DEPARTMENT OF INFRASTRUCTURE

and

ISLE OF MAN STEAM PACKET COMPANY LIMITED

VARIATION AGREEMENT to the SEA SERVICES AGREEMENT dated 31st May 2019





THIS RECTIFICATION AND VARIATION AGREEMENT is dated the 2021

day of

PARTIES

- (1) The **Department of Infrastructure** (a Department of the Isle of Man Government) of Sea Terminal Building, Douglas, Isle of Man, IM1 2RF ("the **Department**") of the first part and
- (2) **The Isle of Man Steam Packet Company Limited** a company duly incorporated in the Isle of Man under Company Reference number 002092V and whose registered office is situate at Imperial Buildings, Douglas, Isle of Man ("the **Company**")

RECITALS

- (A) The Department and the Company entered into the Sea Services Agreement ("the **SSA**") on the 31st May 2019. The SSA was amended by a Variation Agreement dated 30 June 2021 ("the Variation Agreement").
- (B) The Variation Agreement did not correctly reflect the agreement of the Parties in relation to the administration of the Fuel Surcharge/Fuel Rebate as set provided for in clause 9 of the SSA.
- (C) The Parties have further agreed that the provisions of clause 9 of the SSA should be further amended to reflect the increase in fuel price that has occurred since the 31st March 2020.
- (D) The Department and the Company wish to enter into this Rectification and Variation Agreement to document the necessary changes to the SSA to rectify the provisions of clause 9 to correctly reflect the original agreement of the Parties and to further vary the provisions of clause 9 to reflect the further agreement of the Parties.

AGREED TERMS

1. Terms defined in the Agreement

In this Variation Agreement, expressions defined in the SSA and used in this Variation Agreement have the meaning set out in the SSA

2. Consideration

In consideration of the obligations of the Parties as set out in this variation, the Parties agree to amend the Agreement as set out below

3. Rectification and Variation

The Parties agree the following amendments to the SSA:

- 3.1. In the first line of clause 9.6 shall be deleted and replaced with the following wording:
 - "9.6 the provisions of clauses 9.2 to 9.5 shall:
 - 9.6.1 be suspended for the period from the 1^{st} July2020 until the "Trigger Date", and the Company shall be entitled to levy a fuel surcharge to all Customers at the rate which applied as at the 1^{st} April 2020 ."

9.6.2 be modified for the period from the Trigger Date until the Recommencement Date in that the calculation at clause 9.2 shall be based upon the Weighted Average Fuel Cost and the annualised full service level consumptions and 2019 volumes

9.6.3 apply in full for the period from the Recommencement Date and for the remainder of the Term"

In Schedule 1 the definition of Border Date shall be amended so that the words "Border Opening" is added to the end of sub clause (a) of the definition.

3.2. An additional definition shall be inserted into Schedule 1 to read as follows:

"Trigger Date" means the 1st October 2021.

IN WITNESS WHEREOF the Parties have by their duly authorised representative executed this Variation Agreement

Signed by __

Print name above

for and on behalf of the Department

witnessed by Tracey w

Address: 40 Sea Terminal Building

Occupation: Civil Servent

Signed by B. THOKSON

Print name above

for and on behalf of the IOMSPC

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ADDRESS CIO INPERIAL BUIDAND

OCCUPATION: CHIEF ACCOUNTANT