

QM Text – Updates to be made to section 5 Exceptions Process if 471 is approved:

In line with the general principle that exceptions apply for events outside of a User's control, we have included an additional exception reason for Users receiving initial Gate 2 Modification Offers issued as part CMP 435 only ("G2tWQ Exception"). This will apply where Users, that have received a Gate 2 Modification Offer, can evidence that the delay period, as described below, has negatively impacted on the User's ability to meet any of the User Progression Milestones M5 – M8 in Appendix Q in its Gate 2 Modification Agreement.

To apply for the G2tWQ Exception, ~~Users must notify NESO~~ ~~a User must first accept the Gate 2 Modification Offer and then apply within 28 calendar days from signature of the Gate 2 Modification Offer~~ and submit evidence that their project's ability to meet any of the User Progression Milestones M5 – M8 has been impacted due to the delay in issuing CMP 435 offers. The delay period would be considered to be calculated from 31st December 2025 through to the date the User receives their Gate 2 Modification Offer. Where a User can evidence (for example) paused progression of their project, delay due to the Gate 2 to Whole Queue Process an extension to some or all of M5 – M8 User's Progression Milestones may be sought from this date – even if this date is prior to 31 December 2025. The User Progression Milestones will be extended by a period proportionate to the delay the User has experienced, for example a 30-day delay would result in a 30-day extension. NESO will co-ordinate with the User and adopt a pragmatic approach to the nature and assessment of the evidence provided by the User to demonstrate the delay was as a consequence of the delay in issuing CMP 435 offers (an example could be, confirmation of a pause in works), for a reason out of their control. Provided this is suitably evidenced, the extension will be granted. In relation to evidence assessment, matters will be considered on the facts and on a case-by-case basis. This additional extension of the exceptions will ensure User Progression Milestones remain appropriate to the circumstances.