

SCHEDULE 7

Relevant Discharge Terms

1. The sums referred to in **paragraph 2.1** below and the adjustment between the Parties of the rights and liabilities relating to the Assets referred to in paragraph 2.1 below shall be relevant discharge terms in relation to this Contract for the purposes of section 6 of the Local Government (Contracts) Act 1997.
2. In the event of making a determination or order by a court of final jurisdiction on an application for judicial review or audit review (within the meaning of the Local Government (Contracts) Act 1997), the result of which is that this Contract ceases to have effect or is otherwise unenforceable, then:
 - 2.1 the Councils shall pay to the Contractor the sum equivalent to the amount of compensation payable by the Councils to the Contractor pursuant to clause 56 (Compensation on Council Default) calculated as at the date of such determination or order;
 - 2.2 the Councils shall have the option to require the Contractor to transfer its right, title and interest in and to the Assets (excluding any accrued rights of the Contractor) to the Councils or as directed by the Councils.
3. the Councils shall pay the Contractor the sums referred to in **paragraph 2.1** above within 40 Business Days of the determination or order of the court referred to in **paragraph 2** above.
4. Any payment of compensation in accordance with this **Schedule 7** shall be in full satisfaction of any claim of the Contractor in relation to the termination of this Contract and shall be the sole remedy of the Contractor against the Councils in the circumstances contemplated by **paragraph 2** above.