



INFORMATION SHEET

DEATH OR INCAPACITY OF CONTRACTOR – CLAUSE 12.2

If a contractor is a natural person (i.e. not a company) or a partner in a partnership operating without a written partnership deed, then your interest in the Contract ceases when you die.

However, clause 12.2 of the Evergreen Contract allows you to nominate a person as your substitute if you should die or become incapacitated, so that the Contract can continue in force with your substitute person as the new contractor.

This is a way for you to ensure your family or beneficiaries are able to continue in business as a school bus contractor under your evergreen contract.

You can nominate your substitute at any time, but if you only nominate your substitute person in your will, then you are relying on the executor of your will notifying the Public Transport Authority (PTA) of your substitute within 90 days of probate being granted.

By nominating your substitute person to the PTA as soon as possible after signing the new evergreen contract, the PTA can act quickly in considering your substitute person as an assignee and, if considered suitable (applying the same considerations for a novation following a sale of a school bus contract business), novating the contract to your substitute person, without having to wait until the Court issues the grant of probate.

You can change your nomination of substitute person at any time by giving the PTA further written notice.