

**4. SCHEDULE 4:**

**LOCAL GOVERNMENT VIRES  
CERTIFICATES**

**Schedule 4a (Local Government Vires Certificate)**

In respect of the Project Agreement

## **CERTIFICATE ISSUED UNDER SECTION 3 OF THE LOCAL GOVERNMENT (CONTRACTS) ACT 1997 (the "Act")**

This certificate (the "Certificate") is given by Cambridgeshire County Council (the "Authority") under Section 3 of the Act in respect of the Project Agreement to provide waste management services facilities dated 2008 between:

- (1) the Authority; and
  - (2) Donarbon Waste Management Limited ("the Contractor")
- (the "Project Agreement")

### **1. Period of the Project Agreement Operation – s3(2)(a) of the Act**

The period for which the Project Agreement is intended to operate is from 2008 until 2036 (the "Contract Period") plus the period of all or any extensions of the Contract Period in accordance with the terms of the Project Agreement or, if earlier, the Termination Date as defined in the Project Agreement.

### **2. Purpose of the Project Agreement – s3(2)(b) of the Act**

The purpose of the Project Agreement is to enable the Contractor to provide a waste management service for the recycling, recovery and disposal of waste (the "Service") to assist the Authority in its duties as a waste disposal authority. The Service will comprise the design, development, construction and operation of the MBT Facility and the IVC Facility (as each term is defined in the Project Agreement) together with such ancillary works and services as are necessary to ensure provision of the Service in accordance with the terms of the Project Agreement.

### **3. Project Agreement type – s3(2)(c) of the Act**

The Project Agreement falls within Section 4(3) of the Act.

### **4. Powers to enter into the Project Agreement – s3(2)(d) of the Act**

The Authority has or had power to enter into the Project Agreement pursuant to:

- 4.1 Section 2(1) of the Local Government Act 2000;
- 4.2 Sections 51 and 55 of the Environmental Protection Act 1990 (as amended);
- 4.3 Section 111 of the Local Government Act 1972;
- 4.4 Section 1(1) of the Act; and
- 4.5 Section 47 of the Clean Neighbourhoods and Environment Act 2005.

**5. Copies of Certificate – s3(2)(e) of the Act**

A copy of this Certificate is to be given to each person to whom a copy is required to be given by the Local Authorities (Contracts) Regulations 1997 (as amended) (the "Regulations") as follows:

- 5.1 pursuant to Regulation 3 of the Regulations, to the Contractor; and
- 5.2 pursuant to Regulation 4 of the Regulations, to the monitoring officer and auditor of the Authority.

**6. Matters to be dealt with in the Certificate – s3(2)(f) of the Act and Regulation 6 of the Regulations**

The main relevant functions, the discharge of which the Project Agreement is calculated to facilitate, and/or is conducive to or incidental to, are those conferred by:

- 6.1 Sections 51 and 55 of the Environmental Protection Act 1990 (as amended);
- 6.2 Section 2 of the Local Government Act 2000;
- 6.3 Section 1 of the Refuse Disposal (Amenity) Act 1978.

**7. Compliance with Regulations – s3(2)(g) of the Act**

The Authority has complied or will comply with all requirements imposed by regulations with respect to the issue of certificates under Section 3(2) of the Act.

**8. Consent of other parties to the Project Agreement – s3(4) of the Act**

The Contractor is the only other party to the Project Agreement, and by Clause 9.2 of the Project Agreement the Contractor has consented to the issue of this Certificate.

Signed this                      day of                      2008

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Name:

[Chief Finance Officer][Statutory Chief Officer within the meaning given to that expression in Section 2(6) of the Local Government and Housing Act 1989][Non-

Statutory Chief Officer within the meaning given to that expression in Section 2(7) of the Local Government and Housing Act 1989]

Being duly authorised by the Authority and being an officer authorised under Section 3(3) of the Act and Regulation 7 of the Regulations.

Cambridgeshire County Council

Cambridgeshire Shire Hall,

Cambridge,

CB3 0AP

Copies to:

The Contractor

The Authority's monitoring officer

The Authority's auditor

**Schedule 4b (Local Government Vires Certificate)**

In respect of the Direct Agreement

**CERTIFICATE ISSUED UNDER SECTION 3 OF THE LOCAL GOVERNMENT  
(CONTRACTS) ACT 1997 (the "Act")**

This certificate (the "Certificate") is given by Cambridgeshire County Council (the "Authority") under Section 3 of the Act in respect of a direct agreement dated 2008 between:

- (1) the Authority;
  - (2) Donarbon Waste Management Limited (the "Contractor"); and
  - (3) The Governor and Company of the Bank of Ireland (as Agent for the Senior Lender) (the "Agent"),
- (the "Direct Agreement")

in relation to a waste management PFI contract for the recycling, recovery and disposal of waste dated 2008 between the Authority and the Contractor (the "Project Agreement").

**1. Period of Direct Agreement Operation – s3(2)(a) of the Act**

The period for which the Direct Agreement is intended to operate is from 2008 until all amounts which may be or become owing by the Authority to the Contractor under Clauses 92 (Compensation on Termination for Contractor Default), 93 (Compensation for Contractor Default), 94 (Compensation on Termination for Authority Default), 95 (Compensation on Termination for Corrupt Gifts and Fraud and Refinancing) and 96 (Compensation on Termination for Force Majeure) of the Project Agreement have been irrevocably paid in full.

**2. Purpose of the Direct Agreement – s3(2)(b) of the Act**

The purpose of the Direct Agreement is to provide (inter alia) for:

- 2.1 a suspension of the rights of the Authority to terminate the Project Agreement during the Required Period and Step-in Period;
- 2.2 step-in and step-out rights for the Agent through an appointed representative in respect of the Project Agreement;
- 2.3 a substitution mechanism in respect of the Contractor;
- 2.4 the application of insurance proceeds in certain circumstances;
- 2.5 certain related undertakings by the Authority and the Agent;
- 2.6 consent by the Authority to the Agent's security as contained in the Security Documents (as each term is defined in the Direct Agreement);

2.7 consent by the Authority to the subordination of its rights under or in respect of any Collateral Warranties (as defined in the Project Agreement) to those of the Agent and the Finance Parties (as defined in the Direct Agreement); and

2.8 consequential matters relating to the termination of the Project Agreement and the payment of compensation.

**3. Agreement type – s3(2)(c) of the Act**

The Direct Agreement falls within Section 4(4) of the Act.

**4. Powers to enter into the Direct Agreement – s3(2)(d) of the Act**

The Authority has or had power to enter into the Direct Agreement pursuant to:

4.1 Section 2(1) of the Local Government Act 2000;

4.2 Sections 51 and 55 of the Environmental Protection Act 1990 (as amended);

4.3 Section 111 of the Local Government Act 1972;

4.4 Section 1(1) of the Act; and

4.5 Section 47 of the Clean Neighbourhoods and Environment Act 2005.

**5. Copies of Certificate – s3(2)(e) of the Act**

A copy of this Certificate is to be given to each person to whom a copy is required to be given by the Local Authorities (Contracts) Regulations 1997 (as amended) (the "Regulations") as follows:

5.1 pursuant to Regulation 3 of the Regulations, to the Contractor and the Agent; and

5.2 pursuant to Regulation 4 of the Regulations, to the monitoring officer and auditor of the Authority.

**6. Matters to be dealt with in the Certificate – s3(2)(f) of the Act and Regulation 6 of the Regulations**

The main relevant functions, the discharge of which the Direct Agreement is calculated to facilitate, and/or is conducive to or incidental to, are those conferred by:

6.1 Section 51 and 55 of the Environmental Protection Act 1990 (as amended);

6.2 Section 2 of the Local Government Act 2000;



6.3 Section 1 of the Refuse Disposal (Amenity) Act 1978.

**7. Compliance with Regulations – s3(2)(g) of the Act**

The Authority has complied with or will comply with all requirements imposed by regulations with respect to the issue of certificates under Section 3(2) of the Act.

**8. Consent of other parties to the Direct Agreement – s3(4) of the Act**

By Clause 9.2 of the Contract the Contractor has consented to the issue of this Certificate, and by Clause 17.2 of the Direct Agreement the Agent has consented to the issue of this Certificate, and the Contractor and the Agent are the only other parties to the Direct Agreement.

Signed this                      day of                      2008

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Name:

[Chief Finance Officer][Statutory Chief Officer within the meaning given to that expression in Section 2(6) of the Local Government and Housing Act 1989][Non-Statutory Chief Officer within the meaning given to that expression in Section 2(7) of the Local Government and Housing Act 1989]

Being duly authorised by the Authority and being an officer authorised under Section 3(3) of the Act and Regulation 7 of the Regulations.

Cambridgeshire County Council

Cambridgeshire Shire Hall,

Cambridge,

CB3 0AP

Copies to:

The Contractor

The Agent

The Authority's monitoring officer

The Authority's auditor