area Complete for 28 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Up to date as at 7 January 2022
 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.29	Deployment Area Complete for 29 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.30	Deployment Area Complete for 30 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.31	Deployment Area Complete for 31 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.32	Deployment Area Complete for 32 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.33	Deployment Area Complete for 33 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.34	Deployment Area Complete for 34 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.35	Deployment Area Complete for 35 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.36	Deployment Area Complete for 36 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.37	Deployment Area Complete for 37 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.38	Deployment Area Complete for 38 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.39	Deployment Area Complete for 39 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.40	Deployment Area Complete for 40 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.41	Deployment Area Complete for 41 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.42	Deployment Area Complete for 42 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.43	Deployment Area Complete for 43 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.44	Deployment Area Complete for 44 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.45	Deployment Area Complete for 45 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.46	Deployment Area Complete for 46 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.47	Deployment Area Complete for 47 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Up to date as at 7 January 2022
 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.48	Deployment Area Complete for 48 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.49	Deployment Area Complete for 49 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.50	Deployment Area Complete for 50 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.51	Deployment Area Complete for 51 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.52	Deployment Area Complete for 52 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.53	Deployment Area Complete for 53 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.54	Deployment Area Complete for 54 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.55	Deployment Area Complete for 55 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.56	Deployment Area Complete for 56 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.57	Deployment Area Complete for 57 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.58	Deployment Area Complete for 58 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.59	Deployment Area Complete for 59 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.60	Deployment Area Complete for 60 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.61	Deployment Area Complete for 61 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.62	Deployment Area Complete for 62 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.63	Deployment Area Complete for 63 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.64	Deployment Area Complete for 64 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.65	Deployment Area Complete for 65 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.66	Deployment Area Complete for 66 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.67	Deployment Area Complete for 67 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.68	Deployment Area Complete for 68 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.69	Deployment Area Complete for 69 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.70	Deployment Area Complete for 70 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.71	Deployment Area Complete for 71 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.72	Deployment Area Complete for 72 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.73	Deployment Area Complete for 73 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.74	Deployment Area Complete for 74 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.75	Deployment Area Complete for 75 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.76	Deployment Area Complete for 76 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.77	Deployment Area Complete for 77 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.78	Deployment Area Complete for 78 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.79	Deployment Area Complete for 79 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.80	Deployment Area Complete for 80 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.81	Deployment Area Complete for 81 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.82	Deployment Area Complete for 82 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.83	Deployment Area Complete for 83 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.84	Deployment Area Complete for 84 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.85	Deployment Area Complete for 85 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.86	Deployment Area Complete for 86 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.87	Deployment Area Complete for 87 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.88	Deployment Area Complete for 88 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.89	Deployment Area Complete for 89 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.90	Deployment Area Complete for 90 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.91	Deployment Area Complete for 91 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.92	Deployment Area Complete for 92 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.93	Deployment Area Complete for 93 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.94	Deployment Area Complete for 94 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.95	Deployment Area Complete for 95 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.96	Deployment Area Complete for 96 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.97	Deployment Area Complete for 97 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.98	Deployment Area Complete for 98 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.99	Deployment Area Complete for 99 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.100	Deployment Area Complete for 100 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.101	Deployment Area Complete for 101 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.102	Deployment Area Complete for 102 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.103	Deployment Area Complete for 103 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.104	Deployment Area Complete for 104 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.105	Deployment Area Complete for 105 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.106	Deployment Area Complete for 106 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.107	Deployment Area Complete for 107 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.108	Deployment Area Complete for 108 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.109	Deployment Area Complete for 109 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.110	Deployment Area Complete for 110 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.111	Deployment Area Complete for 111 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.112	Deployment Area Complete for 112 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.113	Deployment Area Complete for 113 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.114	Deployment Area Complete for 114 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.115	Deployment Area Complete for 115 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.116	Deployment Area Complete for 116 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.117	Deployment Area Complete for 117 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.118	Deployment Area Complete for 118 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.119	Deployment Area Complete for 119 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.120	Deployment Area Complete for 120 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.121	Deployment Area Complete for 121 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.122	Deployment Area Complete for 122 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.123	Deployment Area Complete for 123 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.124	Deployment Area Complete for 124 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.125	Deployment Area Complete for 125 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.126	Deployment Area Complete for 126 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.127	Deployment Area Complete for 127 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.128	Deployment Area Complete for 128 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.129	Deployment Area Complete for 129 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.130	Deployment Area Complete for 130 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.131	Deployment Area Complete for 131 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.132	Deployment Area Complete for 132 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.133	Deployment Area Complete for 133 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.134	Deployment Area Complete for 134 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.135	Deployment Area Complete for 135 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.136	Deployment Area Complete for 136 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.137	Deployment Area Complete for 137 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.138	Deployment Area Complete for 138 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.139	Deployment Area Complete for 139 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.140	Deployment Area Complete for 140 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.141	Deployment Area Complete for 141 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.142	Deployment Area Complete for 142 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.143	Deployment Area Complete for 143 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.144	Deployment Area Complete for 144 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.145	Deployment Area Complete for 145 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.146	Deployment Area Complete for 146 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.147	Deployment Area Complete for 147 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.148	Deployment Area Complete for 148 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.149	Deployment Area Complete for 149 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.150	Deployment Area Complete for 150 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.151	Deployment Area Complete for 151 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.152	Deployment Area Complete for 152 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.153	Deployment Area Complete for 153 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.154	Deployment Area Complete for 154 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.155	Deployment Area Complete for 155 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.156	Deployment Area Complete for 156 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.157	Deployment Area Complete for 157 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.158	Deployment Area Complete for 158 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.159	Deployment Area Complete for 159 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.160	Deployment Area Complete for 160 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.161	Deployment Area Complete for 161 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.162	Deployment Area Complete for 162 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.163	Deployment Area Complete for 163 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.164	Deployment Area Complete for 164 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.165	Deployment Area Complete for 165 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.166	Deployment Area Complete for 166 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.167	Deployment Area Complete for 167 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.168	Deployment Area Complete for 168 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.169	Deployment Area Complete for 169 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.170	Deployment Area Complete for 170 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.171	Deployment Area Complete for 171 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.172	Deployment Area Complete for 172 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.173	Deployment Area Complete for 173 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.174	Deployment Area Complete for 174 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.175	Deployment Area Complete for 175 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.176	Deployment Area Complete for 176 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.177	Deployment Area Complete for 177 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.178	Deployment Area Complete for 178 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.179	Deployment Area Complete for 179 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.180	Deployment Area Complete for 180 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.181	Deployment Area Complete for 181 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.182	Deployment Area Complete for 182 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.183	Deployment Area Complete for 183 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.184	Deployment Area Complete for 184 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.185	Deployment Area Complete for 185 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.186	Deployment Area Complete for 186 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.187	Deployment Area Complete for 187 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.188	Deployment Area Complete for 188 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.189	Deployment Area Complete for 189 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.190	Deployment Area Complete for 190 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.191	Deployment Area Complete for 191 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.192	Deployment Area Complete for 192 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.193	Deployment Area Complete for 193 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.194	Deployment Area Complete for 194 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.195	Deployment Area Complete for 195 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.196	Deployment Area Complete for 196 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.197	Deployment Area Complete for 197 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.198	Deployment Area Complete for 198 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.199	Deployment Area Complete for 199 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.200	Deployment Area Complete for 200 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.201	Deployment Area Complete for 201 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.202	Deployment Area Complete for 202 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.203	Deployment Area Complete for 203 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.204	Deployment Area Complete for 204 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.205	Deployment Area Complete for 205 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.206	Deployment Area Complete for 206 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.207	Deployment Area Complete for 207 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.208	Deployment Area Complete for 208 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.209	Deployment Area Complete for 209 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.210	Deployment Area Complete for 210 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.211	Deployment Area Complete for 211 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.212	Deployment Area Complete for 212 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.213	Deployment Area Complete for 213 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.214	Deployment Area Complete for 214 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.215	Deployment Area Complete for 215 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.216	Deployment Area Complete for 216 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.217	Deployment Area Complete for 217 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.218	Deployment Area Complete for 218 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

DP2.219	Deployment Area Complete for 219 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.220	Deployment Area Complete for 220 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.221	Deployment Area Complete for 221 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.222	Deployment Area Complete for 222 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.223	Deployment Area Complete for 223 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.224	Deployment Area Complete for 224 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.225	Deployment Area Complete for 225 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.226	Deployment Area Complete for 226 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
DP2.227	Deployment Area Complete for 227 Deployment Areas	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Table 2: Ongoing Capital Payments Adjustments

Quarter End Date	Additional OCPs
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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 Schedule 5.1 – Subsidy Payments (Redacted Version)

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

APPENDIX 4 (COSTS, PERMITTED EXPENDITURE AND REVENUES)

1 NBPCO COSTS AND PROJECT COSTS

- 1.1 NBPco will incur costs in the development and delivery of High Speed Broadband. Such costs shall be classified as NBPco Costs, and may also be classified as Project Costs and Permitted Expenditure.
- 1.2 **"NBPco Costs"** are all costs incurred by NBPco including Project Costs and other costs.
- 1.3 **"Project Costs"** are NBPco Costs that are directly related to the delivery of the Project. This includes all Capital Expenditure (including Capital Expenditure related to Connections) and operational expenditure incurred by NBPco in the deployment of the Network to the Intervention Area and in the delivery of Services to the Intervention Area, such Services relating to the Wholesale Products. Costs that are incurred solely for the provision of services that do not relate to Wholesale Products shall not be included in Project Costs.
- 1.4 Only Avoidable Costs shall be counted as Project Costs. If costs are Un-Avoidable Costs they shall not be included in Project Costs.
- 1.5 Project Capital Expenditure, Project Lifecycle Expenditure, Project Operational Expenditure and Project Overhead Costs are all part of Project Costs.
- 1.6 NBPco shall include NBPco Costs in the Project Accounts and the Project Financial Model over the Contract Period.

2 AVOIDABLE AND UN-AVOIDABLE COSTS

Avoidable Costs

- 2.1 **"Avoidable Costs"** are costs incurred by NBPco or its Subcontractors that are solely related to the Project and that satisfy the criteria in Paragraph 2.2 (Avoidable and Un-Avoidable Costs) and that are not excluded under Paragraph 2.3 (Avoidable and Un-Avoidable Costs), whereby if the Project did not take place such costs would not be incurred.
- 2.2 Costs shall only be classified as Avoidable Costs if they meet all of the following criteria:
- 2.2.1 The costs are incurred for the purpose of providing the Network, Wholesale Products and/or Services that NBPco is required to provide, and only to the extent that NBPco is required to provide, under this Agreement; and
- 2.2.2 the costs are incurred after the Effective Date (save, however, that design costs in respect of the Network and company set up costs for NBPco and Buildco for the Project which were actually incurred (and are evidenced by way of payment or bank records and statements, BACS lists, receipts or other written confirmation) between June 2016 and the Effective Date in anticipation and for the benefit of the Project as part of the procurement process for the Project and which are reflected in the Project Financial Model at the Effective Date shall, subject to appropriate demonstration and evidence of how and when they were incurred, be eligible for inclusion in Avoidable Costs where they comply with

Paragraph 2.2.1 (Avoidable and Un-Avoidable Costs) of this Appendix 4 (Costs, Permitted Expenditure and Revenues).

2.3 To the extent that:

2.3.1 a cost is incurred for reasons not related to the Project; or

2.3.2 the activity or investment associated with the cost is required for reasons not related to the Project; or

2.3.3 the cost is incurred prior to the Effective Date (save, however, that design costs in respect of the Network and company set up costs for the Project which were actually incurred (and are evidenced by way of payment or bank records and statements, BACS lists, receipts or other written confirmation) between June 2016 and the Effective Date in anticipation and for the benefit of the Project as part of the procurement process for the Project and which are reflected in the Project Financial Model at the Effective Date shall, subject to appropriate demonstration and evidence of how and when they were incurred, be eligible for inclusion in Avoidable Costs where they comply with Paragraph 2.2.1 (Avoidable and Un-Avoidable Costs) of this Appendix 4 (Costs, Permitted Expenditure and Revenues),

then to that extent such cost is an Un-Avoidable Cost, and shall not be included in Project Costs.

2.4 For the avoidance of doubt, Avoidable Costs can be incremental costs (i.e. the Avoidable Cost being the additional incremental cost required for the purposes of the Project). Accordingly, costs that have a shared use and are therefore partly Avoidable, and partly Un-Avoidable, may be apportioned, including (if applicable) in accordance with the expected level of End User take up from the Intervention Area and Excluded Area in respect of that cost.

Un-Avoidable Costs

2.5 "**Un-Avoidable Costs**" are costs that are not Avoidable Costs i.e. costs that would be incurred irrespective of the Project.

3 PERMITTED EXPENDITURE

3.1 "**Permitted Expenditure**" is a Project Cost that is approved by the Minister and incurred by:

3.1.1 NBPco in the establishment of the Network but excluding Project Costs invoiced or due to be invoiced to NBPco by Buildco; and

3.1.2 **[REDACTED]**

and that satisfies the criteria in Paragraph 3.2 (Permitted Expenditure) and which, as a consequence, is eligible for public subsidy provided solely by the Minister under this

Agreement (i.e. not EU or ERDF funding or other forms of Irish government funding). Permitted Expenditure consists only of:

- 3.1.3 Permitted Expenditure Passed, which consists only of
 - (A) Permitted Expenditure Passed (DA);
 - (B) Permitted Expenditure Passed (Common); and
 - (C) Permitted Expenditure Passed (Infra Rental);
- 3.1.4 Permitted Expenditure Connect;
- 3.1.5 Permitted Expenditure NBPco; and
- 3.1.6 Permitted Expenditure New Premises.

and excludes Permitted Expenditure WIP.

3.2 Project Costs shall only be classified as Permitted Expenditure if they meet all of the following criteria:

- 3.2.1 the Project Cost directly relates to :
 - (A) the cost of Passing the Premises that exist in a Deployment Area (including Deferred Premises) at the time the Network is first deployed in that Deployment Area (i.e. the Premises that existed in that Deployment Area prior to Deployment Area Complete), including costs associated with Network design, Assets and Network Deployment in respect of that Deployment Area, with such Permitted Expenditure having been verified by the Minister's Representative as eligible and valid Permitted Expenditure that directly relates to the Achievement of the M2 Milestone for that Deployment Area in accordance with Paragraph 5 (DMPC Supporting Documentation) of Schedule 5.1 (Subsidy Payments), but excluding Permitted Expenditure Passed (Common) (with such Project Costs relating to Permitted Expenditure Passed (DA)); or
 - (B) the Connection Costs incurred in respect of, or allocated to Connect Premises after the Effective Date in the Intervention Area that have not previously been Connected, with such Permitted Expenditure having been verified by the Minister's Representative as eligible and valid Permitted Expenditure in accordance with Paragraph 7C (CMPC Supporting Documentation) of this Schedule 5.1 (Subsidy Payments) (with such Project Costs relating to Permitted Expenditure Connect); or
 - (C) the cost of Infrastructure Access Costs during the Contract Period, with such Permitted Expenditure having been verified by the Minister's Representative as eligible and valid Permitted Expenditure in accordance with Paragraph 5B (General PE Supporting Documentation) of this Schedule 5.1 (Subsidy Payments) (with such

Project Costs relating to Permitted Expenditure Passed (Infra Rental));
or

- (D) the cost of setting up and establishing NBPco and Buildco into commercially viable businesses, from the Effective Date to the earlier of: (i) the end of the Quarter when NBPco is first achieving a positive net operating cashflow over any four consecutive Quarters; and (ii) the end of the seventh Contract Year, with such Permitted Expenditure having been verified by the Minister's Representative as eligible and valid Permitted Expenditure in accordance with Paragraph 5B (General PE Supporting Documentation) of this Schedule 5.1 (Subsidy Payments) (with such Project Costs relating to Permitted Expenditure NBPco); or
- (E) the cost of Passing those New Premises in a Deployment Area that are Passed after the Deployment Area Complete (M2) Milestone Achievement Date for that Deployment Area, with such Permitted Expenditure having been verified by the Minister's Representative as eligible and valid Permitted Expenditure in accordance with Paragraph 5B (General PE Supporting Documentation) of Schedule 5.1 (Subsidy Payments) (with such Project Costs relating to Permitted Expenditure New Premises); or
- (F) the cost of Network design, Assets and Network Deployment that are common to two or more Deployment Areas (i.e. the costs are required to Pass Premises in two or more Deployment Areas at the time the Network is first deployed in those Deployment Areas), with such Permitted Expenditure verified by the Minister's Representative as eligible and valid Permitted Expenditure in accordance with Paragraph 5B (General PE Supporting Documentation) of this Schedule 5.1 (Subsidy Payments) (with such Project Costs relating to Permitted Expenditure Passed (Common)) and

3.2.2 the Project Cost is either:

- (A) Project Capital Expenditure; or
- (B) Infrastructure Access Costs; or
- (C) expenditure incurred in the set up and establishment of NBPco and Buildco into commercially viable businesses; and

3.2.3 the Project Cost is required for the provision of Wholesale Products to the Intervention Area in either of the following product categories:

- (A) Minimum Required Wholesale Products; or
- (B) Additional Required Wholesale Products; and

3.2.4 the Project Cost:

- (A) is categorised as one of the six (6) categories of Permitted Expenditure listed in Paragraph 3.2.1 (Permitted Expenditure) of this Appendix 4 in the Project Cost Model in column N of the worksheet entitled "*Capex assumptions*" and column L of the worksheet entitled "*Opex*

assumptions" and in the Project Financial Model in column E of the relevant BOM Sheet and column F of the "Op Costs inputs" worksheet at the Effective Date; or

- (B) was not foreseen at the time the Project Cost Model and Project Financial Model applicable at the Effective Date were prepared but meets all of the other criteria set out in Paragraphs 3.2.1 (Permitted Expenditure) to 3.2.3 (Permitted Expenditure) of this Paragraph.

3.3 Expenditure incurred by NBPco or Buildco which is not consistent with the criteria in Paragraph 3.2 (Permitted Expenditure) of this Paragraph or does not otherwise satisfy the definition of Permitted Expenditure is not Permitted Expenditure.

3.4 For the avoidance of doubt, Projects Costs that fall within the definition of Permitted Expenditure WIP are not, at that time, Permitted Expenditure. Such Project Costs shall only be Permitted Expenditure (and will no longer be Permitted Expenditure WIP) when they fall within the definition of:

3.4.1 Permitted Expenditure Passed, which consists only of

- (A) Permitted Expenditure Passed (DA);
- (B) Permitted Expenditure Passed (Common); and
- (C) Permitted Expenditure Passed (Infra Rental);

3.4.2 Permitted Expenditure Connect;

3.4.3 Permitted Expenditure NBPco; or

3.4.4 Permitted Expenditure New Premises.

4 NOT USED

5 NOT USED

6 NBPCO REVENUES AND PROJECT REVENUES

NBPco Revenues

6.1 "NBPco Revenues" are all revenues generated by NBPco including Project Revenues and other revenues.

6.2 NBPco shall not include NBPco Revenues that are not Project Revenues in the Project Accounts or in the Project Financial Model over the Contract Period.

Project Revenues

- 6.3 **"Project Revenues"** are NBPco Revenues that are directly related to the Project.
- 6.4 Project Revenues include:
- 6.4.1 all revenues derived from the Wholesale Products, i.e. the Minimum Required Wholesale Products, Additional Required Wholesale Products and Other Permitted Wholesale Products; and
 - 6.4.2 the part of NBPco Revenues generated (wholly or partly) from NBPco Assets or other assets that, in whole or in part, form part of the Project Costs.
- 6.5 For the avoidance of doubt, Project Revenues can be incremental revenues (i.e. the incremental revenue that relates to the Project, to the Wholesale Products or to the NBPco Assets (or other assets) that, in whole or in part, form part of the Project Costs).
- 6.6 NBPco shall include all Project Revenues in the Project Accounts and the Project Financial Model over the Contract Period.

APPENDIX 5 (REPORTS)

1 INTRODUCTION

1.1 NBPco shall produce the following reports and accounts in accordance with the provisions of this Appendix:

1.1.1 Management Accounts;

1.1.2 Project Accounts; and

1.1.3 State Aid Report.

2 MANAGEMENT ACCOUNTS

2.1 NBPco shall and shall procure that its Claw-backable Subcontractors shall prepare management accounts (“**Management Accounts**”) in accordance with the requirements of Schedule 6.5 (Reports) and Paragraph 11 (Project Accounts and Financial Records) of this Schedule 5.1 (Subsidy Payments). The Management Accounts shall include the information set out in this Paragraph 2 (Management Accounts).

2.2 The Management Accounts shall include all those items required to provide timely financial and statistical information to enable effective governance and control of this Agreement. The Management Accounts shall include the following non-exhaustive list of items:

2.2.1 profit and loss account (per month and year-to-date);

2.2.2 balance sheet (as at period end date);

2.2.3 cash flow statement (per month and year-to-date);

2.2.4 analysis of Cash Balances, including reporting on the requirements of Paragraph 19 (Cash Balances) of this Schedule 5.1 (Subsidy Payments);

2.2.5 commercial revenues by individual service (year-to-date);

2.2.6 analysis of the Subsidy Payments (per month, year-to-date, and accumulated to date) including:

(A) M0 Deployment Milestone Payments;

(B) M1 Deployment Milestone Payments;

(C) M2 Deployment Milestone Payments;

(D) Ongoing Capital Payments;

(E) Connection Milestone Payments;

(F) Additional Connection Milestone Payments;

(G) Change Authorisations;

- 2.2.7 the above analysis shall include movements within each Reporting Period as between:
- (A) Opening balance at start of period;
 - (B) Movement during period; and
 - (C) Closing Balance at end of period;
- 2.2.8 analysis of debtors to include:
- (A) Subsidy Payments outstanding at period end;
 - (B) Commercial revenues outstanding at period end; and
 - (C) Aged-Debtor Analysis;
- 2.2.9 build expenditure by Deployment Area analysed by:
- (A) Opening expenditure;
 - (B) Expenditure during period; and
 - (C) Closing expenditure;
- 2.2.10 operating expenditure in the Intervention Area analysed by:
- (A) Opening expenditure;
 - (B) Expenditure during period; and
 - (C) Closing expenditure;
- 2.2.11 Connection expenditure by Deployment Area analysed by:
- (A) Opening expenditure;
 - (B) Expenditure during period; and
 - (C) Closing expenditure;
- 2.2.12 full-time employees by function;
- 2.2.13 Fixed Assets analysed by asset class to include:
- (A) Original cost;
 - (B) Depreciation during period;
 - (C) Accumulated depreciation; and
 - (D) Net book value;
- 2.2.14 details of fibre and pole stocks; and

- 2.2.15 analysis of fibre and pole stocks (including the value of Permitted Expenditure Stock and the change in value of Permitted Expenditure Stock over the Reporting Period).

3 PROJECT ACCOUNTS

- 3.1 The Project Accounts prepared on an annual basis in accordance with the requirements of Schedule 6.5 (Reports) and Paragraph 11 (Project Accounts and Financial Records) of this Schedule 5.1 (Subsidy Payments) that shall include information in relation to the following:
 - 3.1.1 capital expenditure;
 - 3.1.2 changes in Fixed Assets;
 - 3.1.3 operating expenditure;
 - 3.1.4 income;
 - 3.1.5 Subsidy Payments received;
 - 3.1.6 commercial revenue received;
 - 3.1.7 a comparison of income and expenditure to the Project Financial Model;
 - 3.1.8 a detailed breakdown of expenditure incurred by each Claw-backable Subcontractor which demonstrates the actual Permitted Expenditure (categorised according to the six (6) categories of Permitted Expenditure listed in Paragraph 3.2.1 (Permitted Expenditure) of Appendix 4 (Costs, Permitted Expenditure and Revenues) of this Schedule), other expenditure and costs incurred in each quarter and in each Contract Year to forecast / budget;
 - 3.1.9 a narrative on any variations between actual to forecasted / budgeted results;
 - 3.1.10 a calculation of the PE Test and the State Aid Intensity Test based on financial information as at the end of the Reporting Period.
- 3.2 Project Accounts shall align to the format of the outputs of the Project Financial Model and Project Cost Model as set out in Schedule 5.3 (The Project Financial Model) and incorporate the transparency and validation requirements as set out below and shall be prepared to align with the financial year of NBPco.
- 3.3 NBPco shall ensure the Project Accounts incorporate transparency in relation to identification, validation and allocation of the various types of expenditure and revenues as required (including non-discrimination), under the following Schedules:

- 3.3.1 Schedule 5.1 (Subsidy Payments), in particular Appendix 4 (Costs, Permitted Expenditure and Revenues);
 - 3.3.2 Schedule 5.4 (Eligibility Requirements for ERDF Funding); and
 - 3.3.3 Schedule 5.5 (Accounting Separation).
- 3.4 Project Accounts shall incorporate visibility and validation of data required to calculate the Deployment Claw-Back Amount, IRR Claw-Back Amount and Terminal Value Claw-Back Amount.
- 3.5 Separately, NBPCo shall procure that Claw-backable Subcontractors shall at all times throughout the Contract Period, prepare and maintain, subject to and in accordance with this Agreement, detailed Project Accounts (as outlined in this Appendix), in order to, among other matters demonstrate / specify their actual profit margins related to the Project, which also are subject to Claw-Back in accordance with Paragraph 15 (Over-Subsidy Claw-Back: Deployment) of this Schedule.
- 3.6 NBPCo shall procure that Claw-backable Subcontractors report their profit margins related to the Project directly to the Minister on their financial year basis.

4 STATE AID REPORT – PERMITTED EXPENDITURE

- 4.1 NBPCo shall ensure that each State Aid Report in relation to Permitted Expenditure incorporates the identification, transparency, validation and allocation of the various types of expenditure which qualify for Permitted Expenditure (categorised according to the six (6) categories of Permitted Expenditure listed in Paragraph 3.2.1 (Permitted Expenditure) of Appendix 4 (Costs, Permitted Expenditure and Revenues) of this Schedule).
- 4.2 All Permitted Expenditure shall be supported by relevant invoices and evidence of payment which will be made available and provided to the Minister's Representatives on request.
- 4.3 NBPCo shall provide details of qualifying Permitted Expenditure as compared to actual Subsidy Payments received, on both a total nominal basis and a net present value basis (discounted to the Effective Date based on the SAIT Discount Rate). NBPCo shall also provide a calculation of the State Aid Intensity Test based on financial information as at the end of the Reporting Period.
- 4.4 NBPCo shall ensure that the format of the reports provided are similar and comparable to the Project Accounts and incorporate details of Permitted Expenditure under the following:
- 4.4.1 capital expenditure;
 - 4.4.2 changes in Fixed Assets;
 - 4.4.3 operating expenditure; and
 - 4.4.4 a comparison with the Project Financial Model.

5 REPORTING – EXPIRY AND TERMINATION OF AGREEMENT

- 5.1 On termination of this Agreement or occurrence of the Expiry Date, NBPCo shall, and shall procure that the Claw-backable Subcontractors shall, prepare a copy of the Project Accounts for the period from (i) the day after the end of the period in the most recent Project Accounts prepared in respect of the Claw-backable Subcontractor, to (ii) the

Termination Date or Expiry Date (as applicable), provided that any costs that were committed prior to the Termination Date or Expiry Date (as applicable) and that will be incurred shall be deemed to have been incurred on the Termination Date or Expiry Date (as applicable).

- 5.2 NBPco shall, and shall procure (to the extent reasonably possible) that its Claw-backable Subcontractors shall, maintain accounting records for all Permitted Expenditure funded partly or wholly pursuant to this Agreement. NBPco shall use reasonable endeavours to ensure that these accounting records include original invoices, receipts, accounts, deeds, bank records and any other relevant documentation whether in written or electronic form.

APPENDIX 6 (WORKED EXAMPLES)

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

APPENDIX 7 (SUPPORTING DOCUMENTATION)

1 INTRODUCTION

1.1 Permitted Expenditure is defined in Paragraph 3 (Permitted Expenditure) of Appendix 4 (Costs, Permitted Expenditure and Revenues) of this Schedule 5.1 (Subsidy Payments) and comprises:

- Permitted Expenditure Passed (Paragraph 3.2.1 (A), (C) and (F) (Permitted Expenditure))
- Permitted Expenditure Connect (Paragraph 3.2.1 (B) (Permitted Expenditure))
- Permitted Expenditure NBPco (Paragraph 3.2.1 (D) (Permitted Expenditure))
- Permitted Expenditure New Premises (Paragraph 3.2.1 (E) (Permitted Expenditure))

1.2 Permitted Expenditure Passed comprises:

- Permitted Expenditure Passed (DA);
- Permitted Expenditure Passed (Common); and
- Permitted Expenditure Passed (Infra Rental).

1.3 Supporting documentation is required to be submitted by NBPco (or, where and to the extent agreed in writing by the Minister, made available for review by the Minister's Representative) to evidence the Permitted Expenditure incurred by NBPco and Buildco. Supporting documentation is addressed in the following Paragraphs of this Schedule 5.1 (Subsidy Payments), in particular:

- Permitted Expenditure Passed (DA) in Paragraph 5 (DMPC Supporting Documentation);
- Permitted Expenditure Passed (Common) in Paragraph 5B (General PE Supporting Documentation);
- Permitted Expenditure Passed (Infra Rental) in Paragraph 5B (General PE Supporting Documentation);
- Permitted Expenditure Connect in Paragraph 7C (CMPC Supporting Documentation);
- Permitted Expenditure NBPco in Paragraph 5B (General PE Supporting Documentation); and
- Permitted Expenditure New Premises in Paragraph 5B (General PE Supporting Documentation).

1.4 The supporting documentation to be provided by NBPco in each instance is explained further in the Paragraphs that follow.

2 **DMPC SUPPORTING DOCUMENTATION**

2.1 DMPC Supporting Documentation (Paragraph 5 (DMPC Supporting Documentation) of this Schedule 5.1 (Subsidy Payments) relates to Permitted Expenditure Passed (DA).

2.2 Such Permitted Expenditure Passed (DA) might comprise:

- NBPco internal costs (e.g. staff costs or other internal costs relating to Network design and build), to the extent that such costs are not included in and reported as Permitted Expenditure NBPco;
- Buildco internal costs (e.g. staff costs or other internal costs relating to Network design and build);
- **[REDACTED]**
- Build related Subcontractor costs (which includes Network design but excludes Connections); and
- Costs of the equipment and materials used in the deployment of the Network in a Deployment Area at the time the Network is first deployed in that Deployment Area.

2.3 The supporting documentation required in respect of each of these areas is described in, and is to be submitted by NBPco in accordance with, Paragraph 5 (DMPC Supporting Documentation) of Schedule 5.1 (Subsidy Payments) and must include the following:

Cost component	DMPC Supporting Documentation
NBPco & Buildco staff costs	<ul style="list-style-type: none"> • Evidence demonstrating the employees involved in Network design & build • Timesheet data by employee (time input) in period • Payroll & additional employer cost evidence by employee in period • Total Permitted Expenditure Passed (DA) related employment costs in period
NBPco & Buildco other internal costs	<ul style="list-style-type: none"> • Evidence (through copies of invoices, receipts, timesheets, payroll records or other accounting information) of other internal costs actually incurred (as distinct from contracted for) by NBPco or Buildco in respect of Network design and build. • Such evidence to be relevant to the nature of the cost incurred • Invoices to detail amount, date, services delivered and period to which the invoice relates, together with evidence of payment by NBPco / Buildco (see Subcontractor section below)
[REDACTED]	[REDACTED]
Build (M2 Milestone) related Subcontractor costs	<ul style="list-style-type: none"> • Subcontractor invoice detailing: <ul style="list-style-type: none"> ○ Subcontract to which the invoice relates; ○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the Subcontract); ○ Date of invoice and period to which the invoice relates; ○ Services to which the invoice relates; ○ Number of units delivered (which should correspond to the number of units in the updated DACT submitted with the Milestone Achievement Report); ○ Rate per unit (which in the case of Network build, should correspond to the Subcontractor rate at the date of the DA Commencement Notification as shown in the updated DACT submitted with the Milestone Achievement Report); and ○ Calculation / breakdown of the invoice amount to evidence the payment due in accordance with the Agreement and the relevant Subcontract • Copy of the latest Subcontract (if not already provided to the Minister) • Subject to Paragraph 5.2 (DMPC Supporting Documentation) of Schedule 5.1 (Subsidy Payments), evidence that the Permitted Expenditure has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister

<p>Non-Build (M1 Milestone) related Subcontractor costs</p>	<ul style="list-style-type: none"> • Subcontractor invoice detailing: <ul style="list-style-type: none"> ○ Subcontract to which the invoice relates; ○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the Subcontract); ○ Date of invoice and period to which the invoice relates; ○ Services to which the invoice relates; ○ Number of units delivered (which should correspond to the number of units in the relevant Subcontract); ○ Rate per unit (which should correspond to the relevant rate in the Subcontract for the period to which the invoice relates);and ○ Calculation / breakdown of the invoice amount to evidence the payment due in accordance with the Agreement and the relevant Subcontract • Copy of the latest Subcontract (if not already provided to the Minister) • Subject to Paragraph 5.2 (DMPC Supporting Documentation) of Schedule 5.1 (Subsidy Payments), evidence that the Permitted Expenditure (DA) has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister
<p>Equipment & materials costs</p>	<ul style="list-style-type: none"> • Number of units of equipment and materials used (which should correspond to the number of units in the updated DACT submitted with the Milestone Achievement Report) • Rate per unit of equipment and materials used (which should correspond to the rates in place at the time the relevant equipment and materials was purchased and the rates as stated in the updated DACT submitted with the Milestone Achievement Report) • Copy of the relevant invoice and payment evidence relating to the original equipment and materials purchase (if not already provided to the Minister)

3 CMPC SUPPORTING DOCUMENTATION

3.1 CMPC Supporting Documentation relates to Permitted Expenditure Connect and is described in Paragraph 7C (CMPC Supporting Documentation) of this Schedule 5.1 (Subsidy Payments).

3.2 The supporting documentation required in this respect is described in, and is to be submitted by NBPco in accordance with, Paragraphs 7 (Connection Milestone Payment Claims) and 7B (Additional Connection Milestone Payment Claims) of this Schedule 5.1 (Subsidy Payments) and must include the following:

Cost component	CMPC Supporting Documentation
NBPco & Buildco staff costs	<ul style="list-style-type: none"> • Evidence demonstrating the employees involved in Connections • Timesheet data by employee (time input) in period • Payroll & additional employer cost evidence by employee in period • Total Permitted Expenditure Connect related employment costs in period
NBPco & Buildco other internal costs	<ul style="list-style-type: none"> • Evidence (through copies of invoices, receipts, timesheets, payroll records or other accounting information) of other internal costs actually incurred (as distinct from contracted for) by NBPco or Buildco in respect of Connections. • Such evidence to be relevant to the nature of the cost incurred • Invoices to detail amount, date, services delivered and period to which the invoice relates, together with evidence of payment by NBPco / Buildco (see Subcontractor section below)
Connection related Subcontractor costs	<ul style="list-style-type: none"> • Subcontractor invoice detailing: <ul style="list-style-type: none"> ○ Subcontract to which the invoice relates; ○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the Subcontract); ○ Date of invoice and period to which the invoice relates; ○ Services to which the invoice relates; ○ Number of units delivered (which should correspond to number of units evidenced as being required in the Milestone Achievement Report and to the units in the rate card in the relevant Subcontract); ○ Rate per unit (which should correspond to the relevant rate in the Subcontract at the time the Subcontractor was appointed to undertake the Connections); and ○ Calculation / breakdown of the invoice amount to evidence the payment due in accordance with the Agreement and the relevant Subcontract • Copy of the latest Subcontract (if not already provided to the Minister) • Subject to Paragraph 7C.2 (CMPC Supporting Documentation of Schedule 5.1 (Subsidy Payments), evidence that the Permitted Expenditure Connect has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister

Equipment & materials costs	<ul style="list-style-type: none">• Number of units of equipment and materials used (which should correspond to the number of units evidenced as being required in the Milestone Achievement Report)• Rate per unit of equipment and materials used (which should correspond to the rates in place at the time the relevant equipment and materials was purchased)• Copy of the relevant invoice and payment evidence relating to the original equipment and materials purchase (if not already provided to the Minister)
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4 GENERAL PE SUPPORTING DOCUMENTATION

4.1 General PE Supporting Documentation relates to:

- Permitted Expenditure Passed (Common);
- Permitted Expenditure Passed (Infra Rental);
- Permitted Expenditure NBPco; and
- Permitted Expenditure New Premises.

4.2 Permitted Expenditure NBPco includes Permitted Expenditure NBPco (Build).

4.3 The supporting documentation required in respect of each of these categories of Permitted Expenditure is described in, and is to be submitted by NPBco with the PE Tracker in accordance with, Paragraph 5B (General PE Supporting Documentation) of this Schedule 5.1 (Subsidy Payments). Such Supporting Documentation must include the following:

Cost component	General PE Supporting Documentation
NBPco staff costs	<ul style="list-style-type: none"> • Evidence demonstrating the NBPco employees involved in the delivery of the Agreement not already covered by the DMPC Supporting Documentation and CMPC Supporting Documentation • Timesheet data by employee (time input) in period • Payroll & additional employer cost evidence by employee in period • Total Permitted Expenditure related to such employment costs in period
NBPco other internal costs	<ul style="list-style-type: none"> • Evidence (through copies of invoices, receipts, timesheets, payroll records or other accounting information) of other internal costs actually incurred (as distinct from contracted for) by NBPco that qualifies as Permitted Expenditure and is not already covered by the DMPC Supporting Documentation and CMPC Supporting Documentation. Such evidence to be relevant to the nature of the cost incurred • Invoices to detail amount, date, services delivered and period to which the invoice relates, together with evidence of payment by NBPco • Examples include invoices relating to premises costs, rates, Comreg levy etc. • Evidence that the Permitted Expenditure has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister

Infrastructure rental costs and other Subcontractor costs	<ul style="list-style-type: none">• Subcontractor invoice detailing:<ul style="list-style-type: none">○ Subcontract to which the invoice relates;○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the Subcontract);○ Date of invoice and period to which the invoice relates;○ Services to which the invoice relates;○ Number of units delivered (which should correspond to the number of units in the relevant Subcontract)○ Rate per unit (which should correspond to the relevant rate in the Subcontract for the period to which the invoice relates)○ Calculation / breakdown of the invoice amount to evidence the payment due in accordance with the Agreement and the relevant Subcontract• Copy of the latest Subcontract (if not already provided to the Minister)• Subject to Paragraph 5.2 (DMPC Supporting Documentation) of this Schedule 5.1 (Subsidy Payments), evidence that the Permitted Expenditure has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister
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5 **SUPPORTING DOCUMENTATION FOR PERMITTED EXPENDITURE WIP**

5.1 Permitted Expenditure WIP comprises:

- Permitted Expenditure DA WIP;
- Permitted Expenditure Connect WIP; and
- Permitted Expenditure Stock.

5.2 The supporting documentation required to be provided by NBPco in respect of Permitted Expenditure WIP is as follows:

Cost component	Supporting documentation
Build (M2 Milestone) related LR Subcontract costs in respect of Permitted Expenditure DA WIP	<ul style="list-style-type: none"> • Subcontractor invoice detailing: <ul style="list-style-type: none"> ○ Subcontract to which the invoice relates; ○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the LR Subcontract); ○ Date of invoice and period to which the invoice relates; ○ Services to which the invoice relates; ○ Number of units delivered; ○ Rate per unit (which in the case of Network build, should correspond to the LR Subcontractor rate at the date of the DA Commencement Notification); ○ Calculation / breakdown of the invoice amount to evidence the payment due in accordance with the Agreement and the relevant LR Subcontract; • Copy of the latest LR Subcontract (if not already provided to the Minister) • Subject to Paragraph 5.2 (DMPC Supporting Documentation) of this Schedule 5.1 (Subsidy Payments), evidence that the Permitted Expenditure has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister
Connection related Subcontractor costs in respect of Permitted Expenditure Connect WIP	<ul style="list-style-type: none"> • Subcontractor invoice detailing: <ul style="list-style-type: none"> ○ Subcontract to which the invoice relates; ○ Amount of the invoice (with cross-reference to and evidence of the relevant charges in the Subcontract); ○ Date of invoice and period to which the invoice relates; ○ Services to which the invoice relates; ○ Number of units delivered in respect of Connections that have been completed but have not, at any time up to and including the time the supporting documentation is submitted to the Minister, been included in a Connection Milestone Payment Claim (where such units should correspond to the units in the rate card in the relevant Subcontract); ○ Rate per unit (which should correspond to the relevant rate in the Subcontract at the time the Subcontractor was appointed to undertake the Connections); • Copy of the latest Subcontract (if not already provided to the Minister); and • Evidence that the Permitted Expenditure Connect has actually been incurred (as distinct from contracted for), for example through payment or bank records and statements, BACS lists, receipts or other relevant confirmations acceptable to the Minister.

Equipment & materials stock costs in respect of Permitted Expenditure Stock	<ul style="list-style-type: none">• Evidence of the number of units of fibre and poles held by NBPco and Buildco as stock for the purposes of this Agreement;• Evidence of the rate per unit of fibre and poles (which should correspond to the rates paid by NBPco or Buildco (as applicable) at the time the fibre and poles were ordered or supplied (as applicable) in accordance with the terms of the E&M Subcontract• Copy of the relevant invoice and payment evidence relating to the ordering and supply of the fibre and poles (if not already provided to the Minister)
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