

Dear Customer

Wholesale Charge Deferral Scheme - financial support for businesses impacted by Covid 19

Thank you for your application for inclusion in the Scottish water industry's Wholesale Charge Deferral Scheme. We have applied to Scottish Water for your premises to be included in the deferral scheme and expect to receive their response within 5 business days.

We will write to you when Scottish Water lets us know if our application has been successful.

The document attached to this letter is our formal Undertaking to you regarding your participation in the Wholesale Charges Deferral Scheme. While the Undertaking is written in more formal language the key features are:

- You will not be charged for taking part in (or leaving) the Scheme and you will not be charged interest on any deferred payments,
- The value of your charges that we defer will match the value of our wholesale charges that are deferred by Scottish Water,
- When the deferral scheme comes to an end, the timetable for paying deferred sums will be as we have agreed with you,
- We will write to you again when the deferral scheme comes to an end or there are any changes to the scheme.

Finally, a copy of this letter will be provided to Scottish Water on request to demonstrate that we have written to you informing you of our undertaking to you.

Please contact us if we can be of any further support during these challenging times.

Undertaking

1. (a) Pursuant to the Water Services (Wholesale Charges Relief Schemes) Directions 2021, we have applied to Scottish Water for their agreement that our obligations to pay amounts of wholesale charges to Scottish Water under our wholesale services agreement with them (in so far as relating to you) will be temporarily deferred in accordance with those directions;

(b) amounts of charges which you are obliged to pay under your agreement with us reflect the amounts of wholesale charges for which deferral has been sought;

(c) in this Undertaking,

(i) the amounts of wholesale charges which are agreed to be deferred as mentioned in (a) above are referred to as **Deferred Wholesale Charges**, and

(ii) the amounts of charges mentioned in (b) above which reflect the Deferred Wholesale Charges are referred to as **Relevant Charges**.

2. Your obligation to pay us the Relevant Charges shall be deferred for as long as our own obligations are deferred as mentioned above (i.e. those charges shall continue to fall due by you to us when we invoice you but the requirement to pay is deferred).

4. When the deferral of our wholesale charges comes to an end, the Relevant Charges will be collected from you according to a timetable agreed with you.

6. We confirm that we will not render or apply any fee, charge or levy (including any requirement to pay interest) to or on you in relation to the implementation and/or operation and/or winding down of, and/or withdrawal from, the Scheme.

7. We will write to you again when the deferral of the Relevant Charges comes to an end or there is any other change in the deferral arrangements affecting you.