



Lease – FOIA markup

[London Underground Limited]

and

[Transport for London]

and

[Tenant]

and

[Guarantor]

[Note: guarantor provisions to be deleted on grant of the lease if a guarantor is not required in accordance with the Development Agreement]

Notes:

1. ***This form of Headlease may to be split into two separate Headleases (with east/west specifics contained in them) within a set time after entry into the DA. See HoT document for the differences between the East and West Headleases***
2. ***TfL may need to join as a party to any Headlease/Headleases granted if:***
 - (i) ***at the time of grant it is holding the freehold interest in any stratum of soil where piles supporting the Existing Raft or piles which are to be installed during the Initial Development; and/or***
 - (ii) ***it is responsible for the appointment of the Appointed Operator at Clause 16.3***

relating to Land at 21 Moorfields London EC2

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PARTICULARS

LR1. Date of lease	
LR2. Title number(s)	LR2.1 Landlord's title number(s) NGL706929 NGL147896 AGL255468 AGL262624 LR2.2 Other title numbers
LR3. Parties to this lease	Landlord LONDON UNDERGROUND LIMITED (No.[●]) whose registered office is at [●] [TfL TRANSPORT FOR LONDON of [●]] Tenant [●] (No. [●]) whose registered office is at [●] [Tenant's Guarantor [●] (No. [●]) whose registered office is at [●]]
LR4. Property	In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail The premises (referred to in this Lease as the " Demised Premises ") described in schedule 1

<p>LR5. Prescribed statements etc.</p>	<p><i>LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003</i></p> <p>Not applicable</p> <p><i>LR5.2 This lease is made under, or by reference to, provisions of:</i></p> <p>An agreement dated [●] 2015 made between (1) Transport for London, (2) Crossrail Limited, (3) LS21 Moorfields Development Management Limited, (4) LS 21 Moorfields Limited and (5) Land Securities Property Holdings Limited</p>
<p>LR6. Term for which the Property is leased</p>	<p>The term is as follows: Two hundred and fifty (250) years from and including the Term Commencement Date</p> <p>(This term is referred to in this Lease as the "Contractual Term")</p>
<p>LR7. Premium</p>	<p>[ONE MILLION POUNDS (£1,000,000)]¹ [Nil]</p>
<p>LR8. Prohibitions or restrictions on disposing of this lease</p>	<p>This lease contains a provision that prohibits or restricts dispositions</p>
<p>LR9. Rights of acquisition etc.</p>	<p>LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land</p> <p>None</p> <p>LR9.2 Tenant's covenant to (or offer to) surrender this lease</p> <p>None</p> <p>LR9.3 Landlord's contractual rights to acquire this lease</p> <p>None</p>

¹ Note for the Building 1/East Headlease: include only if the £1 million is not paid under the Supplemental Lease

LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None
LR11. Easements	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>The rights specified in clause 3.1 and schedule 2</p> <p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p> <p>The rights specified in clause 3.3 and schedule 3</p>
LR12. Estate rentcharge burdening the Property	None
LR13. Application for standard form of restriction	None
LR14. Declaration of trust where there is more than one person comprising the Tenant	Not applicable

THIS LEASE is made on the date specified in clause LR1 and between the parties specified in clause LR3

NOW THIS DEED WITNESSES AS FOLLOWS:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Lease, the following words and expressions have the following meanings:

"**1925 Act**" means the Law of Property Act 1925

"**1927 Act**" means the Landlord and Tenant Act 1927

"**1954 Act**" means the Landlord and Tenant Act 1954

"**1986 Act**" means the Insolvency Act 1986

"**1994 Order**" means the Insolvent Partnerships Order 1994

"**1995 Act**" means the Landlord and Tenant (Covenants) Act 1995

"**ACoP**" means the Approved Code of Practice under the CDM Regulations

"**Adjoining Premises**" means the premises numbered 1-4 (inclusive) on the plan annexed to this Lease headed "Address of TfL assets above ground level" at annexure 5

"**Appointed Operator**" has the meaning in clause 16.3

"**Appointment**" means an appointment or agreement to be entered into with any person or entity forming part of the Professional Team in connection with any Critical Works

"Authority" means any Secretary of State or other minister of the Crown, government department or any European, public, local, statutory or other authority (including the police and fire brigade and any authority responsible for safety) having functions, powers or rights which extend to the Demised Premises and/or their use and occupation and includes any person or body acting under their authority

"Authorised Guarantee Agreement" has the meaning set out in Section 16 of the Landlord and Tenant (Covenants) Act 1995

"Base Rate" means either the base lending rate of Lloyds Banking Group plc or such other clearing bank nominated by the Landlord at any time or, if the clearing banks cease at any time to publish a base lending rate, such comparable rate of interest as the Landlord may reasonably determine

"Business Day" means any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business

"Building Contract" means a contract or contracts to be entered into in respect of the carrying out or implementation of any Critical Works which include piling and substructure, site enabling and demolition, mechanical electrical and public health, cladding and/or lift works

"CDM Regulations" means the Construction (Design and Management) Regulations 2007

"Conditions of Entry" means that the Landlord or the person or persons entering shall:

- (a) provide advance written notice to the Tenant of the need to enter the Demised Premises, such notice to be given (save in the case of emergency) no less than five Business Days prior to the date proposed for such entry
- (b) make good all physical damage caused to the Demised Premises or anything within the Demised Premises in the exercise of the rights as soon as practicable to the reasonable satisfaction of the Tenant
- (c) act as expeditiously as reasonably possible with all due diligence
- (d) ensure that as little nuisance, damage, annoyance or inconvenience as reasonably practicable is caused to the Tenant or the tenants or occupiers and that the reasonable security requirements of the Tenant or the tenants or occupiers are complied with in the exercise of such rights
- (e) where such entry is not for the purposes of remedying a breach by the Tenant of its obligations contained in this Lease not act in a manner or do anything on the Demised Premises which may have the effect of vitiating the Latent Defects Insurance Policy (but only to the extent the Landlord is aware of the provisions of such policy) or adversely affecting any collateral warranties or rights against professionals and contractors who have designed or carried out Works on the Demised Premises
- (f) where such entry is for the purposes of remedying a breach by the Tenant of its obligations contained in this Lease use reasonable endeavours not to act in a manner or do anything on the Demised Premises which may have the effect of vitiating the Latent Defects Insurance Policy (but only to the extent the Landlord is aware of the provisions of such policy) or adversely affecting any collateral warranties or rights against professionals or contractors who have designed or carried out works on the Demised Premises and

- (g) enter the Demised Premises only to the extent that such entry to the relevant part of the Demised Premises is necessary and the purposes of entry cannot be achieved from within the Railway Assets and Premises and/or from a public highway.

"Conditions of Work" means the special conditions set out in schedule 5 and other conditions properly imposed pursuant to the provisions of schedule 5 to ensure the operation of the Railway Undertaking and/or the Railway Assets and Premises

"Conduits" means all conduits or other media, including all fixtures and ancillary apparatus, used for or in connection with all or any of:

- (a) the supply of Utilities and
- (b) the Plant and Machinery

"Contractual Term" means Two hundred and fifty (250) years from the Term Commencement Date

"Critical Support Structures" has the meaning given in clause 18.4

"Critical Works" means any Works to the Demised Premises which in themselves or in their execution:

- (a) are to be carried out to or which may adversely affect the Transfer Structure or the Existing Raft; or
- (b) involve any of the following:
 - (i) anything being fixed to, located against or within and/or connected into any part of the Railway Assets and Premises pursuant to paragraph 4 of schedule 2 (other than minor fixings) or
 - (ii) any demolition Works (other than demolition which will not impact on the Load Bearing Regime) or
- (c) may adversely affect the operation of the Railway Undertaking and/or the Railway Assets and Premises

"Deleterious Materials" means any goods, materials or substances which are themselves or which incorporate substances which are generally known at the time of recommendation, specification or use to be deleterious to health and safety or the durability of the completed Critical Works in the particular circumstances in which they are used or are otherwise not in accordance with British Standards, codes of practice or good building practice or techniques

"Demised Premises" has the meaning referred to in paragraph LR4 of the Particulars and the Demised Premises are described in schedule 1

"Developer" means LS 21 Moorfields Development Management Limited, or other party who is the Developer under the Development Agreement

"Development Agreement" means the agreement referred to in paragraph LR 5.2 of the Particulars

"DDM Works" has the meaning given to it in schedule 2, Paragraph 6.1(a)(iii)

"Electromagnetic Disturbance" means any electromagnetic phenomenon which may degrade the performance of equipment forming part of the Railway Assets and Premises and/ or the Railway Undertaking including (without limitation):

- (a) electromagnetic noise
- (b) any unwanted signal or
- (c) any change in the propagation itself

"Engineer" means the appropriately qualified engineer appointed or employed by the Landlord at any time for the purposes of providing professional engineering services to the Landlord and whose identity and address has been notified to the Tenant

"Environmental Law" means all Legislation, treaties, common law, codes of practice and decisions or formal requirements of any Authority or non-statutory governmental authority which at any time relate to the Demised Premises and pollution or protection of the environment or harm to or the protection of human health and safety or the health of animals and plants

"Equal Interest" means being the beneficial owner of 50 per cent of the issued share capital of, or being entitled to exercise 50 per cent of the voting rights in, or 50% of the partnership interest in, or 50% of the units in the relevant joint venture entity and in any general partner of a partnership which constitutes the relevant joint venture entity by virtue of any powers conferred by the articles of association (or equivalent), shareholders' agreement or any other document regulating the affairs of the joint venture entity

"Escalators" means the North-East Escalator and the Southern Escalator

"Escalator/Lift Pits" means the escalator/lift pits shown in the OSD Specification

"Existing Headlease" means the lease of 21 Moorfields dated 8 April 1974 between (1) The London Transport Executive and (2) The Prudential Assurance Company Limited as varied from time to time

"Existing Raft" means the concrete steel and other structures within the Demised Premises on the date of this Lease spanning the Railway Assets and Premises to support (along with other foundations) the buildings constructed above, including the waterproofing membrane and protective layer on top of such structure all supporting columns, beams, walls, piles, pile caps and other foundations and fire protection cladding lying beneath and supporting such buildings and shown shaded green in figures 1.1 and 1.2 on the plan at annexure 7

"Executives" means the Landlord's Executive and the Tenant's Executive

"Financial Year" means a 12 month period commencing on 1 April and ending on 31 March or such other 12 month period as the Landlord may notify to the Tenant save that:

- (a) the first Financial Year shall commence on the Term Commencement Date and end on the next 31 March and
- (b) the last Financial Year shall commence on 1 April (or such other date as is the first day of a Financial Year) immediately prior to the last day of the Term and end on the last day of the Term

"First Development PC Date" has the meaning given in schedule 9 of this Lease

"Forward Agreement" means an agreement with a third party (to whom this Lease could be assigned under Clause 10) whereby that third party agrees to:

- (a) purchase this Lease; and
- (b) if applicable, fund the construction of the Initial Development or any Redevelopment (or part thereof)

but which does not transfer the right to carry out the Initial Development or any Redevelopment

"Ground Rent" means the yearly rent ascertained in accordance with schedule 9

"Group Company" means in relation to any company any other company in the same group of companies as that company within the meaning of section 42 of the 1954 Act as amended by the Companies Act 2006

"group undertaking" has the same meaning as its definition in the Companies Act 2006

"Hazardous Material" means any substance (whether in solid, liquid or gaseous form) which is capable of causing harm to human health or to the environment whether on its own or in combination with any other substance

"Independent Person" has the meaning given to that term in schedule 7

"Initial Development" means the Developer Works as defined in and carried out pursuant to and in accordance with the Development Agreement

"Insured Risks" means the risks covered by a commercial "all risks", or on a Redevelopment, "all risks and works", property insurance policy including:

- (a) the risks of fire, explosion, lighting, storm, flood, aircraft and other aerial devices or articles dropped from them, earthquake, riot, civil commotion, labour and political disturbances, malicious damage, terrorism, bursting or overflowing of any tank, apparatus or pipes or the escape of any substances from them, impact (including by any road or rail vehicles), subsidence, ground heave or landslip and accidental damage
- (b) such other risks that the Landlord or the Tenant reasonably requires from time to time

but excluding any risks, including any of the risks set out above, for which insurance is not available on the London insurance market at commercially reasonable rates, from a reputable insurer, on normal commercial terms.

"Investment Underlease" means any underlease which is not an Occupational Underlease

"Joint Venture Vehicle" means any form of joint venture vehicle, whether a limited company, partnership, limited partnership, limited liability partnership, unit trust or otherwise in which the Tenant or a group undertaking of the Tenant has at least an Equal Interest

"Landlord's Obligations" means the obligations covenants and conditions to be complied with by the landlord of this Lease

"Landlord's Executive" means the Company Secretary of the Landlord from time to time

"Landlord's Surveyor" means any properly qualified person appointed by the Landlord from time to time as its surveyor, including any surveyor employed by the Landlord or

any Group Company of the Landlord for this purpose and whose identity and address has been notified to the Tenant

"Latent Defects Insurance Policy" means the policy covering latent defects in the Demised Premises that the Tenant has taken out (in respect of the Initial Development) with Allianz Global Corporate & Speciality or such other insurer(s) notified to the Landlord in writing

"Legislation" means all Acts of Parliament and other public or local legislation having legal effect in the United Kingdom together with:

- (a) all secondary legislation made under that legislation including statutory instruments, rules, order, regulations, notices, directions, bye laws and permissions for the time being made under or deriving validity from any Act of Parliament or other public or local legislation
- (b) any European directive or regulations and rules having the force of law in the United Kingdom; and
- (c) any regulations, orders, or bye-laws of any local or statutory authority having jurisdiction over works being carried out by the Tenant which have the force of law

"Lettable Areas" has the meaning given to it in schedule 9

"Liabilities" means liabilities, actions, claims, demands, proceedings, costs, charges, expenses, damages and losses properly incurred

"Load Bearing Regime" means the regime set out in schedule 8 of this Lease

"Lobby Area" means the area referred to as lobby area in the OSD Specification

"Lobby Works" means the lobby works referred to in the OSD Specification

"Loss of Rent Period" has the meaning given in Clause 17.4

"LUL Standards" means any rules, regulations, codes of practice standards or other documents as produced or varied from time to time by the Landlord or the Operator and which apply to the Railway Undertaking generally, are accessible to users authorised by the Landlord (which authorisation the Landlord will ensure is available to the Tenant) and which contain requirements or guidance on :

- (a) matters of safety in respect of the Railway Assets and Premises and/or the Railway Undertaking;
- (b) the operation of the Railway Undertaking and/or design, construction or operation of any part of the Railway Assets and Premises; or
- (c) Works carried on over or in the vicinity of the Railway Assets and Premises

and in the event of any inconsistency between different rules, regulations, codes of practice standards or other documents the Landlord's decision as to hierarchy or application of each shall be final and conclusive

"Maintenance Works" means any Works and any inspection, cleaning, servicing or redecoration that are needed for the operation of the Railway Undertaking and/or the Railway Assets and Premises whether on the Demised Premises or elsewhere

"Method Statements" means method statements in connection with the Critical Works or any element of them

"Minimum Rent" has the meaning given to it in schedule 9, para 4.1

"Mortgagee" means a bona fide funder providing funding to the Tenant and whose existence identity and address have been notified by the Tenant to the Landlord in writing and includes a security trustee on behalf of such a funder

"Mutual Deeds" means the four mutual deeds of release of rights of light and air dated and made between London Underground Limited, Transport for London, Souzel Properties Limited, LS21 Moorfields Limited and Alan Robert Bloom and Craig Anthony Lewis, in relation to:

- (a) The ground floor entrance to underground railway at Part of Moor House, 120 London Wall, London
- (b) 12 Moorfields, 14-24 Moorfields, 91-95 Moorgate, 101-109 Moorgate, London
- (c) The ground Floor entrance to underground railway at Britannic House, 1-6 Finsbury Circus, London; and
- (d) 137-141 Moorgate, London

[Reason: This information, if used by third parties, would be likely to prejudice the commercial interests of the Landlord and the Tenant]

"Non-Notifiable Works" means works to the Demised Premises which comprise any of:

- (a) internal fit out, decoration or redecoration
- (b) non-structural refurbishment (including plant or cladding or façade replacement save where over the Station Box)
- (c) non-structural demolition
- (d) internal maintenance
- (e) internal reconfiguration that does not impact on the structure of the Demised Premises or on the Load Bearing Regime and
- (f) cleaning and maintenance to the façade using cradles or other permanent access arrangements

Provided that in respect of each type of works specified in paragraph (a) to (f) above such works do not:

- (i) cause Electromagnetic Disturbance which may adversely affect the Railway Undertaking
- (ii) require access to or across the Railway Assets and Premises
- (iii) involve oversailing of cranes or loads or other non-permanent equipment
- (iv) necessitate the closure of the Railway Assets and Premises to the public
- (v) affect any systems which are linked as between the Railway Assets and Premises and the Demised Premises

"North-East Escalator" means the escalator within the Demised Premises referred to and shown at [] in the OSD Specification

"Northern Retaining Wall" means the wall running along the northern boundary of the Demised Premises as shown on the plan at annexure 11 [*plan to be produced prior to the grant of any Headlease*]

"Northern Wall of the Ticket Hall" has the meaning given in schedule 3

"Notifiable Works" means all Works to the Demised Premises other than the Non-Notifiable Works

"Occupational Underlease" means an underlease granted to an occupational undertenant of the whole or part of the Demised Premises without a premium

"Open Market Rental Value" has the meaning given to this expression in schedule 9;

"Operator" means the operator (from time to time) of:

- (a) the whole or that part of the Railway Undertaking running through the Railway Assets and Premises from time to time; and/or
- (b) the Railway Assets and Premises

"OSD" means the over station development described in the OSD Specification

"OSD Specification" means the specification at annexure 6 of this Lease²

"Outgoings" means all existing and future taxes, rates, charges, assessments and outgoings charged, imposed or levied in relation to the Demised Premises or the owners or occupiers of them whether on a one-off, periodic or an irregular basis and whether or not in the nature of capital or income payments

"Particulars" means the particulars set out at the front of this Lease

"Permitted Use" means as offices and retail together with any ancillary uses and in each case provided always that no part or parts of the Demised Premises may be used as a swimming pool or for residential use (other than residential use which is ancillary to use as offices and retail)

"Plan(s)" mean the plan(s) A,B and C annexed at annexure 1 to this Lease

"Planning Acts" means the **"Planning Acts"** defined in section 336 Town and Country Planning Act 1990 together with the Planning and Compensation Act 1991 the Planning Act 2008 and any other relevant Legislation relating to town and country planning so far as they relate to the Demised Premises

"Planning Agreement" means any agreement as to planning matters which relate to the Demised Premises, including but not limited to agreements in relation to Section 106 of the Town and Country Planning Act 1990 (as amended), Section 278 of the Highways Act 1980 and Section 35 of the Highways Act 1980

"Plant and Machinery" means all or any of the following:

- (a) fire alarm systems, sprinklers and other systems for detecting or extinguishing fires
- (b) security alarms and other security systems including CCTV equipment

² On the split out of this form of headlease into individual East and West Headleases, an OSD specification will need to be prepared which is specific to each new headlease

- (c) systems for heating cooling and/or storing water
- (d) systems for providing ventilation
- (e) systems for heating or cooling air
- (f) communication systems
- (g) passenger information systems
- (h) signalling systems
- (i) plant, apparatus, equipment and systems relating to the provision and operation of lifts and/or escalators and
- (j) any other machinery, plant or equipment

["Premium" means **ONE MILLION POUNDS (£1,000,000)**]

"Prescribed Rate" means three per centum (3%) per annum above Base Rate from time to time

"Professional Team" means (to the extent the same are employed in connection with any Critical Works) the architect, the CDM co-ordinator, the quantity surveyor, the structural engineer, the employer's agent or Building Contract administrator and the fire consultant

"Prohibited Person" means an individual or entity:

- (a) which enjoys sovereign or state immunity, unless a department, body or agency of the United Kingdom Government;
- (b) which uses funds that are derived from illegal or illegitimate activities;
- (c) which has been convicted of criminal activities, or is or has been involved in organised crime;
- (d) which is named on the Consolidated List of Terrorists maintained by the Bank of England pursuant to any authorising statute, regulations or guideline;
- (e) which is, or professes to be, resident in a nation state which at the relevant time is not recognised by the Government of the United Kingdom;
- (f) which is otherwise prohibited from entering into the proposed transaction pursuant to any applicable law or requirements of any country or governmental authority (including any exchange control regulations applicable thereto);
- (g) with whom the Landlord may not lawfully contract, or with whom the established policy of the UK Government is that it should not contract; or
- (h) whose activities would prevent the discharge by the Landlord, Transport for London or the Greater London Authority of its or their statutory duties or other legal functions (in the case of Transport for London and the Landlord, as a transport operator);

"Railway Assets and Premises" means the whole or any part or parts of the railway infrastructure, track, buildings, works, conducting media, lifts, escalators, tunnels, structures, plant, apparatus and equipment and all other things serving or used, controlled or enjoyed in connection with the Railway Undertaking from time to time being

all those over, under, adjoining or near to the Demised Premises shown coloured or hatched on the plan at annexure 2 but excluding any interests in those assets and premises held by any entity other than Transport for London, London Underground Limited, a TfL Subsidiary or the Operator

"Railway Undertaking" means the railway undertaking or network operated by Transport for London or any successor to Transport for London's function

"Redevelopment" means any demolition and/or redevelopment, reconstruction or rebuilding of substantially the whole of any structures on the Demised Premises (save for the Initial Development)

"Reinstatement Cost" means the full cost of reinstating the Demised Premises (or the Critical Works, as the case may be) and the means of access to them following their complete destruction, including the costs of demolition, site clearance, shoring up, planning fees, architects, legal and other professional fees, the costs of complying with Legislation as necessary in conducting such reinstatement and taking into account cover for the effect of inflation and escalation of costs and fees, together with irrecoverable VAT on all such costs

"Rent Sharing Investment Underlease" is an Investment Underlease granted by the Tenant for the primary purpose of sharing with another entity the rents and other monies which are received from occupiers of the Demised Premises for the underletting, licensing, occupation or utilisation of the Lettable Areas, but where the Tenant retains control over the management of the Demised Premises

"Repairing Notice" means any notice properly served on the Tenant whether by the Landlord or by any Authority requiring repairs or other Works to the Demised Premises and/or any items fixed to the Railway Assets and Premises by the Tenant where the Tenant is in default of its obligations set out in Clauses 5.1 and 5.2 of this Lease

"s237 Assignee" means a local authority entity (including the City of London Corporation or the Greater London Authority) nominated by the Tenant to be assigned this Lease or granted a sublease in connection with section 237 of the Town and Country Planning Act 1990 (or in the case of the Greater London Authority Part VIIA of the Greater London Authority Act 1999) which immediately grants a sublease or further sublease (as appropriate) back of the whole of the Demised Premises to the assignor of this Lease or the Tenant (as appropriate)

"Southern Escalator" means the escalator which provides access from street level to Moorgate Station/Moorfields High Walk referred to and shown at [] in the OSD Specification

"Standard Insurers" means an insurer that is reputable and of sufficient financial standing to meet possible claims on the date on which the relevant policy is taken out

"Standard Policy" means a policy of insurance placed with Standard Insurers that would provide, subject to reasonable excesses, policy exclusions and conditions of cover:

- (a) insurance cover against the damage or destruction of the Demised Premises and the means of access to them by any of the Insured Risks and
- (b) a waiver of all rights of subrogation that the insurers may have against any lawful occupier

"Station" means the station forming part of the Railway Assets and Premises and known as (or to be known as) Moorgate Underground Station and Liverpool Street Crossrail Station

"Station Box" means the [station box] shown at [] in the OSD Specification³

"Station Box Top" means the roof and surface finishes of the Station Box

"Station Interface Plan" means the document set out at annexure 8 of this Lease as the same may be varied or replaced from time to time pursuant to clause 23 of this Lease

"Super Pile" means:

- (a) the structural column shown with a broken red line on Plan B at annexure 4 and the land and airspace in which that column sits, shown (at +19 metres Ordnance Datum Newlyn) hatched red on Plan A at annexure 4; and
- (b) the pile cap shown (at +5 metres Ordnance Datum Newlyn) edged red on plan A at annexure 4, the piles supporting the pile cap, shown with a broken red line on Plan A at annexure 4 (both of which are further shown edged solid red on Plan B at annexure 4) and the land in which the pile cap and such piles sit

the relevant levels shown on Plan B at annexure 4 being 100 metres above Ordnance Datum Newlyn

"Supplemental Lease" means the lease dated [] and entered into between the Landlord and the Tenant

Tenant Signage has the meaning given in schedule 2

Tenant Signage Area has the meaning given in schedule 2

"Tenant's Executive" means [Colette O'Shea] (or such other person as the Tenant may appoint and notify the Landlord of in writing)

"Tenant's Obligations" means the obligations, covenants and conditions to be complied with by a tenant of this Lease (including the Tenant) **"Term"** means the Contractual Term and any continuation of it

"Term Commencement Date" means [*the date determined in accordance with the Development Agreement*]

"Ticket Hall" means the ticket hall on Moorfields serving Moorgate Underground station and Liverpool Street Crossrail station

"TfL Adverse Effect" means a detrimental impact on, or to, the operation of the Railway Undertaking or the Railway Assets and Premises (including, without limitation, by increasing the cost of such operation)

"TfL Subsidiary" means a subsidiary (as defined in section 1159 of the Companies Act 2006) of Transport for London or any other majority owned or controlled vehicle or entity

"Title Matters" means the matters briefly described in schedule 4

"Top-up Payment" means an amount equal to five per cent of the insurance monies received by the Tenant as a result of damage or destruction of the Demised Premises by an Insured Risk which are not properly payable to any occupational undertenant and have not already been expended, or committed to be spent, on reinstatement

"Transfer Structure" means the steel trusses (including associated Queen post structures and the eastern truss structure) constructed or to be constructed above the

³ Definition to be completed based on DA definition and latest specification prior to lease grant

Existing Raft and supporting the superstructure of the OSD shown at [●] in the OSD Specification

"Uninsured Risk" means uninsured terrorism or any other risk listed in limb (a) of the definition of Insured Risks against which the Demised Premises are not then insured because insurance against such risk is not then available in the London insurance market at commercially reasonable rates, from a reputable insurer on normal commercial terms

"Utilities" means electricity, gas, water, air, telecommunications, surface water and foul drainage and other similar services

"VAT" means value added tax at the rate from time to time payable and includes any successor or equivalent tax payable from time to time

"VATA" means the Value Added Tax Act 1994

"Ventilation Shaft" means the shaft or shafts and any ancillary machinery, plant or equipment providing ventilation to the Railway Assets and Premises from time to time within any buildings which may be constructed on the Demised Premises from time to time

"Waste" means any discarded, unwanted or surplus substance irrespective of whether it is capable of being recycled or recovered or has any value

"West Headlease" means a headlease of the area shown orange on the plans at annexure 1, between the parties to this Lease, granted on the same date as this Lease

"Works" means any works of repair, maintenance, renewal, rebuilding, construction, reconstruction, alteration, improvement, demolition or other works and

"Works Information" means checked calculations, specifications, detailed drawings, Method Statements, risk assessments, programmes, test or other information (including temporary works drawings, supporting calculations, programme dates and hours of working)

1.2 Interpretation

In this Lease:

- (a) the clause headings do not affect its interpretation
- (b) unless otherwise indicated, references to clauses, schedules and annexures are to clauses of and schedules and annexures to this Lease. References in a schedule to a part or paragraph are to a part or paragraph of that schedule and references in a part of a schedule to a paragraph are to a paragraph of the part
- (c) references to any Legislation include references to any subsequent legislation amending, consolidating, extending, replacing or re-enacting that Legislation
- (d) references to the Landlord, the Tenant include their respective successors in title and, in the case of individuals, include their personal representatives
- (e) references to the Demised Premises, the Railway Assets and Premises, the Transfer Structure, the Adjoining Premises and the Ventilation Shaft include any part of them unless specific reference is made to the whole of them
- (f) if the successor in title to the Landlord named in the Particulars is a statutory successor the Landlord's obligations in this Lease will not bind the Landlord named in the Particulars after it has disposed of its interest in the Demised Premises to

such statutory successor and it will not be liable for any breach of the Landlord's obligations in this Lease arising after the date of that disposal (and for the avoidance of doubt the obligations of the Landlord as set out in this Lease will not be affected by the grant of a lease which is overriding in nature to this Lease)

- (g) references to the date of assignment of this Lease mean the date of the deed of assignment or transfer of this Lease and obligations given to the Landlord on an assignment of this Lease will take effect from this date
- (h) without prejudice to clause 16.4 the party whose interest is in immediate reversion to this Lease (the "**Legal Landlord**") from time to time may by written notice to the Tenant from time to time confirm that the whole or some of the Legal Landlord's rights and obligations which relate to the Railway Undertaking have been delegated to Transport for London, a TFL Subsidiary and/or an Operator and may direct the Tenant to deal with any such party as agent for the Legal Landlord in relation to such right or obligation until future notice but not so as to absolve the Legal Landlord from any obligation owed to the Tenant
- (i) references to the Landlord include a reference to any superior landlord whose identity and address is notified in writing to the Tenant in the following circumstances:
 - (i) where there are rights reserved in favour of the Landlord and
 - (ii) where any matter under this Lease requires the consent or approval of the Landlord
- (j) references to the end of the Term include the determination of the Term before the end of the Contractual Term
- (k) any of the Tenant's Obligations not to do an act or thing shall be deemed to include an obligation not knowingly to permit or allow that act or thing to be done by any other person
- (l) unless expressly indicated to the contrary, the Tenant's Obligations are to be complied with at the Tenant's own expense
- (m) where the consent of the Landlord is required for any assignment, underletting or change of use, that consent may be given only by the completion of a licence executed as a deed containing the terms of the consent agreed between the parties unless the Landlord expressly elects in writing to waive this requirement referring to this provision of this Lease
- (n) "including" means "including, without limitation"
- (o) an obligation on the Tenant to pay a fair, proper or reasonable proportion includes an obligation, where reasonable, to pay the whole
- (p) where two or more people form a party to this Lease, the obligations they undertake may be enforced against them all jointly or against each of them individually
- (q) if any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Lease is to be unaffected
- (r) "knowingly" includes where the relevant party ought reasonably to know
- (s) the words "**operation of**" shall:

- (i) where used in relation to the Railway Undertaking, be deemed to be preceded by the words "safe, efficient and economic"; and
- (ii) where used in relation to the Railway Assets and Premises, be deemed to mean the "safe, efficient and economic operation and maintenance of";
- (t) reference to **"safe"** or **"safety"** shall be deemed to refer to the safety of staff, passengers, visitors and members of the public generally on and around the Railway Assets and Premises
- (u) no requirement for the Landlord or (where clause 16.4 applies) the Operator to act reasonably or not unreasonably to withhold a consent acceptance or approval, nor any stipulation that a conclusion or decision by the Landlord or the Operator is to be reached on a reasonable basis, shall diminish the Landlord or the Operator (as relevant) having absolute discretion:
 - (i) in relation to matters relating to safety; and/or
 - (ii) where the Landlord or the Operator (as relevant) has to comply with a statutory obligation; and/or
 - (iii) where the relevant matter relates to the operation of the Railway Undertaking or the Railway Assets and Premises

and where the Landlord or the Operator (as relevant) has absolute discretion under (i), (ii) and (iii) above or where the decision of the Landlord or the Operator (as relevant) is said to be final the Landlord covenants to (or where the Landlord and the Operator are separate entities the Landlord covenants to procure that the Operator will) exercise such discretion or make such decision in a proper manner, without seeking to obtain a commercial advantage and by reference to its statutory duties and shall provide proper reasons for its decisions

- (v) where there is any conflict between the LUL Standards and any term of this Lease in relation to Critical Works and/or the inspection and/or maintenance of the Existing Raft between the Demised Premises and the Railway Assets and Premises then the LUL Standards shall prevail;
- (w) "nuisance" means legal nuisance

1.3 **Particulars**

The Particulars form part of this Lease and words and expressions set out in the Particulars are to be treated as defined terms in this Lease

1.4 **Landlord and Tenant (Covenants) Act 1995**

This Lease is a "new tenancy" for the purposes of section 1 of the 1995 Act

1.5 **Paramount Safety Issues**

The Tenant acknowledges that matters or concerns of the safety of the Railway Undertaking and the Railway Assets and Premises are paramount and that the Landlord's rights in relation to such matters or concerns may override other express or implied provisions of this Lease, provided that in exercising those rights the Landlord shall:

- (a) not seek to gain commercial advantage (but shall not be prevented from acting properly in a way where the primary purpose was not to gain a commercial

advantage but which coincidentally provides a commercial advantage to the Landlord);

- (b) act in accordance with clauses 1.9 and 1.10
- (c) (where entry to the Demised Premises is necessary) comply with the Conditions of Entry;
- (d) not be entitled to deprive the Tenant of the use of the Demised Premises (or part of the Demised Premises) or the rights granted pursuant to this Lease (save where the Tenant is in breach of Tenant's Obligations relevant to the particular matter or concern of safety of the Railway Undertaking and/or the Railway Assets and Premises) unless the Landlord has agreed to compensate the Tenant appropriately for such loss

1.6 Notwithstanding anything else contained in this Lease, the Tenant agrees and accepts that, in the event of any conflict between the operation of the Railway Undertaking and/or the Railway Assets and Premises and any works carried out by the Tenant under the terms of this Lease for which access to the Railway Assets and Premises is required or which may adversely affect the operation/safety and security of the Railway Assets and Premises and/or the Railway Undertaking including but without prejudice to the generality of the foregoing:

- (a) the programming or timing of the whole or any part of any such works carried out by the Tenant
- (b) the possession of or access to any part of the Railway Assets and Premises and
- (c) the design or method of carrying out of the whole or any part of any such works by the Tenant

the proper requirements of the Landlord shall prevail and, in relation to any question as to whether anything to be done in connection with any such works being carried out by the Tenant may adversely affect the operation of the Railway Undertaking and/or the Railway Assets and Premises, the decision of the Landlord shall be final

1.7 The Landlord shall not be liable to the Tenant for any costs or expenses incurred by or any loss or damage or other liability suffered by the Tenant as a result of a decision properly given by the Landlord pursuant to this Lease after due consideration on any question relating to the operation of the Railway Undertaking and/or the Railway Assets and Premises notwithstanding that such decision may result in the Tenant being unable to proceed with the whole or any part of the works referred to in Clause 1.6 or being delayed in the carrying out of any such works or incurring additional expenses or liability as a result of the decision, provided that the Landlord has complied with its covenant at the end of Clause 1.2(u).

1.8 The Tenant shall not knowingly cause the Landlord to be in breach of any Legislation in so far as it relates to the use and occupation of the Demised Premises

1.9 In relation to all matters that arise in relation to a conflict between the operation of the Railway Undertaking and/or the Railway Assets and Premises and the other provisions of this Lease the Landlord shall keep the Tenant fully informed and alert the Tenant to the conflict as soon as reasonably practicable. To the extent possible the Landlord shall use reasonable endeavours to agree an alternative approach so as not to conflict between the operation of the Railway Undertaking and/or the Railway Assets and Premises and the other provisions of this Lease.

1.10 The Landlord and the Tenant shall at all times act in good faith towards each other having regard to their respective interests

2. **LETTING, TERM AND TERMINATION**

2.1 **Creation of the Term**

In consideration of:

- (a) [the Premium (receipt of which the Landlord acknowledges)];
- (b) the surrender of the Existing Headlease and the Supplemental Lease in accordance with the Development Agreement; and
- (c) the assumption by the Developer of its obligations under clause 28.1(b) of the Development Agreement,

the Landlord with full title guarantee (save in the case of the land referred to in paragraph (d)(ii) of schedule 1 where no title guarantee will be given) lets the Demised Premises to the Tenant for the Contractual Term reserving the Ground Rent

2.2 **Quiet enjoyment**

The Landlord covenants with the Tenant that the Tenant may quietly enjoy the Demised Premises throughout the Term without any interruption by the Landlord or anyone lawfully claiming under or in trust for the Landlord or by title paramount

2.3 **Right of re-entry to end this Lease**

The Landlord may enter onto the whole or any part of the Demised Premises and by so doing forfeit this Lease if:

- (a) the whole or any part of the Ground Rent due under this Lease remains unpaid more than fourteen (14) days after the due date for payment
- (b) the Tenant is in breach of its obligation contained in clause 4.1(b) of this Lease
- (c) any material sums due and owing to the Landlord as a result of a breach of any of the Tenant's Obligations which adversely affect the operation of the Railway Undertaking and/or the Railway Assets and Premises remain unpaid for more than fourteen (14) days after the due date for payment following a formal written demand
- (d) the Tenant breaches any of the Tenant's Obligations in a manner which may adversely affect the operation of the Railway Undertaking and/or the Railway Assets and Premises

and the Tenant, [the Tenant Guarantor] or any Mortgagee does not make the payment, commence (or procure payment or commencement of) the remedy of such breach within two months of receipt of written notice from the Landlord to the Tenant [the Tenant Guarantor] and any Mortgagee, specifying the alleged breach and requiring it to be remedied (and having commenced remedy of a breach, proceed as soon as commercially sensible thereafter to complete or procure completion of such remedy). For the avoidance of doubt, the commencement of the remedy of a breach may be evidenced by the Tenant, [the Tenant Guarantor] or any Mortgagee seeking any approvals or consents (or procuring that such approvals or consents are sought) required under this Lease or otherwise, in order to remedy the breach provided that having obtained such approvals or consents the Tenant then proceeds as soon as commercially sensible thereafter to remedy or procure the remedy of the breach

2.4 **Effect of the Lease coming to an end**

When this Lease ends it will be without prejudice to any outstanding claims by any party against any other party or any obligation on the Tenant or Landlord or any party to pay any sums of money due up to the date the Lease ends, whether or not those sums have been demanded

3. **RIGHTS, RESERVATIONS AND OTHER MATTERS**

3.1 **Rights granted**

The Demised Premises are let together with the rights set out in schedule 2 which the Landlord grants to the Tenant with full guarantee:

- (a) in relation to Schedule 2 Paragraph A for use in common with the Landlord and any other person using them with the express or implied authority of the Landlord unless the rights are expressed to be exclusive rights for the Tenant
- (b) for the benefit of the Tenant and any other person using them with the express or implied authority of the Tenant including its employees, agents, visitors, permitted undertenants, any other permitted occupier of the Demised Premises and any other person under its or their control

3.2 **Exercise of rights granted**

When exercising the rights granted in Schedule 2 Paragraph A the Tenant and any other person exercising the rights with the express or implied authority of the Tenant is to ensure that as little disturbance and inconvenience as is reasonably practicable is caused to the Landlord or the tenants or occupiers and users of the Railway Assets and Premises in the exercise of the rights and is also (where relevant) to ensure that any physical damage to the Railway Assets and Premises is made good as soon as practicable to the reasonable satisfaction of the Landlord

3.3 **Rights reserved**

The rights set out in schedule 3 are reserved out of the letting for the benefit of the Landlord and any other person having express or implied authority from the Landlord to benefit from them, including Transport for London, TfL Subsidiaries, any Group Company of the Landlord, any Operator, the Landlord's staff and anyone responsible for the carrying out of the Maintenance Works and/or the operation of the Railway Undertaking and the Railway Assets and Premises. The Tenant is to permit the exercise of these rights and is not to obstruct or prevent these rights, subject to these rights being exercised in each case in accordance with the terms of this Lease

3.4 **Exercise of rights reserved**

When exercising the rights reserved in clause 3.3 where they involve entry upon the Demised Premises the Landlord, and any other person exercising the rights with the express or implied authority of the Landlord, is to comply with the Conditions of Entry

3.5 **Title matters**

- (a) The Demised Premises are let subject to and with the benefit of the Title Matters. So far as they are still subsisting, capable of taking effect and affect the Demised Premises, the Tenant is to indemnify the Landlord against any breach of them by the Tenant or persons deriving title under the Tenant
- (b) Save in relation to any rights of light which may benefit the Demised Premises, the Tenant is to notify the Landlord in writing if it becomes aware of any challenge to

the Landlord's entitlement to the benefit of any covenant, right or condition contained or referred to in the Title Matters and shall not do anything which might support such challenge

3.6 **Third party rights**

The Demised Premises are let subject to all rights of light and air and all other legal or equitable easements and rights belonging to or enjoyed by any other property except as expressly set out in this Lease

3.7 **Exclusion of implied rights**

This Lease does not confer upon the Tenant any rights or privileges over the Railway Assets and Premises except as expressly set out in this Lease

3.8 **Protection of rights**

Save in relation to rights of light which benefit the Demised Premises, the Tenant is not to do or omit to do anything which results or might result in:

- (a) the loss of any right or easement enjoyed by the Demised Premises; or
- (b) the creation of any new rights wayleaves or easements over the Demised Premises which will or may continue to exist after the expiry or earlier determination of the Term and adversely affect the Railway Assets and Premises without the prior written consent of the Landlord (which shall not be unreasonably withheld or delayed having regard to any relevant rights to divert the route of such rights wayleaves and easements and any powers of the Landlord to suppress or override the exercise of such rights) and, if it becomes aware of any which are being created other than by the Tenant's express grant the Tenant is:
 - (i) to notify the Landlord in writing and
 - (ii) at its own cost, to take any action which the Landlord reasonably requires to prevent the creation of any such new rights wayleaves and easements over the Premises

provided that (for the avoidance of doubt) nothing in this clause 3.8 shall prevent or restrict the grant of any Investment Underlease or any Occupational Lease or any agreement or licence to occupy any part of the Demised Premises

3.9 **Landlord's rights**

Without prejudice to any of the Mutual Deeds, and subject to the Landlord complying with Clauses 2.2 and 16.3, and not depriving the Tenant of the enjoyment of the rights granted to it under Clause 3.1 and schedule 2 of this Lease, nothing in this Lease is to limit or affect the rights of the Landlord, Transport for London or any TfL Subsidiary to deal with any Adjoining Premises and/or Railway Assets and Premises as it thinks fit

4. **RENTS AND OTHER SUMS PAYABLE**

4.1 **Obligation to pay rent**

- (a) The Tenant is to pay the following sums by way of rent to the Landlord during the Term without making any legal or equitable set-off, counterclaim or deduction unless required to do so by law:
 - (i) the Ground Rent payable in accordance with the provisions of schedule 9 and

- (ii) any other sums payable by the Tenant under the terms of this Lease, such sums to be payable within ten (10) Business Days of demand
- (b) **[Reason:** This information, if used by third parties, would be likely to prejudice the commercial interests of the Landlord and the Tenant]

4.2 **VAT**

The rents and any other sums payable under this Lease are exclusive of any VAT chargeable in respect thereof. Where pursuant to the terms of this Lease, a party (for the purposes of this clause 4 the Supplier) makes or is deemed to make a supply to another party (for the purpose of this clause 4, the Recipient) for VAT purposes and VAT is or becomes chargeable on such supply, the Recipient shall, in addition to and at the same time as any other consideration payable for such supply, pay to the Supplier a sum equal to the amount of such VAT, subject to the Supplier having provided the Recipient with a VAT invoice in respect of such supply (if applicable) and if the Supplier fails to do so the Recipient shall not be obliged to pay to the Supplier a sum equal to such VAT until three Business Days after receipt of the VAT invoice. The Supplier shall provide evidence reasonably satisfactory to the Recipient of any relevant option to tax or real estate election which has effect under schedule 10 to the VATA in relation to the relevant supply, including copies of such option to tax or real estate election and of the notification of such option or election submitted to HM Revenue & Customs in accordance with schedule 10 to the VATA and of any acknowledgement received from HM Revenue & Customs

- 4.3 Where, pursuant to the terms of this Lease, a party (for the purposes of this clause 4, the Payer) is required to pay, repay, reimburse or indemnify another party (for the purpose of this clause 4, the Payee) for any cost, fee, charge, disbursement or expense (or any proportion of it) incurred by the Payee, the Payer shall only pay, repay, reimburse or indemnify (as the case may be) the Payee for any part of such costs, fee, charge, disbursement or expense (or proportion of it) which represents VAT to the extent that the Payee is not entitled to recover the VAT (whether by way of credit, repayment or otherwise)

- 4.4 For the purposes of this clause 4, the expressions supply and VAT invoice shall bear the same meanings as they do in the VATA. References in this Lease to any person, or any right, entitlement or obligation of any person under the laws in relation to VAT, shall (where appropriate and unless the context otherwise requires) be construed, at any time when such person is treated as a member of a group for the purposes of VAT, to include a reference to the representative member, or to the right, entitlement or obligation under such laws of the representative member, of that group at such time (the term representative member to be construed in accordance with the relevant legislation in the VATA)

4.5 **Interest on late payment**

If the Tenant does not pay the rents or other sums due to the Landlord under this Lease, whether or not reserved as rent, and including in each case any VAT payable thereon (if properly payable and on production of a valid VAT invoice), within fourteen (14) days of the due date for payment the Tenant is to pay interest on those sums, both after as well as before judgment, at the Prescribed Rate for the period from and including the due date for payment to and including the date of actual payment

4.6 **Non acceptance of rent**

If the Landlord reasonably believes that there is a material breach of the Tenant's Obligations and does not demand or accept payment of the rents or any other sums due under this Lease because to do so would waive such breach, the Tenant is to pay interest on those sums on the basis set out in clause 4.5 (Interest on late payment) for the period

from and including the date on which they were due to and including the date on which the Landlord accepts payment of them. This interest will be payable to the Landlord on demand

4.7 **Payment of Outgoings**

The Tenant is to pay all Outgoings in relation to the Demised Premises and a proper proportion (to be determined by the Landlord or the Landlord's Surveyor acting reasonably) of any Outgoings assessed in relation to the Demised Premises and the Railway Assets and Premises (and the Landlord hereby acknowledges that such a proper proportion may be nil if only the Railway Assets and Premises are served or benefited). The provisions of this clause do not apply to any Outgoings arising from:

- (a) any dealing by the Landlord with its interest in the Demised Premises (including the grant of a lease which is overriding in nature to this Lease and/or a leaseback to the Landlord) ; or
- (b) any tax charged, imposed or levied on the Landlord in respect of the Ground Rent, **[Reason:** This information, if used by third parties, would be likely to prejudice the commercial interests of the Landlord and the Tenant] or any other sums payable to the Landlord under this Lease (but excluding, for the avoidance of doubt, amounts payable by the Tenant on account of VAT under clause 4.2).

4.8 **Utility costs**

The Tenant is to pay direct to the suppliers of the Utilities all costs payable in respect of Utilities provided to the Demised Premises (including standing charges and VAT payable on Utility costs)

4.9 **Landlord's Costs**

The Tenant is to pay to the Landlord on demand the Landlord's proper costs and expenses arising from:

- (a) the preparation and service of any notice and the taking of any proceedings by or on behalf of the Landlord under sections 146 or 147 of the 1925 Act or under the Leasehold Property (Repairs) Act 1938, whether or not forfeiture is avoided by an order of the court.
- (b) any application made by the Tenant for the Landlord's consent or approval to any matter under this Lease whether or not:
 - (i) consent or approval is given unless the court determines that the Landlord has unreasonably or unlawfully withheld that consent or approval in circumstances where it is not entitled to do so or
 - (ii) the application is withdrawn

Provided That the Landlord shall (save in an emergency) provide the Tenant with an estimate of such costs before such costs are incurred and notify the Tenant prior to any such estimate being exceeded

- (c) abating any nuisance on the Demised Premises caused by the act, default or negligence of the Tenant
- (d) the inspection and, if required, approval by the Landlord, the Engineer or the Landlord's Surveyor of any alterations, additions or improvements to the Demised Premises

- (e) enforcing or making good any breach of the Tenant's Obligations, including the recovery of arrears of the Ground Rent or any other sums due to the Landlord under this Lease

5. **REPAIR, MAINTENANCE AND PROTECTION OF RAILWAY UNDERTAKING AND RAILWAY ASSETS AND PREMISES**

5.1 **Tenant's General Repair and Maintenance Obligations**

The Tenant is to:

- (a) put and keep the buildings and structures on the Demised Premises and all Conduits exclusively serving the Demised Premises, in good and substantial repair and condition provided that where such repair involves Critical Works such repair shall not be carried out without the Tenant complying with the Conditions of Work and LUL Standards (as applicable) and if the Tenant has made a proper application for consent to carry out such repair works it shall be deemed not to be in breach of its obligations in this clause 5.1 while a response to such application is outstanding
- (b) (at the reasonable request of the Landlord) clean the louvres of the Ventilation Shaft
- (c) maintain in good and substantial repair and condition any cladding installed within the Tenant Signage Area
- (d) without prejudice to the foregoing provisions of this clause 5.1, provide shelter and protection from the Demised Premises and not withdraw support for the Railway Assets and Premises from such parts of the Demised Premises as are designed to or in fact do provide support shelter and protection to such Railway Assets and Premises (if any) at all times and ensure that the Railway Assets and Premises are protected from the ingress of water and not at any time to remove or lessen below the requirements of the Load Bearing Regime such support shelter or protection and at all times to take such steps as are reasonable and proper in respect of the state and condition of the Demised Premises to ensure the safety of the Railway Assets and Premises and all persons using the Railway Assets and Premises and in so doing (if conducting works) to comply with the Conditions of Work and LUL Standards

5.2 **Drainage**

To keep in good and substantial repair and condition the drainage serving the Demised Premises and to ensure that such drainage operates in a manner which drains water away from the Railway Assets and Premises

5.3 **Standard of repairs**

All repairs to the Demised Premises and the Drainage required pursuant to clauses 5.1 and 5.2 are to be carried out in a good and workmanlike manner with good and proper materials in accordance with good building practice and in accordance with the requirements of all Legislation affecting such repairs or the means by which they are carried out, including the CDM Regulations the Conditions of Work and LUL Standards (where applicable)

5.4 **Condition of the Existing Raft and Transfer Structure**

If the Tenant exercises its right pursuant to paragraph 2 of schedule 2:

- (a) within five (5) Business Days of completion of the structural survey the Tenant is to supply to the Landlord a copy of the report

- (b) if such survey reveals that further investigations are required the Tenant shall arrange for such further investigations as are specified in the structural survey as necessary and
- (c) for the avoidance of doubt, provided that the Landlord is in compliance with its obligations under this Lease, the Landlord is not obliged to accept the findings specified in the report nor to carry out any Works or adhere to any recommendations contained in the report

5.5 **Landlord's entry**

Subject to the Landlord complying or procuring compliance with the Conditions of Entry, the Tenant is to permit the Landlord with or without workmen and all necessary plant, equipment, tools and appliances to enter and remain upon the Demised Premises:

- (a) to view the state of repair and condition of the Demised Premises, carry out investigations (including intrusive investigations) and/or to take a schedule of any dilapidations:
 - (i) if in relation to the Demised Premises it has concerns as to the safety or operation of the Railway Undertaking and/or the Railway Assets and Premises
 - (ii) to prepare a Repairing Notice
 - (iii) if it has reason to believe that the Tenant is in breach of its obligations in clause 5.13
- (b) for the purpose of inspecting, rebuilding or executing maintenance, repairs, renewals and alterations to the Railway Assets and Premises
- (c) to remove any obstruction to access to and/or egress from the Railway Assets and Premises
- (d) to ascertain whether anything has been done which constitutes a breach or non-performance of any of the Tenant's Obligations
- (e) to carry out a structural survey pursuant to clause 5.7
- (f) to exercise any of the rights excepted and reserved to the Landlord by this Lease
- (g) to undertake investigations (including the taking of samples) in, on or under the Demised Premises to ascertain the condition of the Demised Premises and the nature, extent and mobility of Hazardous Materials or Waste in, on or under the Demised Premises
- (h) for any other proper reason or purposes connected with any dealing with the interest of the Landlord in the Demised Premises including the sale and/or mortgage of them
- (i) (if the Landlord properly considers that the operation of the Railway Undertaking and/or the Railway Assets and Premises is or may be adversely affected or that access to the Railway Assets and Premises is or may be impeded) to carry out any Works that the Landlord properly considers necessary, including the carrying out of any Works in respect of which the Tenant is in default, whether as referred to in clauses 5 or 6 or otherwise

5.6 **Repairing Notice**

Following the service of a Repairing Notice:

- (a) the Tenant is to carry out any repair or other works required by the Repairing Notice immediately in the case of an emergency or threat to safety of the Railway Undertaking and/or the Railway Assets and Premises and otherwise within any reasonable period specified in the notice or, if no period is specified, within a reasonable period after the receipt of the Repairing Notice and
- (b) where the Repairing Notice is served on the Tenant by any person other than the Landlord or the Landlord's Surveyor, the Tenant is to provide a copy of the Repairing Notice to the Landlord as soon as reasonably practicable after its receipt by the Tenant

5.7 **Structural Surveys**

If a notice is served on the Tenant by the Landlord and the Landlord has reason to believe the Tenant is in breach of its obligations under clause 5.6 or the Landlord has reason to believe that the Tenant is in breach of its obligation under clauses 5.1, 5.2, 5.3, 5.4, 5.13, 5.14, 5.15, 5.16 and 5.17 then the Landlord may undertake at the Tenant's cost a structural survey and report on the state and condition of the Demised Premises and/or the magnitude or method of loading imposed by the structure of the Demised Premises on the Transfer Structure and/or the Ventilation Shaft (where the Ventilation Shaft forms part of the structure) by the Engineer. Within five (5) Business Days of completion of the survey report the Landlord is to supply to the Tenant a copy of the report which shall include the Engineer's recommendations (if any) for maintenance, repair or renewal of the Demised Premises and/or the Transfer Structure and/or the Ventilation Shaft (where the Ventilation Shaft forms part of the structure). If the Engineer suggests that further investigations are required, the Landlord shall arrange at the Tenant's cost for such further investigations as are necessary. The report shall identify what (if any) Works are required

5.8 If the required Works are due to a breach by the Tenant of the Tenant's Obligations referred to in Clause 5.7 the Tenant shall be liable to carry out any Works referred to in the report following such investigations

5.9 If the required Works are due to a combination of a breach of the Tenant's Obligations referred to in Clause 5.7 and a breach of the Landlord's Obligations then the obligations to implement reasonable and proper recommendations and the costs of such works shall be apportioned accordingly and the Parties shall co-operate fully with each other to carry out such Works

5.10 If either party wishes, it may at its own cost commission an identical survey from a different engineer and if the parties are unable to agree on any aspect of the surveys, or recommendations then either party may refer the dispute for determination pursuant to clause 26.3. In the meantime the required Works shall be conducted in accordance with the survey or surveys referred to in clause 5.7

5.11 **Compliance with Repairing Notice**

If the Tenant does not comply with the Repairing Notice within the period referred to in clause 5.6:

- (a) the Tenant is to permit the Landlord to enter and remain upon the Demised Premises with or without workmen, plant and materials to carry out the repairs or other works required (subject to the Landlord complying or procuring compliance with the Conditions of Entry); and

- (b) the proper costs incurred by the Landlord in carrying out the repairs or other works are to be paid by the Tenant to the Landlord on demand as a debt and not as rent together with interest on those costs at the Prescribed Rate calculated from and including the date on which the Landlord made the demand for payment to and including the date on which they are paid

5.12 **Defective premises**

In respect of any defects in the Demised Premises which might give rise to a duty or liability on the part of the Landlord under the Defective Premises Act 1972, any other statutory provision or common law, the Tenant is to:

- (a) give immediate notice in writing to the Landlord of the defects as soon as it becomes aware of them
- (b) display on the Demised Premises any notice which the Landlord may properly and reasonably require and
- (c) take any other action which the Landlord may properly and reasonably require to discharge any duty or liability which may be imposed on the Landlord in respect of those defects

5.13 **No overloading**

The Tenant is:

- (a) not to connect into or onto the Existing Raft or the Transfer Structure other than as specified in the Load Bearing Regime
- (b) not to construct on or over the Existing Raft or the Transfer Structure other than in accordance with the Load Bearing Regime
- (c) not to suspend any loads from the ceilings or other fabric of any buildings or structures on the Demised Premises nor to load or to use the floors or structure of the Demised Premises or any buildings or structures on them in any manner which will in any way impose a weight or strain in excess of that which the Existing Raft and the Transfer Structure can safely carry from time to time with due margin for safety and, if the Tenant is in breach of its obligations pursuant to this clause, to remove such load immediately and (if any part of the Railway Undertaking or Railway Assets and Premises shall be endangered or impaired as a result) in accordance with the proper directions of the Engineer, the Conditions of Work and any relevant LUL Standards
- (d) not to overload the structure forming part of the Railway Assets and Premises comprising the base of the Escalator/Lift Pits

5.14 **Dangerous things**

The Tenant is not to:

- (a) bring on to, place or keep on such parts of the Demised Premises as shall be adjacent to or on the edge of the Railway Assets and Premises or the means of access to or egress from it anything of a dangerous, combustible, flammable, radioactive or explosive nature or which would be likely to increase the risk of fire or explosion provided always that this shall not prevent the use of substances (including heating fuel) in the normal course of business at the Demised Premises and subject to sensible controls

- (b) install any machinery, plant or equipment which may cause Electromagnetic Disturbance with the Railway Assets and Premises and/or the Railway Undertaking unless appropriate mitigation or preventative measures are taken with the prior written consent of the Landlord (which shall not be unreasonably withheld or delayed)

5.15 **Protection of Railway Assets and Premises**

Not to do or permit anything which may adversely affect or injure the Railway Assets and Premises or interfere with, impede, disrupt or delay the operation of the Railway Undertaking save that for the avoidance of doubt this clause shall not prevent the Tenant from releasing rights of light and air benefitting the Demised Premises or consenting to an obstruction of the same (provided that such release or obstruction does not adversely affect any Ventilation Shaft)

5.16 **Protection of Ventilation Shafts**

The Tenant is:

- (a) not to permit any windows, balconies or apertures to open onto or over the vertical parts of the Ventilation Shaft
- (b) not to permit any object to enter the Ventilation Shaft and shall not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) construct any building or other construction over the Ventilation Shaft which would or may result in a breach of the other provisions of this clause 5.16
- (c) not to block the Ventilation Shaft any louvres or any other means of ventilation or airflow to the Railway Assets and Premises and
- (d) not to pollute the air or air spaces serving any Ventilation Shaft or any other means of ventilation to the Railway Assets and Premises

5.17 **Non-interference**

The Tenant is:

- (a) not to build any structures (whether temporary or permanent) which would obstruct any access to or egress from the Railway Assets and Premises or jeopardise or obstruct the operation of the Railway Undertaking
- (b) not to fix or fasten any lights or signs which may interfere with or be confused with any safety systems including traffic lights upon or associated with the Railway Undertaking, and to remove any so erected on demand by the Landlord
- (c) to remove immediately upon request from the Landlord any structure or other fixture or fitting which interferes with the operation of the Railway Undertaking,

(and the Landlord hereby acknowledges that any buildings which are constructed in accordance with the terms of the Development Agreement will not be in breach of this clause)

5.18 **Emergencies**

If the Landlord considers that the operation of the Railway Undertaking is under immediate threat by the state or condition of the Demised Premises or because access to or egress from the Railway Assets and Premises is impeded, the Landlord may enter the Demised Premises to carry out immediate actions required to make safe or protect the parts of the Demised Premises affected or ensure that such access is unimpeded without

the need to serve any Repairing Notice or give the Tenant any prior notice (but subject to compliance with paragraphs (b) - (g) of the Conditions of Entry). If the Tenant is in breach of the Tenant's Obligations the costs incurred by the Landlord in doing so shall be recoverable by the Landlord.

6. ALTERATIONS, ADDITIONS AND WORKS

6.1 Conditions of Work and LUL Standards

The Tenant is not to undertake any Critical Works without complying with the Conditions of Work and any relevant LUL Standards

6.2 Prohibition on Critical Works without Landlord's consent

- (a) As soon as reasonably practicable following the First Development PC Date the parties hereto will exchange a memorandum recording the net internal areas of the buildings situated on the Demised Premises
- (b) The Tenant is not to carry out any Redevelopment which increases the net internal area of the buildings situated on the Demised Premises (as evidenced by the memorandum exchanged under Clause 6.2(a)) by more than 5 per cent without the previous written consent of the Landlord which consent shall not be unreasonably withheld or delayed
- (c) Without prejudice to clause 6.2(a) the Tenant is not to carry out any Critical Works without:
 - (i) the previous written consent of the Landlord not to be unreasonably withheld or delayed (provided such consent may be withheld in the Landlord's absolute discretion to the extent that such Critical Works would or may affect the structural integrity or load-bearing capacity of the Railway Assets and Premises and/or the operation of the Railway Undertaking) and Provided always that it shall be reasonable for the Landlord to withhold consent to a Redevelopment if in the Landlord's reasonable opinion the Tenant and any guarantor and the Tenant's building contractor and Professional Team in combination do not have sufficient expertise and/or financial standing to properly carry out and complete the Redevelopment
 - (ii) complying with the provisions of schedule 5

6.3 The Landlord shall not seek to obtain any commercial advantage in granting or withholding or imposing conditions on the consents referred to in Clause 6.2(b).

6.4 General provisions relating to all Notifiable Works

The Tenant is not to execute any Notifiable Works without:

- (a) (in the case of Notifiable Works not involving or amounting to a Redevelopment) first giving at least thirty (30) Business Days previous notice in writing to the Landlord of the intention to carry out such Notifiable Works
- (b) (in the case of a Redevelopment) first giving twelve (12) months previous notice in writing to the Landlord of the intention to carry out such Redevelopment
- (c) complying with the provisions of part A of schedule 5 and (where applicable) the relevant remaining provisions of schedule 5

6.5 Oversailing

If in the course of any Works the Tenant intends to use a crane or cranes or other plant or equipment to oversail the airspace above the Railway Assets and Premises the Tenant shall comply with the Conditions of Work and any relevant LUL Standards and the proper requirements of the Engineer in order to protect the Railway Assets and Premises and the safety of persons in the vicinity of them

6.6 **CDM Regulations**

In relation to the CDM Regulations the Tenant is:

- (a) to comply fully with such regulations insofar as they relate to any Works to be carried out in, to or at the Demised Premises by or on behalf of the Tenant
- (b) (as the Landlord would be treated as a client in respect of the works under the CDM Regulations), to elect in writing to be treated as the only client in relation to those works under regulation 8 of the CDM Regulations and
- (c) to maintain the health and safety file required by the CDM Regulations and provide to the Landlord within one (1) month of the completion of the works, the details of the works which need to be included in that file

6.7 **Landlord's Costs**

The Landlord and the Tenant shall agree (each acting reasonably) a reasonable cap (including an appropriate contingency) on the costs payable by the Tenant in relation to any approval which the Tenant is required to obtain from the Landlord pursuant to this clause 6 and pursuant to schedule 5.

7. **USE OF THE PREMISES**

7.1 **Permitted use**

The Tenant is to use the Demised Premises only for the Permitted Use

7.2 **Prohibited uses**

The Tenant is not to use the Demised Premises:

- (a) for any illegal, immoral or offensive purpose or for any offensive or dangerous trade, manufacture, business or occupation; or
- (b) in breach of any restriction on use contained in the Title Matters

7.3 **Restrictions on use**

The Tenant is:

- (a) not to use the Demised Premises in a manner which creates a nuisance or causes physical damage to the Landlord or any tenants or occupiers of the Railway Assets and Premises or to the public or passengers or which will or may cause any obstruction, interference, nuisance, damage or otherwise be detrimental to the operation of the Railway Undertaking and/or the Railway Assets and Premises
- (b) not to overload the electrical systems in the Demised Premises
- (c) not to use any machinery on the Demised Premises which causes significant vibration either within or outside the Demised Premises

provided that this clause shall not prevent Works being carried out at or to the Demised Premises which are otherwise in accordance with this Lease.

7.4 **Fire Precautions**

The Tenant is:

- (a) to provide, properly test and keep in proper working order all necessary fire prevention and firefighting equipment and apparatus for the Demised Premises
- (b) not to obstruct the access of any fire equipment or the means of escape from the Demised Premises and/or the Railway Assets and Premises or (where there are shared means of escape) lock any fire door whilst the Demised Premises and/or the Railway Assets and Premises are occupied
- (c) not to store or use any explosive or highly inflammable goods or substances at the Demised Premises except in reasonable quantities in accordance with the Permitted Use and then only in accordance with the requirements of the fire authorities and any manufacturer's or trade safety recommendations
- (d) subject to compliance with the Condition of Entry, to permit the Landlord's fire safety officers and any other properly authorised persons to inspect the Demised Premises and to inspect and test the fire equipment and apparatus at the Demised Premises
- (e) to observe and comply with any regulations in so far as these relate to the Demised Premises properly made by the Landlord and otherwise as made by the fire authorities in both cases in relation to fire prevention and safety at the Demised Premises and/or the Railway Undertaking and/or the Railway Assets and Premises and
- (f) to comply at all times with all Legislation relating to fire safety so far as it is applicable to the Tenant's use and occupation of the Demised Premises

7.5 **Security Equipment Fire Alarms and Sprinklers**

The Tenant is:

- (a) to permit the Landlord, the Landlord's Surveyor and others authorised by them to have access to the Demised Premises (subject to compliance with paragraphs (b) – (g) of the Conditions of Entry) in the event of any fire or security alarms or sprinkler systems being activated
- (b) not to install or maintain any equipment or apparatus at the Demised Premises which may adversely affect the performance of any security systems or fire alarms sprinkler systems CCTV systems or associated lighting
- (c) to notify the Landlord immediately on becoming aware that any security systems fire alarms sprinkler systems CCTV systems or associated lighting are or may be defective
- (d) not to interfere with or make any unauthorised connection to any security system fire alarm sprinkler or CCTV system or ancillary equipment belonging to the Landlord and relating to the Railway Undertaking and/or the Railway Assets and Premises at the Demised Premises and/or Railway Assets and Premises and
- (e) not do anything which may reduce the effectiveness of any security systems fire alarms sprinkler systems CCTV systems or associated lighting belonging to the

Landlord and relating to the Railway Undertaking and/or the Railway Assets and Premises

provided in the case of (e) that the Landlord has provided the Tenant with sufficient details of such security systems fire alarms sprinkler systems CCTV systems and associated lighting and ancillary equipment

7.6 Lawful use

The Landlord gives no warranty to the Tenant that the Permitted Use is or will remain a lawful or permitted use for the Demised Premises under the Planning Acts

7.7 Station Interface Plan

The Tenant shall comply at all times with the Station Interface Plan

8. LEGISLATION

8.1 Compliance with Legislation

The Tenant is:

(a) to comply with:

- (i) all Legislation, including the Planning Acts; and
- (ii) the requirements of every Authority (to the extent these relate to the safety of the Railway Undertaking and/or of the Railway Assets and Premises or may otherwise result in the Landlord incurring liability)

in respect of the Demised Premises, their use and occupation or the carrying out of any Works to the Demised Premises and

(b) to carry out at its own cost all Works and other matters required to fulfil its obligation under clause 8.1(a)

This clause 8.1 applies whether compliance with such Legislation or such requirements of an Authority are the responsibility of the owner, landlord, tenant or other occupier of the Demised Premises

8.2 Notices

If the Tenant receives any notice, order, proposal, requisition, direction or other communication from any Authority or third party affecting or likely to affect the Railway Undertaking, the Railway Assets and Premises or passengers or public the Tenant is to:

- (a) provide immediately a copy of the notice, proposal, requisition, direction or communication to the Landlord and
- (b) without prejudice to clause 8.1, at the request and cost of the Landlord, make or join in with the Landlord in making any representations or objections in respect of these matters as the Landlord may properly require

8.3 Effect of Legislation

If any Legislation makes compliance with any of the terms of this Lease illegal or impossible:

- (a) no liability will arise in respect of any failure to comply with those terms and

(b) the Term will not end

9. **RESTRICTIONS ON PARTING WITH POSSESSION**

The Tenant is not to assign, underlet or part with possession of the whole or any part of Premises, except and to the extent that it is not prevented by or is expressly permitted to do so by the terms of this Lease

10. **ASSIGNMENT**

10.1 **Prohibition on partial assignment, assignment in last 7 years and assignment after commencement of but prior to completion of any Redevelopment**

Not to assign:

- (a) the whole or part of the Demised Premises in the last 7 years of the Contractual Term or thereafter
- (b) any part or parts (as opposed to the whole) of the Demised Premises
- (c) the whole of the Demised Premises after the commencement of but prior to the completion of any Redevelopment but this clause shall not prevent:
 - (i) the Tenant from contracting prior to the completion of any Redevelopment to assign this Lease following the completion of any Redevelopment;
 - (ii) the Tenant from assigning this Lease at any time to a purchaser/funder under a Forward Agreement; or
 - (iii) a Mortgagee from assigning the Tenant's interest in this Lease in order to enforce its security

provided that the Tenant (or in the case of (iii) above, the Mortgagee) complies with the other provisions contained in this clause 10

10.2 **Assignment of whole**

Subject to the provisions of clause 10.1 and clause 10.5, the Tenant may assign the whole of the Demised Premises at any time if:

- (a) the condition set out in clause 10.3 is satisfied
- (b) the circumstances set out in clause 10.4 do not apply
- (c) it obtains the prior written consent of the Landlord which will not be unreasonably withheld or delayed (and which may be granted subject to conditions reasonably required by the Landlord)
- (d) the assignment is completed either within three (3) months after the Landlord has given consent under this clause 10, or if outside that three (3) month period, before the Landlord has revoked that consent and
- (e) where the proposed assignee is not resident in or, in the case of a body corporate, not incorporated in England or Wales the Tenant procures the provision of a letter of opinion in respect of the proposed assignee, addressed to the Landlord on terms reasonably satisfactory to the Landlord, from a reputable law firm qualified in the law of the relevant jurisdiction

but for the avoidance of doubt:

- (f) the requirements in clause 10.2(a) to (e) (inclusive) shall not apply in relation to any assignment to a s237 Assignee or from a s237 Assignee (once Tenant) to a previous Tenant under this Lease; and
- (g) the Tenant shall not be required to provide an Authorised Guarantee Agreement on any assignment of the Demised Premises.

10.3 **Conditions for assignment**

The condition referred to in clause 10.2 is specified for the purposes of section 19(1A) of the 1927 Act and is that the proposed assignee enters into a direct covenant with the Landlord (in a form agreed by the parties acting reasonably) to comply with the Tenant's Obligations

10.4 **Circumstances where assignment is prohibited**

The circumstances mentioned in clause 10.2 are specified for the purposes of section 19(1A) of the 1927 Act and are that in the Landlord's reasonable opinion, the assignee and/or any proposed guarantor is a Prohibited Person or is unable to comply with the Tenant's Obligations

10.5 **Assignment to Group Companies or in relation to a s237 process**

Notwithstanding clauses 10.1(c) to 10.4 inclusive (but subject still to clauses 10.1(a) and 10.1(b)), the Tenant is permitted without the Landlord's consent to assign the whole of this Lease at any time to:

- (a) a group undertaking (provided always that if immediately prior to the assignment there is a guarantor of the Tenant the Tenant shall only be permitted to assign to (i) a group undertaking who is of such covenant strength as at the date of assignment, that it would have been unreasonable for the Landlord to have refused assignment to it or (ii) a group undertaking whose obligations under this Lease are guaranteed by a guarantor which was not immediately prior to the relevant assignment a tenant or guarantor under this Lease and whose covenant strength (when taken together with that of the proposed assignee) is, as at the date of assignment, such that it would have been unreasonable for the Landlord to have refused assignment to it and such guarantee shall be substantially in the form set out at schedule 6 (subject to such changes as are reasonably necessary to reflect the then market practice and which are approved by the Landlord and the relevant guarantor (acting reasonably))
- (b) a Joint Venture Vehicle (provided always that if immediately prior to the assignment there is a guarantor of the Tenant the Tenant shall only be permitted to assign to (i) a Joint Venture Vehicle which is of such covenant strength as at the date of assignment, that it would have been unreasonable for the Landlord to have refused assignment to it or (ii) a Joint Venture Vehicle whose obligations under this Lease are guaranteed by a guarantor or guarantors which was or were not immediately prior to the relevant assignment a tenant or guarantor under this Lease and whose covenant strength (when taken together with that of the proposed assignee) is, as at the date of assignment, such that it would have been unreasonable for the Landlord to have refused assignment to it and such guarantee shall be substantially in the form set out at schedule 6 (subject to such changes as are reasonably necessary to reflect the then market practice and which are approved by the Landlord and the relevant guarantor (acting reasonably))
- (c) a s237 Assignee or from a s237 Assignee (once Tenant) to the previous Tenant under this Lease (provided that if immediately prior to the assignment to a s237 Assignee there is a guarantor of the Tenant an assignment to a s237 Assignee and

back to the previous Tenant will only be permitted if the previous Tenant's obligations are on the assignment back guaranteed by a guarantor which was not immediately prior to the relevant assignment a tenant or guarantor under this Lease and whose covenant strength (when taken together with that of the previous Tenant) is, as at the date of assignment, such that it would have been unreasonable for the Landlord to have refused assignment to it and such guarantee shall be substantially in the form set out at schedule 6 (subject to such changes as are reasonably necessary to reflect the then market practice and which are approved by the Landlord and the relevant guarantor (acting reasonably)).

10.6 **Health and safety file**

On each assignment of this Lease, the Tenant is to hand to its assignee the original of any health and safety file maintained by the Tenant in respect of the Demised Premises under the CDM Regulations

11. **UNDERLETTING**

11.1 **Underletting**

(a) Not to grant an Investment Underlease following the commencement of but prior to the completion of any Redevelopment but this clause shall not prevent:

- (i) the Tenant from contracting to grant an Investment Underlease following such completion provided that the Tenant complies with the other provisions of this clause 11;
- (ii) the Tenant from granting a lease of whole or substantially the whole of the Demised Premises to a s237 Assignee;
- (iii) a s237 Assignee (once Tenant or subtenant) granting a lease of whole or substantially the whole of the Demised Premises to the previous Tenant under this Lease ("s237 Lease") or from contracting to grant a s237 Lease

(in relation to both of (ii) and (iii) the consent of the Landlord shall not be required (provided that in relation to (iii) if there is a guarantor of the Tenant immediately prior to the assignment to a s237 Assignee such guarantor shall guarantee the obligations of the Tenant under any lease granted pursuant to clause 11.1(a) (iii) and such guarantor and such Tenant enter into a direct covenant with the Landlord (in a form to be approved by the Landlord acting reasonably) to comply with the obligations of the tenant under such lease granted pursuant to clause 11.1(a)(iii))

(b) Without prejudice to clause 11.1(a) and subject to clause 11.1(c) the Tenant may underlet the Demised Premises or a part of the Demised Premises if all of the relevant conditions set out in clause 11.2 are satisfied and none of the circumstances set out in clause 11.3 apply

(c) The conditions set out in clause 11.2 and the circumstances set out in clause 11.3 shall not apply in relation to the Tenant granting a lease of whole or substantially the whole of the Demised Premises to a s237 Assignee or a s237 Assignee (once Tenant or subtenant) granting a s237 Lease.

11.2 **Provisions of underleases**

The conditions referred to in clause 11.1 are specified for the purposes of 19(1A) of the 1927 Act and are:

- (a) in respect of an Investment Underlease (which for the avoidance of doubt shall not include a s237 Lease or a lease granted pursuant to clause 11.1(a)(ii)):
 - (i) (save where the relevant Investment Underlease is a Rent Sharing Investment Underlease, in which case this condition will not apply) the proposed undertenant and any proposed guarantor enter into a direct covenant with the Landlord to comply with the terms of the Investment Underlease and the Tenant's Obligations (save in relation to the payment of Ground Rent) in so far as relevant to the premises to be demised by the Investment Underlease
 - (ii) it contains a covenant by the undertenant:
 - (A) to pay to the Tenant a sum equivalent to the Ground Rent that would be payable by the Tenant to the Landlord in respect of the premises underlet by the Investment Underlease if the Tenant was due to receive the rents and other income receivable by the undertenant
 - (B) not to grant sub-underleases that are Investment Underleases
 - (C) in the same form as clause 11.4
 - (iii) it is approved by the Landlord to ensure the relevant provisions required by this Lease are contained in such Investment Underlease and such approval shall not be unreasonably withheld or delayed
 - (iv) it is granted on terms which do not prejudice the level of Ground Rent payable to the Landlord under this Lease
 - (v) there shall be no more than one Investment Underlease [of each building comprising the Demised Premises] at any time
- (b) in respect of any Occupational Lease the proposed undertenant and any proposed guarantor enter into a direct covenant with the Landlord in the form attached at annexure 3 and the underlease is on open market arm's length terms and in particular contains exceptions and reservations of the same easements, rights, powers and matters excepted and reserved to the Landlord and obligations on the Tenant imposed by this Lease in each case insofar as they relate to the premises to be underlet and are required to protect the operation of the Railway Undertaking and/or the Railway Assets and Premises

11.3 The circumstances referred to in clause 11.1 are (in respect of an Investment Underlease only) that in the reasonable opinion of the Landlord the proposed undertenant's financial standing is not satisfactory in the light of the undertenant's obligations to pay the sum referred to in Clause 11.2(a)(ii)(A).

11.4 The Tenant covenants not to vary the provisions of any Occupational Underlease so as to create an Investment Underlease unless the provisions of Clause 11.2(a) are satisfied

12. NOTIFICATION OF DETAILS

12.1 Details of dispositions

12.2 Within ten (10) Business Days after any assignment, charge, assent, transfer of the Demised Premises and the grant, assignment or charging of any underlease however remote, the Tenant is to give written notice to the Landlord of the disposition and is to pay to the Landlord a proper and reasonable registration fee, being not less than Fifty pounds (£50.00)

12.3 **Details of 1954 Act notices**

12.4 If the Tenant serves or receives any notice under the 1954 Act and the Landlord is not the person serving or receiving that notice and the matter to which the notice relates is likely to have an adverse impact on the operation of the Railway Undertaking and the Railway Assets and Premises the Tenant is to provide a copy of the notice to the Landlord within five (5) Business Days of the notice being served or received

13. **PLANNING**

13.1 **Planning applications**

13.2 The Tenant is to obtain so often as occasion shall require all planning permissions licences, consents and approvals as may be required under the Planning Acts for the carrying out by the Tenant of any development on the Demised Premises within the meaning of the Planning Acts or for the continuance of such development by the Tenant

13.3 **Planning agreements**

The Tenant is not to enter into any agreement with any Authority regulating the use or development of the Demised Premises which has an adverse impact on the operation of the Railway Undertaking and/or the Railway Assets and Premises without the consent of the Landlord in respect of the provisions which so affect the Railway Undertaking and/or the Railway Assets and Premises and if the Landlord is to be a party to such agreement clause 16.6 shall apply provided that no consent shall be required to enter into any agreement with the s237 Assignee in connection with the acquisition and disposal of the Demised Premises by the s237 Assignee in relation to s237 of the TCPA 1990 (or in the case of the Greater London Authority Part VIIA of the Greater London Authority Act 1999)

14. **ENVIRONMENTAL LAW**

14.1 **Compliance with Environmental Law**

The Tenant is to comply with all requirements of Environmental Law and is not to use the Demised Premises for the manufacture, use, storage, disposal or handling of any Hazardous Materials or Waste save in reasonable quantities consistent with the Permitted Use

14.2 **Compliance with notices**

The Tenant is at its own cost:

- (a) to supply the Landlord with copies of all notices, directions, reports or correspondence concerning any contamination of the Demised Premises or any migration or other escape of Hazardous Materials or Waste from the Demised Premises which may result in proceeding being taken or threatened under Environmental Law and
- (b) to take and complete promptly and diligently all actions or precautions properly required by such notice, direction, report or correspondence and
- (c) upon notice in writing from the Landlord or, in the case of emergency upon oral notice, to take proper steps to remedy or prevent any pollution or contamination on or originating from the Demised Premises or any obstruction or any blockage to the Conduits serving the Demised Premises

14.3 **Contamination**

The Tenant is not:

- (a) to do or omit to do anything that would or would be likely to cause any Hazardous Materials or Waste to escape, leak or be spilled or deposited on the Demised Premises, discharged from the Demised Premises or migrate to or from the Demised Premises
- (b) to keep any Hazardous Materials or waste on or near the Railway Assets and Premises (except in reasonable quantities consistent with the Permitted Use) and
- (c) to discharge any Hazardous Materials or Waste into any Conduits belonging to the Landlord and serving the Railway Assets and Premises nor discharge other materials, whether solid, liquid or gaseous, which might cause any obstruction or blockage to such Conduits,

but for the avoidance of doubt the Tenant shall not incur any liability in relation to the deposit, leakage, escape or discharge of Hazardous Materials from the Railway Assets and Premises where such deposit, leak, escape or discharge is not a direct consequence of the actions or omissions of the Tenant.

14.4 **Notification**

The Tenant is to notify the Landlord immediately of any complaints from any person or any notice or proceedings against the Tenant relating to any matter affecting the Demised Premises concerning the environment or the health or safety of human beings and provide the Landlord with copies of any correspondence, notices, proceedings or other documents relating to them

15. **END OF THE TERM**

15.1 **Return of the Demised Premises**

At the end of the Term, the Tenant is:

- (a) to return the Demised Premises to the Landlord in the state of repair and condition as required by Clause 5.1(a) of this Lease and in compliance with Legislation which applies to the use and occupation of the Demised Premises as required by this Lease
- (b) to return all keys to the Demised Premises to the Landlord, including any duplicate sets made by the Tenant, and leave the Demised Premises properly secured against unauthorised entry
- (c) where any alarm system in the Demised Premises remains operative, to give the Landlord all keys, security codes and other information to enable the Landlord to set, disarm and maintain that alarm system and
- (d) to hand to the Landlord any health and safety file maintained by the Tenant in respect of the Demised Premises under the CDM Regulations with all information required to be kept in that file complete and up-to-date unless that health and safety file is being maintained by any occupational subtenant of the Premises who has the right to the statutory continuation of its tenancy under the 1954 Act where a copy will be provided instead

15.2 **Continuation of liability**

The provisions of this clause 15 and will continue to bind the Landlord and the Tenant after the end of the Term

16. LANDLORD COVENANTS

16.1 Legislation

The Landlord shall at all times comply with all Legislation in relation to the operation of the Railway Undertaking and the Railway Assets and Premises

16.2 Support

The Landlord shall not:

- (a) withdraw support from or undermine (i) the retaining walls comprising the Railway Assets and Premises on which any building or structure situated on or forming part of the Demised Premises may rest or (ii) the foundations of any building or structure; or
- (b) alter or remove the Station Box unless in accordance with schedule 3, Paragraph 3.

16.3 Appointed Operator

If at any time:

- (a) an event occurs (being a transfer of the whole or any part of the Railway Undertaking or of the Railway Assets and Premises, or otherwise) which results in there being more than one Operator, [TfL/London Underground Limited] shall as soon as reasonably practicable after the relevant event appoint one of those Operators as the appointed operator (the "**Appointed Operator**") and give notice to the Tenant thereof;
- (b) the Appointed Operator ceases to be an Operator, [TfL/London Underground Limited] shall as soon as reasonably practicable thereafter appoint another Operator as the Appointed Operator and give notice to the Tenant thereof

16.4 Approvals

Any approval required under this Lease in relation to the Railway Assets and Premises and/or the Railway Undertaking (including but not limited to any approval required for the conduct of any works which may affect the Railway Assets and Premises and/or the Railway Undertaking) shall:

- (a) where the Landlord is the Operator, be required from the Landlord;
- (b) where the Landlord is not the Operator, be required from the Operator only and not the Landlord; and
- (c) where there is more than one Operator be required from the Appointed Operator only and not the Landlord nor any other Operator,

and any overriding lease granted to anyone who is not the Appointed Operator shall include a provision to this effect

16.5 Planning Agreements and other neighbourly agreements

The Landlord shall at the Tenant's request enter into any Planning Agreement or other agreement with an adjoining owner where it is in a form which (if the provisions of the relevant Planning Agreement or such other agreement are binding on the Landlord) has been approved by the Landlord, such approval not to be unreasonably withheld or delayed (and shall be given if the agreement is either on terms that the Landlord has no obligations thereunder and is party only for the purpose of giving its consent, or contains

an indemnity from the Tenant in terms reasonably satisfactory to the Landlord in respect of any Liabilities which the Landlord may incur under such agreement)

16.6 Rights of Light

- (a) The Landlord shall not without the consent of the Tenant release any rights of light benefiting the Demised Premises nor consent to any obstruction of the same
- (b) The Landlord shall at the request and cost of the Tenant enter into any deeds releasing rights of light benefitting the Demised Premises or consenting to any obstruction of the same provided such deeds are in a form which has previously been approved by the Landlord (acting reasonably)

16.7 Enforcement of direct covenant against undertenant

(Save in an emergency) the Landlord shall not seek to enforce against any undertenant the direct covenant it has received under clause 11.2(a)(i) unless and until it has first served notice on the Tenant requiring the Tenant to comply or procure compliance with the said covenants and the Tenant has failed to do so within the period specified by the notice or if no such period is specified within such period as is reasonable

16.8 Signage

- (a) The Landlord shall not install nor allow the installation of any way-finding or other signage in the area shown cross hatched red on the plan at annexure 9, which may have the effect of directing members of the public to Moorfields High Walk, the buildings within the Demised Premises or the buildings within the area demised under the West Headlease, rather than to the Station.
- (b) For the avoidance of doubt the labelling on the plan at annexure 9 in relation to materials to be used as part of the Initial Development and the location of features such as access panels and vents shown on that plan are indicative only.

17. INSURANCE

17.1 Tenant to Insure

The Tenant is to:

- (a) at all times during the Term insure at its own cost
 - (i) the Demised Premises under a Standard Policy covering the Insured Risks and the Reinstatement Cost in the joint names of the Landlord and the Tenant and
 - (ii) the loss of the rent payable under any Occupational Leases or any Investment Lease taking account of any review of the rent which may become due under any Occupational Underlease or any Investment Lease for no less than 5 years or such longer period (not exceeding 7 years) as the Tenant may from time to time reasonably deem to be necessary
- (b) procure insurance with Standard Insurers against all public liability risks of the Tenant to third parties arising out of or in connection with any matter relating to the Demised Premises in an adequate amount from time to time (for each and every occurrence and with no annual aggregate limit)
- (c) make all payments necessary for the purposes of obtaining and maintaining the insurances required under clauses 17.1(a) and 17.1(b) and shall upon request (but not more than once a year), produce to the Landlord a copy or full details of the

insurance policies effected in accordance with this Lease and all endorsements on such insurance policies and evidence that they are in force (including evidence that the last premium has been paid)

- (d) not less than once in every five (5) years obtain at no cost to the Landlord an independent professional valuation of the Reinstatement Cost of the Demised Premises and to provide a copy of such valuation within ten (10) Business Days of its receipt by the Tenant
- (e) pay to the Landlord on demand the Landlord's proper costs of any independent professional valuation of the Reinstatement Cost of the Demised Premises obtained by the Landlord or on its behalf if the Tenant has failed to comply with clause 17.1(d)
- (f) comply and to use its reasonable endeavours to procure compliance by all persons acting for or under the control of the Tenant with the lawful requirements of the insurers (including as to the carrying out of any Works)
- (g) subject to receiving copies of the Landlord's policy or policies of insurance, not knowingly do anything and shall use reasonable endeavours not knowingly to permit anything to be done upon the Demised Premises or any part thereof which may render any of the Landlord's policy or policies of insurance void or voidable in relation to the Railway Assets and Premises or the operation of the Railway Undertaking
- (h) not to and to use its reasonable endeavours to procure all persons acting under the control of the Tenant do not carry on or permit any trade business or activity which may make any policy of insurance taken out on behalf of the Tenant void or voidable or as a result of which payment of policy money might be withheld in whole or in part
- (i) notify the Landlord immediately in writing of any damage to or destruction of the Demised Premises the reinstatement of which may comprise Notifiable Works (whether or not caused by an Insured Risk) and
- (j) notify the Landlord as soon as reasonably practicable on the Tenant becoming aware of any material changes in a policy of an insurance procured by the Tenant

17.2 If the Tenant does not insure or procure all or any of the insurances required by this clause 17 or fails to produce reasonable evidence that such insurances are in force, the Landlord may itself effect such insurance cover as it may consider prudent and the cost of so doing together with the Landlord's proper management and administrative costs for so doing will be payable by the Tenant to the Landlord on written demand

17.3 **Reinstatement**

The Tenant will in the event of damage or destruction of the Demised Premises by any of the Insured Risks:

- (a) use reasonable endeavours to obtain any consents and approvals required to reinstate any such damage to or destruction of the Demised Premises or any part thereof
- (b) subject to those consents and approvals being obtained and remaining unrevoked, apply the insurance proceeds received under the insurance policy or policies in reinstating such damage to or destruction of the Demised Premises or any part thereof as soon as reasonably practicable after the date of such damage or destruction and receipt of such insurance proceeds and to use reasonable endeavours to do so within the period for which loss of rent is insured by the

Tenant pursuant to clause 17.1(a), the Tenant making good any shortfall in the proceeds of insurance from its own money (save to the extent any such shortfall has been caused by the Landlord unless the shortfall relates to the breach of an insurance policy provision of which the Landlord has not had notice or anyone acting for or under the control of the Landlord)

- (c) comply with the provisions of clause 6 (Alterations, Additions and Works) in carrying out such reinstatement
- (d) pending receipt of such consents and approvals but subject to receipt of insurance proceeds, carry out as expeditiously as possible such Works as may be required in order to make the Demised Premises safe having regard to the use of the Railway Assets and Premises by the public and passengers of the Railway Undertaking and so as to maintain the integrity of the Transfer Structure

17.4 In the event that the Tenant has started but not completed the reinstatement referred to in clause 17.3 within the period insured against pursuant to clause 17.1(a)(ii) (the "**Loss of Rent Period**"), the Tenant shall pay to the Landlord:

- (a) from the expiry of the Loss of Rent Period up until the date that is five years from the expiry of the Loss of Rent Period, the Ground Rent payable under the terms of this Lease (which, for the avoidance of doubt, shall be the Minimum Rent where no monies are received by the Tenant for the underletting, licensing, occupation or utilisation of the Lettable Areas);
- (b) from the date that is five years from the expiry of the Loss of Rent Period, as the Ground Rent, the amount which was payable under this Lease as Ground Rent immediately prior to the occurrence of the relevant damage or destruction of the Demised Premises, until
 - (i) the Landlord has received through the payment of such sums, an amount equal to the Top-up Payment;
 - (ii) the Ground Rent payable under the terms of this Lease is higher than the amount of Ground Rent that was payable under this Lease immediately prior to the occurrence of the relevant damage or destruction of the Demised Premises; or
 - (iii) the Tenant has completed the reinstatement referred to in Clause 17.3
- (c) from the date on which the earliest of the following occurs:
 - (i) the Landlord has received the Top-up Payment in full;
 - (ii) the Ground Rent payable under the terms of this Lease is higher than the amount of Ground Rent that was payable under this Lease immediately prior to the occurrence of the relevant damage or destruction of the Demised Premises; or
 - (iii) the Tenant has completed the reinstatement referred to in Clause 17.3

the Ground Rent payable under the terms of this Lease (which, for the avoidance of doubt, shall be the Minimum Rent where no monies are received by the Tenant for the underletting, licensing, occupation or utilisation of the Lettable Areas).

17.5 In the event that the Tenant has not started the reinstatement referred to in clause 17.3 within the Loss of Rent Period or if, prior to starting the reinstatement, it is apparent that the necessary consents and approvals for the same cannot be obtained within the Loss of Rent Period, the Tenant shall carry out such Works as may be reasonably requested by

the Landlord in order to restore reasonable amenity to the Railway Assets and Premises and shall pay to the Landlord, as the Ground Rent under this Lease:

- (a) from the expiry of the Loss of Rent Period the amount of Ground Rent which was payable under this Lease immediately prior to the occurrence of the relevant damage or destruction of the Demised Premises, until the Landlord has received through the payment of such sums, an amount equal to the Top-up Payment; and
- (b) from the date on which the Landlord has received the Top-up Payment in full, the Ground Rent in accordance with the terms of this Lease (which, for the avoidance of doubt, shall be the Minimum Rent where no monies are received by the Tenant for the underletting, licensing, occupation or utilisation of the Lettable Areas).

17.6 In the event of the Demised Premises being destroyed or damaged by an Uninsured Risk ("**Uninsured Damage**"):

- (a) the Tenant shall, subject to receipt of any necessary consents and approvals, carry out as expeditiously as possible such Works as may be necessary in order to make the Demised Premises safe having regard to the use of the Railway Assets and Premises by the public and passengers of the Railway Undertaking and so as to maintain the integrity of the Transfer Structure
- (b) the Tenant may by serving written notice on the Landlord following the date on which Uninsured Damage occurs elect to rebuild or reinstate the remainder of the Demised Premises (an "**Election Notice**")

17.7 If the Tenant serves an Election Notice:

- (a) Clause 17.3 shall apply as if there had been damage or destruction by an Insured Risk
- (b) The Ground Rent payable for the period from and including the date of the Uninsured Damage until and including the date on which the Uninsured Damage has been reinstated shall be the Minimum Rent (or a proportionate part)

17.8 If the Tenant has not served an Election Notice within 12 months of the date on which Uninsured Damage occurs the Tenant may forthwith terminate this Lease by serving written notice on the Landlord (but without prejudice to any claim by either party in respect of any antecedent breach of covenant)

17.9 **Determination of disputes**

Either the Landlord or the Tenant may refer any dispute about the Insured Risks, the terms of the Standard Policy or the apportionment of the insurance proceeds under clause 17 to expert determination under the provisions of clause 26.3

17.10 **Latent Defects Insurance Policy**

The Tenant shall expeditiously and diligently pursue any claim in respect of any defect and any damage caused by such defect which it is entitled to make under the Latent Defects Insurance Policy and shall apply any net sums received from the insurers under the Latent Defects Insurance Policy (the sum received from the insurers less any costs of pursuing any such claim) in remedying any such defect and any such damage caused by it

17.11 **Enforcement of Contractual Rights**

The Tenant shall (to the extent that the Landlord does not itself have corresponding rights) expeditiously and diligently enforce and pursue any contractual rights available to it against contractors, manufacturers and/or professional team members in relation to

defective design construction or manufacture (save where, in the reasonable opinion of the Tenant, the cost of such enforcement and pursuit is likely to be greater any recovery that may be obtainable through the exercise of such contractual rights) and shall apply any net sums received (i.e. money received less tax and costs of pursuit) from such contractors, manufacturers and/or professional team members in remedying any damage caused to the Demised Premises.

18. **STRUCTURAL SURVEYS AND INSPECTIONS**

- 18.1 Every year (unless in that year the Tenant is required to carry out a Principal Inspection pursuant to clause 18.4) the Tenant shall carry out a general inspection of the buildings and structures on the Demised Premises and the condition of the Critical Support Structures to assess their state of repair and condition so far as it might affect the operation of the Railway Undertaking (a "**General Inspection**"). General Inspections shall note any deterioration in the buildings and structures on the Demised Premises and the condition of the Critical Support Structures or visible development of any wants of repair in the aforementioned areas. The General Inspection shall be of sufficient quality to detect and report any visual changes since the last inspection of the buildings and structures on the Demised Premises and the Critical Support Structures and report any evidence of circumstances that may impact on the buildings and structures on the Demised Premises and the Critical Support Structures before the next scheduled inspection
- 18.2 The General Inspection shall:
- (a) confirm that the inspection has been completed;
 - (b) list any significant defects which have occurred or worsened, or changes which have occurred since the last inspection; and
 - (c) identify whether there is any need for further investigations or other action
- 18.3 If a General Inspection reveals any matters of concern the Tenant shall immediately procure a Principal Inspection under clause 18.4 or a Condition Survey under clause 18.6
- 18.4 Every four years (or sooner if required under clause 18.3) the Tenant shall procure that a close inspection of the Transfer Structure the Existing Raft, the piles and foundations supporting the Existing Raft and other piles supporting structures at the Demised Premises (the "**Critical Support Structures**") is carried out by an appropriately qualified engineer employed by the Tenant for providing professional engineering services to give detailed visual confirmation of the condition of the Critical Support Structures (a "**Principal Inspection**"). A Principal Inspection shall note any deterioration in condition of the Critical Support Structures or visible development of any wants of repair in the Critical Support Structures and appraise their effect on the Critical Support Structures. Such a Principal Inspection shall only include invasive inspection to the extent that the relevant appropriately qualified engineer advises that this is necessary.
- 18.5 The Principal Inspection shall:
- (a) confirm that all inspectable areas of the Critical Support Structures have been examined;
 - (b) record the extent and severity of any defects found;
 - (c) identify the extent and severity of any changes in condition, use or environment since the last inspection;
 - (d) draw attention to any observed factors which may affect the safety of the Critical Support Structures;

- (e) identify where further investigations is needed; and
 - (f) make recommendations or maintenance, strengthening and renewal works
- 18.6 Every five years (or sooner if required under clause 18.3) the Tenant shall procure that a close inspection of the fabric of the buildings making up the Demised Premises excluding any Critical Support Structures (the "**Demise Structures**") is carried out by an appropriately qualified engineer employed by the Tenant for providing professional engineering services to give detailed visual confirmation of the condition of the Demise Structures (a "**Condition Survey**"). A Condition Survey shall note any deterioration in condition of the Demise Structures or visible development of any wants of repair in the Demise Structures and appraise their effect on the Demise Structures. Such a Condition Survey shall only include invasive inspection to the extent that the relevant appropriately qualified engineer advises that this is necessary.
- 18.7 The Condition Survey shall:
- (a) confirm that all inspectable areas of Demise Structures have been examined;
 - (b) record the extent and severity of any defects found;
 - (c) identify the extent and severity of any changes in condition, use or environment since the last inspection;
 - (d) draw attention to any observed factors which may affect the safety of the Demise Structures;
 - (e) identify where further investigations is needed; and
 - (f) make recommendations or maintenance, strengthening and renewal works
- 18.8 The following shall apply in relation to every General Inspection, Principal Inspection and Condition Survey:
- (a) the Tenant is to provide a report from its engineer addressed to the Landlord and the Tenant on all the matters to be assessed by the engineer under clauses 18.1, 18.2, 18.4, 18.5, 18.6 and 18.7 as soon as reasonably practicable after such inspection;
 - (b) if the report reveals that further investigations are required the Tenant shall arrange for such further investigations as are specified in the report as necessary; and
 - (c) the Tenant must (subject to compliance with the other terms of this Lease) undertake any Works which are necessary to safeguard the operation of the Railway Undertaking (including any works of repair which are to be carried out to the Critical Support Structures and the Demise Structures contained in the report within the timescales specified in the report
- 18.9 For the avoidance of doubt, the Landlord is not obliged to accept the findings of any report and the Landlord's exercise of its discretion shall not be fettered in any way by the terms of any report and if the Engineer does not agree with the Tenant's engineer's report it may refer the matter as a dispute for determination under clause 26.3 provided that in relation to all matters concerning the operation of the Railway Undertaking the decision of the Engineer shall be final and binding on the parties
- 18.10 The Tenant may request the Landlord to carry out any General Inspection required under clause 18.1 on its behalf in which case if the Landlord agrees to carry out such inspection it shall provide the Tenant with a copy of the report of such inspection as soon as soon as

reasonably practicable after such inspection and the Tenant shall be responsible for the Landlord's proper costs in carrying out such inspection

19. **[GUARANTORS**

The Tenant's Guarantor, as a guarantor, covenants with the Landlord on the terms set out in schedule 6]

20. **LAND REGISTRY APPLICATIONS**

20.1 **First registration of title**

As soon as reasonably practicable after the date of this Lease, the Tenant named in the Particulars is to apply to the Land Registry for first registration of the title to this Lease and apply for a note of this Lease to be entered on the title number(s) set out in clause LR2.1 of the Land Registry Particulars. On completion of the registration, the Tenant is to provide official copies of the new title to the Landlord showing the Tenant registered as proprietor together with a copy of the title plan

20.2 **Registration of rights and reservations**

As soon as reasonably practicable after the date of this Lease, the Tenant named in the Particulars is to apply to the Land Registry to note the burden of the rights granted by clause 3.1 and to note the benefit of the rights reserved by clause 3.3 on the title number(s) set out in clauses LR2.1 and LR2.2 of the Land Registry Particulars

20.3 **Registration on assignment**

If, as a result of the assignment of this Lease, this Lease becomes registrable at the Land Registry or the Lease has already been so registered, the Tenant is to apply to the Land Registry to be registered as the proprietor of this Lease and, on completion of that registration, is to provide the Landlord with official copies of the title showing the Tenant as the registered proprietor of this Lease

20.4 **End of the term**

At the end of the Term, the Tenant is to return the original Lease to the Landlord and use all reasonable endeavours to assist the Landlord in removing any notice of the Lease and the rights granted and reserved by it from the Landlord's title to the Premises if that title has by then become registered at the Land Registry

20.5 **Exclusion of liability**

The Landlord will not be liable to the Tenant for any failure by the Tenant to register this Lease at the Land Registry or to register or note any of the rights granted or reserved by this Lease at the Land Registry either by notice or by way of caution against first registration, whichever is appropriate

21. **INDEMNITY**

The Tenant is to indemnify the Landlord against all actions, claims, demands and proceedings taken or made against the Landlord and all costs, damages, expenses, liabilities and losses (the "**Losses**") incurred by the Landlord in respect of the following:

- (a) any physical damage or injury to any person or the Demised Premises or the Railway Assets and Premises resulting from any breach or non-performance of the Tenant's Obligations or any act, default or negligence of the Tenant;

- (b) any third party claims in each case incurred or suffered by the Landlord in relation to the state of repair and condition of the Demised Premises, or the carrying out or presence of any alterations, additions, improvements or Works (including Critical Works) to the Demised Premises;
- (c) any charges payable in respect of any planning application made or planning permission implemented by the Tenant in respect of the Demised Premises;
- (d) any breach or non-performance of the Tenant's Obligations contained in Clauses 7.3 (Restrictions on Use), 8 (Legislation) and 14 (Environmental Law) in so far as such breach or non-performance adversely affects Railway Assets and Premises

PROVIDED ALWAYS that:

- (e) the Landlord must provide reasonable evidence of the quantum of any Losses and that the same have been actually incurred and were properly incurred
- (f) the Landlord shall take reasonable steps to mitigate any Losses covered by the indemnity save where such steps may cause a TfL Adverse Effect
- (g) (save insofar as the Landlord was acting in accordance with and in the proper exercise of its rights and obligations under this Lease) the Tenant's liability shall be reduced to the extent that the Landlord has contributed to the act or default which gave rise to the Tenant's liability under this clause
- (h) the Landlord shall notify the Tenant in writing as soon as reasonably practicable of any matter which may give rise to liability under this indemnity and shall keep the Tenant duly informed in relation to any claims which arise therefrom and shall supply copies of relevant documents and correspondence save such as are the subject of bona fide confidentiality undertakings or which are privileged
- (i) the Landlord shall (at the Tenant's cost) take such action as the Tenant may reasonably request and which shall be reasonable to take to avoid, resist, dispute, appeal, compromise or defend any such matter save insofar as:
 - (i) such action may have a TfL Adverse Effect; or
 - (ii) court proceedings have been issued or are threatened and such proceedings would, in the reasonable opinion of the Landlord be likely to have a material detrimental impact on the reputation of the Landlord or the Operator
- (j) the Landlord shall not admit liability, settle or compromise any such matter without first obtaining the Tenant's approval in writing (such approval not to be unreasonably withheld or delayed), save where failure to admit liability, settle or compromise may adversely affect the operation of the Railway Undertaking. Where the Tenant fails to respond to a request for such approval within ten (10) Working Days of receipt of a request, the approval shall be deemed to have been given for the purposes of this clause.

22. USE OF RAILWAY ASSETS AND PREMISES

22.1 Notwithstanding any other provision of this Lease but subject to compliance by the Landlord with Clauses 2.1, 2.2, 3.1, 3.9, 16 and schedule 2 and to the proviso to paragraph 7 schedule 3 :

- (a) the Tenant is not entitled to raise any objection in respect of the operation of the Railway Undertaking or the carrying out of any Works by the Landlord on the Railway Assets and Premises which are required to ensure the operation of the Railway Undertaking

- (b) the Landlord is not responsible to the Tenant or to anyone enjoying the benefit of the Demised Premises for:
 - (i) any nuisance, disturbance, annoyance or inconvenience (howsoever caused) arising in consequence of or in relation to the operation (in the ordinary course) of the Railway Assets and Premises and the Railway Undertaking or anything arising from it or them or
 - (ii) any loss by reason of:
 - (A) the proper construction, maintenance, repair, alteration, working or use of the Railway Assets and Premises
 - (B) the defective working, leakage, accidental stoppage or breakage of any conduits in or connected with or used for the purposes of the Railway Assets and Premises or any part of parts of them (save where these are shared with or are also used for the purposes of the Demised Premises)
 - (C) any terrorist event explosion or other emergency

provided always that the Landlord shall make good all physical damage thereby caused to the Demised Premises and anything within the Demised Premises; and ensure that as little nuisance, physical damage, annoyance or inconvenience as reasonably practicable is caused to the Tenant and tenants and occupiers of the Demised Premises provided that the Landlord is at all times able to maintain an operational railway.

23. **STATION INTERFACE PLAN**

The Landlord and the Tenant shall co-operate fully with one another in order to review and amend the Station Interface Plan from time to time as appropriate having regard to the operation of the Railway Undertaking and the use and occupation of the Demised Premises

24. **NOTICES**

24.1 **Service of notices**

Any notice under this Lease is:

- (a) to be made in writing
- (b) to be addressed to the party on whom it is served:
 - (i) in the case of the Tenant at the Demised Premises, the registered office of the Tenant or, where the Tenant is an individual, at the last known address of the Tenant
 - (ii) [in the case of the Tenant's Guarantor, the registered office of the Tenant's Guarantor or, where the Tenant's Guarantor is an individual, at the last known address of the Tenant's Guarantor] and
 - (iii) in the case of the Landlord at the registered office of that person or, where that person is an individual, at the last known address of that person
- (c) to be delivered by hand, first class post, pre-paid or recorded delivery or by fax and
- (d) not to be served by e-mail or other forms of electronic communication

24.2 **Time of receipt**

Unless the time of actual receipt is proved, a notice sent by the following means is to be treated as having been received:

- (a) if delivered by hand, at the time of delivery
- (b) if sent by post, on the second Business Day after posting or
- (c) if served by fax, at the time of transmission

If a notice is received after 4.00 pm on a Business Day, or on a day which is not a Business Day, it is to be treated as having been received on the next Business Day

25. **ENFORCEMENT**

25.1 **Applicable law**

This Lease is to be governed by and interpreted in accordance with English law

25.2 **Jurisdiction**

The courts of England are to have jurisdiction in relation to any disputes between the parties arising out of or related to this Lease.

26. **DISPUTES**

26.1 In the event of a dispute between the parties to this Lease in relation to this Lease and the terms thereof the parties shall first refer the dispute to the Executives by giving written notice the Tenant's Executive or the Landlord's Executive, as applicable. The Executives shall consult in good faith in an attempt to come to an agreement in relation to the dispute. If the Executives cannot resolve the dispute it shall be dealt with under Clauses 26.2 and 26.3 of this Lease.

26.2 Subject to Clause 26.3 any dispute as to any matter of law under this Lease or the nature of the matter to be determined shall be determined by the Courts in accordance with English Law.

26.3 Either the Landlord or the Tenant may refer any dispute as referred to in clause 5.10, 17.9, 18.9, schedule 3, para 4.3 or schedule 9 to expert determination by an Independent Person under the provisions of schedule 7

27. **EXECUTION**

The parties have executed this Lease as a deed and it is delivered on the date set out in clause LR1 of the Particulars

28. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

28.1 Save as set out in clause 28.2 a person who is not a party to this Lease has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms

28.2 Subject to clause 28.4 the benefit of the covenants on the part of the Tenant contained in this Lease and expressed to be given for the benefit of the Landlord (including the indemnity in clause 21) shall also benefit any TfL Subsidiary subject in each case to the terms to which such covenants are stated to be given (if any)

28.3 Nothing contained in clause 28.2 shall:

- (a) be deemed to relieve the Landlord of its obligations under this Lease; or
- (b) require the Tenant to deal with any party other than the Landlord or (to the extent that clauses 16.3 and 16.4 apply) the Appointed Operator in respect of any matter (including but not limited to any enforcement action) other than the rights conferred on any TfL Subsidiary pursuant to this clause 28

28.4 Nothing in this clause 28 shall or shall be deemed to permit or entitle the Landlord or any TfL Subsidiary under this clause 28 to recover:

- (a) more than once in respect of any one event or series of events arising from the breach of a covenant in this Lease by the Tenant such that there shall be no double recovery; or
- (b) (in aggregate) an amount which exceeds that which the Landlord (assuming it were the sole operator of the Railway Undertaking and the Railway Assets and Premises) would be entitled to recover from the Tenant in respect of any one event or series of events arising from the breach of a covenant in this Lease

29. **COUNTERPARTS**

This Lease may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Lease

IN WITNESS whereof this Lease has been executed as a deed on the date first above written

SCHEDULE 1

The Premises

[Ashurst note: subject to review as design develops.]

The premises known as 21 Moorfields comprising:

- (a) the Existing Raft (shown for indicative purposes only on Plan C at annexure 1);
- (b) the Transfer Structure;
- (c) the Escalators;
- (d) any land, buildings, structures and airspace (with no upper limit) from time to time above the Existing Raft, the Transfer Structure, the Escalators and the Station Box, which are (i) within title numbers NGL706929 and/or NGL244048 and (ii) which are outside of those titles but fall within the areas shown [blue] [orange] on Plans A and B at annexure 1 and in which the Landlord has an interest;
- (e) the Super Pile; and
- (f) the areas of land containing (or which it is intended will contain) the other piles and foundations beneath the Transfer Structure and the Existing Raft and those other piles and foundations themselves as shown in the current draft of the OSD Specification

all as shown shaded [blue] [orange] on the Plans A and B at annexure 1 (Plan C at annexure 1 is indicative only) and including all enclosures panels and walls (save for any forming part of the Railway Assets and Premises, the in-fill areas shown coloured [•] on the plan at annexure 10 and the Northern Retaining Wall), and in each case including:

- (i) all alterations and improvements to those premises during the Term; and
- (ii) the Conduits which exclusively serve those premises during the Term

[Note

- this form of headlease shall be split into East and West Headleases. The Plans referred to in this Schedule are the plans attached, however the parties hereto will review these plans prior to lease grant to check and confirm suitability for each of the East and West Headleases. In addition, the parties may, at that point, make provision to demise certain airspace at 21MF containing plant, serving either the East or West Headlease exclusively, within the East or West Headlease as relevant. See clause 17.8 of the Development Agreement.]

SCHEDULE 2

Rights Granted

- A. The following rights in common with the Landlord, Transport for London, TfL Subsidiaries, any Group Company of the Landlord and any Operator and all others now or hereafter entitled to the like rights (provided that when exercising such rights the Tenant shall comply with the terms of this Lease and with the Station Interface Plan), save that in paragraph 1 of this Schedule, any Conduits laid by the Tenant which exclusively serve the Demised Premises shall be owned by and used exclusively by the Tenant.

1. **SERVICES**

To use all Conduits now or hereafter during the Term provided from time to time for the Demised Premises (whether or not in conjunction with other premises) and laid in under or over the Railway Assets and Premises for the passage of surface water and sewage from and water gas electricity telecommunications and other services to and from the Demised Premises Provided Always that the Landlord shall be entitled at any time to alter divert relocate or remove any such Conduits subject to providing at the Landlord's own cost suitable alternative Conduits and a suitable alternative route (not within the Demised Premises) for the same⁴

2. **ENTRY TO RAILWAY ASSETS AND PREMISES**

To enter upon those parts of the Railway Assets and Premises at all reasonable times upon reasonable notice and prior appointment with the Landlord (subject to compliance with the Conditions of Work and the LUL Standards and any other conditions restrictions and provisions properly affecting the exercise of such rights) as may be necessary in order to carry out a structural survey of the Existing Raft and the Transfer Structure and to perform its obligations in clause 5.1(a) in relation to the Existing Raft and the Transfer Structure or to carry out any Works which the Tenant is permitted to carry out pursuant to clause 6 of this Lease provided that the Tenant in exercising such rights shall:

- (a) do so as expeditiously as reasonably possible with all due diligence
- (b) cause as little damage and nuisance as reasonably possible
- (c) not obstruct the Railway Assets and Premises such that there is an adverse effect on the Railway Undertaking

provided always that in the event of any physical damage or nuisance to the Railway Assets and Premises or any Plant and Machinery forming part of the Railway Assets and Premises caused by the exercise of such rights the Landlord shall be entitled to elect to exercise its rights pursuant to paragraph 3(c) of schedule 3, failing which the Tenant shall forthwith make good to the reasonable satisfaction of the Landlord all physical damage or nuisance thereby occasioned

3. **FIRE DETECTION SYSTEM**

To connect the fire detection system serving the Demised Premises into the fire detection system serving the Railway Assets and Premises provided always that:

- (a) in so doing, the Tenant complies with the provisions of clause 6

⁴ Please see Clause 10.5 of the DA –further detail may need to be included in this paragraph in relation to escalator surface water drainage, even if systems to allow for such drainage are installed after the date of grant of New Headleases

(b) it is acknowledged that any Works in respect of such connection shall be Critical Works

B. The following exclusive rights:

4. **AFFIX ITEMS**

4.1 Subject to the Tenant complying with the provisions of clause 6, the right to affix finishes (such as cladding) lighting, signage, artwork and CCTV to the areas shown cross-hatched green (the "**Tenant Signage Area**") on the plan at annexure 9 and upon any Redevelopment or refurbishment of the Demised Premises to replace and renew the same and it is acknowledged that any Works in respect of the same shall be Critical Works

4.2 Subject to the Landlord providing written consent (such consent not to be unreasonably withheld or delayed), the Tenant may install signage (together with signage referred to in paragraph 4.1 of this Schedule, "**Tenant Signage**") in the area shown hatched red on the plan at annexure 9.

4.3 Any Tenant Signage affixed to the Tenant Signage Area or the area shown hatched red on the plan at annexure 9 must be:

(a) of a similar high quality to; and

(b) of an appearance which is in-keeping with and suitable when taking into account,

the finishes which are affixed to the buildings within the demise granted under the West Headlease and the Demised Premises from time to time.

4.4 The Tenant agrees that it shall remove relevant Tenant Signage, finishes, lighting, artwork or CCTV from the Tenant Signage Area and/or the area shown hatched red on the plan at annexure 9 (as relevant) in order to allow the Landlord to conduct general maintenance of the Station Box provided that:

(a) the Landlord provides to the Tenant reasonable prior written notice of the relevant maintenance works and the need to remove the relevant Tenant Signage, finishes, lighting, artwork or CCTV from the Tenant Signage Area and/or the area shown hatched red on the plan at annexure 9 (as relevant);

(b) the maintenance of the Station Box could not reasonably be carried out without the removal of the relevant Tenant Signage, finishes, lighting, artwork or CCTV from the Tenant Signage Area and/or the area shown hatched red on the plan at annexure 9 (as relevant);

(c) the Landlord provides to the Tenant an alternative location in which it can display reasonable temporary replacement signage, lighting or artwork or locate replacement CCTV;

(d) the Landlord shall use reasonable endeavours to minimise the periods in which Tenant Signage, finishes, lighting, artwork or CCTV has to be removed from the Tenant Signage Area and/or the area shown hatched red on the plan at annexure 9 (as relevant); and

(e) the Tenant shall have the right to replace or renew any Tenant Signage, finishes, lighting, artwork or CCTV removed as soon as reasonably practicable following completion of the relevant maintenance works.

4.5 Notwithstanding the other provisions in this paragraph 4 and subject to the provision of written consent by the Tenant (such consent not to be unreasonably withheld or delayed)

the Landlord may install signage or equipment in the Tenant Signage Area, provided that such signage or equipment:

- (a) is necessary for the security of the Station or the safety and security of the general public and that no signage or other equipment dealing with the same or similar matter or matters has been installed by the Tenant in the Tenant Signage Area;
- (b) does not in any way obstruct or obscure any Tenant Signage;
- (c) is installed in a location within the Tenant Signage Area which is agreed to by the Tenant (acting reasonably); and
- (d) is such that the Landlord could not reasonably locate it in any other location.

4.6 For the avoidance of doubt the labelling on the plan at annexure 9 in relation to materials to be used as part of the Initial Development and the location of features such as access panels and vents shown on that plan are indicative only.

RIGHTS OF LIGHT AND EASEMENTS

5. All rights of light and air (including but not limited to any rights of light and air enjoyed by any previous building or structure which has now been demolished) and all easements covenants quasi easements and rights and privileges which are capable of benefitting the Demised Premises now or after the date of this lease, including those contained or referred to in the Title Matters

6. LOBBY WORKS

6.1 To conduct the Lobby Works, subject to compliance with the following :

- (a) where the Tenant carries out and completes the Lobby Works it will for so long as the Lobby Works are in place:
 - (i) not injure or otherwise adversely impact the state and condition of the Station Box Top or the Station Box
 - (ii) protect and maintain a water proofing membrane on the Station Box Top
 - (iii) (subject to the Landlord complying with the Conditions of Entry) permit the Landlord to access the Lobby Area for the purposes of carrying out day to day maintenance of the Station Box Top ("**DDM Works**") (where such maintenance cannot reasonably be carried out without such access)
- (b) the Landlord shall bear all of the costs of the DDM Works (other than the cost of repairing the waterproof membrane) save for those properly incurred solely or partly because the Lobby Works have been carried out, which shall be paid to the Landlord by the Tenant. The Tenant shall be entitled, with the Landlord's approval (not to be unreasonably withheld or delayed), to elect to carry out or assist with the carrying out of DDM Works
- (c) the Landlord shall have the right, on giving reasonable prior written notice to the Tenant (save in emergency) which shall be not less than 12 months' notice in respect of works which will require the full closure of the Lobby Area, to require the Tenant to remove the Lobby Works (or such part of the Lobby Works as is reasonably necessary) so that it may carry out works to replace or remove and not replace or undertake major repairs or DDM Works to the Station Box. In such circumstances the Tenant shall relocate its reception or other relevant facilities elsewhere in the Demised Premises and the Landlord will take reasonable endeavours to minimise the period in which the Lobby Area is thereby rendered

unusable by the Tenant provided that nothing contained in this Lease shall require the Landlord to replace the Station Box if it has been removed and if the Landlord does not replace the Station Box the Tenant shall have the right to install appropriate replacement structures to support the Lobby Area and such works shall be deemed to be Critical Works

(d) the Landlord shall provide the Tenant with any information in relation to the Station Box Top and/or the structure of the Station Box which impacts the continued positioning of the Lobby Area directly on the Station Box Top.

6.2 The Tenant shall indemnify the Landlord in respect of any costs losses charges or expenses incurred as a result of the Landlord being unable to recover such amounts under any collateral warranties or third party rights which would otherwise have been available to it as a result of the Lobby Works having been carried out provided always that the provisions in paragraphs (e) to (j) inclusive of clause 21 shall apply mutatis mutandis

6.3 The Tenant agrees and acknowledges that it is not entitled to any right of support (whether express or implied) from the Station Box for the benefit of the Lobby Works

7. CRANES AND OTHER OVERSAILING

Full liberty and power (subject to compliance with its obligations in clause 6 and schedule 5) to transport erect install repair maintain operate and dismantle with all necessary and usual ancillary works all such cranes cleaning cradles and other plant and equipment as may be properly required by the Tenant in connection with the Demised Premises notwithstanding that the booms and counterbooms of such cranes and the cradles and other plant and equipment shall at various times oversail the Railway Assets and Premises

SCHEDULE 3

Rights Excepted and Reserved to Landlord

1. SERVICES

The free and uninterrupted passage and running of water soil gas electricity telecommunications and other services from and to all other parts of the Railway Assets and Premises through and along all Conduits and other conduits and media which serve the Railway Assets and Premises , which are at the date of this Lease in over or under the Demised Premises together with the right to connect into the same Provided Always that the Tenant shall be entitled at any time to alter divert relocate or remove any such Conduits subject to providing at the Tenant's own cost suitable alternative Conduits and a suitable alternative route for the same

2. SUPPORT AND SHELTER

- (a) The right of shelter now belonging to or enjoyed by other parts of the Railway Assets and Premises (save where this would be inconsistent with the rights granted under this Lease)
- (b) A right of support for the Station Box Top from the northern wall of the Ticket Hall as shown coloured [-] on the plan at annexure 10, (the "**Northern Wall of the Ticket Hall**") provided that in exercising this right of support the Landlord shall not impose any unreasonable load on the Northern Wall of the Ticket Hall, such a load not to exceed [-]KN/m.

3. ENTRY TO DEMISED PREMISES

Subject to compliance with the Conditions of Entry (other than paragraph (a) thereof in an emergency), the right to enter the Demised Premises at all times in case of emergency and otherwise at all reasonable times on reasonable notice with or without workmen and others and all necessary appliances and materials:

- (a) in order to carry out Works to the Railway Assets and Premises and/or the Station Box
- (b) in order to ascertain whether the Tenant is complying or has complied with the Tenant's Obligations
- (c) (subject to the Landlord having first notified the Tenant of any physical damage or nuisance caused by the exercise of the Tenant's rights pursuant to paragraph 2 of schedule 2 and the Tenant having failed to remedy such physical damage or nuisance within a reasonable period) in order to make good any physical damage or nuisance caused by the exercise of the Tenant's rights pursuant to paragraph 2 of schedule 2
- (d) in order to enforce or exercise any of the Landlord's rights or remedies relating to or provided for in this Lease
- (e) in all circumstances where the Tenant covenants in this Lease to permit entry
- (f) following the provision of consent to do so from the City of London, in order to remove the Southern Escalator for the purposes of carrying out Works to the Escalator Lift/Pit below the Southern Escalator provided that the Landlord shall replace the relevant Escalator once it has completed such Works

4. WORKS TO RAILWAY ASSETS AND PREMISES

4.1 The right at all times during the Term in such manner as the Landlord may properly think fit (but subject Clauses 2.1 and 2.2, to paragraph 4.2 and further subject to and without prejudice to its obligations contained in clause 16) to execute or permit or suffer the execution of excavations works repairs or alterations on under or to any part of the Railway Assets and Premises located below the Existing Raft for the avoidance of doubt excluding any part of the Demised Premises and to erect scaffolding within the Railway Assets and Premises located below the Existing Raft provided that

- (a) such rights shall be exercised without access to the Demised Premises and so as to cause as little inconvenience to the Tenant and its undertenants and occupiers of the Demised Premises as is reasonably practicable having regard to the paramount importance of the safety of the Railway Undertaking;
- (b) any physical damage caused to the Demised Premises, the fit-out conducted by the Tenant and/or any tenants of occupiers at the Demised Premises and the fittings and belongings of any tenants or occupiers of the Demised Premises as a result of the exercise of such rights shall be made good to the reasonable satisfaction of the Tenant by the Landlord;

4.2 Where any works referred to in paragraph 4.1 are to be carried out in the immediate vicinity of the Demised Premises and would or might adversely affect the Demised Premises the Landlord shall:

- (a) except in the case of emergency or other immediate threat to the safety, security or protection of the Railway Assets and Premises and/or the Railway Undertaking:
 - (i) provide the Tenant within not less than 30 days' written notice of the commencement of such works;
 - (ii) submit to the Tenant detailed plans, specifications, calculations or such other information as the Tenant may reasonably require in relation to such works;
 - (iii) comply with such reasonable conditions relating to such works as the Tenant may reasonably require having regard to the paramount importance of the safety of the Railway Undertaking;
- (b) reimburse the Tenant for all reasonable and proper costs incurred by the Tenant in relation to works carried out by the Landlord pursuant to this paragraph 4

4.3 Any dispute as to whether any works would or might adversely affect the Demised Premises shall be referred to expert determination by an Independent Person under the provisions of schedule 7

5. AFFIXING OF ITEMS

Subject to the Landlord not imposing a total load of more than 5kN/m² on the Existing Raft, the right to affix (including by drilling into the structure of the Demised Premises, so long as any such drilling shall not affect the structural integrity and/or waterproofing of the Demised Premises) any signage, lighting, cabling, communications and signalling equipment and/or CCTV to the underside of the Existing Raft and to inspect renew replace maintain and repair the same provided that such rights shall be exercised so as to cause as little inconvenience to the Tenant and/or any tenants or occupiers at the Demised Premises as is reasonably practicable having regard to the paramount importance of the operation of the Railway Undertaking and any physical damage caused to the Demised Premises and/or the fittings and belongings of any tenants or occupiers of the Demised

Premises as a result of the exercise of such rights shall be made good to the reasonable satisfaction of the Tenant by the Landlord

6. **VENTILATION**

6.1 The right to retain the Ventilation Shaft on the Demised Premises in such locations on the Demised Premises as agreed to by the Tenant acting reasonably for the benefit of the Railway Assets and Premises located below the Existing Raft provided always that the Tenant shall be entitled at any time to alter divert or relocate or change such apparatus or means of ventilation subject to providing at the Tenant's own cost suitable ventilation through alternative apparatus, means or location

6.2 The uninterrupted right to take in and discharge air and gases from the Ventilation Shaft

6.3 In default of the Tenant doing so pursuant to clause 5.1(b) the right (subject to compliance with the Conditions of Entry) to enter and remain with or without workmen on such parts of the Demised Premises as may be reasonably necessary in order to clean the louvers of the Ventilation Shaft from the outside of the Ventilation Shaft

7. **CRANES**

Full liberty and power to maintain and operate with all necessary and usual ancillary works all such cranes as may be properly required by the Landlord in connection with the Railway Assets and Premises located below the Existing Raft, notwithstanding that the booms and counterbooms of such cranes may at various times oversail the Demised Premises provided always that in exercising such right the Landlord shall comply with all statutory requirements, codes of practice and safe working procedures relating to the operation of such cranes in order to protect the Demised Premises and the safety of persons in the vicinity of them and the Landlord shall indemnify the Tenant in respect of any damage to or destruction of the Demised Premises and all other things in or on the Demised Premises which are serving or used by the Tenant in connection with the Premises and any injury to or death of any person resulting from any act, default or negligence of the Landlord, its employees or contractors in the exercise or purported exercise of this right provided always that the Tenant shall take all reasonable steps to mitigate any liabilities covered by this indemnity and the Landlord's liability shall be reduced to the extent that the Tenant has directly contributed to the act, default or negligence which gave rise to the Landlord's liability under this paragraph

SCHEDULE 4

Title Matters

The matters contained or referred to on the property and charges registers of title number NGL706929 and NGL244048 as at [*the date of the Development Agreement*] (other than financial charges), including the provisions of a Deed dated 26 February 1998 made between Wates CityPoint Limited (1) London Underground Limited (2) and Hammerson U.K. Properties PLC (3)

SCHEDULE 5

Conditions of Work

Part A

1. PROPOSED CRITICAL WORKS

- 1.1 If the Tenant proposes to carry out or make any variation to any Notifiable Works which may include Critical Works it shall before commencing the same serve upon the Landlord a proposal fully and fairly detailing the proposed Works and drawing attention to any Works which in the reasonable opinion of the Tenant may be Critical Works and indicating whether the Work is or is not urgent and the reasons for such assessment
- 1.2 Within thirty (30) Business Days (which for the avoidance of doubt will run concurrently with the time period set out in Clause 6.4 of this Lease) of receipt of a proposal pursuant to paragraph 1.1, the Landlord will serve upon the Tenant notification in writing that:
- (a) the proposed Works do not include Critical Works in which case this schedule shall not apply insofar as the Works were fully and fairly described in the proposal and the Landlord's attention was drawn to any Works which in the reasonable opinion of the Tenant may be Critical Works or
 - (b) the proposed Works do include Critical Works in which case this schedule shall apply (and the Landlord shall indicate which of the provisions of this schedule are to apply to the proposed Critical Works) or
 - (c) it requires further information from the Tenant to assist in deciding whether or not the proposed Works include Critical Works
- 1.3 Within twenty (20) Business Days of receipt of the further information referred to in paragraph 1.2(c) the Landlord shall notify the Tenant in writing whether or not the proposed Works include Critical Works and if they do which of the provisions of this schedule are to apply to the proposed Critical Works
- 1.4 The notification by the Landlord pursuant to this paragraph 1 as to whether the proposed Works include Critical Works and the extent of the Critical Works and the application of this schedule shall be conclusive

2. APPROVALS

- 2.1 A consent or approval granted by the Landlord or the Engineer under this schedule may be either unconditional or subject to conditions
- 2.2 Any consent or approval which is not to be unreasonably withheld shall also not be unreasonably delayed
- 2.3 No requirement under this schedule for the Landlord or the Engineer to act reasonably or not unreasonably to withhold a consent acceptance or approval, nor any stipulation that a conclusion or decision by the Landlord or the Engineer is to be reached on a reasonable basis, shall diminish the Landlord or the Engineer having absolute discretion:
- (a) in relation to matters relating to safety; and/or
 - (b) where the Landlord has to comply with a statutory obligation; and/or
 - (c) where the relevant matter relates to the operation of the Railway Undertaking or the Railway Assets and Premises,

and where under paragraphs (a) (b) and (c) above the Landlord or the Engineer has absolute discretion the Landlord covenants with the Tenant to exercise such discretion in a proper manner, without seeking to obtain a commercial advantage and by reference to its statutory duties and shall provide proper reasons for its decisions and the Landlord further covenants with the Tenant to procure that the Engineer shall exercise such discretion in a proper manner, without seeking to obtain a commercial advantage and by reference to its statutory duties and shall provide proper reasons for its decisions

Part B

1. APPROVALS, CONSENTS ETC

- 1.1 Prior to commencing each and every stage or phase of any Critical Works the Tenant is to obtain all approvals, consents, permissions and licences (including any required under the Highways Act 1980) of any Authority that may from time to time be necessary to enable the Tenant lawfully to commence and to carry out that stage or phase of the Critical Works and if any Critical Works are destroyed or damaged to reinstate them (the "**Approvals**")
- 1.2 The Tenant is to prepare written statements outlining the principles of the design and the methods to be used in carrying out any Critical Works (the "**Concept Design Statement**") together with a timetable specifying when the Tenant will release the various elements of the Works Information (the "**Information Release Schedule**") and is to submit the Concept Design Statement and the Information Release Schedule with a request for approval in principle by the Engineer. Subject to receiving such approval, the Tenant is to design and execute the Critical Works in accordance with such approved Concept Design Statement and is to comply in all respects with the prevailing LUL Standards and such other conditions relating to the operation of the Railway Undertaking of the Landlord properly imposed
- 1.3 In accordance with the Information Release Schedule, the Tenant is to submit to the Engineer all Works Information as the Engineer may from time to time reasonably require showing comprehensive details of the manner in which each part of the Critical Works shall be executed
- 1.4 The Tenant is not to commence the relevant part of the Critical Works until such Works Information relating to that part of the Critical Works have been approved in writing by the Engineer (such approval not to be unreasonably withheld or delayed save where such Critical Works would or may affect the structural integrity of the Railway Assets and Premises and/or the operation of the Railway Undertaking in which case such approval may be withheld in the absolute discretion of the Engineer)
- 1.5 The Tenant is not without first obtaining the written approval of the Engineer to make any variation of or modification (save for an immaterial variation or modification) to the details approved by the Engineer under the terms of paragraph 1.3 above (such approval shall not be unreasonably withheld or delayed save where such Critical Works would or may affect the structural integrity of the Railway Assets and Premises and/or the safety of the Railway Undertaking in which case such approval may be withheld in the absolute discretion of the Engineer)
- 1.6 The Tenant is to procure and deliver to the Engineer for his written approval prior to the commencement of the Critical Works (such approval not to be unreasonably withheld or delayed) the pre-construction Health and Safety Plan (prepared in accordance with the recommendations of ACoP and procure and deliver to the Landlord as soon as practicable following completion of the Critical Works (but not later than two months after that date) a copy of the Health and Safety File prepared maintained and completed and updated as required by the CDM Regulations and ACoP

2. **APPOINTMENTS, BUILDING CONTRACTS AND COLLATERAL WARRANTIES**

- 2.1 Prior to entering into any Appointment or Building Contract in respect of any Critical Works the Tenant shall submit to the Landlord the names of the consultants and/or contractors whom it intends to appoint or employ (the "**Appointment List**"). The Landlord shall be entitled within 20 Business Days of receipt of an Appointment List to require the Tenant to remove a consultant and/or contractor from the Appointment List subject to the Landlord providing the Tenant with reasons for such decision which must be reasonable, in which event the Tenant shall not appoint such consultant and/or contractor. If the Landlord fails to issue a request to remove a consultant and/or contractor within 20 Business Days of receipt of an Appointment List, the Appointment List shall be deemed approved and the Tenant shall be entitled to appoint any of the consultants and/or contractors on such Appointment List. Any consultant and/or contractor whom the Landlord does not require to be removed from an Appointment List shall be an Approved Consultant or Approved Contractor (as the case may be)
- 2.2 All contracts for any Critical Works are to be entered into by the Tenant with consultants and/or contractors suitable for the type of work to be undertaken and in any event must be with an Approved Consultant or an Approved Contractor
- 2.3 The forms of any proposed Building Contracts and any Appointments are:
- (a) to be approved by the Landlord (such approval not to be unreasonably withheld or delayed)
 - (b) to be on market standard terms (subject to requiring the relevant contractor or consultant appointed under them to comply with LUL Standards and the provisions of this schedule)
 - (c) to be executed as a deed and
 - (d) to require that the consultant or contractor (as the case may be) is to maintain professional indemnity insurance and such other insurances for a duration and at a level required by the Landlord (acting reasonably)
- and the Tenant shall provide to the Landlord a copy of each Appointment and Building Contract certified as a true copy (save that any financial information may be redacted) within five Business Days of it being entered into
- 2.4 The Tenant is to procure that any contractor or consultant undertaking or providing services in respect of any Critical Works or part thereof shall before the commencement of the Critical Works or relevant part of them enter into a collateral warranty with the Landlord in such form as the Landlord acting reasonably shall require (or such other equivalent form of security acceptable to the Landlord acting reasonably to reflect current market practice from time to time) and if reasonably required by the Landlord shall provide a parent company guarantee, in each case in such form as may be approved in writing by the Landlord (such approval not to be unreasonably withheld or delayed)
- 2.5 The Tenant is to use its reasonable and commercially prudent endeavours to procure that each contractor and consultant complies with the terms of its Building Contract or Appointment and where (having used reasonable and commercially prudent endeavours) the Tenant is unable to procure such compliance and the failure to comply results in a breach of its obligations in relation to the Critical Works the Tenant shall procure that such breach is remedied by an alternative method which (where warranties have been provided in respect of the Critical Works) provides a warranty package that is not on materially different terms to the warranty package previously given in respect of the Critical Works.
- 2.6 The Tenant is not, without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed, to:

- (a) dismiss any contractor or consultant
 - (b) waive, release nor stop itself from enforcing or seeking redress for any breach of the Appointments or the Building Contracts or
 - (c) do or omit to do any act or thing which would entitle any contractor or consultant to treat its Building Contract or Appointment as terminated by breach or
 - (d) receive any commissions, inducements, or pecuniary or other advantages at any time arising from the appointment of any contractor or consultant
- 2.7 If there is any rescission of any Building Contract or Appointment, the Tenant is as soon as practicable to notify the Landlord in writing of such rescission and the reasons for it and the Tenant shall use its reasonable endeavours to appoint another person, such contractor appointment to be on substantially similar terms to those contained in this schedule, in substitution for the person whose contractor appointment was terminated
- 2.8 If any building contractor or consultant is in material default or commits a material breach of their obligations in relation to the Critical Works or any part of it, the Tenant will use reasonable and commercially prudent endeavours to enforce its rights and remedies in respect of that breach and if it is unable to enforce such rights shall use reasonable endeavours to procure that such breach is remedied by an alternative method which (where warranties have been provided in respect of the Critical Works) provides a warranty package that is not on materially different terms to the warranty package previously given in respect of the Critical Works
- 2.9 The Tenant is to comply with (and procure compliance by its contractors, agents and sub-contractors) with all relevant LUL Standards and such relevant and reasonable and proper requirements, standards, rules and regulations as the Landlord may make in its capacity as a public transport provider (and which apply generally to works on over or near to Railway Assets and Premises) and of which the Landlord notifies the Tenant in writing from time to time governing safety and/or the protection of the Railway Undertaking and/or Railway Assets and Premises (but only to the extent necessary for the protection of them) in force from time to time during the Critical Works and during any subsequent maintenance repair or renewal of the Critical Works and notified to the Tenant in writing

3. **CONDUCT OF THE CRITICAL WORKS**

- 3.1 The Critical Works shall be designed by the relevant consultant with all due skill and care reasonably to be expected of design consultants experienced in preparing designs for comparable works (having regard to the proximity of the Railway Assets and Premises and the need to ensure the operation of the Railway Undertaking) and shall be carried out, constructed and completed by the relevant contractor:
- (a) in a good and workmanlike manner and free from any defect
 - (b) using good quality materials of their several kinds
 - (c) free from Deleterious Materials
 - (d) in accordance with all relevant codes of practice and British and European Standards
 - (e) in accordance with the relevant local authority's Considerate Contractor's Scheme and
 - (f) in accordance with all relevant LUL Standards

- 3.2 The Tenant is to comply and to use reasonable endeavours to procure compliance by its consultants, contractors, agents and sub-contractors with all Legislation which may affect the Demised Premises or which relate to the Railway Undertaking and/or Railway Assets and Premises and which in each case affect or may affect the design or construction of any Critical Works
- 3.3 The Critical Works shall be carried out in compliance with the materials and Works Information approved by the Engineer subject only to:
- (a) such modifications and substitutions as may be approved in writing by the Engineer (such consent not to be unreasonably withheld save where they would or may affect the structural integrity of the Railway Assets and Premises and/or the operation of the Railway Undertaking in which case such approval may be withheld in the absolute discretion of the Engineer) and
 - (b) minor and inconsequential modifications and modifications required to comply with Legislation
- 3.4 Once commenced, the Tenant shall (subject to paragraph 3.5) proceed with the Critical Works with all reasonable speed in a good and workmanlike manner to the reasonable satisfaction of the Engineer so as to complete the same as soon as reasonably practicable in full conformity with all consents and approvals statutory or otherwise
- 3.5 The Tenant may discontinue at any time the execution of Critical Works but, if it shall do so, the Tenant shall ensure to the reasonable satisfaction of the Landlord that the Critical Works, as then carried out, do not have and do not potentially have an adverse effect or cause an increased cost to the Landlord in relation to the safety of the Railway Undertaking and/or the Railway Assets and Premises
- 3.6 The Tenant is to keep the Engineer informed of material measures taken and stages reached by the Tenant in carrying out the Critical Works, the progress of and material problems or delays affecting the Critical Works and shall on request supply promptly to the Landlord all material documents, reports, revisions to the Health and Safety Plan, written records and minutes of site or other relevant meetings prepared in respect of the Critical Works (save that financial information may be redacted)

4. **INSTRUCTIONS, SITE VISITS AND INSPECTIONS**

- 4.1 The Tenant is not to commence the Critical Works without first procuring (the Landlord being entitled to require that access is on an accompanied and supervised basis) the carrying out, at its own cost, of a detailed condition survey of any part of the Railway Assets and Premises likely to be affected by a reputable and appropriately qualified professional and providing a copy of such survey report with all relevant supporting information, to the Engineer within five (5) Business Days of undertaking the survey. If the report contains a recommendation that further investigations are required, the Tenant shall arrange at its own cost, for such further investigations as the Landlord may reasonably require. The process of procuring the carrying out of a condition survey is also to be repeated (on an accompanied and supervised basis if required by the Landlord) at the Tenant's cost immediately following completion of the Critical Works and, where reasonably requested by the Landlord, at appropriate interim points during the course of the Critical Works. The Tenant shall arrange at its own cost, for such further investigations as the Landlord may reasonably require
- 4.2 The Tenant shall and shall use its reasonable and commercially prudent endeavours to procure that its contractors, agents and employees shall in all respects and at all times conform to and comply with any proper requirements or instructions which may be given in writing by the Engineer in connection with the Critical Works and where (having used reasonable and commercially prudent endeavours) the Tenant is unable to procure such

compliance by its contractors it shall procure compliance by an alternative method which (where warranties have been provided in respect of the Critical Works) provides a warranty package that is not on materially different terms to the warranty package previously given in respect of the Critical Works

- 4.3 At all times whilst carrying out any Critical Works the Tenant is to appoint one or more suitably graded trained and experienced representatives who shall be identified to and approved by the Engineer (such approval not to be unreasonably withheld or delayed) as the designated "Tenant's Railway Representative" ("**Tenant's Railway Representative**") to supervise and co-ordinate and be responsible for the supervision and co-ordination of all aspects and all elements of the Critical Works discipline programme, plant and materials and general health and safety matters and to be the person to whom any issue that the Landlord wishes to raise in connection with the Critical Works should be communicated and to communicate to the contractor any instructions properly given by the Engineer in accordance with the terms of this Lease. The Tenant is to procure that such person (or any alternate appointed and approved in accordance with this paragraph 4.3) shall be available on site during the contractor's normal working hours and shall be available by telephone 24 hours a day throughout the duration of the Critical Works
- 4.4 In the event the Landlord has material problems communicating with and/or receiving co-operation from the Tenant's Railway Representative as a result of the Tenant's Railway Representative's default (where the Landlord is entitled to such communication and/or co-operation pursuant to this schedule) the Landlord shall be entitled (after consultation with the Tenant) to require that the Tenant replace the Tenant's Railway Representative
- 4.5 The Tenant is to make available or procure the availability for inspection by the Engineer at all reasonable times copies of all registers, forms and certificates that the Tenant, its contractors, agents or sub-contractors are obliged to hold or maintain by virtue of any Legislation in respect of any scaffold, material, machinery, plant or equipment, equipment or operation used in connection with any Critical Works
- 4.6 The Engineer shall be entitled at all reasonable times to inspect the Critical Works and (subject to making good any damage caused) to test and take samples of materials and workmanship and may give instructions in respect of the carrying out of the Critical Works to the Tenant's Railway Representative or (where the Engineer has reasonable grounds to believe that there is an immediate danger or emergency) any consultants, contractors or other persons on the Demised Premises, (provided always that the Engineer confirms such instructions to the Tenant's Railway Representative in writing within 2 Business Days) and may make representations to the Tenant and the Tenant's Railway Representative about the Critical Works
- 4.7 The Tenant shall whenever reasonably practicable ensure that the Engineer is given not less than two Business Days prior notice of the date and time of all site meetings relating to the Critical Works and shall permit the Engineer to attend all site meetings
- 4.8 Where the Engineer, acting reasonably, believes that it would be useful to have a meeting between the Tenant, Tenant's Railway Representative, Engineer, Contractor and/or Consultant (as may be appropriate) in relation to the Critical Works, the Engineer shall notify the Tenant and the Tenant shall facilitate such request as soon as reasonably practicable following receipt of the same
- 4.9 The Tenant, its consultants, contractors, agents and sub-contractors may be required by the Engineer to stop work or remove from any Critical Works any scaffold, material, machinery, plant or equipment which the Engineer considers may cause damage or be a hazard to the Railway Undertaking and/or Railway Assets and Premises and which does not comply with the details of the Critical Works previously approved by the Engineer

4.10 The Tenant shall in preparing the design and in carrying out the Critical Works comply with such terms and conditions as the Engineer may properly consider it necessary to impose to ensure the operation of the Railway Undertaking and the Railway Assets and Premises

4.11 If in the course of the Critical Works the Tenant shall:

- (a) use any materials or execute any Works (not being materials or Works for which specific provision is made in the materials previously approved by the Engineer) which the Engineer shall on reasonable grounds consider inferior or unfit for the purpose intended
- (b) execute any work which the Engineer shall on reasonable grounds consider imperfect or
- (c) make any deviation of substance from the materials approved by the Engineer

the Tenant shall as soon as practicable upon written notice from the Engineer requiring it so to do take steps to remedy the same and if the Tenant fails to commence within twenty five working days after such notice and thereafter diligently proceed to rectify the same within a reasonable time then it shall be lawful for the Landlord and their respective agents and workmen to take such steps as are necessary to make the Demised Premises safe and to protect the operation of the Railway Undertaking and the Railway Assets and Premises and the proper costs and expenses of so doing shall be paid by the Tenant on demand

5. **SAFETY AND CONSIDERATION OF ENVIRONS**

5.1 The Tenant is to procure that:

- (a) proper provision is made for the safety and protection of the Railway Assets and Premises during the carrying out of the Critical Works and for the protection of any materials and Plant and Equipment within the Railway Assets and Premises
- (b) proper precautions are taken for the safety of all persons upon or in the vicinity of the Railway Assets and Premises including maintaining such hoardings, fences, security patrols, safeguards and arrangements of lighting the Critical Works and other security measures as the Landlord or any competent statutory or other Authority may consider necessary or desirable in the interest of public safety or the safety of employees or passengers of the Landlord or other persons upon the Railway Assets and Premises or (if the Landlord shall provide any of these) repay to the Landlord the proper costs of so doing and
- (c) the Critical Works are carried out in a manner which does not cause any injury, loss or danger or material nuisance (or any more interference than follows from compliance with the terms of the Approvals) to the Railway Undertaking and/or the Railway Assets and Premises or to the Landlord or its officers servants agents or persons making use of the Railway Assets and Premises and
- (d) proper provision is made for the support of land, buildings and boundaries adjoining the Railway Assets and Premises and for the protection of all services benefiting land adjoining or near to the Railway Assets and Premises

5.2 The Tenant shall by way of indemnity only:

- (a) procure that the rights and interests of third parties are not infringed by the carrying out of the Critical Works

- (b) comply with any agreements, deeds, documents, rights, easements, exceptions, reservations and covenants, restrictive or otherwise, affecting the Demised Premises and/or the Railway Assets and Premises

5.3 The Tenant shall, where not to do so would adversely affect the operation of the Railway Assets and Premises or the Railway Undertaking:

- (a) save in relation to rights of light and air, not to permit any encroachment or easement to be made or acquired against or over the Railway Assets and Premises and/or the Demised Premises
- (b) at its own cost secure necessary access to or use of any land not owned by the Landlord and required temporarily or permanently in connection with any Critical Works
- (c) negotiate the terms of agreements with owners and occupiers of neighbouring property for the release of rights of way, light and air or any other legal or equitable rights over the Demised Premises and/or the Railway Assets and Premises which would be infringed by or prevent or impede the carrying out of the Critical Works
- (d) apply for and use all reasonable endeavours to obtain any orders which may be required for the temporary stopping-up or temporary diversion of any highways, footpaths or public rights of way to the extent that these may be required to enable the Critical Works to be carried out
- (e) at its own cost take all necessary steps (including the placing and processing of orders) to arrange with the appropriate party for any temporary or permanent diversion of any Conduits and for any road closure or traffic diversions as may be necessary for the carrying out of any Critical Works in such a manner as not to render the Landlord in any way liable in respect thereof provided always that the Tenant shall not interfere with the access to or any of the Utilities or Conduits which serve the Railway Assets and Premises without the prior written approval of the Engineer (such approval not to be unreasonably withheld or delayed)

5.4 The Tenant is not knowingly to do any act matter or thing in connection with any Critical Works which would or might constitute a breach of any Legislation affecting the Railway Undertaking and/or the Railway Assets and Premises or which might vitiate in whole or in part any insurance effected in respect of the Railway Undertaking and/or Railway Assets and Premises the terms of which insurance have been notified to the Tenant in writing

5.5 Unless otherwise required by the Engineer or agreed in writing the Tenant is prior to or within a reasonable time following the completion of the Critical Works or earlier vacation of the site of the Critical Works and to the reasonable satisfaction of the Engineer to reinstate any of the Railway Assets and Premises and any Plant and Machinery damaged by the execution of the Critical Works to the state and condition found upon entry or as near thereto as possible having regard to the carrying out of the Critical Works. Such reinstatement is to comply with LUL Standards in force at the time of reinstatement and notified to the Tenant in writing

6. **INDEMNITY AND INSURANCE**

6.1 The Tenant is to indemnify the Landlord against all actions, claims, demands and proceedings taken or made against the Landlord and all costs, damages, expenses, liabilities and losses (the "**Losses**") incurred by the Landlord in respect of the following:

- (a) any physical damage or injury to any person or the Demised Premises or the Railway Assets and Premises resulting from the carrying out of any Critical Works;

- (b) all Losses incurred by the Landlord arising out of the carrying out of any Critical Works;
- (c) any breach or non-performance of the Tenant's Obligations contained in this Schedule,

PROVIDED ALWAYS that:

- (d) the Landlord must provide reasonable evidence of the quantum of any Losses and that the same have been actually incurred and were properly incurred;
- (e) the Landlord shall take reasonable steps to mitigate any Losses save where such steps may cause a TfL Adverse Effect;
- (f) (save insofar as the Landlord was acting in accordance with and in the proper exercise of its rights and obligations under this Lease) the Tenant's liability shall be reduced to the extent that the Landlord has contributed to the act or default which gave rise to the Tenant's liability under this paragraph;
- (g) the Landlord shall notify the Tenant in writing as soon as reasonably practicable of any matter which may give rise to liability under this indemnity and shall keep the Tenant duly informed in relation to any claims which arise therefrom and shall supply copies of relevant documents and correspondence save such as are the subject of bona fide confidentiality undertakings or which are privileged;
- (h) the Landlord shall (at the Tenant's cost) take such action as the Tenant may reasonably request and which shall be reasonable to take to avoid, resist, dispute, appeal, compromise or defend any such matter save insofar as:
 - (i) such action may have a Tfl Adverse Effect; or
 - (ii) court proceedings have been issued or are threatened and such proceedings would, in the reasonable opinion of the Landlord be likely to have a material detrimental impact on the reputation of the Landlord;
- (i) the Landlord shall not admit liability, settle or compromise any such matter without first obtaining the Tenant's approval in writing (such approval not to be unreasonably withheld or delayed), save where failure to admit liability, settle or compromise may adversely affect the operation of the Railway Undertaking. Where the Tenant fails to respond to a request for such approval within ten (10) Working Days of receipt of a request, the approval shall be deemed to have been given for the purposes of this paragraph.

6.2 During the carrying out of any Critical Works the Tenant is to effect and maintain with Standard Insurers in the joint names of the Landlord and the Tenant and on terms approved by the Landlord (such approval not to be unreasonably withheld or delayed):

- (a) public liability insurance for not less than fifty million Pounds (£50,000,000) commensurate with the nature of the Critical Works and having regard to the level of insurance cover commonly required by prudent developers in relation to the conduct of such Critical Works at overstation developments at the relevant time in respect of each and every occurrence
- (b) insurance against:
 - (i) damage to or destruction of Critical Works under a contractor's all risks policy for an amount no less than the Reinstatement Cost of the Critical Works

- (ii) personal injury to or death of any person arising out of or in the course of or caused directly or indirectly by the execution of the Critical Works

for no lesser amount than the Landlord reasonably requires and in the case of damage to the Critical Works being no less than the Reinstatement Cost of the Critical Works (subject to such insurance being available in the London market on reasonable commercial terms)

6.3 During the carrying out of any Critical Works the Tenant is to procure that any contractor under a Building Contract and each member of the Professional Team employed in relation to the Critical Works maintains with Standard Insurers:

- (a) professional indemnity insurance of not less than five million pounds (£5,000,000) commensurate with the nature of the Critical Works and having regard to the level of insurance cover commonly required by prudent developers in relation to the conduct of such Critical Works at overstation developments; and
- (b) employer's liability insurance of not less than five million pounds (£5,000,000) commensurate with the nature of the Critical Works and having regard to the level of insurance cover commonly required by prudent developers in relation to the conduct of such Critical Works at overstation developments

on terms approved by the Landlord (such approval not to be unreasonably withheld or delayed)

6.4 The Tenant is to make all payments necessary for the purposes of obtaining and maintaining the insurances required under paragraph 6.1 and is to use all reasonable endeavours to procure compliance by the relevant third parties with paragraph 6.3 and shall upon request from time to time, produce to the Landlord a copy or full details of the insurance policies effected in accordance with this Lease and all endorsements on such insurance policies and evidence that they are in force (including evidence that the last premium has been paid)

6.5 If the Tenant does not insure or procure all or any of the insurances required by paragraph 6.1 or fails to produce reasonable evidence that such insurances are in force, the Landlord may itself effect such insurance cover as it may consider prudent and the proper cost of so doing together with the Landlord's reasonable and proper management and administrative costs for so doing will be payable by the Tenant to the Landlord on written demand

6.6 During the carrying out of any Critical Works:

- (a) the Tenant is to comply with clauses 17.1(e), (f), (g), (h), (i), 17.3, 17.4, 17.5, 17.6 and 17.7 as if: (i) references to Demised Premises in these clauses were references to Critical Works (ii) references to policies of insurance procured by the Tenant were the policies required by schedule 5 paragraphs 6.1 and 6.3; and (iii) references to "this clause" shall be to "schedule 5 paragraphs 6.1 to 6.6" and
- (b) clause 17.9 shall apply as if the reference to "clause 17" was a reference to "schedule 5 paragraphs 6.1 to 6.6"

7. **PROTECTION OF RAILWAY**

7.1 The Tenant will, in carrying out Critical Works, comply with the Load Bearing Regime and clauses 5.13 and 5.15

8. **LIMITATION ON LANDLORD'S LIABILITY**

8.1 Without prejudice to the Landlord's obligations to make good physical damage where otherwise provided for by the terms of this Lease, the Landlord shall not be liable by way of indemnity or otherwise in respect of any loss (including consequential economic loss) damage or delay to the Tenant, its employees contractors, agents or sub-contractors or any other person resulting from:

- (a) any approval by the Landlord of the Critical Works or any documentation in connection with any Critical Works (save where such loss arises as a result of negligence or wilful default of the Landlord's obligations in this Lease, however, for the avoidance of doubt the Landlord will not be liable, in respect of this clause 8.1(a), in respect of any negligence where the matter resulting in the loss ought reasonably to have been independently verified by the Tenant);
- (b) any stoppage of the Critical Works as a consequence of the Landlord exercising its rights under and in accordance with the provisions of this Lease; or
- (c) the Tenant, its employees, contractors, agents or sub-contractors being prevented or delayed from entering upon or being properly required to vacate the site by reason of any emergency or exigency relating to the safety of the Railway Undertaking or the safety of the Railway Assets and Premises,

provided that the Landlord shall use its reasonable endeavours to minimise such loss, damage or delay suffered by the Tenant consistent with ensuring the safe and secure operation of the Railway Undertaking and with the discharge of the Landlord's statutory duties.

9. **COSTS**

9.1 Subject to the proviso to clause 4.9(b) and clause 6.7, the Tenant is to pay to the Landlord the Landlord's proper costs incurred in connection with the Landlord's exercise of its rights under this schedule and its performance of its obligations under this schedule

9.2 Every four (4) weeks (or at such longer intervals as the Landlord shall deem appropriate) the Landlord shall submit an invoice to the Tenant in respect of the Landlord's proper costs incurred under this schedule and the Tenant shall pay the amounts due within twenty (20) Business Days of an invoice being submitted

9.3 In the event that any amount due under paragraph 9.1 above is delayed beyond the time given for payment in paragraph 9.2 the Tenant shall pay to the Landlord interest on such amounts at the Prescribed Rate from the date of the invoice or demand until the date of actual payment

10. **AS BUILT DRAWINGS AND WARRANTIES**

Within four (4) weeks of any issue of a certificate of practical completion pursuant to paragraph 14 of this schedule, the Tenant is to deliver free of cost to the Landlord for record purposes two complete sets (one set in hard copy and another set in an electronic format specified by the Landlord) of "as-constructed" drawings, specifications, checked calculations (including all amendments made since the initial approval of the said drawings by the Landlord upon which the design and construction of the Works have been completed) and materials test reports (in a digital format if the Landlord shall so require). The Tenant shall use reasonable endeavours to procure that the Landlord is granted a royalty-free licence to use such information for all purposes connected with the Demised Premises and the operation of the Railway Undertaking and Railway Assets and Premises

11. **LANDLORD'S CONSENTS**

11.1 Any decision of the Landlord or the Engineer to withhold consent, approval or acceptance under the terms of this Lease or any direction given by the Landlord or the Engineer or decision made by the Engineer under the terms of this Lease:

(a) (where the matter being the subject of such consent, approval, acceptance, direction or decision is likely in the opinion of the Engineer to affect the safety operation of the Railway Undertaking and/or Railway Assets and Premises) shall be final, binding and conclusive (save in the case of manifest error)

(b) shall not in any way reduce or eliminate the Tenant's Obligations

12. **MATERIALS**

The Tenant undertakes that no material or substance that is not in accordance with good current building practice or which in the opinion of the Engineer (acting properly) may adversely affect the Railway Undertaking and/or the Railway Assets and Premises will be specified in any Building Contract for use or to be incorporated in any Critical Works

13. **NOTICES**

The Tenant is promptly to notify the Landlord of any notice it receives from an Authority or from any adjoining owner relating in any way to any Critical Works and must supply a copy of every such notice to the Landlord within five (5) Business Days after receipt of it

14. **PRACTICAL COMPLETION OF CRITICAL WORKS**

14.1 The Tenant is to give to the Landlord not less than five (5) Business Days' prior notice in writing of the date and time at which an inspection of any Critical Works in anticipation of issuing a certificate of practical completion under a Building Contract is to be carried out

14.2 The Tenant shall permit the Landlord and those authorised by it (not exceeding three (3) in number) to attend the inspection referred to in paragraph 14.1 and the Tenant shall have due regard to any reasonable representations made by the Landlord at that time to the extent that they relate to those elements of any Critical Works which affect or may affect the operation of the Railway Undertaking and Railway Assets and Premises but such representations shall not (for the avoidance of doubt) delay the issue of the certificate of practical completion if it is proper to issue it

14.3 The Tenant is to procure that a copy of the certificate of practical completion issued under a Building Contract is delivered to the Landlord as soon as practicable after its issue

14.4 The Landlord and the Tenant agree that the issue of the certificate of practical completion shall not be delayed by the existence (if at all) of any minor defects shrinkages or other faults. The Tenant is to use reasonable endeavours to remedy such defects, shrinkages or faults as soon as reasonably practicable in accordance with the provisions of the relevant Building Contract

14.5 As soon as reasonably practicable following the date of practical completion of the relevant Critical Works, the Tenant is to use its reasonable and commercial prudent endeavours to procure that:

(a) the contractor carries out any further works that are required to make good any defects, omissions and snagging items in the Critical Works identified in the certificate of practical completion to the reasonable satisfaction of the Landlord and in accordance with the Building Contract

- (b) all defects in the Critical Works for which the Building Contractor is responsible under the relevant Building Contract that arise within the contractual defects liability period are made good in accordance with the terms of the Building Contract to the reasonable satisfaction of the Landlord

and where (having used reasonable and commercially prudent endeavours) the Tenant is unable to procure such compliance by the Contractor it shall procure compliance by an alternative method which (where warranties have been provided in respect of the Critical Works) provides a warranty package that is not on materially different terms to the warranty package previously given in respect of the Critical Works.

15. **CRITICAL WORKS AFFECTING RAILWAYS ASSETS AND PREMISES**

If any Critical Works require any enabling works to be carried out to the Railway Assets and Premises the Landlord may elect either:

- (a) to carry out such enabling works at the proper cost of the Tenant; or
- (b) to require the Tenant to carry out such enabling works at its own cost

and the parties will use reasonable endeavours to agree and comply with an appropriate programme for the carrying out and completion of such enabling works.

SCHEDULE 6

[Obligations of a Tenant's Guarantor [only if one is required]]

1. DEFINED TERMS

1.1 In this schedule 6 (Obligations of a Tenant's Guarantor), the following words and expressions have the following meanings:

"Event of Default" means one or more of the following:

- (a) the disclaimer of this Lease by the Crown or by a liquidator or trustee in bankruptcy of the Tenant
- (b) if the Tenant is a company, the Tenant is struck off the register of companies or otherwise ceases to exist or
- (c) the forfeiture of this Lease by the Landlord where all rights of relief against such forfeiture have been exhausted

"New Lease" means a lease:

- (a) for a term beginning on the date on which the Event of Default occurred and ending on the date when the Contractual Term would have ended
- (b) otherwise containing the same terms, conditions and rents as this Lease

2. OBLIGATIONS

2.1 The Tenant's Guarantor guarantees and covenants with the Landlord (by way of primary obligation and not merely as guarantor) that the Tenant will comply with the Tenant's Obligations throughout the period during which the Tenant will be bound by the Tenant's Obligations pursuant to the 1995 Act and in case of default or delay on the part of the Tenant in complying with the Tenant's Obligations the Tenant's Guarantor will pay and make good to the Landlord on demand anything whatsoever which ought to be paid, performed, observed or complied with under the Tenant's Obligations including all losses, damages and expenses thereby arising or incurred by the Landlord in respect of any of the Tenant's Obligations and indemnify the Landlord against any non-payment, breach, non-observance, non-performance or non-compliance of the Tenant's Obligations (on the terms of clause 21 and schedule 5, paragraph 6).

3. CONTINUATION OF THE GUARANTEE

3.1 The obligations of the Tenant's Guarantor are not to be released by:

- (a) any delay or neglect by the Landlord in enforcing the Tenant's Obligations or any time allowed by the Landlord for their performance
- (b) any refusal by the Landlord to accept the payment of the rents in order to avoid waiving a breach of the Tenant's Obligations
- (c) any variation of the terms of this Lease which the Guarantor is a party to including, without limitation, any variation in the procedure for the review of the rent reserved by this Lease or any agreement for a stepped rent on such review
- (d) the surrender of any part of the Demised Premises (save to the extent of the part of the Demised Premises so surrendered)
- (e) any Event of Default

- (f) the Tenant ceasing to exist or having an administrator appointed in respect of it or all or any of the Tenant's Obligations or the covenants, conditions or obligations of any other party as aforesaid ceasing (whether permanently or temporarily) to be enforceable against the Tenant or being released or compromised except where they cease to be enforceable by reason of a release under the Landlord and Tenant (Covenants) Act 1995 or under this Lease; or
- (g) the Tenant or any other party who may have guaranteed or otherwise may be liable in respect of any of the Tenant's Obligations entering into a company voluntary arrangement, scheme of arrangement or other arrangement with its creditors; or
- (h) the existence or validity of any other security taken by the Landlord in respect of any of the Tenant's Obligations or any release of such security or any enforcement or failure to enforce such security or any part of it or any remedies the Landlord may have in respect of it against any third party or the release in whole or part of any guarantor or of all or any of the obligations of any guarantor; or
- (i) any omission or other matter which but for this provision would or might operate to affect, reduce or extinguish the liability of the Tenant's Guarantor under this Lease in whole or in part,

and the obligations of the Tenant's Guarantor shall subsist in relation and by reference to the obligations on the part of the Tenant as from time to time varied, to the extent the Tenant's Guarantor is a party to such variations.

4. **NEW LEASE**

- 4.1 If an Event of Default occurs and within six (6) months of the Landlord receiving notice of the Event of Default (time being of the essence) the Landlord serves written notice on the Tenant's Guarantor requiring the Tenant's Guarantor to accept the grant of a New Lease, the Tenant's Guarantor is to:
 - (a) enter into any licence required for the grant of the New Lease under Clause 10 of this Lease
 - (b) execute and deliver to the Landlord a counterpart of the New Lease and
 - (c) pay the Landlord's reasonable and proper legal costs and agents' costs for preparing and completing the New Lease and obtaining any licence required by the Landlord
- 4.2 Where there is more than one Tenant's Guarantor the Landlord may require all of them to accept the grant of the New Lease and the grant of the New Lease is not to release the Guarantors from any accrued liability under this schedule 6 (Obligations of a Tenant's Guarantor)
- 4.3 If, following an Event of Default, the Tenant's Guarantor ceases for any reason to be liable under the guarantee and indemnity and the Landlord does not serve notice on the Tenant's Guarantor requiring the Tenant's Guarantor to accept the grant of a New Lease in accordance with 4.1 above then the Tenant's Guarantor is to pay to the Landlord on demand:
 - (a) sums equal to those which would have been payable under the Lease but for the Event of Default for the period of six (6) months from and including the date of the Event of Default or, if earlier, until the date on which the Landlord re-lets the Demised Premises (which the Landlord covenants to use reasonable endeavours to do) and

- (b) the proper and reasonable costs, legal and agents' fees and expenses incurred by the Landlord on any re-letting of the Demised Premises together with all VAT on those fees and expenses which the Landlord is unable to recover

5. **ADDITIONAL PROVISIONS**

- 5.1 The obligations of the Tenant's Guarantor under this Lease shall be a continuing guarantee in addition to any other guarantee or security now or hereafter held by Landlord in respect of any of the Tenant's Obligations throughout the period during which the Tenant will be bound by the Tenant's Obligations pursuant to the 1995 Act and this covenant shall impose upon the Tenant's Guarantor the same obligations as if this Lease had been entered into directly with it as the Tenant and it is hereby agreed and declared that the liability of the Tenant's Guarantor is as principal covenantor with Landlord and not merely collateral to the principal liability of the Tenant.
- 5.2 The Landlord shall not be obliged to take any steps or proceedings or obtain any judgment against the Tenant or any third party before exercising any of its rights against the Tenant's Guarantor under this Lease nor to make or file any claim in any bankruptcy or liquidation of the Tenant or any third party and the liabilities of the Tenant's Guarantor under this Lease may be enforced irrespective of whether any demands, steps or proceedings are being or have been made or taken against the Tenant or any third party or whether the obligations of any other Tenant's Guarantor or third party are released or waived in whole or in part.
- 5.3 The Tenant's Guarantor covenants with Landlord that it shall not, without first obtaining Landlord's written consent:
 - (a) seek to recover, whether directly or by set off, lien, counterclaim or otherwise, nor accept any money or other property, nor exercise any rights, in respect of any sum or security which may be or become due to the Tenant's Guarantor on any account by the Tenant, nor claim, prove for or accept any payment in any composition by, or any winding up of the Tenant;
 - (b) claim as a creditor of the Tenant in competition with Landlord.
- 5.4 Without prejudice to the foregoing the Tenant's Guarantor agrees that it shall not seek to discharge, affect, compromise or impair the Tenant's liability under this Lease in any voluntary arrangement, scheme of arrangement, or other arrangement with creditors proposed by or entered into by the Tenant nor be a party to any such arrangement.
- 5.5 As a separate, additional, continuing and primary obligation, if the Tenant's Guarantor proposes or enters into any voluntary arrangement, scheme of arrangement, or other arrangement with its creditors which has the effect directly or indirectly of discharging, affecting, compromising or impairing its liability or the Tenant's liability under this Lease the Tenant's Guarantor agrees to indemnify Landlord on demand against any losses, damages or expenses (including legal fees) incurred by or on behalf of Landlord as a result of any such discharge, affect, compromise or impairment.
- 5.6 The Tenant's Guarantor agrees that any decision of any court and/or any agreement reached between Landlord and the Tenant in respect of or in connection with this Lease shall be binding on the Tenant's Guarantor, **PROVIDED ALWAYS** that the Tenant's Guarantor shall have available to it such rights of appeal or challenge as the Tenant would have or would have had.

6. **SUBSTITUTION OF GUARANTOR**

- 6.1 In this paragraph 6 "**Guarantee Beneficiary**" means the recipients of the guarantees contained in this schedule.
- 6.2 The Tenant's Guarantor shall with immediate effect be automatically released from all of its past, present and future obligations and liabilities under this Lease if the Tenant's Guarantor delivers to the Guarantee Beneficiary a validly executed guarantee in a form to be approved by the Landlord and the relevant guarantor (such approval not to be unreasonably withheld or delayed) (whereby any new guarantor accedes to all past, present and future obligations and liabilities under this Lease) in favour of the Guarantee Beneficiary on the same terms as the provisions of this schedule by a party that is not a Prohibited Person and which has been approved by the Guarantee Beneficiary (such approval not to be unreasonably withheld or delayed).
- 6.3 Following the release of the Tenant's Guarantor as provided for in clause 6.2 and if called upon to do so, the Guarantee Beneficiary will enter into a deed of release further evidencing the release in such form as may reasonably be agreed between the Landlord and the Tenant's Guarantor.

SCHEDULE 7

Appointment and Powers of an Independent Person

1. THE INDEPENDENT PERSON

1.1 The Independent Person is to be:

- (a) in the case of disputes referred under clause 17.9 an insurance broker of not less than 10 years' standing experienced in the insurance and reinstatement of leasehold property
- (b) in the case of disputes referred under schedule 3, paragraph 4.3 a duly qualified civil engineer of not less than ten (10) years' standing experienced in railway transport matters
- (c) in the case of disputes referred under clauses 5.10 or 18.9 an independent chartered surveyor of not less than 10 years' standing experience in the conduct of structural surveys
- (d) in the case of disputes referred under schedule 9 an independent chartered surveyor of not less than 10 years' standing experience in leasehold ground rent calculation

2. BASIS OF APPOINTMENT

2.1 An Independent Person is not to be appointed to determine any matter under this Lease unless this Lease makes specific provision for the appointment of an Independent Person to make that determination

2.2 An Independent Person is to be appointed by agreement between the Landlord and the Tenant. In the absence of agreement within two (2) weeks of a request from either party to agree an appointment:

- (a) any dispute over the identity of the Independent Person appropriate to resolve the dispute referred to in clauses 17.9, 5.10, 18.9 or schedule 9 may be referred at the request of the Landlord or the Tenant to the President or next most senior available officer of the Royal Institution of Chartered Surveyors who will have the power, with the right to take such further advice as he may require, to determine and nominate the appropriate Independent Person or to arrange his nomination and
- (b) any dispute over the identity of the Independent Person appropriate to resolve the dispute referred to in schedule 3, paragraph 4.3 is to be referred at the request of the Landlord or the Tenant to the President or other most senior available officer of the Institute of Civil Engineer who will have the power, with the right to take such further advice as he may require, to determine and nominate the appropriate Independent Person or to arrange his nomination

2.3 The reference to an Independent Person is to be made to him as an arbitrator or an expert in accordance with the terms of this Lease

2.4 Where an Independent Person is to act as an independent expert:

- (a) the Landlord and the Tenant may make written representations within ten (10) Business Days of his appointment and will copy the written representations to the other party

- (b) the Landlord and the Tenant are to have a further ten (10) Business Days to make written comments on each other's representations and will copy the written comments to the other party
- (c) the Independent Person is to be at liberty to call for such written evidence from the parties and to seek such legal or other expert assistance as he may reasonably require
- (d) the Independent Person is not to take oral representations from the Landlord or the Tenant without giving both parties the opportunity to be present and to give evidence and to cross examine each other
- (e) the Independent Person is to have regard to all representations and evidence before him when making his or her decision, which is to be in writing, and be required to give reasons for his decision
- (f) the Independent Person is to use all reasonable endeavours to publish his decision within four (4) weeks of his appointment
- (g) the Independent Person is to act impartially and in good faith between the parties and
- (h) another expert may replace the Independent Expert if he dies, becomes unwilling or incapable of acting or it becomes apparent for any other reason that he will be unable to determine the matter referred to him within a reasonable time

2.5 Where an Independent Person is to act as an arbitrator:

- (a) all submissions made or evidence supplied to him are to be in writing unless the parties agree within ten (10) Business Days of his appointment that this requirement does not apply
- (b) the date of his award will be deemed to be the date on which he serves a copy of the award on the Landlord and the Tenant or, if the award is served on the Landlord and the Tenant on different dates, on the later of the two dates on which the award is served
- (c) he will not be entitled to order the rectification, setting aside or cancellation of this Agreement or any other deed or document
- (d) he will not be entitled to direct that the recoverable costs of the arbitration, or any part of it, be limited to a specified amount and
- (e) he will not be entitled to require that security be provided in respect of the costs of the arbitration

2.6 Responsibility for the costs of referring a dispute to an Independent Person, including costs connected with the appointment of the Independent Person but not the legal and other professional costs of any party in relation to a dispute, will be decided by the Independent Person and in the absence of a decision, they will be shared equally between the parties

2.7 If either party does not pay any part of the costs of referring a dispute to an Independent Person and, as a result, the release of the Independent Person's decision or award is delayed, the other party will be entitled to pay those unpaid costs and the first party will reimburse those costs to the other on written demand together with interest at the Prescribed Rate calculated from and including the date on which they were paid to and including the date of reimbursement

SCHEDULE 8

Load Bearing Regime

[Note - load bearing information set out on pages 11 and 16 of Appendix 4 to the Development Agreement is to be inserted into this Schedule 8 at the time when the leases are to be granted, subject to any updates required as a result of design changes]

SCHEDULE 9

Ground Rent

1. DEFINITIONS

1.1 In this schedule:

"Completed Rental Statement" means a statement to be produced in respect of each Financial Year containing:

- (a) details of those parts of the Lettable Areas which were the subject of a lease or licence, or were otherwise occupied or utilised
- (b) details of those parts of the Lettable Areas which were Occupied Premises
- (c) details of the Property Rents, Excluded Receipts and Property Expenses
- (d) details of any Notional Termination Date and of any expiration or determination of any lease, licence or other occupation or utilisation of the Lettable Areas (including details of any payments made in connection with such expiration or determination), together with details of any continuation, renewal or extension of any such arrangement
- (e) details of any rent reviews or changes of income forming part of the Property Rents, including any revised rent payable pursuant to any such reviews
- (f) details of any Notional Annual Rent (deemed received following the expiry of any Notional Rent Free Period) or Notional Reviewed Annual Rent
- (g) details of the Minimum Rent
- (h) if the Minimum Rent is to be revised in accordance with paragraph 4 of this schedule, details of the average annual Property Rent for the five completed Financial Years immediately preceding the date on which the revised Minimum Rent is to apply (subject to paragraph 4.4)
- (i) details as to whether any occupier of any part of the Lettable Areas was or is a Connected Person and
- (j) details of any arrears of Property Rents relating to that Financial Year

"Connected Person" means :

- (a) any person (including, without limitation, any partnership, body corporate or unincorporated association) connected, affiliated or associated with the Tenant or an Investment Undertenant in any way and includes (without limitation) the relationships specified in sections 445, 449, 1122 and 1124 of the Corporation Tax Act 2010 and
- (b) an Investment Undertenant

"Estimated Rental Statement" means a statement to be produced in respect of each Financial Year (which statement shall assume that moneys receivable or estimated to be receivable by the Tenant and, if applicable, any Investment Undertenant shall be received on the date they become due and that any rent reviews are agreed or determined on the relevant rent review dates) containing (in respect of the relevant Financial Year):

- (a) details of those parts of the Lettable Areas expected by the Tenant to be the subject of an underlease or licence or to be otherwise occupied or utilised
- (b) details of those parts of the Lettable Areas expected by the Tenant to be Occupied Premises
- (c) details or estimates of the anticipated Property Rents, Excluded Receipts and Property Expenses
- (d) details of any Notional Termination Date and of any expected expiration or determination of any underlease, licence or other occupation or utilisation of the Lettable Areas (including details of any expected payments to be made in connection with such expiration or determination), together with details of any continuation, renewal or extension of any such arrangements
- (e) details of any rent reviews or changes of income forming part of the Property Rents
- (f) details or estimates of any Notional Annual Rent or Notional Reviewed Annual Rent
- (g) details of the Minimum Rent
- (h) details of any review of Minimum Rent to occur and
- (i) details as to whether any person expected to be in occupation of any part of the Lettable Areas is (or is expected to be) a Connected Person

"Excluded Receipts" means

- (a) any moneys received by the Tenant or, if applicable, any Investment Undertenant from any undertenant, licensee or other occupier or user of the Lettable Areas solely and specifically in respect of the reimbursement to the Tenant or, if applicable, any Investment Undertenant of the costs incurred or chargeable by the Tenant or, if applicable, any Investment Undertenant in respect of:
 - (i) the collection of rent, licence fees and other income in relation to the Lettable Areas
 - (ii) the management of the Lettable Areas (including the grant of licences and consents and the reimbursement of fees and expenses incurred on behalf of the Tenant or, if applicable, any Investment Undertenant)
 - (iii) the insurance of the Lettable Areas
 - (iv) the provision of services to the Lettable Areas (including all items of expenditure incurred in the provision of such services and all contributions to any sinking or reserve fund) and
 - (v) business rates energy management costs and similar outgoings in relation to the Lettable Areas
 - (vi) costs incurred by the Tenant or, if applicable any Investment Undertenant in putting or keeping the Demised Premises (including the Lettable Areas) in good repair and condition

and
- (b) any moneys received by the Tenant or, if applicable, any Investment Undertenant from any undertenant, licensee or other occupier or user of the Lettable Areas to the extent that they represent:

- (i) compensation for physical or other damage to the Demised Premises, dilapidations and/or breach of any other covenant in respect of the relevant part or parts of the Lettable Areas (provided that the Tenant provides to the Landlord a written certificate signed by the Tenant's surveyor confirming that such moneys were paid on the terms set out above);
- (ii) a due allowance for the costs of provision of services, insurance and management in circumstances where rents or licence fees are inclusive of such costs;
- (iii) premiums and other payments received in respect of any disposal by way of an assignment of this Lease or the grant of any Investment Underlease;
- (iv) insurance monies received by the Tenant or, if applicable, any Investment Undertenant (except those arising from loss of principal rents)

"Financial Year" means each period of twelve (12) months ending on and including 31 March in each year (the **"Financial Year End Date"**) or such other date advised by the Tenant from time to time) save that

- (a) the first Financial Year shall commence on the date of Practical Completion and end on the next Financial Year End Date thereafter and
- (b) the last Financial Year shall commence on the first day of the Financial Year immediately preceding the ending of the Term and end on the ending of the Term

"First Development PC Date" means the date of practical completion of the Initial Development

"First Review Date" means the tenth anniversary of the First Development PC Date

"Investment Undertenant" means a tenant to whom an Investment Underlease is granted and its successors

"Landlord's Percentage" means five (5) per cent

"Lettable Areas" means those parts of the Demised Premises intended to be let from time to time or otherwise to be income generating

"Minimum Rent" has the meaning given in paragraph 4.1

"Minimum Rent Increase Date" has the meaning given in paragraph 4.2

"Notional Annual Rent" means the Open Market Rental Value of any Occupied Premises at the relevant Occupation Date

"Notional Date of Review" means each fifth anniversary of the Occupation Date

"Notional Lease" has the meaning given in paragraph 3.1

"Notional Rent Free Period" means such rent free period as would be given to a willing tenant in respect of a letting of premises similar to the Occupied Premises and located in the City of London at the relevant Occupation Date

"Notional Reviewed Annual Rent" means the greater of:

- (a) the Open Market Rental Value of any Occupied Premises on each relevant Notional Date of Review and

- (b) the yearly rent deemed to be receivable by the Tenant under the relevant Notional Lease immediately before the relevant Notional Date of Review, save in the case of continued occupation pursuant to paragraph 3.6 in which case this limb shall be disregarded for the purposes of the initial Notional Annual Rent payable in respect of the new Notional Lease

"Notional Termination Date" means in relation to any Notional Lease, the earlier of:

- (a) such anniversary of the relevant Occupation Date as represents the length of term commonly assumed on rent review in respect of a letting of premises similar to the Occupied Premises and located in the City of London at the relevant Occupation Date and
- (b) the date on which the relevant Occupied Premises becomes occupied or used by any person who is not a Connected Person

"Occupation Date" has the meaning given in paragraph 3.1

"Occupation Notice" means a statement specifying the relevant Occupation Date, the identity of the person who has commenced (or, for the purposes of paragraph 3 of this schedule, is deemed to have commenced) to occupy the Occupied Premises, and the relevant part of the Lettable Areas so occupied

"Occupational Tenant's Fit Out" means the final 'Category B' fit out usually undertaken by tenants as that expression is generally understood in the real estate development industry including, without limitation, partitioning, IT cabling and other tenant fixtures and fittings, but excluding the 'Category A' fit out usually undertaken by landlords as that expression is generally understood in the real estate development industry whether or not such Category A works are actually undertaken by the relevant Occupational Tenant on the Premises

"Occupied Premises" has the meaning given in paragraph 3.1

"Open Market Rental Value" means the clear annual rent at which the Occupied Premises in question (the **"Relevant Premises"**) could reasonably be expected to be let as a whole on the open market by a willing landlord to a willing tenant at the Occupation Date in question (the **"Relevant Date"**), assuming that at the Relevant Date:

- (a) the Relevant Premises are ready to be fitted out for the willing tenant's occupation and use and all services provided by the statutory undertakers are available
- (b) any rent free period, period at a concessionary rent or capital contribution which might at the Relevant Date reasonably be required by or given to the willing tenant for fitting out has expired or already been paid
- (c) no work has been carried out to the Demised Premises (or any part) which has diminished their rental value
- (d) if the Demised Premises have been destroyed or damaged they have been fully restored
- (e) the willing tenant, its undertenants and their respective successors in title have, and will continue to have, the benefit of any rights, licences, consents or permissions granted by the Landlord (or its predecessors in title), any government, local authority or other authority, or any other person interested in the Relevant Premises necessary for the beneficial occupation and use of the Relevant Premises in connection with the Permitted Use

- (f) the Relevant Premises are available to let without a premium payable (ignoring for these purposes any contribution to the cost of "Category A" fit out works or equivalent received by the tenant) by either party but with vacant possession and upon the Principal Terms and for a term of ten years or such other term as would then be reasonable to negotiate in the open market (allowing for good market letting practice) and
- (g) the Demised Premises (and any building from time to time on the Demised Premises) are in good repair and condition and the covenants in this Lease on the part of the Tenant have been fully performed and observed

there being disregarded:

- (i) any effect on rent resulting from the fact that the tenant or any undertenant, licensee or other occupier has been, or is, in occupation of the Relevant Premises
- (ii) any goodwill attributable to the Relevant Premises by reason of the carrying on there of the business of the tenant or any undertenant, licensee or other occupier
- (iii) so far as may be permitted by law, all Legislation from time to time in force which would otherwise restrict or reduce the amount of rent payable and
- (iv) any Occupational Tenant's Fit Out

"Principal Terms" means the principal terms and conditions likely to be negotiated in the open market (allowing for good market letting practice) and which would be required in order to assess the Open Market Rental Value of the Occupied Premises

"Property Expenses" means in relation to any part or parts of the Demised Premises:

- (a) a fair and proper allocation of the service charges, insurance costs, rates, rent collection, rent review property management maintenance and any other costs incurred by the Tenant and/or, if applicable, any Investment Undertenant which the Tenant and/or, if applicable, any Investment Undertenant is not entitled to recover from a third party in relation to such part or parts of the Demised Premises
- (b) all sums paid by the Tenant and/or, if applicable, any Investment Undertenant at arm's length and in the interests of good estate management to an incoming undertenant, licensee or other occupier
- (c) the marketing and letting fees and legal costs incurred by the Tenant or, if applicable, any Investment Undertenant as a direct result of the letting or re-letting of any part or parts of the Demised Premises
- (d) any other professional fees including audit valuation and rating surveyors employed by the Tenant and/or, if applicable, any Investment Undertenant in connection with the Demised Premises
- (e) expenditure expended by the Tenant and/or, if applicable, any Investment Undertenant in the enforcement of rights and obligations and the contemplation and conduct of arbitration, expert determination, litigation and other dispute resolution (including legal costs, surveyors' costs and court fees)
- (f) any premium or other sum paid by the Tenant or, if applicable, any Investment Undertenant in consideration of the variation surrender expiration or determination of any interest, or for any licence or consent given in relation to the Lettable Areas

- (g) any sums paid to the Landlord or to Transport for London or Crossrail Limited in connection with their respective interests in the Demised Premises the Railway Assets and Premises and the Railway Undertaking (but not any items of capital expenditure)

provided that there shall be excluded from paragraphs (a) to (e) of this definition (i) such charges rates fees costs or other sums in relation to the first letting of the Lettable Areas, only paid or incurred during the period prior to the Lettable Areas becoming first subject to an underlease, licence, a Notional Lease or any other agreement for the occupation or utilisation of any part of the Lettable Areas, following the First Development PC Date and (ii) the costs incurred in carrying out the works pursuant to the Development Agreement or upon any subsequent redevelopment or refurbishment or in undertaking any capital improvements to the Demised Premises

"Property Rents" shall not include Excluded Receipts or amounts received on account of VAT for which the Tenant has to account and shall mean:

- (a) all other moneys received by the Tenant other than from any Investment Undertenant (whether in the form of rents, licence fees, income, fines, premiums or otherwise) and/or, if applicable, received by any Investment Undertenant, in each case from the underletting, licensing or other occupation or utilisation of the Lettable Areas or any part thereof or otherwise accruing to the Tenant and/or, if applicable, any Investment Undertenant by virtue of its or their interest in the Lettable Areas
- (b) any Notional Annual Rent, Notional Reviewed Annual Rent or other sums which the Tenant may be deemed to have received under the provisions of this schedule
- (c) any fine, premium or other sum received by the Tenant or, if applicable, any Investment Undertenant in consideration of the variation, surrender, expiration or determination of any interest, or for any licence or consent given in relation to the Lettable Areas (subject to paragraph (b) of the definition of Excluded Receipts)
- (d) any moneys received by the Tenant and/or, if applicable, any Investment Undertenant under any insurance against loss of principal rents (or which would have been received if the Tenant's obligations under clause 17.1(a) or, if applicable, any Investment Undertenant's equivalent obligation had been observed and performed) but excluding such moneys received by the Tenant in respect of loss of rent payable by any Investment Undertenant and
- (e) any interest on late payment of rents (excluding interest on service charge rent, insurance rent or other such rents), licence fees, income, fines, premiums or other like payments received by the Tenant (other than from any Investment Undertenant) and/or, if applicable, any Investment Undertenant from the underletting, licensing or other occupation or utilisation of the Lettable Areas or any part thereof or otherwise accruing to the Tenant and/or, if applicable, any Investment Undertenant by virtue of its interest in the Lettable Areas

provided in each case that such moneys shall be deemed received by the Tenant and/or, if applicable, by any Investment Underlease notwithstanding that:

- (v) they may be received by an agent, mortgagee, receiver or other person authorised to receive the same or
- (vi) such moneys may be subject to set off, counterclaim, lien, charge or other restriction provided that where such moneys have been successfully set off or counterclaimed in whole or part the costs to the Tenant or, if applicable, any Investment Undertenant will be allowed as Excluded Receipts

LESS in each case

the Property Expenses

provided always that any moneys constituting Property Rents as defined above which are received by any Investment Undertenant and paid on to the Tenant shall (for the avoidance of doubt) be counted only once

"Quarter" means each period commencing on (and including) a Quarter Day up to (but excluding) the next Quarter Day thereafter, provided that the final Quarter is the period commencing on the last Quarter Day before the expiry of the Term and ending on the date of the expiry of the Term

"Quarter Days" means 25th March, 24th June 29th September and 25th December in every year during the Term

"Rent Payment Date" means the date falling 15 days from and including each Quarter Day

"Rental Statement" means any Estimated Rental Statement or Completed Rental Statement

"Review Dates" means the tenth anniversary of the First Development PC Date and every fifth anniversary of such date during the Term

"Review Period" means the period beginning on any Review Date and ending on the day prior to the next Review Date or beginning on the last Review Date and ending on the date of expiry of the Contractual Term

1.2 If the Landlord is restricted or prevented by the provisions of any Legislation from obtaining, demanding or accepting from the Tenant or the Tenant is similarly restricted or prevented from paying to the Landlord the full rent for the time being reserved by this Lease, the Tenant shall pay rent at the highest level from time to time recoverable and the moneys passing under this Lease by way of rent are to be increased by such amounts and at such times as may be permitted until such full rent passes and the Landlord will not be prevented from requiring the rent to be ascertained from time to time in accordance with this schedule on the ground that the rent or any previous rent will not or has not yet become payable in full

1.3 Unless otherwise specified, any dispute arising under this schedule shall be determined in accordance with paragraph 5 of this schedule

2. **PAYMENT OF GROUND RENT**

2.1 The Ground Rent shall be calculated in accordance with the terms of this schedule

2.2 The Ground Rent for each Financial Year from the Term Commencement Date shall be an annual sum equal to the greater of:

- (i) the Landlord's Percentage of the Property Rents for the Financial Year in question; and
- (ii) the Minimum Rent for the Financial Year in question

provided that for the period during which any Redevelopment is being carried out the Ground Rent in respect of such period shall be the Minimum Rent (or a proportionate part)

2.3 The Tenant shall make payments on account of the Ground Rent by quarterly instalments in advance on the Rent Payment Dates, the first of such payments in respect of the period

commencing on the Term Commencement Date up to (but excluding) the Quarter Day next thereafter to be made on the Term Commencement Date

- 2.4 Each instalment of the Ground Rent payable on account pursuant to paragraph 2.3 shall be equal to the greater of:
- (a) the Landlord's Percentage of the Property Rents for the relevant Quarter shown on the Estimated Rental Statement and
 - (b) the Minimum Rent for the relevant Quarter calculated on an equal quarterly basis, save that in respect of the Quarter in which the Term commences and the Quarter in which the Term ends, the Minimum Rent shall be apportioned on a daily basis in respect of the number of days of the Term in that Quarter

Ascertainment of Property Rents

- 2.5 Not earlier than three (3) months nor later than one month prior to the commencement of each Financial Year, the Tenant shall deliver to the Landlord an Estimated Rental Statement relating to such Financial Year
- 2.6 Not later than three (3) months following the end of each Financial Year the Tenant shall deliver to the Landlord a Completed Rental Statement relating to such Financial Year
- 2.7 Where the amount of Ground Rent shown by the Completed Rental Statement in respect of a Financial Year is greater than the aggregate of the payments made by the Tenant in respect of that Financial Year on account of the Ground Rent then (without prejudice to the Landlord's rights under this Lease to challenge any Completed Rental Statement) the Tenant shall pay an additional amount equal to the underpayment to the Landlord on the next Rent Payment Date
- 2.8 Where the amount of Ground Rent shown by the Completed Rental Statement in respect of a Financial Year is less than the aggregate of the payments made by the Tenant in respect of that Financial Year on account of the Ground Rent then (without prejudice to the Landlord's rights under this Lease to challenge any Completed Rental Statement), either:
- (a) the Tenant may deduct an amount equal to the overpayment from the next payment (or, if applicable, payments) of Ground Rent due under this Lease; or
 - (b) after the ending of the Term the Landlord shall return to the Tenant an amount equal to the overpayment within twenty (20) Business Days of the date of the Completed Rental Statement

provided always that the total amount paid in respect of the Ground Rent for the Financial Year in question (taking into account any allowance or repayment pursuant to this paragraph) shall not be lower than the Minimum Rent for such Financial Year

- 2.9 If the Tenant shall not have delivered an Estimated Rental Statement by the time specified in paragraph 2.5, the Property Rents for the following Financial Year shall be deemed to equate to four times the highest Property Rents received in any Quarter in the previous Financial Year until such time as the Estimated Rental Statement is agreed, following which such Property Rents shall be those shown in the Estimated Rental Statement. If the amount of Ground Rent thereby paid is less than that shown in the Estimated Rental Statement then on the next Rent Payment Date the Tenant shall pay to the Landlord an additional amount equal to the underpayment together with interest thereon at 3% above Base Rate for the period for which the Landlord would have benefitted from the underpayment had the Estimated Rental Statement been delivered on time, and if it is more, an amount equal to the overpayment shall be deducted from the Ground Rent otherwise payable

- 2.10 If the Tenant shall not have delivered a Completed Rental Statement by the time specified in paragraph 2.6, and the amount of Ground Rent shown by the Completed Rental Statement in respect of the Financial Year in question is greater than the aggregate of the payments made by the Tenant on account of such Ground Rent then on the next Rent Payment Date the Tenant shall pay to the Landlord (in addition to the underpayment itself payable pursuant to paragraph 2.7) interest on such underpayment at 3% above Base Rate for the period for which the Landlord would have benefitted from the underpayment had the Completed Rental Statement been delivered on time
- 2.11 The Tenant shall maintain or, if applicable, shall use reasonable endeavours to procure that any Investment Undertenant shall maintain full, complete and detailed records of all Property Rents received or receivable by the Tenant or, if applicable, any Investment Undertenant, including details of the due dates for payment and dates of actual receipt for a period of five (5) years from the end of the Financial Year to which such records relate
- 2.12 As soon as reasonably practicable following the provision of each Rental Statement (but in any event no later than fifteen (15) Business Days following any written request by the Landlord), the Tenant shall provide and/or, if applicable, shall use reasonable endeavours to procure that any Investment Undertenant shall provide the Landlord with such information and assistance as the Landlord may reasonably require concerning the terms of any underleases, licences or other agreements in respect of the Lettable Areas to enable it to verify any Rental Statement including but not limited to copies of any documents giving rise to any Property Rents and of any receipts, vouchers, books, accounts and other papers relevant to the Rental Statement in question
- 2.13 The Tenant shall as soon as reasonably practicable (and in any event within ten (10) Business Days of receipt of written notice from the Landlord) provide and/or, if applicable, shall use reasonable endeavours to procure that any Investment Undertenant shall provide such explanations and/or additional information available to it as the Landlord may reasonably require in order to satisfy itself as to the accuracy of the Rental Statement
- 2.14 If the Landlord shall not have questioned, challenged or otherwise disputed a Rental Statement within thirty (30) Business Days following delivery of the same to the Landlord then the Landlord shall be deemed to have accepted such Rental Statement
- 2.15 If any Completed Rental Statement contains any estimated information and/or it is subsequently discovered that the Completed Rental Statement was incorrect in any respect, the provisions of paragraphs 2.7 and 2.8 shall apply (*mutatis mutandis*) to the sum overpaid or underpaid (as applicable)
- 2.16 Where any premises are provided to occupational tenants without "Category A" fit out and the relevant occupational tenant has not been paid an allowance by the Tenant in relation to "Category A" fit out (as that expression is generally understood in the real estate development industry) it shall be assumed for the purposes of ascertaining Property Rents that the Tenant or, if applicable, any Investment Undertenant has provided or paid for such "Category A" fit out and that the rents received by the Tenant or, if applicable, any Investment Undertenant in respect of such premises are not discounted in any way to reflect the fact that such "Category A" fit out has not been provided or paid for by the Tenant or, if applicable, any Investment Undertenant
- 2.17 The provisions of this paragraph 2 shall continue to apply notwithstanding the ending of the Term but only for the purpose of ascertaining the Ground Rent payable hereunder up to the ending of the Term

3. **NOTIONAL ANNUAL RENT**

Occupied Premises

- 3.1 Subject to paragraph 3.3, if at any time during the Term the Tenant (or any Connected Person) occupies and/or uses any part or parts of the Lettable Areas (the "**Occupied Premises**"), the Tenant (or the relevant Connected Person) shall from the date on which the occupation and/or use in question commences or is for the purposes of this paragraph 3 deemed to commence (each such date being the "**Occupation Date**") to the corresponding Notional Termination Date be deemed to occupy the Occupied Premises pursuant to a notional lease (the "**Notional Lease**")
- 3.2 In respect of each Notional Lease, the Tenant shall be deemed to be in receipt of:
- (a) the Notional Annual Rent following the expiry of any Notional Rent Free Period; or
 - (b) following each Notional Date of Review, the Notional Reviewed Annual Rent
- 3.3 Any part or parts of the Lettable Areas which from time to time are in use as marketing accommodation or show suite or for the purposes of provision of services to the Lettable Areas (where a notional rent for such premises is not charged to occupational tenants via the building service charge) or subject to works of demolition, redevelopment, modernisation or refurbishment shall not (for the avoidance of doubt) comprise Occupied Premises
- 3.4 The Tenant shall as soon as reasonably practicable, and in any event within ten (10) Business Days of each Occupation Date, serve on the Landlord an Occupation Notice

Notional terms

- 3.5 As soon as reasonably practicable following the service of an Occupation Notice, the Landlord and the Tenant shall seek to agree the Principal Terms, the Notional Annual Rent, each Notional Date of Review and the Notional Termination Date
- 3.6 If the Tenant (or any Connected Person) remains in occupation of the Occupied Premises after a Notional Termination Date then, on the Notional Termination Date, the Tenant shall be deemed to have served on the Landlord a new Occupation Notice and paragraph 3.5 shall apply again
- 3.7 If the Principal Terms, the Notional Annual Rent, the Notional Date of Review and/or any Notional Termination Date shall not have been agreed pursuant to paragraph 3.6 within thirty (30) Business Days following the relevant Occupation Date, the matter shall be determined in accordance with paragraph 5 of this schedule
- 3.8 The Landlord and the Tenant shall not later than thirty (30) Business Days prior to the date of each Notional Date of Review seek to agree in writing the Notional Reviewed Annual Rent (having regard, amongst other things, to the relevant Principal Terms), and if the Notional Reviewed Annual Rent shall not have been agreed by such date, either party may refer the matter to be determined in accordance with paragraph 5 of this Schedule

Calculation of the Notional Annual Rent

- 3.9 If on any Occupation Date the amount of the relevant Notional Annual Rent has not been agreed or determined then, on the day preceding the Rent Payment Date which immediately follows the date on which the relevant Notional Annual Rent is agreed or determined the Tenant shall be deemed to be in receipt of:
- (a) the Notional Annual Rent in respect of the period from the Occupation Date to the day preceding such Rent Payment Date; and
 - (b) interest at the base rate of Barclays Bank Plc on such sum for the period calculated from the date on which each instalment of the relevant Notional Annual Rent would

have fallen due until the actual payment of such Notional Annual Rent (as well after as before any judgment)

- 3.10 If by any Notional Date of Review, the relevant Notional Reviewed Annual Rent has not been agreed or determined, then in respect of the period beginning on the Notional Date of Review and ending on the day preceding the Rent Payment Date which immediately follows the date on which the Notional Reviewed Annual Rent is agreed or determined, the Tenant shall be deemed to be in receipt of:
- (a) the Notional Reviewed Annual Rent or Notional Annual Rent (as the case may be) at the yearly rate deemed to be receivable immediately before the relevant Notional Date of Review; and
 - (b) a sum equal to the amount (if any) by which the newly agreed or determined Notional Reviewed Annual Rent exceeds the rent actually paid for the period, together with interest at the base rate of Barclays Bank Plc on the difference between the increased rent paid for the period calculated from the date on which each instalment of the difference would have fallen due until the actual payment of such difference (as well after as before any judgment)
- 3.11 The Landlord and the Tenant shall each procure that a memorandum recording each set of Principal Terms and every Notional Annual Rent, Notional Date of Review, Notional Reviewed Annual Rent and Notional Termination Date shall (if the Landlord or the Tenant so requires) be attached to this Lease and its counterpart

4. **MINIMUM RENT**

- 4.1 The "**Minimum Rent**" for each Financial Year (or pro-rata for any part of a Financial Year, as the case may be) shall be:
- (a) for the period from and including the Term Commencement Date until and including the day before the fifth anniversary of the First Development PC Date the annual sum of Two Hundred and Seventy Seven Thousand Pounds (£277,000);
 - (b) for the period from and including the fifth anniversary of the First Development PC Date until and including the date before the First Review Date the greater of:
 - (i) the annual sum of Two Hundred and Seventy Seven Thousand Pounds (£277,000); and
 - (ii) 2.5 per cent of the average annual Property Rents for the immediately preceding five complete Financial Years;
 - (c) during each Review Period, the greater of:
 - (i) 2.5 per cent of the average annual Property Rents for the period of the immediately preceding five complete Financial Years prior to each Review Date; and
 - (ii) the Minimum Rent payable immediately before the relevant Review Date
- 4.2 As soon as reasonably practicable following the dates on which the Minimum Rent is to be revised pursuant to paragraph 4.1 (each such date being a "**Minimum Rent Increase Date**"), the Landlord and the Tenant shall seek to agree the revised Minimum Rent, and if the revised Minimum Rent shall not have been agreed within thirty (30) Business Days following the relevant Minimum Rent Increase Date, the matter shall be determined in accordance with paragraph 5 of this schedule

- 4.3 If, by any Minimum Rent Increase Date, the revised Minimum Rent has not been agreed or determined, then in respect of the period beginning on the Minimum Rent Increase Date and ending on the day preceding the Rent Payment Date which immediately follows the date on which the revised Minimum Rent is agreed or determined, the Minimum Rent shall continue to be the Minimum Rent payable immediately before the relevant Minimum Rent Increase Date and, at the expiration of such period, the Tenant shall pay to the Landlord a sum equal to the aggregate of:
- (a) the amount (if any) by which the newly agreed or determined Minimum Rent exceeds the Ground Rent actually paid for the period; and
 - (b) interest at the base rate of Barclays Bank Plc on the difference between the increased rent paid for the period calculated from the date on which each instalment of the difference would have fallen due until the actual payment of such difference (as well after as before any judgment)
- 4.4 In calculating the Property Rents or the average annual Property Rents for the purposes of paragraph 4.1 any premium (or such part thereof as is to be treated pursuant to this schedule as Property Rents) as is received in consideration of the surrender of an underlease shall:
- (a) (if at the date of such surrender there are three (3) or more years unexpired of the term granted by the relevant underlease) be deemed to be received in three (3) equal annual instalments commencing on the date of receipt of such premium by the Tenant; and
 - (b) (if at the date of such surrender there are less than three (3) years unexpired of the term granted by the relevant underlease) be deemed to be received in equal monthly instalments during the unexpired term of the relevant underlease at the date of such surrender commencing on the date of receipt of such premium by the Tenant
- 4.5 The Landlord and the Tenant shall each procure that a memorandum recording the First Development PC Date shall be attached to this Lease and its counterpart
- 4.6 If the Landlord or the Tenant so requires, the Landlord and the Tenant shall each sign a memorandum recording the Minimum Rent during each Financial Year

5. **DISPUTE RESOLUTION**

- 5.1 If any dispute or difference shall arise as to any of the matters referred to in this Schedule (other than a dispute or difference upon a matter of law or the construction or interpretation of this Lease), either the Landlord or the Tenant may refer such matter to an Independent Person acting as an expert pursuant to the provisions in schedule 7
- 5.2 If any determination or award made by the Independent Person acting as expert shall have the effect of altering any figures upon which rental payments in this Schedule have been based then the appropriate adjustments shall forthwith be made and:
- (a) if any sum is found due from the Tenant to the Landlord, such sum shall be paid by the Tenant to the Landlord within twenty (20) Business Days of such determination or award; and

if any sum is found due from the Landlord to the Tenant, the Tenant may deduct an amount equal to such sum from the next payment (or, if applicable, payments) of Yearly Rent due under this Lease or (after the ending of the Term) such sum shall be paid on demand by the Landlord to the Tenant within twenty (20) Business Days of such determination or award

Signed as a deed by [*insert full name of Landlord*]
in the presence of:

Signature of witness:
Name (in BLOCK CAPITALS)
Address:

Signed as a deed by [*insert name of Tenant*])
acting by a director in the presence of:)

Director

Signature of Witness

Name (in BLOCK CAPITALS)

Address

Occupation

ANNEXURE 1

Demise Plans

ANNEXURE 2

Railway Assets and Premises Plan

ANNEXURE 3

Deed of Covenant (Undertenant)

ANNEXURE 4
Super Pile Plans

ANNEXURE 5
Adjoining Premises

ANNEXURE 6
OSD Specification

ANNEXURE 7

Existing Raft

ANNEXURE 8

Station Interface Plan

ANNEXURE 9

Signage and Cladding Plan

ANNEXURE 10

Northern Wall of the Ticket Hall and In-fill Areas

ANNEXURE 11
Northern Retaining Wall