

Form of Licence

THE ELECTRICITY ACT

[NAME OF LICENSEE GENERATION LICENCE, [YEAR]]

WHEREAS:

- A. The Generation Procurement Entity launched an Open Call for Tenders and issued a Request for Proposals for the supply of up to Net 100 MW of the Electricity Generation from Renewable Energy Based Power Generation Facilities on a Build, Own and Operate (BOO) Basis on September 18, 2023.
- B. **[Name of Company]** (Licensee) was declared to be the preferred bidder in relation to its bid to generate and supply electricity to the National Grid from a Complex of [*] MW of Net Capacity that the Licensee plans to design, finance, construct, own, operate and maintain.
- C. Consequently, a Generation Licence to generate and supply electricity to the National Grid is granted by the Minister responsible for energy pursuant to section 9 of the Electricity Act, 2015, to the Licensee on terms and conditions set out herein.

1. SHORT TITLE

This Licence may be cited as the “[.....] Generation Licence, [.....]” (“the Licence”).

2. INTERPRETATION

2.1 In this Licence –

“**Acts**” shall have the meaning set out in Clause 2.2.

“**Business Day**” means a Day on which business by and between banks may be carried on in Kingston, Jamaica, but in no event shall it include a Saturday or Sunday or Public Holiday.

“**Codes**” has the same meaning as in the EA and is referred to as the Jamaica Electricity Sector Book of Codes dated August 29, 2016, and every update thereof promulgated by the Office.

“**Commercial Operations Date**” or “**COD**” shall have the meaning given thereto in the Power Purchase Agreement as defined in this Licence.

“Complex” means the combination of plants, buildings, and auxiliary equipment on the Licensee’s side of the Interconnection Point, located at [.....] in the parish of [.....], Jamaica, required to provide the Net Energy Output to the National Grid and necessary for the Licensee to honour its obligations under the PPA and, prior to the date of transfer to JPS, the JPS Interconnection Facilities as defined in the PPA.

“Control” or “Controller” or “Controlled” in relation to the Licensee and /or any other company, means the power of a person(s) (whether acting alone or jointly with another), who holds or is beneficially entitled to fifty per centum (50%) or more of the votes in the Licensee or other company to, directly or indirectly, secure by means of those voting rights that the business and affairs of the Licensee or other company are determined, conducted and or implemented in accordance with the wishes of that person and “Controller” and “Controlled” shall be construed accordingly.

“Day” means the 24-hour period beginning and ending at 12:00 midnight Jamaican time.

“Decisive Shareholder” shall have the meaning ascribed to it by Clause 6.2 of this Licence.

“EA” means the Electricity Act, 2015.

“Generation Procurement Entity” or “GPE” means the entity appointed by Cabinet pursuant to section 20(1) of the EA for the purpose of procuring new generating capacity.

“Government” means the Government of Jamaica.

“Governmental Requirements” means any Acts of Parliament, or subsidiary legislation made thereunder, and shall include inter alia Government guidelines, policies, and ministerial directives.

“Interconnection Point” or “IP” shall have the meaning given thereto in the PPA.

“JPS Interconnection Facilities” shall have the meaning given thereto in the PPA.

“Lenders” means the financial institutions that make credit facilities available to the Licensee under the Loan Agreements and the persons who from time to time make other credit facilities available to the Licensee.

“Licensee” means [.....], a legal entity duly incorporated under the laws of Jamaica with registered offices located at [.....] in the parish of [.....], Jamaica.

“Licensed Business” means the generation and sale of up to [.....] MW of electricity utilizing [.....renewable resource....] from the Complex to the National Grid to be carried out in accordance with this Licence, the Power Purchase Agreement and any other permit or requirement under the laws of Jamaica.

“Minister” means the Minister with the portfolio responsibility for electricity.

“National Grid” means the public electricity transmission system in Jamaica but does not include the network used for the distribution of electricity to individual members of the public.

“Net Capacity” means the maximum amount of energy that the Licensee may inject into the IP for any given hour, in accordance with the PPA.

“Net Energy Output” shall have the meaning given thereto in the PPA.

“Office” means the Office of Utilities Regulation as defined in the Office of Utilities Regulation Act.

“Open Call for Tenders” means the competitive procurement process launched by the GPE at September 18th, 2023, pursuant to the EA and its related regulations, for the qualification of, and award to, national and/or foreign legal entities, for the purpose of recommending them for the grant of a licence to supply electricity and execute renewable energy power purchase agreements with the Power Purchaser, with the aim of increasing the share of renewable sources of energy in the country’s energy mix.

“OUR Act” means the Office of Utilities Regulation Act, and regulations made thereunder, and all amendments thereto made from time to time.

“Power Purchase Agreement” or **“PPA”** means the agreement for sale and purchase of power supplied from the Complex to the National Grid and entered into by the Licensee and the Power Purchaser.

“Power Purchaser” means the Jamaica Public Service Company Limited or its successor or permitted assignee, or any other entity licensed to operate the National Grid.

“Pro forma Transaction” means:

- a. an assignment from the Licensee or its shareholders to a body corporate owned or controlled by the Licensee or the same shareholders, without any change in their relative interests;
- b. an assignment from the Licensee to shareholders without effecting any change in the disposition of their interests;

- c. a reorganisation of the Licensee or its shareholders that involves no change in the beneficial ownership thereof:
- d. an assignment or transfer –
 - i. from a body corporate to its wholly owned subsidiary or vice versa; or
 - ii. between wholly owned subsidiaries of the same holding company;
- e. an assignment from a body corporate to another body corporate owned or controlled by the assignor's shareholders without a substantial change in their relative interests.

“Purchase Price” shall have the meaning set forth in Clause 13.8 of this Licence.

2.2 This Licence shall be read and construed with the provisions of the EA, the OUR Act, regulations thereunder and any other applicable legislation (the “Acts”).

2.3 References to any Act or statutory provision includes a reference to:

- a. that Act or statutory provision as may from time to time be amended, extended, replaced, or re-enacted or consolidated; and
- b. all regulations or orders made pursuant to it.

2.4 Unless the context otherwise requires, expressions in this Licence which are not defined herein shall bear the same meanings ascribed to those expressions under the Acts.

3. CONDITION PRECEDENT

3.1 Notwithstanding Clause 5.1 expressly providing for the commencement date, this Licence shall not come into effect until a PPA is executed between the Licensee and the Power Purchaser.

4. GRANT OF LICENCE

4.1 The Minister, pursuant to Section 9(1)(a) of the EA hereby grants to the Licensee this non-exclusive Licence authorizing the Licensee to build, operate and maintain the Complex, and to operate and maintain the Licensed Business, in order to generate and sell up to [.....] MW of bulk electricity therefrom to the National Grid, and in accordance with the provisions of this Licence and its schedules, the Acts, the PPA and the Codes.

- 4.2 The Licensee, in carrying out the Licensed Business, shall be subject to regulation by the Office pursuant to the Acts.

5. DURATION, EXTENSION AND OPERATION BEFORE COMMERCIAL OPERATIONS DATE

- 5.1 Subject to the provisions contained herein and Clause 3.1 hereof, this Licence shall have full force and effect from the date of its execution and shall expire on the twentieth (20th) anniversary of the Commercial Operations Date.
- 5.2 In the event that the Power Purchaser and the Licensee agree to an extension of the PPA that is approved by the Office, the Minister may extend this Licence on terms and conditions that he considers appropriate. Any such request for extension must be made in writing no earlier than six(6) years and no later than five (5) years prior to the date of expiration of the Licence.
- 5.3 Save for Clause 5.2 of this Licence, this Licence shall terminate on the twentieth (20th) anniversary of the Commercial Operations Date, provided however that the Licensee shall have the right to operate the Licensed Business and sell electricity to the National Grid prior to the Commercial Operations Date in the following circumstances:
- a. arising as a result of the testing and commissioning activities of the Complex;
 - b. arising from the operation of the units that have successfully passed all the required testing activities and have been certified appropriately as meeting the contracted requirements to operate, in accordance with the PPA;
 - c. as may be reasonably required by the Minister.

6. ASSIGNMENT OR TRANSFER

6.1 Assignment or transfer of licence

- 6.1.1 This Licence shall not be assigned or transferred by the Licensee without the prior, written consent of the Minister, such consent not to be unreasonably withheld.
- 6.1.2 The Licensee shall not transfer the Complex or the Licensed Business without the prior written consent of the Minister, such consent not to be unreasonably withheld.

- 6.1.3. An application for approval of an assignment or transfer under this Clause 6.1. shall be made in writing to the Minister who shall grant such approval, within sixty (60) business days if he is satisfied, that the assignee or transferee is able to fulfil the obligations imposed on the Licensee by this Licence or the Acts and is in all material respects a fit and proper person to hold such a Licence or operate the Licensed Business or Complex.
- 6.1.4. The Licensee shall submit to the Minister such information pertaining to the proposed assignment or transfer as the Minister may require.
- 6.1.5. The Minister shall not approve a transfer or assignment if the transferee or assignee, or their Controllers, Control other complex(s) pursuant to a power purchase agreement(s) derived from the Open Call for Tenders and the sum of the Net Capacities of the complex(es) already Controlled by the transferee, assignee, or their Controllers, and that of the Complex exceeds fifty (50) MW of Net Capacity. This provision shall apply whether or not the complexes involved have reached commercial operation.
- 6.1.6. Any transfer or assignment of this Licence which is not in accordance with this Clause 6.1 shall not be recognized and shall be deemed null and void for the purposes of the obligations under this Licence.
- 6.1.7. Clause 6.1.3 shall not apply to a Pro Forma Transaction and the following provisions shall apply in relation thereto:
- a. At least sixty days prior to entering into the Pro Forma Transaction, the Licensee shall:
 - i. Notify the Minister in writing of a Pro Forma Transaction; and
 - ii. Submit to the Minister such information pertaining to the Pro Forma Transaction, as the Minister may require.
 - b. Such Pro Forma Transaction shall not be recognised and shall be deemed null and void for the purposes of the obligations under this Licence if the provisions of paragraph (i) of Clause 6.1.7 are not adhered to.

6.2 Sale or transfer of shares or participation

- 6.2.1. Shareholders of the Licensee may sell or transfer their shares or participation without the prior, written consent of the Minister unless they are deemed to be Decisive Shareholders and/or Controllers. Decisive Shareholders and/or Controllers shall not sell or transfer their shares, totally or partially, without the prior, written consent of the Minister, such consent not to be unreasonably withheld.

- 6.2.2 For the purpose of Clause 6.2, a Decisive Shareholder is a shareholder whose experience and technical and/or financial qualifications was decisive for the Licensee in meeting the technical and financial capability and qualification and the experience required for the award of preferred bidder and recommendation for the grant of licence pursuant to the Open Call for Tenders.
- 6.2.3. An application for approval of a sale or transfer of shares of the Licensee or the Licensed Business or participation of Decisive Shareholders and/or Controllers under this Clause 6.2 shall be made in writing to the Minister who shall grant such approval, within sixty (60) business days if he is satisfied, that the requirements set forth in sections 6.2.3 and/or 6.2.4, as applicable, are fulfilled.
- 6.2.4. The Decisive Shareholder may only sell or transfer its shares or participation, totally or partially, to a company with at least the minimum experience and technical and financial qualifications set out in **Schedule 1**, as the case may be. The Decisive Shareholder shall submit to the Minister such information pertaining to the proposed sale or transfer as the Minister may require.
- 6.2.5. A shareholder who Controls the Licensee (the “Controller”) shall not sell or transfer its shares or participation if the buyer or transferee, or their Controllers, Control another complex pursuant to a power purchase agreement(s) derived from the Open Call for Tenders and the sum of the Net Capacities of the complex(es) already Controlled by the buyer or transferee, or their Controllers, and that of the Complex exceeds fifty (50) MW of Net Capacity. This provision shall apply whether the complexes involved have reached commercial operation or not.
- 6.2.6 The Licensee shall submit to the Minister such information pertaining to the proposed sale or transfer of shares or participation, as the Minister may require.
- 6.2.7. Any sale or transfer of shares or participation of a Decisive Shareholder or a Controller which is not in accordance with this Clause 6.2 shall not be recognized and shall be deemed null and void for the purposes of the obligations under this Licence.

7. RATES

- 7.1 The rates to be charged by the Licensee in respect of the generation and sale of electricity pursuant to this Licence shall

be in accordance with the PPA which have been approved by the Office.

8. REGULATORY SERVICE FEE & LICENCE FEE

8.1 For each financial year of this Licence (that is, the period running from April 1 in one year to March 31 of the following year), the Licensee shall pay to the Office, on or before May 1, of that year, an annual Regulatory Service Fee:

- a. calculated based on the revenues as may be derived from the sale of electricity to the Power Purchaser under the terms of the Power Purchase Agreement using the formula set out below:

Regulatory Service Fee: (RF) = BUSP x 1PPR

Where BUSP = The revenue attributable to the Power Purchaser in the audited financial statements of the Licensee for the financial year ending in the calendar year preceding the due date of the regulatory service fee payment.

Where 1PPR = One Ten Thousandth (0.0001)

OR

- b. the applicable annual minimum Regulatory Service Fee as may be prescribed by the Office from time to time if greater than (a) above:

OR

- c. such other Regulatory Service Fee as may be prescribed by the Office pursuant to the OUR Act.

8.2 In the event that the Licensee will not be in operation for a full financial year of the Licence, the Regulatory Service Fee payable for such period shall be the applicable annual minimum Regulatory Service Fee prescribed for that period.

8.3. The Licensee, prior to the issuance of the Licence, shall pay to the Ministry with responsibility for electricity the prescribed non-refundable processing fee and Licence Fee in accordance with section 9(4) of the EA and section 10(5)(a)(i) of the EA respectively.

9. OBLIGATIONS OF THE LICENSEE

9.1 The Licensee shall:

- a. discharge its obligations and perform the duties imposed or authorized as set out in this Licence, the PPA, the Acts, the Codes and any other applicable codes or standards within the time stipulated or with reasonable promptitude;
- b. develop and maintain a reliable, efficient, compatible, safe and economical system of electricity generation in accordance with this Licence, the Codes and the Acts within the time stipulated or with reasonable promptitude;
- c. comply with any Order made by the Minister pursuant to this Licence or to powers vested in him by the Acts with all reasonable promptitude;
- d. comply with any memorandum, determination, order or directive made by the GPE and/or the Office pursuant to this Licence with all reasonable promptitude;
- e. maintain and keep in good repair all equipment and the facilities used in carrying out the Licensed Business;
- f. permit the Minister or his duly appointed designee to enter the Complex without prior notice in an emergency situation;
- g. grant the Minister or his designee and the Office access to the Complex to exercise a power of inspection upon the provision of not less than seven (7) days' notice to the Licensee; and
- h. ensure that neither the Licensee nor any other person or legal entity Controlling the Licensee, Controls other complex(s) pursuant to a power purchase agreement(s) derived from the Open Call for Tenders, and the sum of the Net Capacities of the complex(es) associated to the PPA(s) that is not subject to this Licence and that of the Complex exceeds fifty (50) MW of Net Capacity.

9.2 The accounts and records of the Licensee shall be maintained in such manner as may be prescribed by the Office from time to time after consultation with the Licensee.

9.3 The Licensee shall separate the accounts and records kept in relation to the Licensed Business from any other business of the Licensee.

9.4 The Licensee shall provide such information, reports, and records as may be reasonably requested by the Minister or the Office from time to time.

- 9.5 Where the Minister has exercised step-in rights pursuant to this Licence, the Licensee shall be obliged to cooperate with the Minister and shall take all necessary steps, including the assignment or transfer of any relevant contracts, to facilitate the operation of the Complex.
- 9.6 The Licensee shall ensure that the processes and implementation activities adhere to all applicable environmental laws, regulations, policies, and standards in force in Jamaica and internationally.

10. INFORMATION REPORTING AND AUDITED ACCOUNTS

- 10.1 The Licensee shall procure and furnish to the Generation Procurement Entity any document or information outlined in **Schedule 2** attached hereto or otherwise and, in such manner, and at such times as may be required.
- 10.2 The accounts of the Licensee shall be audited annually at the expense of the Licensee by an independent auditor of the Licensee's choice, provided that such auditor shall:
- a. be of good standing and reputation with the Institute of Chartered Accountants of Jamaica;
 - b. have at least five (5) years' experience at a senior level in conducting audits of financial institutions;
 - c. be the holder of valid practicing certificate by the public Accountancy Board; and
 - d. meet such other criteria as may be reasonably required by the Office.
- 10.3 The Licensee shall provide to the Office within four (4) months of the end of each of the Licensee's financial year a copy of the annual audited balance sheet and profit and loss account of the Licensee related to the generation of electricity pursuant to this Licence and such operating and other statistics as the Office or the Minister may reasonably require.

11. DISCHARGE OF OBLIGATIONS AND POWER OF LICENSEE

- 11.1 Save as set out in this Licence, the Licensee shall discharge its obligations and perform the duties imposed or authorized under the Acts, and shall enjoy the rights and exercise all powers conferred on Independent Power Producers authorized to generate electricity pursuant to the EA.

- 11.2 The Licensee shall not be obliged to undertake extension of any transmission or distribution lines to deliver the electricity generated, save as provided in the PPA.
- 11.3 The Licensee may exercise such rights and shall observe such conditions relating to easements, way leaves, entry of private property and the construction of any lines above, or below ground, as may be prescribed by the Acts or any other contractual agreements between the Licensee and the Power Purchaser.
- 11.4 If in the construction, maintenance and repair of its electric lines, it shall be necessary for the Licensee to disturb public ways and places or the plant of any other utility provider, the Licensee shall restore or pay the cost of restoring such public ways and places and utility plant to as best as possible but in no circumstances less than the condition which existed prior to the disturbance.

12. FORCE MAJEURE

- 12.1 The Licensee shall be excused for any non-compliance with this Licence caused by "Force Majeure", which, for the purpose of this Licence, means any event or circumstance or combination of such events or circumstances that:
- a. occurs inside Jamaica, except as provided in paragraph d.(viii) below;
 - b. is outside the reasonable control of the Licensee;
 - c. cannot be prevented or overcome by the exercise of reasonable diligence; and
 - d. materially and adversely affects the performance by the Licensee of its obligations under this Licence, to the extent that such event(s) or circumstance(s) meet all the foregoing requirements and any of the requirements listed at (i) through (viii) below:
 - i. acts of God, fire, explosion, chemical contamination, earthquakes, lightning, drought, tsunami, flood, torrential rain, storm, cyclone, typhoon, or tornado, pestilence or other natural catastrophes, epidemics or plague that directly affect the Complex;
 - ii. obligations under licences (other than this Licence), concessions or permits or other Governmental Requirements that are necessary for the Licensee to conduct its business and which will adversely impact performance under this Licence;

- iii. any strikes, work to rule, go-slows or other labour disturbances that extend beyond the Complex, are widespread, nation-wide or are of a political nature, including labour actions associated with or directed against a political party, or those that are directed against the Licensee (or its contractors or suppliers) as part of a broader pattern of labour actions against companies or Facilities with - foreign ownership or management;
- iv. expropriation, requisition, confiscation, nationalization or compulsory acquisition of the Licensee or any substantial portion of the Complex;
- v. acts of war (whether or not declared), invasion, blockade or embargo;
- vi. acts of terrorism or threat from terrorists, widespread riot, violent demonstrations, widespread armed insurrection, widespread rebellion or revolution;
- vii. the closing or drastic reduction in capacity of public harbours, ports, docks, canals, roads, airports or other infrastructure, the rationing thereof or any import or export restrictions; or
- viii. to the extent that they result in disruption of the Licensee's ability to receive shipments of fuel, major equipment or critical spare parts, any strikes, work to rules, go-slows, other labour disturbances, natural disasters, terrorist attacks or similar events that occur outside of Jamaica.

13. STEP-IN AND ACQUISITION RIGHTS

- 13.1 After the Commercial Operations Date, if the Licensee shall have ceased to operate all or any material part of the Complex necessary for the performance of functions under this Licence for a period of forty-eight (48) consecutive hours (the "Initial Period") without the prior consent of the Minister (a "Step-in Event"), the Minister or his designee may enter the Complex and may assume operational control of the Complex, provided that:
- a. the Minister shall give prompt notice to the Licensee determining that the Initial Period has concluded, such notice shall be given by means reasonably calculated to ensure prompt actual notice to the Licensee, and

- b. a Step-in Event shall not have occurred and the Minister or his designee shall not be entitled to enter the Complex for the purpose of assumption of operational control if the cessation of operation under clause 13.1 resulted from:
 - i. circumstances beyond the reasonable control of the Licensee such as an event of Force Majeure or a material breach by the Power Purchaser under the Power Purchase Agreement;
 - ii. a forced outage as defined in the Power Purchase Agreement;
 - iii. a scheduled or maintenance outage as defined in the Power Purchase Agreement;
 - iv. an action or failure to act by the Minister or the Office in contravention of any right or entitlement of the Licensee under applicable legislation or regulation being in force, or this Licence;
- c. a Step-in Event shall not have occurred and the Minister or his designee shall not be entitled to enter the Complex for the purpose of assumption of operational control to the extent that the Licensee is proceeding with diligence and good faith to overcome or remedy such event and such event is overcome and remedied within forty-eight (48) hours immediately after the Initial Period.

13.2 If the Minister or his designee assumes operational control of all or part of the Complex upon the occurrence of a Step-in Event in terms of Clause 13.1 the Minister or his designee shall operate the Complex in accordance with prudent utility practice, and in any event, in accordance with standards no lower than those which were binding on the Licensee prior to the occurrence of the Step-in Event.

13.3 Upon the occurrence of a Step-in Event, the Minister or his designee shall be entitled to operate all or part of the Complex until such time as the Licensee has demonstrated to the reasonable satisfaction of the Minister that it can resume normal operation of the Complex in accordance with the terms and conditions of this Licence and the Acts, and that the Step in Event has been or will be overcome or remedied.

13.4 To resume the operations, the Licensee must demonstrate to the Minister that it can and will secure or otherwise acquire and utilize:

- a. requisite qualified and skilled personnel;
- b. sufficient financial resources; and

- c. any other resources identified to be needed to resume proper operation of the Complex in accordance with the terms and conditions of this Licence and to overcome or remedy the Step-in Event.
- 13.5 Where the Licensee is unable to demonstrate its ability to resume normal operation of the Complex to the reasonable satisfaction of the Minister within one hundred and eighty (180) days after the Initial Period, the Minister shall have the right to acquire, and/or to have his designee acquire all of the rights, title and interest of the Licensee in the Complex for an amount equal to fifty percent (50%) of the “purchase price” which shall be formulated in accordance with clause 13.8 below (the “Purchase Price”).
- 13.6 If a Licensee event of default under the Power Purchase Agreement occurs and continues, the Minister shall have the right to suspend this Licence until such event of default has been cured, provided that if the Power Purchase Agreement terminates because of a Licensee event of default, the Minister shall have the right to acquire, and/or to have his designee acquire all of the rights, title and interest of the Licensee in the Licensed Business and Complex for an amount equal to fifty percent (50%) of the Purchase Price which shall be formulated in accordance with clause 13.8 below.
- 13.7 If the Minister elects to exercise his right to acquire all such rights, title and interest of the Licensee in the Licensed Business and Complex pursuant to this Clause 13, payments in accordance with Clause 13.5 or 13.6, as the case may be, shall be made to the Licensee no later than one (1) year after the notice of election to exercise such right.
- 13.8 The Purchase Price referred to in Clauses 13.5 and 13.6 above shall be calculated at the present value of the Licensed Business and Complex, present value being determined by the discounted cash flow methodology. The cash flows to be used in the calculation of the Purchase Price shall be the net cash and cash equivalent from operations of the Licensed Business and Complex as reflected in the audited financial statements from the last financial period prior to the date of the Minister's election to acquire the Licensed Business and Complex and the projected annual cash flow for the subsequent fifteen (15) years at the level of the last audited statement. The applicable interest rate to be used in the calculation of the Purchase Price shall be the United States Department of the Treasury one-year Treasury Bill rates for the relevant financial period.
- 13.9 The Minister shall only indemnify and hold the Licensee harmless from any loss or damage to the Licensed Business and Complex and for any injury to persons incurred as a direct result of the

Minister's or designee's gross negligence or willful misconduct in the operation of the Licensed Business and Complex during the period that the Minister or his designee operates the Licensed Business and Complex, and then only to the extent that such loss, damage or injury is not covered by insurance.

- 13.10 The Minister may designate any other qualified person as his designee for the purpose of exercising any of the powers conferred in this Clause 13.

14. AMENDMENT TO LICENCE

- 14.1 This Licence may be modified at any time by written agreement between the Licensee and the Minister.

15. SUSPENSION OR REVOCATION

- 15.1 In addition to section 13 of the EA, the Minister may, at any time, suspend or revoke this Licence by not less than thirty (30) days' notice in writing (the "Notice of Suspension or Revocation") to the Licensee:

- a. if it shall have been determined that the Licensee has failed to comply with any term or condition of this Licence or to carry out in good faith and with reasonable diligence the activities referred to in this Licence, including compliance with directives, orders, memorandum, or determinations issued by the Office, which determination shall specify in exact detail the respects in which the Licensee so failed, provided that such failure shall have continued for a period of thirty (30) days and shall have impaired the Licensed Business;
- b. if the Licensee is insolvent or bankrupt or has gone into compulsory or voluntary liquidation, other than for the purpose of amalgamation or reconstruction;
- c. if any portion of the Complex or the Licensed Business has been transferred without the prior, written consent of the Minister;
- d. if any fee or financial obligation payable under this Licence or in relation to any Acts or any fine imposed by a court of law is unpaid thirty (30) days after it has become due and after the expiration of this thirty (30) day period it remains unpaid for a further period of thirty (30) days after the Licensee has been given notice in writing by the Office that the payment is overdue provided that any fee or financial obligation that is the subject of judicial review proceedings, arbitration proceedings, court or other dispute resolution tribunal shall not be treated as unpaid for the purposes of this Clause 15 of this Licence;
- e. if the PPA is terminated early as a result of a "Company Event of Default" in accordance with the provisions of the PPA; or

- f. if any principal officer of the Licensee or the Licensee is convicted of a criminal offence by a court of law, which offence has, in the sole opinion of the Minister, materially impaired the Licensee's ability to operate the Licensed Business in accordance with this Licence and the PPA;
- g. If the information on which the Licence was granted was false or misleading or otherwise contrary to law.

15.2 Prior to the expiration of the Notice of Suspension or Revocation, the Licensee shall be given an opportunity to be heard by the Minister, including making oral or written submissions to the Minister as to why this Licence should not be suspended or revoked.

15.3 The Licensee shall not be relieved of any rights or obligations which accrued prior to the suspension or revocation of this Licence.

16. DISPUTES

16.1 In the event that the Licensee is aggrieved by a decision of the Office or the Office's failure to act, the Licensee shall appeal to the Electricity Appeal Tribunal established pursuant to Clause 51 of the EA.

16.2 In the event that the Licensee is aggrieved by a decision of the Minister in respect of any action taken pursuant to this Licence, or vice versa, the dispute shall be resolved by arbitration proceedings pursuant to the Arbitration Act of Jamaica.

17. NOTICES

17.1 Any notice, document or other instrument required or permitted to be given or delivered to any person under any provisions of this Licence shall be in writing and may be delivered or given by registered mail addressed to the person to whom the notice is to be given, or delivery is to be made, at the address below or any such other address as may be specified from time to time by the relevant person; and if so given or delivered by mail shall be deemed to have been given or delivered five (5) days after the date on which it is deposited in the mail as registered mail.

THE MINISTER

Address:

Attention:

THE LICENSEE

Address:

Attention:

- 17.2 If notice is given or any document delivered other than by registered mail as provided in the preceding clause, such notice shall not be deemed to have been given or document delivered until it is actually received by the person to whom the notice is given, or delivery is made.
- 17.3 Any person may change its address for the purposes of this clause by giving notice of such change by hand delivery, or registered mail, which change shall not become effective until it is actually received by the person to whom the notice is addressed.

18. GOVERNING LAW

- 18.1 This Licence shall be governed and construed in accordance with the laws of Jamaica and the Jamaican Courts shall have exclusive jurisdiction.

19. WAIVER

- 19.1 No failure or delay by the Minister to exercise any right, power or remedy under this Licence will operate as a waiver of it, nor will any partial exercise preclude any further exercise of the same or of some other right, power, or remedy.

20. SEVERABILITY

- 20.1 If any term or provision in this Licence is found in whole or in part to be illegal or unenforceable under the laws of Jamaica, that term or provision or part thereof, shall to that extent be deemed not to form part of this Licence and the enforceability of the remainder of this Licence shall not be affected.

21. PRIORITY OF LICENCE

- 21.1 In the event of a conflict between the Licence and the PPA, the relevant provisions of the Licence shall take priority over the PPA.

22. EXPIRATION OF POWER PURCHASER'S LICENCE

- 22.1 In the event that the licence of the Power Purchaser to operate the National Grid, expires or is otherwise terminated prior to the expiration or termination of this Licence, then the Minister shall take such steps as are necessary to ensure that any other person that will replace the Power Purchaser shall assume the existing rights and obligations of the Power Purchaser under the Power Purchase Agreement for the remaining duration of this Licence.

Dated this day of 2024

**SCHEDULE 1
(Clause 6.2.3)**

**Minimum experience and technical and financial qualifications to
facilitate sale or transfer of shares**

*[To be completed with the requirements fulfilled by the Licensee's Decisive
Shareholder(s)]*

Final Version

SCHEDULE 2

(Clause 10.1)

Submissions by the Licensee to the Generation Procurement Entity:

Subject to any protocols and rules developed by the Generation Procurement Entity, the Licensee shall submit to the Generation Procurement Entity the under mentioned documents, including any amendment or modification of each document on or before the period of thirty (30) days from the date of this Licence or any other period specified by the Generation Procurement Entity to the Licensee:

- I. the plan for the operations and maintenance of the Complex (“the O&M Plan”) and any operation and maintenance contract entered into by the Licensee, together with all amendments executed as of that date (but excluding the commercial terms of such operation and maintenance contract);
- II. a copy of the construction contract entered into by the Licensee for the Complex, including all schedules, plans and specifications attached thereto, plus all amendments executed as of that date (but excluding the commercial terms of such construction contract);
- III. copies of any contracts executed with direct contractors for the Complex (but excluding the commercial terms of such contracts);
- IV. copies of all permits, licences, approvals and other governmental authorizations that have been issued to the Licensee for the design; financing, construction, ownership, operation and maintenance of the Complex;
- V. copies of all insurance policies and certificates of insurance required by the PPA to be obtained together with all amendments;
- VI. the final design drawings for the construction of the Complex; and
- VII. certificate(s) signed by the licensed professional engineers of the Licensee's construction contractor stating that the Complex:
 - a has been constructed in accordance with the construction contract, the final design drawings, and prudent utility practice; and

- b is designed and constructed to have a useful life of at least twenty (20) years.

Final Version