

Dated 1 SEPTEMBER

2014

**LEASE
of
The land registered under title numbers
CYM470237 and CYM62304 and known
as Trawsfynydd Nuclear Power Station,
Trawsfynydd, Blaenau Ffestiniog**

NUCLEAR DECOMMISSIONING AUTHORITY (1)

and

MAGNOX LIMITED (2)

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LAND REGISTRY PRESCRIBED CLAUSES

LR1. Date of lease	2014
LR2. Title number(s)	<p>LR2.1 Landlord's title number(s) CYM470237 and CYM62304</p> <p>LR2.2 Other title numbers CYM168326</p>
LR3. Parties to this lease	<p>Landlord</p> <p>NUCLEAR DECOMMISSIONING AUTHORITY (established under section 1 of the Energy Act 2004) whose principal place of business is at Herdus House, Westlakes Science & Technology Park, Moor Row, Cumbria CA24 3HU</p> <p>Tenant</p> <p>MAGNOX LIMITED whose registered office is at Berkeley Centre, Berkeley, Gloucestershire GL13 9PB Co. Regn. No. 02264251)</p>
LR4. Property	Has the same meaning as the definition of the "Premises" in clause 1 of this lease.
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.	
LR5. Prescribed statements etc.	None
LR6. Term for which the Property is leased	Has the same meaning as the definition of the "Term" in clause 1 of this lease.
LR7. Premium	None
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisition etc.	<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>

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 easements as specified in Schedule 2 to this lease</p> <p>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</p> <p>The easements as specified in Schedule 3 to this lease.</p>
LR12. Estate rent charge 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 made on the date and between the parties specified in the Land Registry Prescribed Clauses

BETWEEN:

- (1) **The Landlord;** and
- (2) **The Tenant**

WITNESSES as follows:

WHEREAS

1 DEFINITIONS

In this lease the following expressions have the following specified meanings (subject to any particular interpretation required by clause 2):

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

"Abstraction Licences" means the Abstraction Licences ref: 23/65/2/2 and WA/065/0001/002;

"Adjoining Property" means any land or buildings neighbouring adjoining or adjacent to the Premises belonging to the Landlord (excluding the Premises);

"Conducting Media" means pipes, drains (including drainage ditches), sewers, mains, ducts, gutters, watercourses, wires, cables (including fibre optic cables) and any other conducting media including any fixings, louvres, cowls and other covers, manholes, junction boxes and other ancillary works and mechanisms existing at the date hereof and hereafter any installed during the Term;

"Constabulary" means the Civil Nuclear Police Authority;

"Contract" means a Site Licence Company Agreement dated 2014 and made between (1) Nuclear Decommissioning Authority (2) Magnox Limited and (3) Research Sites Restoration Limited relating to the Premises together with other premises, including any variation or extension thereof;

"Dam Structures" means the dam wall forming part of the Premises and all associated plant, fittings and structures including any alterations and additions thereto made in accordance with this Lease from time to time

"Delicensed" means no longer subject to a Nuclear Site Licence in the name of the Tenant;

"Discharge Licences" means the existing discharge licences relating to the Premises ref: CG0088101, CG000314901, CG0408801 and CG0409201;

"EA" means the Environment Agency as defined in Section 1 of the Environment Act 1995 and its statutory successor from time to time performing the same function;

"Enactment" means every Act of Parliament and European Union Law directive and regulation and any other law effective in England and/or Wales (in each case existing and future);

"Environment" means any and all living organisms (including, without limitation, man), ecosystems, property and the media of air (including, without limitation, air in buildings) natural or man-made structures, below or above ground water (as defined in Section 104(1) of the Water Resources Act 1991 and within drains and sewers), buildings and land;

"**HSE**" means the Health and Safety Executive (being the body corporate established by Section 10 of the Health and Safety at Work etc Act) or any successor statutory or other authority performing or carrying out or having the same regulatory functions under the Nuclear Installations Act 1965 as the Health and Safety Executive has at the date of this lease;

"**Licensed Site**" means any part of the Premises that is from time to time subject to a Nuclear Site Licence;

"**Mast**" means a weather monitoring or meteorological survey mast which is in such location from time to time agreed by the Landlord and the Tenant the location of which on the date of this lease is on a site known as Craig Cyfynys;

"**Maentwrog Lease**" the Lease of the Maentwrog Land to be entered into on the same date as this Lease between the Landlord and the Tenant on similar terms to this Lease;

"**Maentwrog Land**" means the land shown collectively edged red on the plans attached at Schedule 7, comprising the Maentwrog hydro-electric power station and Trawsfynydd Lake and surrounding land;

"**Maentwrog Owner**" means the freehold owner from time to time of Maentwrog Land, being the Landlord at the date of this Lease, together with the tenant for the time being under the Maentwrog Lease or any lease which substantially replaces it;

"**New Demise**" means an area (or areas) of land which the Landlord (acting reasonably and in consultation with the Tenant) considers that the Tenant should have demised to it in order for the Tenant to be able to properly perform its obligations under the Contract, which for the avoidance of doubt shall include as a minimum such part or parts of the Premises and/or other land as shall be subject from time to time to a Nuclear Site Licence in the name of the Tenant together with such ancillary land as shall be required to enable the Tenant to comply with its obligations in the said Nuclear Site Licence;

"**New Lease**" means a lease to be granted by the Landlord to the Tenant in respect of the New Demise for a term equal to the residue of the Term of this lease at the date of the grant of the New Lease and otherwise on like terms mutatis mutandis to those contained in this lease (including clause 9) and includes any additional rights which the Landlord (acting reasonably and in consultation with the Tenant) considers necessary for the Tenant's use and enjoyment of the New Demise for the Permitted Use;

"**Nuclear Site Licence**" means a nuclear site licence granted pursuant to section 1 of the Nuclear Installations Act 1965;

"**ONR**" means the Office for Nuclear Regulation or any body having responsibility for nuclear safety in the United Kingdom which substantially replaces it from time to time;

"**Order**" means the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003;

"**Party**" means the Landlord and/or the Tenant (as appropriate);

"**Permitted Part**" means any part of the Premises previously approved by the Landlord (such approval not to be unreasonably withheld);

"**Permitted Use**" means any of:

- (a) the uses of the Premises referred to in a designating direction applicable to the Premises made by the Secretary of State for Trade and Industry on 3 December 2004 as modified at any time or such other designating direction made under the Energy Act 2004 as may apply to the Premises at any time;

- (b) any use of the Premises in accordance with the rights and obligations set out in the Contract; and
- (c) any use of the Premises in accordance with any obligations established by any Regulatory Requirements.

"Planning Law" means every Enactment for the time being in force relating to the use, development and occupation of land and buildings and every planning permission, statutory consent and agreement made under any Enactment;

"Plan 1" means the plan attached to this lease;

"Premises" means the premises described in Schedule 1 and all additions, alterations and improvements made to them but excludes:

- (a) tenant's fixtures and fittings; and
- (b) any tenant's plant whether within or outside the boundaries of the Premises, not acquired or installed under the Contract (and/or any prior similar contract);

"Public Authority" means any Secretary of State and any government department public, local, regulatory, fire or any other authority or institution having functions which extend to the Premises or their use and occupation and any court of law and the companies or authorities responsible for the supply of water gas and electricity or any of them and any of their duly authorised officers;

"Regulators" means the HSE, the EA, the ONR, Natural Resources Wales and others specific to commercial operations or the Tenant's use of the Premises for the Permitted Use and local authorities and the expression **"Regulator"** shall mean each or any one of them;

"Regulatory Requirements" means any legally enforceable requirement of any Regulator;

"Shared Media" means Conducting Media used in common by the Landlord and the Tenant;

"Stipulated Rate" means a yearly rate three per cent above either the base rate of Lloyds TSB Bank plc or such other bank (being for the time being generally recognised as a clearing bank in the London market) as the Landlord may from time to time nominate or if the base rate cannot be ascertained then such other rate as the Landlord may reasonably specify (and so that wherever there is reference in this lease to the payment of interest at the Stipulated Rate such interest shall be calculated on a daily basis and compounded with quarterly rests on the usual quarter days);

"Subcontract" means any agreement entered into by the Tenant or any Subcontractor of the Tenant in connection with the performance of the Tenant's obligations under the Contract;

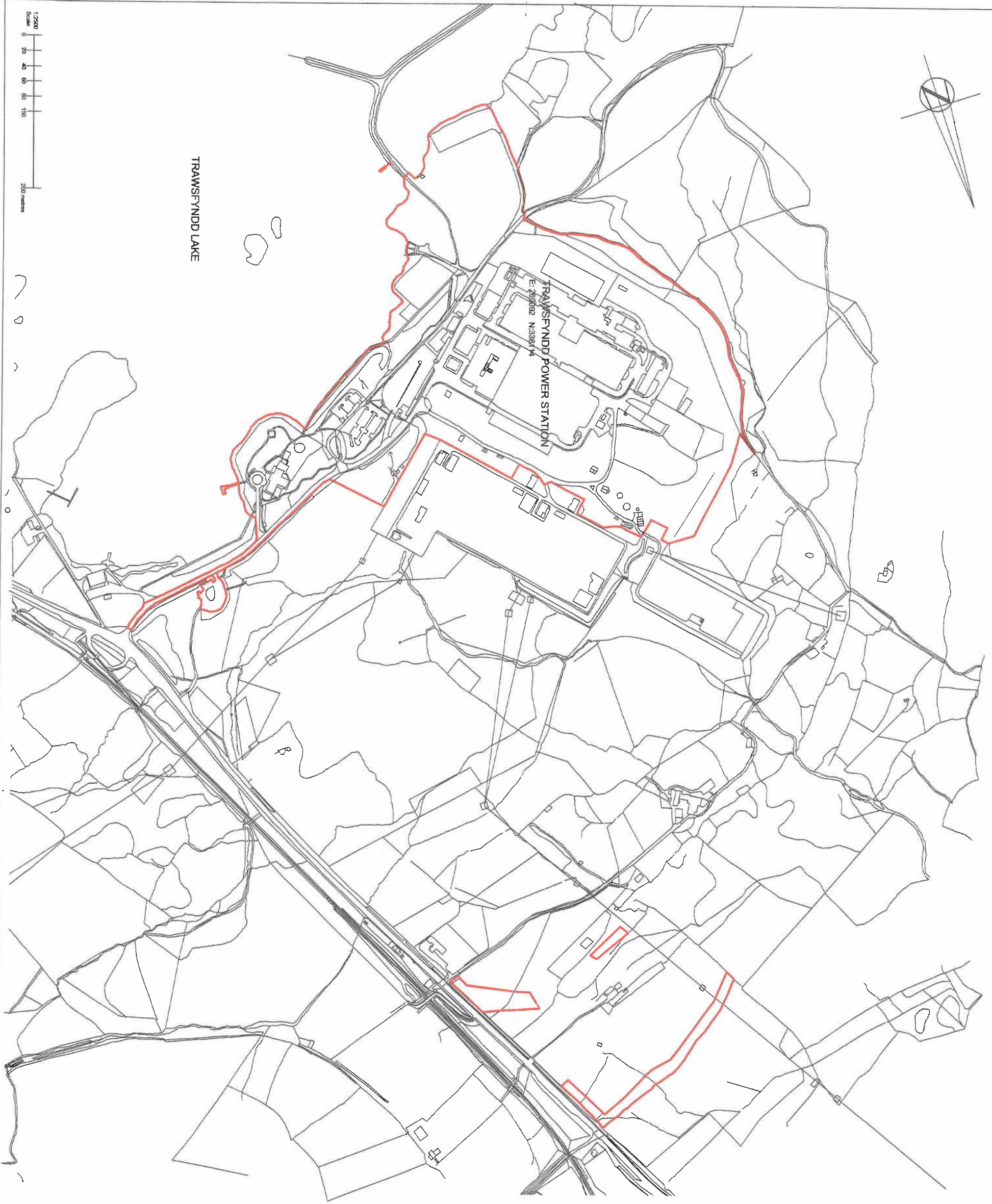
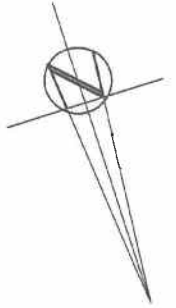
"Subcontractor" means any person who has entered into any Subcontract;

"Term" means 35 years from and including the date of this Lease;

"Third Party Rights" means:

- (a) all rights of access from time to time enjoyed by the Regulators; and
- (b) the Title Matters,

and the expression **"Third Party Right"** shall mean any one of the above rights as the context shall require;



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NDA
Nuclear Decommissioning Authority

Magnox
Nuclear Decommissioning Authority

TITLE:	PROJECT NO:	ISSUE:
SLC LEASE PLAN		01
TRAWSFYNYDD SITE		
DRAWING NUMBER: TWSF / SLC / 01	SCALE:	1:2500 @ A1

"Title Matters" means any matters which are described in Schedule 4 or which are contained or referred to in any document or registered title listed in Schedule 4;

"Underlease Rents" means any sums payable to the Tenant by each tenant, licensee or other occupier of the whole or any part of the Premises under any lease, licence, tenancy or other document or arrangement permitting occupation of the whole or any part of the Premises whether subsisting today or granted by the Tenant at any time during the Term;

"Underleases" means the occupational leases, licences, tenancies and other similar arrangements in respect of any part of the Premises which are subsisting today including those listed in Schedule 5 or which may be granted by the Tenant during the Term and the term "Underlease" shall mean any one of them (as appropriate);

"VAT" means Value Added Tax as referred to in the Value Added Tax Act 1994 (or any tax of a similar nature which may be substituted for or levied in addition to it);

"Working Day" means any day (other than a Saturday or Sunday) on which clearing banks in the United Kingdom are open to the public for the transaction of business.

2 INTERPRETATION

- 2.1** The Land Registry Prescribed Clauses and the Schedules shall form part of this lease and all terms defined in the Land Registry Prescribed Clauses or the Schedules bear the meanings stated.
- 2.2** Any reference to any law (whether or not specifically named) shall include any modification or re-enactment of it for the time being in force and any order, instrument, plan, regulation, permission or direction made or issued under it or under any law replaced by it or deriving validity from it.
- 2.3** A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being taking account of any amendment, extension application or re-enactment and includes any sub-ordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 2.4** Any covenant on the part of the Landlord or the Tenant not to do any act or thing shall be construed as well as a covenant not to allow any such act or thing to be done.
- 2.5** Any approval of the Landlord or words to similar effect means an approval in writing signed by or on behalf of the Landlord and given before the act requiring approval.
- 2.6** If, in order to comply with any obligation in this lease, the Landlord or the Tenant is under a duty to obtain the consent of a third party such obligation shall be deemed to be subject to the obtaining of such consent which the party in question shall use its reasonable endeavours to obtain except where otherwise specified in this lease.
- 2.7** In the event of any Regulator refusing to consent to an application of the Tenant (where such application is required to be made under this lease or any Regulatory Requirement) then the Landlord shall be deemed to be acting reasonably in also refusing to give its consent.
- 2.8** Any right of entry by one Party on to the Premises or the Adjoining Property shall be taken to be a right for the relevant party and their properly authorised agents and contractors to enter with such materials and equipment as necessary subject to the provisions of this lease.
- 2.9** Any right of (or covenant to permit) the Landlord to enter the Premises shall also be construed (subject always to the provisions of this lease) as entitling the Landlord or any tenant, licensee or occupier of any part of the Adjoining Property to remain on the

Premises with or without equipment and permitting such right to be exercised by all persons authorised by any of them;

- 2.10** Any entry on to land subject to any Nuclear Site Licence shall be in compliance with any conditions properly imposed by and under the supervision of the holder of the relevant Nuclear Site Licence.
- 2.11** Where the context so requires words importing the singular include the plural and vice versa.
- 2.12** The titles or headings appearing in this lease are for reference only and do not affect its construction.
- 2.13** Where a Party comprises more than one person, any covenants and obligations of that Party take effect as joint and several covenants and obligations.
- 2.14** If there is any conflict or inconsistency between this lease and the Contract the provisions of the Contract shall prevail.
- 2.15** If any provision of this lease is or becomes void, illegal or unenforceable that provision shall be severed from the remainder of this lease which shall remain valid and enforceable.
- 2.16** All sums payable pursuant to this lease shall be exclusive of VAT which shall where chargeable be paid in addition.

3 DEMISE AND RENTS

The Landlord **DEMISES** unto the Tenant **ALL THAT** the Premises **TOGETHER WITH** the benefit of (insofar as the Landlord has title to grant the same and **SUBJECT TO** the provisions of clause 4.8) the Title Matters and the easements and rights specified in Schedule 2 (exercisable in common with the Landlord and all others with its authority or otherwise from time to time entitled thereto) **EXCEPT** and **RESERVED** to the Landlord and all other persons authorised by the Landlord from time to time during the Term or otherwise from time to time entitled thereto the easements and rights specified in Schedule 3 **TO HOLD** the Premises unto the Tenant for the Term (together with and except and reserved as aforesaid) **SUBJECT** to and with the benefit of the Underleases (so far as the same are still subsisting and capable of taking effect) and **SUBJECT FURTHER** to all rights easements covenants stipulations and other matters affecting the Premises (including but not limited to all Third Party Rights so far as they are in existence and capable of taking effect) **YIELDING AND PAYING:**

FIRSTLY yearly and proportionally for any part of a year the rent of £1,000 by one annual payment to be made in advance on 1 April each year (the first such payment or a proportionate part of it to be made on the date of this lease);

SECONDLY as additional rent on demand (in addition and without prejudice to the Landlord's right of re-entry and any other right of the Landlord) interest at the Stipulated Rate on any sum owed by the Tenant to the Landlord whether as rent or otherwise which is not:

- (a) received in cleared funds by the Landlord on the due date (or in the case of money due only on demand within seven days after the date of demand) calculated for the period commencing on the due date for payment and ending on the date the sum (and the interest) is received in cleared funds by the Landlord; or
- (b) demanded (or if tendered is for the time being refused) by the Landlord in circumstances where it is prudent for it not to demand or accept any payment having regard to any breach of any of the Tenant's obligations under this lease calculated for the period commencing on the date the payment would have been due in the absence of those circumstances (on the assumption in the case

of money due only on demand that the Landlord would have made the demand as soon as it was entitled to do so) and ending on the date the sum (and the interest) is subsequently received in cleared funds by the Landlord.

AND THIRDLY as additional rent all VAT for which the Landlord is or may become liable to account to HM Revenue & Customs (or other relevant body to whom account has for the time being to be made) on the supply by the Landlord to the Tenant under or in connection with the provisions of this lease or the interest created by it and of any other supplies whether of goods or services such rent thirdly reserved to be due for payment contemporaneously with the other rents or sums to which it relates,

PROVIDED ALWAYS THAT in the event that any aforementioned rights easements covenants and stipulations and other matters affecting the Premises referred to in this clause 3 result in the Tenant incurring additional cost under the Contract or this Lease, any such additional cost shall be an "Allowable Cost" (as that term is defined in the Contract) under the Contract.

4 TENANT'S COVENANTS

The Tenant covenants with the Landlord:

4.1 Rent

To pay the rents reserved by clause 3 of this lease on the days and in the manner set out in clause 3 without deduction or set-off.

4.2 Underlease rents

To pay the Underlease Rents to the Landlord (by electronic transfer to such bank as the Landlord may from time to time nominate) within 20 Working Days of the Underlease Rents being received in cleared funds by the Tenant.

4.3 VAT

Wherever the Tenant is required to pay any amount to the Landlord hereunder by way of reimbursement or indemnity to pay to the Landlord in addition an amount equivalent to any VAT incurred by the Landlord save to the extent that the Landlord obtains credit for such VAT incurred by the Landlord pursuant to sections 24, 25 and 26 of the Value Added Tax Act 1994 or any regulations made thereunder.

4.4 Outgoings

- (a) Save where the Landlord has chosen to pay the same and has informed the Tenant in writing of its intention to do so, to pay all rates, taxes, charges and other outgoings now or at any time during the Term assessed, charged or imposed upon the Premises or upon their owner or occupier (and a reasonable and proper proportion determined by the Landlord attributable to the Premises of any rates, taxes, charges and other outgoings now or at any time during the Term assessed, charged or imposed upon the Premises in common with other premises or upon the owners or occupiers thereof) excluding (without prejudice to the rent thirdly reserved at clause 3) any tax payable by the Landlord as a direct result of any actual or implied dealing with the reversion of this lease or of the Landlord's receipt of income under this lease.
- (b) To the extent that to do so would not be inconsistent with the provisions of the Contract, to take all reasonably practicable steps to mitigate as much as reasonably possible the liability for all taxes, rates and other similar charges assessed, charged or imposed upon the Premises and to assist and co-operate with the Landlord in achieving any mitigation where applicable.
- (c) To pay all charges for water, gas and electricity (including meter rents) consumed at the Premises during the Term other than any consumed and paid

directly by any tenant, licensee or occupier of the Premises or any Permitted Part.

- (d) To pay to the Landlord on demand a reasonable proportion (to be determined in the Landlord's discretion, save for manifest error) of any costs of maintenance, repair and/or renewal of any pipe, wire, cable or other conduit or footpath, road or accessway or any other structure or thing which is situated outside the Premises but which serves the Premises in common with any Adjoining Property.

4.5 Compliance with Enactments

To comply with the requirements of all Enactments and of every Public Authority and Regulator (including the proper execution of any works carried out at the Premises) in respect of the Premises or their use, the occupation or employment of personnel in them and any work being carried out to them.

4.6 Notices

Forthwith to give to the Landlord notice of (and a certified copy of) any notice, permission, direction, requisition, order or proposal made by any Public Authority or Regulator.

4.7 Repair

- (a) To keep the Premises (excluding the Dam Structures) in a condition that is consistent with the Tenant's obligations under the Contract;
- (b) Strictly subject to clause 4.11 to keep the Dam Structures in good and safe repair.

4.8 To permit entry

To permit the Landlord at all times to enter the Premises:

- (a) for any necessary or reasonable purpose; and/or
- (b) to exercise the rights reserved to the Landlord contained in Schedule 3

PROVIDED ALWAYS THAT the Landlord shall not exercise any such right to enter the Premises in any way which would contravene the terms of any Nuclear Site Licence or prevent the Tenant from complying with the terms of any Nuclear Site Licence and shall comply with any proper regulations notified in writing by the Tenant to the Landlord at any time relating to the Licensed Site (in its capacity as the holder of a Nuclear Site Licence for the Licensed Site) which the Tenant agrees shall not (subject to the above) materially adversely affect the exercise of the Landlord's rights under this lease or otherwise.

4.9 Entry onto Adjoining Property

Where any part of the Adjoining Property is subject to any Nuclear Site Licence or other regulatory instrument or regime that imposes controls on rights of access and security, not to exercise any right to enter the Adjoining Property for any purpose described in Schedule 2 (without prejudice to any rights of entry for any other purpose) in any way which would contravene the terms of any Nuclear Site Licence or other regulatory instrument or regime and at all times to comply with any proper regulations made by any tenant, licensee or occupier at any time of the relevant part of the Adjoining Property which have been notified to the Tenant or of which the Tenant is otherwise aware (in its capacity as the holder of a Nuclear Site Licence or other regulatory instrument or being subject to such regulatory regime) relating to that part of the Adjoining Property and which have been notified to the Tenant.

4.10 Encroachments

Unless authorised otherwise by the Landlord (the Landlord acting in its absolute discretion) or necessary in order to discharge the Tenant's obligations under the Contract or in order to comply with any Nuclear Site Licence:

- (a) to preserve all rights of light and other easements belonging to the Premises and not to give any acknowledgement that they are enjoyed by consent; and
- (b) not to do or omit to do anything which might subject the Premises to the creation of any new easement and to give notice to the Landlord forthwith on the Tenant becoming aware of any encroachment which might have that effect.

4.11 Alterations

Save to the extent required to facilitate the achievement of the Tenant's obligations under the Contract or in order to comply with any Nuclear Site Licence, not to carry out any works to build or construct any new building or structure on the Premises without the approval of the Landlord (such approval not to be unreasonably withheld or delayed) **PROVIDED THAT** the Tenant shall not be permitted (whether under this Lease, the Contract or otherwise) to carry out any Works and/or alterations to the Dam Structures, or to erect or install any new structures, fittings or plant on the same, save in cases of emergency without the prior approval of the Landlord (acting in its absolute discretion).

4.12 Use

To use the Premises or any chattels in or on them only for the Permitted Use.

4.13 Alienation

- (a) Not to assign, mortgage, charge, hold on trust for another or underlet or in any other manner (subject to clause 4.13(e)) part with possession of the whole or any part of the Premises or agree to do so except that the Tenant may (subject to complying with the terms of any necessary Regulatory Requirements, including obtaining the consent of ONR where required):
 - (i) underlet any Permitted Part if it first complies with the conditions of clause 4.13(b); and/or
 - (ii) assign the whole of the Premises to any person to whom the Tenant's obligations under the Contract have been lawfully assigned, novated or otherwise transferred.
- (b) Not to underlet any Permitted Part (being referred to in this sub-clause as the "premises") except:
 - (i) to a person who before the underletting has covenanted with the Landlord not to assign the whole of the premises without the Landlord's consent (which shall not be unreasonably withheld or delayed) and shall have given an unqualified covenant not to assign part of the premises nor to mortgage, charge, hold on trust for another, underlet or in any other manner part with possession of the whole or any part of the "premises" or share the occupation of the premises or any part of them;
 - (ii) by reserving as a yearly rent the then open market rack rental value of the premises without payment or receipt of a fine or premium, such rent to be approved by the Landlord (such approval not to be unreasonably withheld or delayed)) **PROVIDED THAT** the Tenant shall not be required to underlet at the open market rack rental value where the proposed undertenant is a contractor or subcontractor of the Tenant and will be occupying the proposed underlet premises solely to

discharge its contractual duties to the Tenant and will not be carrying out any activities to or for the benefit of anyone other than the Tenant (or anyone else lawfully in occupation of the proposed underlet premises during the term of the proposed underlease) and in such circumstances the proposed alternative underlease rent (whether nil or otherwise) shall require the consent or approval of the Landlord (such consent not to be unreasonably withheld);

- (iii) by an underlease in the form attached at Schedule 6 with such amendments as are approved in writing by the Landlord (such approval not to be unreasonably withheld or delayed);
 - (iv) with the Landlord's approval (which is not to be unreasonably withheld or delayed);
 - (v) by an underlease which excludes sections 24 to 28 inclusive of the 1954 Act in accordance with section 38A of the 1954 Act.
- (c) To take all practicable steps to enforce the observance and performance by every undertenant and their respective successors in title with the provisions of any underlease and not to waive any breach of those provisions nor vary the terms of any underlease nor (without the Landlord's approval which shall not be unreasonably withheld or delayed) accept any surrender of any underlease.
- (d) If the premises demised by any underlease are so destroyed or damaged so as to be substantially unfit for occupation and use by the undertenant, the Tenant shall serve on the undertenant a notice to terminate the underlease immediately following any request to do so by the Landlord.
- (e) Not to part with or share the occupation of the Premises or any part of them (otherwise than as permitted by clauses 4.13(a)-(d) above) except that the Tenant may (subject to complying with the terms of any Regulatory Requirement including obtaining the consent of ONR where required) share occupation of the Premises or any part of them without the need for Landlord's consent with authorised Subcontractors (where the Landlord has granted its consent to a Subcontract pursuant to but only to the extent required by the Contract and such sharing of occupation of the Premises is required in order to effect the performance of the Contract in respect of the Premises), the Constabulary or any other guard force agreed by ONR as part of the site security plan for the Premises PROVIDED THAT the Tenant does not grant the person sharing occupation exclusive possession (so that such entity occupies as licensee only without creating any relationship of landlord and tenant but in such sharing an authorised Subcontractor may allow its own sub-contractors to share possession with it subject to the same requirements (mutatis mutandis) as those contained in this clause 4.13(e)) nor otherwise transfer or create a legal estate and the Tenant shall upon request notify the Landlord of the identity of each entity in occupation.

4.14 Registration

Within ten working days after any disposition or devolution of this lease or of any estate or interest in or derived out of it (including any sharing of occupation of it in accordance with clause 4.13(e)) to give notice in duplicate of the relevant transaction to the Landlord for registration with a certified copy of the relevant instrument.

4.15 Payment of cost of notices consents etc

To pay on demand all expenses (including professional and any other fees or costs) incurred by the Landlord in and incidental to:

- (a) the preparation and service of a notice under section 146 Law of Property Act 1925 or in contemplation of any proceedings under section 146 or 147 of that

Act notwithstanding that forfeiture is avoided otherwise than by relief granted by the court; and

- (b) every step taken during or 12 months following the expiry of the Term in connection with the enforcement of the Tenant's obligations under this lease;

4.16 Costs for landlord's consent

To pay on demand all reasonable and proper expenses (including professional and any other fees or costs) incurred by the Landlord in and incidental to every application for approval or consent under this lease, even if the application is withdrawn or properly refused, such costs to be regarded by the Landlord as "Allowable Costs" (as that term is defined in the Contract) in respect of applications properly made in accordance with this Lease.

4.17 Defective premises

To give notice forthwith to the Landlord of any defect in the Premises which might give rise to:

- (a) an obligation on the Landlord to do or refrain from doing anything in relation to the Premises; or
- (b) any duty of care or the need to discharge such duty imposed by the Defective Premises Act 1972 or otherwise;

and to display and maintain all notices which the Landlord or any Regulator may from time to time require to be displayed at the relevant part or parts of the Premises in relation to their state of repair and condition.

4.18 Yield up

- (a) At the expiry of sooner determination of the Term:
 - (i) to yield up the Premises in a condition that is consistent with the Tenant's obligations under the Contract;
 - (ii) to make an application to the Land Registry for the cancellation of any notice of, or relating to, this lease or any document supplemental or collateral to it and, on request, to supply the Landlord with a copy of the application.
- (b) For the purpose of securing the Tenant's obligation in clause 4.18(a)(ii) the Tenant irrevocably appoints the Landlord and its successors in title severally as attorney of the Tenant and in its name (and with power to appoint the Landlord's solicitors as substitute attorney) to make any application referred to in that clause at the Tenant's cost but only if the Tenant is in breach of the obligation to apply itself.

4.19 Covenants and Third Party Rights

- (a) To comply with all covenants, stipulations and other matters affecting the Premises and not to interfere with any rights, easements or other matters affecting the Premises or the Adjoining Property.
- (b) To comply with all obligations on the Landlord relating to Third Party Rights (in so far as they affect the Premises) and not to do anything that may interfere with any Third Party Rights.
- (c) To allow any person authorised by the Third Party Rights to enter the Premises in accordance with the terms of the relevant Third Party Rights.

4.20 Land Registry

To the extent that the grant (or any transfer) of this lease and of any right appurtenant to it requires to be completed by registration pursuant to the Land Registration Act 2002 in order to operate at law, to comply with the relevant registration requirements and, as soon as practicable, to provide the Landlord's solicitors with a copy of an official copy of the relevant register evidencing compliance with them. The Landlord shall, if reasonably requested by the Tenant, use reasonable endeavours to assist the Tenant in responding to any requisitions raised by the Land Registry in connection with such registration (the Landlord bearing its own and the Tenant's reasonable and proper costs in this regard).

4.21 Repair and Maintenance of Dam Structures

- (a) The Landlord and/or the Maentwrog Owner may enter the Premises to inspect the condition and state of repair of the Dam Structures and either or both may give the Tenant a notice of any breach of any of the Tenant's covenants in this Lease relating to the condition or repair of the Dam Structures;
- (b) If the Tenant has not begun any works needed to remedy that breach within one month following that notice (or if the works are required as a matter of urgency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord and/or the Maentwrog Owner may enter the Premises to carry out the necessary works;
- (c) The costs incurred by the Landlord and/or the Maentwrog Owner in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and/or the Maentwrog Owner and payable on demand;
- (d) Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights under this Lease,

PROVIDED ALWAYS THAT save in an emergency, neither the Landlord nor the Maentwrog Owner shall exercise any such right to enter the Premises in any way which would contravene the terms of any Nuclear Site Licence or prevent the Tenant from complying with the terms of any Nuclear Site Licence, and the Landlord and/or the Maentwrog Owner (as applicable) shall comply with any proper regulations notified in writing by the Tenant to the Landlord and the Maentwrog Owner at any time relating to the Licensed Site (in its capacity as the holder of a Nuclear Site Licence for the Licensed Site) which the Tenant agrees shall not (subject to the above) materially adversely affect the exercise of the Landlord's rights under this Lease or otherwise.

5 LANDLORD'S COVENANT

The Landlord covenants with the Tenant:

5.1 Quiet Enjoyment

That for so long as the Tenant observes and performs the Tenant's covenants and obligations in this lease the Tenant may peaceably hold and enjoy the Premises without any unlawful interruption by the Landlord or any person rightfully claiming through under or in trust for it.

5.2 Nuclear Site Licence Compliance

Not to do or omit to do anything on the Adjoining Property which will cause the Tenant to be in breach of the Nuclear Site Licence for the Licensed Site and to cease (as soon as reasonably practicable following receipt of written notice from the Tenant to do so and specifying the relevant activities giving rise to the same and the nature and extent of the relevant perceived breach) any activities of the Landlord on the Adjoining

Property which will or are likely to put the Tenant in breach of the Nuclear Site Licence for the Licensed Site.

5.3 Conducting Media and Entry to the Premises

To make good as soon as reasonably practicable (and to the Tenant's reasonable satisfaction) any damage caused by the Landlord to:

- (a) any Conducting Media situated on the Adjoining Property and properly serving the Premises; and/or
- (b) the Premises in exercise of the Landlord's right of entry at clause 4.8 of this lease.

6 PROVISOS

PROVIDED ALWAYS and it is hereby agreed and declared that:

6.1 Easements and use

Subject to the provision of clause 5.2, the Landlord may develop or concur with or suffer or permit any development of or the implementation of any use on any Adjoining Property notwithstanding the effect of the development or the use on the Premises and neither the Tenant nor the Premises shall be entitled to any easement or right other than those easements and rights expressly granted by this lease and nothing herein contained or implied shall give the Tenant the benefit of or the right to enforce or to have enforced or to prevent the release or modification of any right, easement, covenant, condition or stipulation (other than those expressly contained in this lease) or to prevent or restrict the development or use of any Adjoining Property.

6.2 Service of notices

- (a) Unless otherwise stated in this lease any notice, request or other communication to be made by one Party to the other under or in connection with this lease shall be in writing and shall be delivered personally or sent by first class post or courier to that other Party as follows:

- (i) if to the Tenant to:

Address: Berkeley Centre, Berkeley, Gloucestershire, GL13 9PB

(marked for the attention of the General Counsel, Legal Department with a copy to the Estates Department); and

- (ii) if to the Landlord to:

Address: Herdus House, Westlakes Science and Technology Park, Moor Row, Cumbria CA24 3HU

(marked for the attention of the Head of Legal with a copy to the Head of Property Services)

or such other persons and addresses as may at any time be notified in writing by one Party to the other.

- (b) Unless otherwise stated in this lease, a notice, request or other communication under or in connection with this lease shall be deemed delivered:

- (i) if delivered personally, when left at the address referred to in clause 6.2(a) above; and
 - (ii) if sent by first class mail, two Working Days after the date of posting.

6.3 No warranty as to use

Nothing contained in this lease shall constitute or be deemed to constitute a warranty by the Landlord that the Premises are authorised under Planning Law to be used for the Permitted Use or are otherwise fit for any specific purpose.

6.4 Exclusion of Landlord and Tenant Act 1954

- (a) The Landlord served on the Tenant a notice in accordance with section 38A(3)(a) of the 1954 Act.
- (b) A statutory declaration dated _____ was made by _____ being a person duly authorised by the Tenant in accordance with paragraph 4 of Schedule 2 to the Order.
- (c) The provisions of sections 24 to 28 (inclusive) of the 1954 Act are excluded in relation to the tenancy created by this lease.
- (d) There is no agreement for the grant of this lease.

6.5 Jurisdiction

This lease shall be governed by and construed in accordance with the law of England and Wales.

6.6 Dealings with the reversion

- (a) Subject to clause 6.6(c), the Landlord shall not assign, transfer or lease the whole or any part of its reversionary interest in the Premises SAVE THAT the Landlord may assign or transfer the whole of its reversionary interest in the Premises to an assignee or transferee who has either:
 - (i) also taken an assignment, novation or transfer of the Landlord's obligations under the Contract; or
 - (ii) covenanted directly with the Tenant that it will observe and perform the Landlord's obligations under the Contract,

insofar as they affect and/or are applicable to the Premises.

- (b) The Landlord agrees to the following restriction being entered in the Landlord's registered titles to the reversionary interest in the Premises (registered under title numbers CYM470237 and CYM62304):

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any charge is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title numbers CYM470237 and CYM62304 or their conveyancers that the provisions of clause 6.6(a) of the lease dated _____ 2014 between the Nuclear Decommissioning Authority and Magnox Limited have been complied with or that they do not apply to the disposition."

- (c) The restriction on dealing at clause 6.6(a) and the restriction on title referred to at clause 6.6(b) shall not apply to an assignment or transfer of the whole of the Landlord's reversionary interest (whether by virtue of any Enactment or any scheme pursuant to any Enactment or otherwise) to a public body or bodies having the same or substantially the same function as the Landlord as at the date of this Lease, being:
 - (i) a Minister of the Crown pursuant to an Order under the Ministers of the Crown Act 1975; and/or

- (ii) any other public body whose obligations under this Lease are unconditionally guaranteed by the Landlord or a Minister of the Crown.

6.7 Limitation of Landlord's liability

If a person who is the Landlord of this lease lawfully assigns the reversion immediately expectant on the determination of the Term, either by transfer of the reversion or by the grant of a term of years in reversion to this lease, that person:

- (a) is released from the Landlord's obligations under this lease; and
 - (b) ceases to be entitled to the benefit of the Tenant's obligations under this lease
- as from the completion of the assignment or grant, save for any antecedent breaches.

6.8 Relocation of Conducting Media

- (a) Subject to the provisions of clause 5.2, the Landlord may by giving not less than two months' prior notice in writing addressed to the Tenant, notify the Tenant that the Landlord (at its own cost) is to relocate any Conducting Media on, over or passing through the Adjoining Property which serve (whether shared or exclusively) the Premises provided that:
 - (i) the written notice shall give full details of the Conducting Media which the Landlord wishes to be relocated or repositioned and an alternative location or route for the Conducting Media;
 - (ii) prior to such relocation the Landlord has installed, constructed or erected alternative or replacement Conducting Media which serves the Premises;
 - (iii) prior to such relocation the Landlord has engaged with all appropriate Regulators and complied with all Enactments and Regulatory Requirements in respect of such relocation (where necessary);
 - (iv) no interruption (other than temporary) to the free passage and running of services through the Conducting Media shall occur during such operations;
 - (v) no disruption (other than temporary) to the Tenant's use and enjoyment of the Premises for the Permitted Use shall occur during such operations;
 - (vi) the Landlord will procure that so far as practicable any diverted or relocated apparatus is constructed prior to the disconnection of the Conducting Media in its original or previous position to the intent that any period of disconnection may be kept as short as practicable;
 - (vii) the Landlord its agents and contractors shall during the works or diversion at the Tenant's request consult with the Tenant as to the manner and timing of the works of diversion and have reasonable regard to all reasonable recommendations of the Tenant in order to better safeguard and protect the services derived via the Conducting Media and minimise any period of disruption and to accord with the Tenant's reasonable security arrangements;
 - (viii) any damage caused to the Tenant's property the Premises or the Conducting Media shall be forthwith made good by the Landlord to the Tenant's reasonable satisfaction and the Landlord shall pay to the Tenant on demand an amount equal to losses damages claims proceedings and expenses arising directly therefrom and incurred by the Tenant;

- (ix) such Conducting Media is no less functional and commodious to the Tenant (and the Landlord agrees to use reasonable endeavours to ensure that such Conducting Media is no more expensive to the Tenant) as the Conducting Media which the Landlord is seeking to relocate and has sufficient capacity at the time of the relocation for the Permitted Use being constructed to at least the lower of:
 - (A) equivalent load bearing capacity to those which are being replaced; and/or
 - (B) such load bearing capacity as reasonably required by the Tenant at the time of the relocation;
 - (x) there is no material difference between the Tenant's use of the Conducting Media within the Adjoining Property prior to such relocation and the Tenant's use of such relocated Conducting Media after such relocation; and
 - (xi) prior to such relocation the Landlord has made such connections to the relocated Conducting Media as the Tenant reasonably requires.
- (b) The Tenant may relocate any Conducting Media on, over or passing through the Premises which serve (whether shared or exclusively) the Adjoining Property provided that:
- (i) prior to such relocation the Tenant has installed, constructed or erected alternative or replacement Conducting Media which serve the Adjoining Property;
 - (ii) prior to such relocation the Tenant has engaged with all appropriate Regulators and complied with all Enactments and Regulatory Requirements in respect of such relocation (where necessary);
 - (iii) such Conducting Media are at least as functional and commodious to the Landlord as the Conducting Media which the Tenant is seeking to relocate and have sufficient capacity at the time of the relocation for the Landlord's use or intended use of the Adjoining Property;
 - (iv) no interruption (other than temporary) to the free passage and running of services through the Conducting Media shall occur during such operations
 - (v) there is no material difference between the Landlord's use of the Conducting Media at the Premises prior to such relocation and the Landlord's use of such relocated Conducting Media after such relocation; and
 - (vi) the Tenant has made such connections to the relocated Conducting Media as the Landlord reasonably requires.
- (c) The rights and obligations of the parties relation to the Conducting Media prior to such relocation shall continue to apply to the Conducting Media as relocated or re-positioned.
- (d) Where both Parties cease the use of the Shared Media at or about the same time the cost of removal and making safe in accordance with all relevant Enactments, Regulatory Requirements and requirements of all Public Authorities shall be shared according to each Party's respective use of them.

7 TERMINATION OF THE CONTRACT

This lease shall determine upon the later of (i) expiry or sooner determination of the Tenant's appointment as the contractor under the Contract and (ii) the date which the whole of the Premises are Delicensed, but such termination shall be without prejudice to the rights of the Landlord and the Tenant with regard to antecedent breaches of the obligations contained in this lease.

8 TERMINATION AFTER DELICENSING

8.1 If at any time during the Term any part of the Premises shall be Delicensed and no longer reasonably required by the Tenant to perform its obligations under the Contract the Landlord may thereafter serve notice on the Tenant to terminate this lease as to the part of the Premises that has been Delicensed whereupon this lease shall determine as to such part of the Premises but without prejudice to the rights of the Landlord and the Tenant with regard to antecedent breaches of the obligations contained in this lease.

8.2 Unless the notice served by the Landlord under clause 8.1 determines this lease in respect of the whole of the Premises it shall include a plan delineating the part of the Premises to which it applies.

8.3 On or prior to the termination of this lease in respect of part of the Premises pursuant to clause 8.1 the Landlord and the Tenant shall (each at its own cost and acting reasonably) as soon as reasonably practicable enter into a deed of variation granting to the other such rights over the remainder of the Premises or the part of the Premises in respect of which this lease has been determined (as the case may be) as shall be required for the Tenant's reasonable use and enjoyment of the remaining part of the Premises for the Permitted Use in accordance with the Contract

9 VARIATION OF THE PREMISES

9.1 Landlord's notice to determine

Subject to clause 9.2(a) and 9.2(c) the Landlord may at any time serve not less than six months' notice (or such other period of notice as is previously agreed between the parties) on the Tenant to terminate this lease and on the expiry of the notice this lease shall immediately determine but without prejudice to the rights of the Landlord and the Tenant with regard to antecedent breaches of the obligations contained in this lease.

9.2 Lease of New Demise

- (a) With the notice under clause 9.1 the Landlord shall serve notice requiring the Tenant to accept the grant of the New Lease and such notice shall be accompanied by a description of the site of the New Demise.
- (b) The Landlord and the Tenant agree and declare that the provisions of sections 24 to 28 (inclusive) of the 1954 Act are to be excluded in relation to the tenancy to be created by the New Lease.
- (c) Prior to the service of a notice under clause 9.1 the Landlord shall serve on the Tenant a notice in accordance with section 38A(3)(a) of the 1954 Act in relation to the New Lease.
- (d) On receipt of the notice served under clause 9.2(c) the Tenant shall either (whichever is applicable):
 - (i) within 14 days of receipt of such notice make a statutory declaration in accordance with paragraph 4 of Schedule 2 to the Order and serve it on the Landlord; or

- (ii) not less than 14 days and not more than 21 days of receipt of such notice make a declaration in accordance with paragraph 3 of Schedule 2 to the Order and serve it on the Landlord.
- (e) The New Lease shall be completed (and the Tenant shall execute a counterpart of it) simultaneously with the determination of the Term on the expiry of the Landlord's notice under clause 9.1.

9.3 Title to New Demise

- (a) The Landlord shall use best endeavours to deduce title to the New Demise to the Tenant.
- (b) The Tenant shall raise no objection to or requisition on the Landlord's title to the New Demise provided that such title does not include any restrictions which would prevent the Tenant from carrying on the Permitted Use.
- (c) Subject to clause 9.3(b) the New Demise shall be let:
 - (i) together with and including any additional rights which the Landlord (acting reasonably and in consultation with the Tenant) considers necessary for the Tenant's use and enjoyment of the New Demise for the Permitted Use; and
 - (ii) subject to and as the case may be with the benefit of the matters contained or referred to in the property register, proprietorship register and the charges register (other than charges to secure the repayment of money) of title thereto or (if the New Demise is unregistered) such matters benefiting and affecting the New Demise (other than charges to secure the repayment of money).
- (d) The New Demise shall be let subject to:-
 - (i) all matters registrable by any competent authority pursuant to statute;
 - (ii) all requirements including (whether or not subject to confirmation) any notice, order or proposal of any competent authority;
 - (iii) all matters disclosed or reasonably to be expected to be disclosed by searches or as the result of enquiries formal or informal and whether made in person by writing or orally by or for the Tenant or which a prudent tenant ought to make;
 - (iv) all notices served by the owner or occupier of any adjoining or neighbouring property;
 - (v) any matters which are unregistered interests which override registered dispositions under schedule 3 to the Land Registration Act 2002;
 - (vi) such unregistered interests as may affect the Premises to the extent and so long as they are preserved by the transitional provisions of schedule 12 of the Land Registration Act 2002;
 - (vii) all Third Party Rights subsisting and capable of taking effect immediately prior to the grant of the New Lease;
 - (viii) any unexpired underleases or other occupational leases licences tenancies and other similar arrangements relating to the New Demise and which are subsisting immediately prior to the grant of the New Lease

- (e) The Landlord shall not be required to provide the New Demise with vacant possession.

9.4 Costs

In the event that the grant of the New Lease results in the Tenant incurring additional cost under the Contract or this Lease, the Landlord and the Tenant hereby agree and declare that any such additional cost shall be an "Allowable Cost" (as that term is defined in the Contract) under the Contract.

10 CONFIDENTIALITY

10.1 Confidential Information

- (a) Subject to clauses 10.3 to 10.6 below, each party shall hold in confidence all documents, materials and other information, whether technical or commercial, supplied by or on behalf of the other party (including all documents and information supplied in the course of Legal Proceedings (as that term is defined in the Contract) commenced in accordance with this lease)) and all documents, materials and other information of any nature relating to a third party which it may acquire or have access to directly or indirectly as a consequence of negotiating, entering into or operating this lease and shall not, except with the written agreement of the other party, publish or otherwise disclose the same otherwise than as expressly provided for in this lease unless or until the recipient party can demonstrate that any such document, material or information is in the public domain through no fault of its own and through no contravention of this lease, whereupon to the extent that it is in the public domain this obligation shall cease.
- (b) The Tenant shall not make use of this lease or any information issued or provided by or on behalf of the Landlord in connection with this lease otherwise than for the purpose of complying with its obligations under this lease and otherwise than as expressly provided for in this lease except with the written consent of the Landlord.

10.2 Tenant right to request confidentiality

The Tenant may at any time request in writing, stating reasons, that the Landlord keeps particular information confidential and does not disclose it to third parties. The Tenant may further request in writing at any time that, where the Landlord discloses Information (as defined in clause 10.3) pursuant to clause 10.3 below, the Landlord shall make representations to the recipient of that Information as to the desirability of keeping such Information confidential. Any such request by the Tenant shall be accompanied by a document setting out the requested representations. The Landlord shall reasonably consider whether to make such representations.

10.3 Disclosure by the Landlord

- (a) The Landlord, having reasonably considered any request made by the Tenant under clause 10.2 may, save for information which is judged by ONR to be security sensitive and marked as such (unless the recipient of information pursuant to this clause 10.3 holds all relevant security clearances), disclose any and all information acquired by it under or pursuant to this lease (the "**Information**") to:
 - (i) the Parliamentary Commissioner for Administration, a Minister of the Crown, any department of the Government of the United Kingdom, the United Kingdom Parliament, the Scottish Parliament, the National Assembly of Wales, the Mayor of London, Greater London Authority or any department, officer, agent, representative, employee, consultant or adviser of any of them;

- (ii) the Regulators;
- (iii) the extent required by applicable Legislation (as that term is defined in the Contract) or pursuant to an order of any court of competent jurisdiction or under the dispute management procedure set out in clause 36 (Disputes) of the Contract;
- (iv) bidders who have pre-qualified to participate in any relevant forthcoming tender process, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above, provided that the Landlord shall not disclose commercially sensitive Information pursuant to this clause 10.3 relating to the PBO Affiliates (other than in their capacity as Subcontractors or Sub-Subcontractors) (as those terms are defined in the Contract);
- (v) insurers upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above;
- (vi) professional advisers, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above, for the purpose of:
 - (A) the examination and certification of the Landlord's or the Tenant's accounts; or
 - (B) any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Landlord has used its resources;
- (vii) the Landlord's legal advisers;
- (viii) consultees under the Energy Act 2004; and/or
- (ix) the National Audit Office.
- (b) So far as is practicable, the Landlord shall give the Tenant reasonable notice of any proposed disclosure under clause 10.3.
- (c) Notwithstanding the provisions of clause 10.1, the Landlord may, with the consent of the Tenant, such consent not to be unreasonably withheld or delayed, further disclose the Information to any person not referred to in clause 10.3.
- (d) Any determination as to whether it is reasonable for the Tenant to withhold its approval to disclosure under clause (c) above shall have regard to:
 - (i) compliance with the Landlord's statutory functions and duties, including in particular the promotion of effective competition and value for money;
 - (ii) relevant Government policy;
 - (iii) the requirement to maintain security;
 - (iv) the public interest;
 - (v) the requirement to maintain openness and transparency; and
 - (vi) the degree of commercial sensitivity of the information.

10.4 Publication

- (a) The Landlord having considered any request made by the Tenant under clause 10.2 may publish, in such form and at such times as it sees fit, such information as the Landlord reasonably requires to publish having regard to the list of

considerations set out in clause 10.3(d) above, including information it includes in its annual report.

- (b) The Landlord shall give the Tenant reasonable notice of any proposed publication that is likely to have a material impact on this lease pursuant to this clause 10.4 but shall not be required to give notice of any day-to-day or routine publications or information included in its annual report.

10.5 Disclosure by the Tenant

For the purposes of performing its obligations under this lease or as required by any Parliamentary obligation, applicable Legislation (as that term is defined under the Contract), the Regulators or pursuant to an order of any court of competent jurisdiction and to the extent reasonably required to do so, the Tenant may disclose without the consent of the Landlord any and all information acquired by it under or pursuant to this lease save for information which is judged by ONR to be security sensitive and marked as such (unless the recipient of information pursuant to this clause 10.5 holds all relevant security clearances) to:

- (a) the Regulators;
- (b) the extent required by any Parliamentary obligation, applicable Legislation or pursuant to an order of any court of competent jurisdiction or under the dispute management procedure set out in clause 36 (Disputes) of the Contract;
- (c) insurers, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above;
- (d) professional advisers including lenders, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above; and
- (e) Subcontractors (as that term is defined under the Contract), upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above;
- (f) any department, officer, agent, representative, employee, consultant or adviser of any of the entities referred to in sub-clauses (a) to (e) above subject, in any case where the entity in question would be required to provide an undertaking of confidentiality equivalent to that contained in clause 10.1 above, to obtaining such an undertaking of confidentiality; and
- (g) the Parent Body Organisation, the PBO Shareholders and the Parent Company Guarantors (as those terms are defined under the Contract), upon obtaining an undertaking of confidentiality equivalent to that contained in clause 10.1 above.

10.6 National Audit Office

The parties acknowledge and agree that the National Audit Office has the right to publish details of this lease (including information considered by the parties to be commercially sensitive) in its relevant reports to Parliament.

10.7 Publicity

Adverse Publicity

- (a) Each party shall notify the other party as soon as reasonably practicable of any fact or occurrence of which the notifying party is aware relating to the Landlord or the Tenant which could in the reasonable opinion of the notifying party be expected to cause adverse publicity to the Landlord generally, or to the Tenant in relation to this lease.

Announcements

- (b) Subject to the remaining provisions of this clause, no party shall release any announcement or despatch any announcement or circular, relating to this lease unless the form and content of such announcement or circular have been submitted to, and agreed by, the other party.
- (c) Nothing in this clause 10.7 shall prohibit any party (or, in the case of the Tenant, any of its Affiliates (as that term is defined under the Contract)) from making any announcement or despatching any circular as required by Legislation (as that term is defined under the Contract) or the rules or regulations of any stock exchange or regulatory authority having the force of law, or if not having the force of law, compliance with which is in accordance with the general practice of persons subject to the stock exchange or governmental or regulatory authority concerned, in which case, to the extent not inconsistent with such legal obligations, rules or regulations, the announcement shall only be released or the circular despatched after consultation with the other party and after taking into account the reasonable requirements of the other party as to the content of such announcement or circular.

10.8 Damages Not the Only Remedy

Without prejudice to any other rights or remedies that any party may have, the parties acknowledge and agree that damages alone would not be an adequate remedy for any breach by any party of this clause 10 and that the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this clause 10 by any party shall also be appropriate remedies.

10.9 Freedom of Information Act

This clause 10 is subject to the parties' respective obligations under the Freedom of Information Act 2000, as amended.

11 DISPUTES

- 11.1** If there is any dispute between the Landlord and Tenant relating to this lease the parties shall seek to settle the matter in accordance with the dispute management procedure set out in clause 36 (Disputes) of the Contract.

12 NEW TENANCY

This lease is a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

13 EXCLUSION OF THIRD PARTY RIGHTS

Each party confirms that no term of this lease is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this lease.

EXECUTED AND DELIVERED as a deed on the above date.

Schedule 1

The Premises

The land and buildings known as Trawsfynydd Nuclear Power Station, Trawsfynydd, Blaenau Ffestiniog being the land shown edged red on Plan 1 (which comprises part of the land in title numbers CYM470237 and CYM62304).

Schedule 2

Easements and rights granted

- 1 Insofar as the Landlord is able to grant the same, the right to use, maintain, operate and decommission (together with all necessary rights of access to them at reasonable times on giving the Landlord or any tenant, licensee or occupier of any Adjoining Property reasonable prior notice (save in cases of emergency)) any boreholes situated at the Adjoining Property as are in use or available for use by the Tenant in connection with its proper operation and regulation of the Premises as exist at the date of this Lease.
- 2 Insofar as the Landlord is able to grant the same, the right to use, maintain, operate and decommission (together with all necessary rights of access to them at reasonable times on giving the Landlord or any tenant, licensee or occupier of any Adjoining Property reasonable prior notice (save in cases of emergency)) air monitoring stations situated on the Adjoining Property which the Tenant needs at any time for the proper operation and regulation of the Premises.
- 3 The right to enter the Adjoining Property on reasonable prior notice to Landlord or any tenant, licensee or occupier of any relevant part of the Adjoining Property (and where any such part of the Adjoining Property is subject to a Nuclear Site Licence the holder of that licence and all appropriate Regulators) and carry out such works as are necessary to remove any contamination found on the Adjoining Property as a result of the Tenant exercising any of the rights referred to at paragraphs 1 and 2 above and which can be shown to be attributable to or emanating from the Premises subject to the Tenant agreeing with the Landlord (and where such part of the Adjoining Property is subject to a Nuclear Site Licence the holder of that licence and the relevant Regulator(s)) in advance (save where the Tenant is already obliged under the Contract to carry out such works) the scope and programme of such works (such agreement not to be unreasonably withheld) and the Tenant making good any damage so caused to the Adjoining Property to the reasonable satisfaction of the Landlord or any tenant licensee or occupier of any Adjoining Property following removal of such contamination.
- 4 The right to the free and uninterrupted passage and running of water, sewage, gas and electricity to and from the Premises in and through the conduits laid at the date of this lease or at any time in, over or under the Adjoining Property as are required by the Tenant for the proper operation of the Premises for the Permitted Use and rights of access at reasonable times on giving the Landlord and any tenant, licensee or occupier of the relevant part of the Adjoining Property reasonable prior notice (save in cases of emergency) to repair, maintain, replace and decommission those conduits.
- 5 The right to pass and repass to and from the Premises with or without vehicles for all purposes connected with the proper operation of the Premises for the Permitted Use over and along the roads, footpaths and accessways designated by the Landlord for such use at any time within the Adjoining Property **SUBJECT TO** the Tenant paying a fair proportion of the cost of maintaining such roads, footpaths and accessways.
- 6 The right of support and protection for the Premises from the Adjoining Property.
- 7 The right to extract and discharge water from Trawsfynydd Lake (forming part of the Maentwrog Land) pursuant to the Abstraction Licences and the Discharge Licences.

Schedule 3

Exceptions and reservations

- 1 The right to develop, construct, build, alter or extend (whether vertically or laterally) any building in, on, under or over any Adjoining Property notwithstanding that the access of light or air to the Premises and their lights, windows and openings may be affected PROVIDED THAT any such development, construction, building, alteration or extension shall not materially interfere with or disrupt the Tenant's use of the Premises for the Permitted Use;
- 2 The right at all times to enter upon the Premises as often as may be necessary for all the purposes for which the Tenant covenants in this lease to permit entry PROVIDED THAT the Landlord complies with any proper regulations notified in writing by the Tenant to the Landlord at any time relating to the Licensed Site (in its capacity as the holder of a Nuclear Site Licence for the Licensed Site) which the Tenant agrees shall not (subject to the above) materially adversely affect the exercise of the Landlord's rights under this lease or otherwise;
- 3 The right to construct and inspect, maintain, repair and renew and to make connections to and use (which for the avoidance of doubt includes the free passage and running of services and utilities through) pipes, wires, cables and other conduits in, on or under the Premises for the benefit of any Adjoining Property;
- 4 The right of support and protection for the Adjoining Property from the Premises;
- 5 The right to relocate any Conducting Media under clause 6.8 of this lease;
- 6 All rights of light, air and other easements and rights (but without prejudice to those expressly granted by this lease) enjoyed by the Premises from or over any Adjoining Property all such rights being reserved for the benefit of the Adjoining Property; and
- 7 The right to pass and repass to and from the Adjoining Property with or without vehicles for all purposes connected with the Landlord's use and enjoyment of the Adjoining Property over and along the roads, footpaths and accessways designated for such use by the Tenant at any time and which are within the Premises,

PROVIDED THAT the Landlord shall not exercise any of the above rights in such a way which would contravene the terms of any Nuclear Site Licence

Schedule 4

Title Matters

1 Title Numbers CYM470237 and CYM62304 (other than any mortgage or financial charge)

2 The following documents and all documents supplemental or collateral thereto, whether or not expressed to be so:

Date	Document	Parties
10 May 1973	Conveyance	(1) Central Electricity Generating Board (2) Robert Jones Williams and William Williams
30 March 1990	Interface Agreement	(1) Central Electricity Generating Board (2) Merseyside and North Wales Electricity Board
8 December 1950	Wayleave	(1) Bristol Electricity Authority (2) Merseyside and North Wales Electricity Board
19 November 1981	Wayleave	(1) British Telecom (2) Central Electricity Generating Board
28 July 1951	Wayleave	(1) British Electricity Authority (2) Merseyside and North Wales Electricity Board
16 August 1951	Wayleave	(1) British Electricity Authority (2) Merseyside and North Wales Electricity Board
31 July 1954	Wayleave	(1) British Electricity Authority (2) Merseyside and North Wales Electricity Board
28 January 1988	Wayleave	(1) British Telecom (2) Central Electricity Generating Board
20 February 1988	Licence	(1) Magnox Electric Plc (2) Gwynedd Lewis and others forming the Prysor Angling Association
16 January 2001	Licence	(1) Magnox Electric Plc

20 April 2000 Licence

(2) Trews-Newid Limited

(1) Magnox Electric Plc

(2) Traws-Newid Cyf

- 3 Unregistered interests which override registered dispositions under schedule 3 to the Land Registration Act 2002
- 4 All other covenants, easements, restrictions or other matters which affect the Premises

Schedule 5

Schedule of Underleases

- 1 A Lease of land at Trawsfynydd Power Station dated 31 March 1990 and made between (1) Nuclear Electric Plc and (2) The National Grid Company Plc and registered at the Land Registry under Title Number WA642200;
- 2 A Lease of an electricity substation dated 30 March 1990 and made between (1) Central Electricity Generating Board and (2) Merseyside and North Wales Electricity Board and registered at the Land Register under Title Number WA550117.

Schedule 6
Form of Underlease

Underlease
of

[], Trawsfynydd Nuclear Power
Station, Trawsfynydd, Blaenau Ffestiniog

MAGNOX LIMITED

and

[]

and

[]

Ref: MB17/PB07
Burgess Salmon LLP
www.burgess-salmon.com
Tel: +44 (0)117 939 2000
Fax: +44 (0)117 902 4400



**BURGESS
SALMON**

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PARTICULARS

Part A - Land Registry Prescribed Clauses

<Incorporate where relevant. Delete or amend corresponding definitions in clause 1 as necessary>

LR1	DATE OF LEASE	[]
LR2	TITLE NUMBER(S)	
LR2.1	Landlord's title number(s)	[]
LR2.2	Other title numbers	CYM470237, CYM62304 and CYM168326
LR3	PARTIES TO THIS LEASE	
	"Landlord"	MAGNOX LIMITED (registered company number 2264251) whose registered office is at []
	"Tenant"	[of]/[] [a company incorporated in [England and Wales] and whose registered office is at [] (Company Registration Number [])
	"Guarantor"	[[of]/[] [a company incorporated in [England and Wales] and whose registered office is at [] (Company Registration Number [])] [or] [None]
LR4	PROPERTY	The premises described at clause 1.1 and defined as the Demised Premises including all or any part of such property

	to acquire an interest in other land	
LR9.2	Tenant's covenant to (or offer to) surrender this Lease	[None] [or] [The [covenant][offer] set out in [clause [] [paragraph of Part [] of the Schedule]Schedule]
LR9.3	Landlord's contractual rights to acquire this Lease	[None] [or] [The rights set out in [clause] [] [paragraph of Part of the Schedule]Schedule]
LR10	RESTRICTIVE COVENANTS GIVEN IN THIS LEASE BY THE LANDLORD IN RESPECT OF LAND OTHER THAN THE PROPERTY	[None] [or] [The restrictive covenants set out in []]
LR11	EASEMENTS	
LR11.1	Easements granted by this Lease for the benefit of the Property	[None] [or] [The easements set out in Part A of the Schedule]Schedule]
LR11.2	Easements granted or reserved by this Lease over the Property for the benefit of other property	[None] [or] [The easements set out in Part B of the Schedule]Schedule]
LR12	ESTATE RENT CHARGE BURDENING THE PROPERTY	None
LR13	APPLICATION FOR STANDARD FORM OF RESTRICTION	[None]

the Schedule];]

["Review Date[s]" [] and every [] anniversary of that date]

"Tenant's Use" [] / [the Tenant's operational use of the Demised Premises for:

- (a) the decommissioning of plant and machinery associated with naturally occurring radionucleids ("NORM" work); and
- (b) the appropriate storage of NORM feedstock at appropriate locations; and
- (c) such other use in respect of which:
 - (i) the Tenant has obtained the Landlord's prior written consent (which may be withheld where the Landlord in its absolute discretion considers it appropriate); and
 - (ii) all necessary consents have been obtained pursuant to any relevant Enactments
 - (iii) the Tenant has obtained the consent of the ONR where required as a condition of any Site Licence]

<Second alternative is appropriate for particular type of decommissioning activity only>

["Agreement for Lease" for [dated made between [] /the Landlord] [and] [] /the Tenant] [and] []]

[none]

"Notice" dated [] served by the Landlord on the Tenant pursuant to section 38A(3)(a) of the 1954 Act in relation to the tenancy created by this Lease [a copy of which Notice is annexed to this Lease]

"Declaration" [statutory] declaration made in accordance with section 38(3)(b) of the 1954 Act on [] by [the Tenant] [] [] who was duly authorised by the Tenant to do so] acknowledging service of the Notice [not less than 14 days] before [the grant of this Lease] [the Agreement for Lease was entered] [a copy of which Declaration is annexed to this Lease]

["Break Date[s]" []]

["Break Notice [] [months before [the] [each] Break Date]
Date[s]"]

<Relevant where Demised Premises is part of a building only>

["**Building Service Charge**" means a service charge calculated and payable in respect of the Building Services in accordance with Part D of the Schedule];

<Relevant where Demised Premises is part of a building only>

["**Building Services**" means those of the Services described in paragraph 2.2 of Part D of the Schedule];

<Relevant where Demised Premises is part of a building only>

["**Common Parts**" means the areas of the Building being [the toilets kitchen and conference room] which are shown edged [in green] on [Plan 1]];

<Relevant where Demised Premises is part of a building only>

"**Conducting Media**" means pipes drains (including drainage ditches) sewers mains ducts gutters watercourses wires cables (including fibre optic cables) conducting media including any fixings louvres cowls and other covers manholes junctions boxes and other ancillary works and mechanisms existing at the date hereof and installed at any time hereafter during the Term;

"**Demised Premises**" means all that [internal premises being []] / land including the building(s) and other structures thereon (excluding the airspace above the highest point of any such building or structure and the subsoil below)] and also the Landlord's fixtures [and those items listed on the Fixtures and Fittings Schedule (which shall be deemed to be the property of the Landlord)] thereon known as [] which [premises / land] is shown edged [red] on [Plan 1] excluding any Conducting Media save for any that serve the Demised Premises [which premises shall include:

- (a) the plaster linings and other interior coverings and facing material of the columns within the said premises and of the walls within and bounding them from other parts of the Building;
 - (b) the floor screed and other fixed floor coverings and all materials lying between the structural floor slab and the floor surface;
 - (c) the ceilings including all materials forming part of them lying below the lower surface of the structural ceiling slab;
 - (d) all non-load bearing walls and partitions lying within the said premises;
 - (e) the doors and door frames within and on the boundaries of the said premises;
- and

(f) the window glazing and window frames lying within the said premises];

"**Dedesignated**" means no longer designated under section 1 of the Energy Act 2004;

"**EA**" means the Environment Agency as defined in section 1 of the Environment Act 1995 and its statutory successor from time to time performing the same function;

"**Enactment**" means every Act of Parliament directive and regulation now or hereafter to be enacted or made and all subordinate legislation whatsoever deriving validity therefrom and all common law and guidance notes and codes of practice which are of mandatory effect;

"**Environment**" means any land, including without limitation, surface land and sub-surface strata and made ground, sea bed or river bed under any water as defined below and any natural or man-made structures above or below ground, water, including, without limitation, coastal and inland waters, surface waters and ground waters and water in drains and sewers; and air, including, without limitation, air within buildings and other natural or man-made structures above or below ground;

"**Estate**" means (subject to clause 6.4 of the Superior Lease) the land and buildings demised to the Superior Landlord's by the Superior Lease;

"**Estate Rules and Regulations**" means any regulations published from time to time by the Superior Landlord in the interests of good estate management and relating to the Retained Estate;

"**Estate Services**" means those of the Services described in paragraph 2.1 of Part D of the Schedule;

"**Estate Service Charge**" means a service charge calculated and payable in respect of the Estate Services in accordance with Part D of the Schedule;

"**Expiry of the Term**" means the expiration or sooner determination of the Term including by way of surrender;

"**Fixtures and Fittings Schedule**" means the schedule dated [] annexed to this Lease and marked "Fixtures and Fittings Schedule";

<Check if relevant>

"**Guarantor**" [means the party [of the [fourth] part / named in the Particulars] (if any) and] includes its successors in title and assigns;]

"**Guarantor's Declaration**" means a [statutory] declaration made in accordance with section 38(3)(b) of the 1954 Act on [] by [the Guarantor] [

who was duly authorised by the Guarantor to do so] acknowledging service of the Notice [not less than 14 days] before [the grant of this Lease] [the Agreement for Lease was entered] [a copy of which Declaration is annexed to this Lease];

["**Guarantor's Notice**" means a notice dated [] served by the Landlord on the Guarantor pursuant to section 38A(3)(a) of the 1954 Act in relation to the tenancy to be entered into by the Guarantor pursuant to Part F of the Schedule [a copy of which Notice is annexed to this Lease];

"**Group Company**" means a company which is a member of the same group of companies within the meaning of Section 42 of the 1954 Act;

"**Hazardous Materials**" means any and all materials or substances of any form, whether natural or artificial, which alone or in combination with any other substance are or may be harmful or prejudicial to the health of any human or other living organism or the Environment, including, without limitation, any noxious, toxic, offensive, hazardous, infectious or radioactive substances, organisms or gases, and any oils, petroleum or petroleum products, electricity or heat;

"**Health and Safety Executive**" or "**HSE**" means the body corporate established by section 10 of the Health and Safety at Work etc. Act 1974 and its statutory successor from time to time performing the same function;

"**Insurance Cost**" means in respect of each year of the Term the aggregate of the amount which the Superior Landlord may expend:

- (a) in effecting and maintaining insurance against the occurrence of the Insured Risks in relation to the Demised Premises in such sum as in the Superior Landlord's opinion represents its then full current replacement cost with such allowance as the Superior Landlord from time to time considers appropriate in respect of related liabilities and expenses (including without limitation liability to pay any fees or charges on the submission of an application for planning permission and costs which might be incurred in complying with any Enactment in carrying out any replacement work and sums in respect of architects' engineers' and quantity surveyors' and other professional fees and incidental expenses incurred in relation to any works of debris removal and of replacement and all VAT); and
- (b) in effecting and maintaining any insurance relating to the property owners' liability and the employer's liability of the Landlord in relation to the Demised Premises and anything done therein; and

- (c) in professional fees relating to insurance including fees for insurance valuations carried out at reasonable intervals and all fees and expenses payable to advisers in connection with effecting and maintaining insurance policies and claims;

"Insurance Sum" means in respect of each year of the Term the aggregate of:

- (a) an amount equivalent to the Insurance Cost for the relevant period; and
- (b) the amount which the Superior Landlord may expend in effecting and maintaining insurance against three years loss of the rents first and secondly hereinafter reserved with any addition to the amount insured as the Superior Landlord may decide in respect of VAT; and
- (c) (without prejudice to all other provisions of this Lease relating to the use of the Demised Premises and the vitiation of any policy of insurance) any amount which the Superior Landlord may expend in paying all additional premiums and loadings on any policy or policies of insurance required to be paid as a result of anything done or omitted by the Landlord or the Tenant; and
- (d) an amount equivalent to the total of all excess sums which the insurers are not liable to pay out on any insurance claim in respect of the Demised Premises and which the Superior Landlord may have expended in replacing the damaged or destroyed parts of the Demised Premises; and
- (e) any tax charged on any premium for any such insurance;

"Insured Risks" means loss damage or destruction whether total or partial caused by fire lightning explosion riot civil commotion strikes labour and political disturbances and malicious damage aircraft and aerial devices (other than hostile aircraft and devices) and articles accidentally dropped from them storm tempest flood bursting or overflowing of water tanks and pipes impact earthquake and accidental damage to underground water oil and gas pipes or electricity wires and cables subsidence ground slip and heave and such other risks or perils against the occurrence of which the Superior Landlord may from time to time in its absolute discretion deem it desirable to insure subject to such exclusions and limitations as are from time to time imposed by the insurers and subject also to the exclusion of such of the risks specifically hereinbefore mentioned as the Superior Landlord may in its discretion decide where insurance cover in respect of the risk in question is not for the time being available in the London insurance market on reasonable terms;

"Landlord" [means the party of the first part and] includes (as the context so admits) the estate owner or owners for the time being of any reversionary interest expectant on the termination of the Term whether mediate or not;

"Landlord's Estate" means the Landlord's establishment in [] being part of the Estate the current extent of which is shown edged [red] on [Plan 2] or such smaller area as may result from a surrender of part of the previous demised by the Superior Lease;

"Nuclear Installation" means a nuclear reactor or an installation prescribed under section 1 of the Nuclear Installations Act 1965;

"Nuclear Matter" means nuclear matter as the same is defined in section 26 of the Nuclear Installations Act 1965 which constitutes surface radiological contamination;

"ONR" means the Office for Nuclear Regulation or any successor body having responsibility for nuclear safety in the United Kingdom which substantially replaces it from time to time;

"Order" means the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003;

"Party" means the Landlord [or] the Tenant [or] [the Guarantor];

"Plan 1" "Plan 2" and "Plan 3" means the plans annexed to this Lease and marked accordingly;]

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, and the Planning and Compensation Act 1991 and any other town and country planning or related legislation;

"Public Authority" means any Secretary of State and any government department public local regulatory fire or any other authority or institution (including the ONR, HSE and the EA) having functions which extend to the Demised Premises or their use and occupation and any court of law and the companies or authorities responsible for the supply of water gas and electricity or any of them and any of their duly authorised officers;

"Quarter Days" means 1 January 1 April 1 July and 1 October;

"radioactive waste" means radioactive waste as the same is defined by section 2 of the Radioactive Substances Act 1993;]

<Only relevant where the tenant is involved in decommissioning activities on site>

"Regulatory Requirements" means any legally enforceable requirement of any Regulator;

"**Regulators**" means the HSE, the EA and ONR and "**Regulator**" shall mean each or any one of them;

["**Rent**" means [the greater of] the yearly rent of [] Pounds and [[] Pence] (£[]) [and the sum calculated in accordance with Part C of the Schedule];]

"**Retained Estate**" means the part of the Superior Landlord's establishment known as [] the current extent of which is shown edged [blue] on [Plan 2] or such smaller area as may result from a sale or sales or other disposal of part or parts thereof from time to time by the Superior Landlord together with such additional immediately adjoining land as the Superior Landlord may from time to time acquire to form part thereof excluding the Estate;

"**Retained Estate Costs**" means the costs of maintenance of access and other services over through and along the Retained Estate which charges are payable by the Superior Landlord in accordance with clause 3 of the Headlease;

["**Review Date[s]**" means [] and every [] anniversary of that date]

"**RICS Code of Measuring Practice**" means the Royal Institution of Chartered Surveyors Code of Measuring Practice 6th Edition (2007);

"**Secretary of State**" means the Secretary of State for Energy and Climate Change of 3 Whitehall Place, London, SW1A 2AW and his successor in title;

["**Schedule of Condition**" means the schedule of condition prepared by [] and dated [] a copy of which is annexed to this Lease;]

<Check whether relevant>

"**Service Charge**" means the Estate Service Charge [the Building Service Charge] and the Utilities Service Charge;

"**Services**" means together the Estate Services [the Building Services] and the Utilities Services;

"**Shared Media**" means Conducting Media used in common by the Landlord and the Tenant;

"**Site Licence**" means a licence granted under section 1 of the Nuclear Installations Act 1965 in respect of the Demised Premises and for the whole or part of the Adjoining Property;

"Site Rules and Regulations" means any regulations published from time to time by the Landlord in the interests of good estate management and relating to the Estate;

"Stipulated Rate" means a yearly rate three per cent above the Base Rate (and so that whenever there is reference in this Lease to the payment of interest at the Stipulated Rate such interest shall be calculated on a daily basis and compounded with quarterly rests on the Quarter Days);

"Superior Lease" means the lease under which the Landlord holds the Demised Premises together with other property dated [] made between the Nuclear Decommissioning Authority ("**the Superior Landlord**") (1) and the Landlord (2) for a term of [] years from and including [];

"Suspension Notice" means a notice given by the Landlord to the Tenant pursuant to the provisions of clause 6.14;

"Tenant" means the party of the second part and includes its successors in title and assigns;

"Tenant Safety Requirements" means the safety requirements stipulated by the Landlord and/or the holder of the Site Licence as applying to the Tenant in respect of this Lease pursuant to the arrangements described in the document known as [] (as provided to the Tenant from time to time) or such other safety requirements which may be required in respect of the Demised Premises for the purpose of ensuring compliance with the provisions of the Nuclear Installations Act 1965 and/or the Site Licence;

"Tenant's Use" means [];

"Term" [means [] years from and including [] to and including [] and] [includes any extension holding over or continuation of the Term whether by common law holding over or otherwise]];

"Termination Notice" means a notice given by the Landlord to the Tenant pursuant to the provisions of clause 6.14;

"Third Party Determination" means third party determination in accordance with clause 6.16;

"UKAEA" means United Kingdom Atomic Energy Authority of Culham Science Centre, Abingdon, Oxfordshire OX14 3DB;]

"Utilities" means any water, steam, electricity, gas, sewage, radio, television, telephone, telecommunications, computer and other like utility services and supplies;

"**Utilities Service Charge**" means a service charge calculated and payable in respect of Utilities in accordance with Part D of the Schedule;

"**Utilities Services**" means those of the Services described in paragraph 2.3 in Part D of the Schedule;

"**VAT**" means value added tax as defined in the Value Added Tax Act 1994 and any tax of a similar nature substituted for, or levied in addition to, such value added tax; and

"**Working Day**" means any day, other than a Saturday or Sunday, on which clearing banks in the United Kingdom are open to the public for the transaction of business.

- 1.2 [The Particulars and all schedules shall form part of this Lease and all terms defined in the Particulars or those schedules bear the meanings stated]
- 1.3 Any reference to a statute (whether specifically named or not) shall include any amendment or re-enactment of it for the time being in force, and all instruments, orders, notices, regulations, directions, bye-laws, permissions and plans for the time being made, issued or given under it, or deriving validity from it.
- 1.4 A covenant by either party not to do (or omit) any act or thing also operates as a covenant not to permit or suffer it to be done (or omitted) and to prevent (or as the case may be to require) it being done.
- [Commentary: This clause must not be amended as this is an ONR requirement]***
- 1.5 If in order to comply with any obligation in this Lease the Landlord or the Tenant is under a duty to obtain the consent of a third party such obligation shall be deemed to be subject to the obtaining of such consent which the party in question shall use its reasonable endeavours to obtain except where otherwise specified in this Lease.
- 1.6 Where the context so requires words importing the singular include the plural and vice versa.
- 1.7 Any right of entry by one party on to the Demised Premises or the Adjoining Property shall be taken to be a right for the relevant party their properly authorised agents and contractors to enter with such materials and equipment as necessary subject to the provisions of this Lease and any entry on to land within the Site Licence shall be in compliance with any reasonable conditions imposed by and under the supervision of the Landlord.
- 1.8 The titles or headings appearing in this Lease are for reference only and shall not affect its construction.

- 1.9 Where a party comprises more than one person covenants and obligations of that party take effect as joint and several covenants and obligations.
- 1.10 The expression or 'the Superior Landlord' shall wherever the context so admits include its successors in title.
- 1.11 Any reference to any right or easement exercisable by the Landlord including the rights and easements specified in part B of the schedule shall be deemed to include the exercise of such right or easement by the Superior Landlord or any mortgagee of the Landlord or of the Superior Landlord.
- 1.12 In every case where there is an obligation on the part of the Tenant to obtain consent or approval from the Landlord there shall be deemed to be included an obligation to obtain consent and approval from the Superior Landlord and from any mortgagee of the Landlord and of the Superior Landlord and the Landlord shall be entitled to withhold the giving of its consent or approval until the consent or approval of the Superior Landlord and any such mortgagee has first been granted.
- 1.13 In every case where there is provision for repayment to the Landlord by the Tenant of any expenses incurred by the Landlord then in the event of any expenses being incurred by the Superior Landlord there shall be deemed to be included a similar covenant by the Tenant to repay any expenses incurred by the Superior Landlord.
- 1.14 Any indemnities in favour of the Landlord shall be deemed to incorporate indemnities in favour of the Superior Landlord.
- 1.15 All rights of entry exercisable by the Landlord or the Superior Landlord or any mortgagee or persons authorised by the Landlord or the Superior Landlord shall extend to and include their respective surveyors servants contractors agents licensees and workpeople with or without plant appliances and materials.

2 DEMISE

In consideration of the Rent hereby reserved and the covenants by the Tenant and the conditions hereinafter contained the Landlord **HEREBY DEMISES** unto the Tenant the Demised Premises **TOGETHER WITH** the rights for the Tenant as set out in Part A of the Schedule in common with all others having the like right insofar as such matters are capable of benefiting the Demised Premises and insofar as the Landlord is able to grant the same **EXCEPTING AND RESERVING** unto the Landlord and to all other persons from time to time entitled thereto the rights set out in Part A of the Schedule **TO HOLD** the same unto the Tenant **FOR** the Term **SUBJECT** to the covenants rights easements wayleaves stipulations and other matters as are presently subsisting insofar as such matters affect the Demised Premises **YIELDING AND PAYING** therefore:

- 2.1 **FIRST** yearly (and proportionately for part of a year) the Rent by equal quarterly payments to be made in advance on the Quarter Days in every year the first such payment or proportionate part thereof (being a proportionate part of the Rent from [] to the [] anniversary of that date after deduction of the quarterly instalments of such yearly rent payable on the intervening Quarter Days) to be made on the date hereof;
- 2.2 **SECOND** as additional rent from time to time the Insurance Sum payable in accordance with clause 3.2
- 2.3 **THIRD** as additional rent from time to time the Estate Service Charge payable in accordance with Part D of the Schedule
- 2.4 **[FOURTH** as additional rent from time to time the Building Service Charge payable in accordance with Part D of the Schedule]

<Only relevant where Demised Premises is part of a building>

- 2.5 **[FOURTH/FIFTH]**as additional rent from time to time the Utilities Service Charge payable in accordance with Part D of the Schedule
- 2.6 **[FOURTH/FIFTH/SIXTH]** as additional rent on demand interest payable in accordance with clause 3.4
- 2.7 **[[FOURTH/FIFTH/SIXTH/SEVENTH]** as additional rent on demand all rates taxes charges and other outgoings payable in accordance with clause 3.6]

3 TENANT'S COVENANTS

The Tenant covenants with the Landlord and where appropriate with the holder of any Site Licence:

3.1 Rent

To pay the Rent on the days and in the manner set out in clause 2 without deduction or set off and (unless for the time being the Landlord shall have required in writing to the contrary) to pay the Rent (together with any VAT thereon) by banker's standing order to such bank as the Landlord may from time to time nominate or by such other method as the Landlord shall reasonably specify in writing from time to time.

3.2 Insurance Charge

To pay the Insurance Sum on demand

3.3 Service Charge

To pay the Service Charge on the days and in the manner set out in Part D of the Schedule and to observe and perform the covenants and obligations on the part of the tenant set out in Part D of the Schedule

3.4 Interest

To pay interest at the Stipulated Rate on any sum owed by the Tenant to the Landlord whether as rent or otherwise which is not:

- (a) received in cleared funds by the Landlord on the due date (or in the case of money due only on demand within seven days after the date of demand) calculated for the period commencing on the due date for payment and ending on the date the sum (and the interest) is received in cleared funds by the Landlord; or
- (b) demanded (or if tendered is for the time being refused) by the Landlord in circumstances where it is prudent for it not to demand or accept any payment having regard to a breach of any of the Tenant's obligations under this Lease calculated for the period commencing on the date the payment would have been due in the absence of those circumstances (on the assumption in the case of money due only on demand that the Landlord would have made the demand as soon as it was entitled to do so) and ending on the date the sum (and the interest) is subsequently received by the Landlord provided that if it transpires that the Tenant is not in breach of its obligations under this Lease then no such interest shall be payable.

3.5 VAT

Wherever the Tenant is required to pay any amount to the Landlord hereunder by way of reimbursement or indemnity to pay to the Landlord in addition an amount equivalent to any VAT incurred by the Landlord save to the extent that the Landlord obtains credit for such VAT pursuant to sections 24 25 and 26 Value Added Tax Act 1994 or any regulations made thereunder.

3.6 Outgoings

To pay all charges for all Utilities and/or consumables (including meter rents) supplied to or used in the Demised Premises during the Term and to pay all rates taxes charges and other outgoings whatsoever now or hereafter assessed charged or imposed upon the Demised Premises or upon that owner or occupier and attributable to the Demised Premises or upon the Demised Premises in common with other premises (or upon the owners or occupiers thereof) excluding any corporation tax capital gains tax income tax

or other tax payable by the Landlord as a direct result of any actual or deemed dealing with the reversion of this Lease or of the Landlord's income from it.

3.7 Compliance with Enactments etc.

- (a) To comply with all Regulatory Requirements and the requirements of all Enactments and of every Public Authority (including the due and proper execution of any works) in respect of the Demised Premises their use and occupation the employment of personnel in them and any work being carried out to them (whether the requirements are imposed upon the owner lessee or occupier) and not to do or omit anything by which the Landlord may become liable or by which the Landlord's existing liability may be increased to make any payment or do anything under any Regulatory Requirement Enactment or requirement of a Public Authority or the Site Licence.
- (b) To comply with the terms of any Site Licence (in so far as it relates to the Demised Premises) and to ensure that nothing is done by the Tenant on the Demised Premises or on the Adjoining Property which may jeopardise compliance with the terms of the Site Licence.
- (c) To comply at all times with the Estate Rules and Regulations and the Site Rules and Regulations.

3.8 Planning

- (a) Save to the extent that the Tenant has to make any such application in order to comply with:
 - (i) the Site Licence in so far as it relates to the Demised Premises;
 - (ii) its obligations in this Lease;
 - (iii) the requirements of ONR and/or the HSE

the Tenant shall not make any application for planning permission or for other consents required under the Planning Acts in respect of the Demised Premises without the prior written consent of the Landlord and (if required by the Site Licence) the ONR.

- (b) At its own expense to obtain and (if appropriate) renew any planning permission and any other consent and serve all necessary notices required for the carrying out by the Tenant of the Tenant's Use.

- (c) To notify the Landlord not less than five (5) Working Days prior to the submission of any application (and to provide any accompanying details) for any planning permission or other consents required under the Planning Acts.

3.9 Safety of buildings and equipment etc.

- (a) To keep the Demised Premises including the buildings and any plant and equipment sited thereon in a safe and secure state and condition in accordance with good practice and working methods from time to time accepted in the nuclear industry.
- (b) Not to do or omit any act or thing whereby support from the Demised Premises (and all buildings and structures on over in or under it) for the Adjoining Property (and all buildings and structures on over in or under it) is or may be withdrawn or diminished.
- (c) Not to permit the unauthorised escape discharge or leaching of any Hazardous Material from the Demised Premises into the Adjoining Property or any other adjoining or neighbouring land or premises.

3.10 Repair

- (a) To keep in good repair and condition the Demised Premises (damage by any of the Insured Risks excepted to the extent that the insurance money shall not have been rendered irrecoverable or insufficient because of some act or default of the Tenant or of any person deriving title under or through it or their respective servants agents or invitees) and to replace the Landlord's fixtures and fittings in the Demised Premises which may have become beyond repair [provided that without prejudice to clause 3.10(a) the Tenant shall not be obliged to keep the parts of the buildings on the Demised Premises that the Tenant is obliged by this clause 3.10 to repair (including any Shared Media) in any better state of repair and condition than is evidenced by the Schedule of Condition]
- (b) To ensure that the Adjoining Property shall not suffer any physical damage arising from any disrepair of the Demised Premises.
- (c) To keep the parts of the Demised Premises that have not been built upon tidy and clear of rubbish.
- (d) To keep the interior of the Demised Premises maintained to a good standard of decorative order and finish [provided that the Tenant shall not be obliged to keep the interior of the Demised Premises in any better state of decorative order and finish than is evidenced by the Schedule of Condition].

- (e) If there is any defect or want of repair in the parts of the Demised Premises that the Tenant is obliged by this clause 3.10 to repair or in any of the Shared Media in the Demised Premises promptly to comply with any notice of such defect or want of repair served by the Landlord on the Tenant and if the Tenant shall fail to comply with such notice within a reasonable period having regard to the nature of the defect to permit the Landlord to enter the Demised Premises to remedy the defect or want of repair and in that event such proper costs of repair shall be borne by the Tenant insofar as they relate to the Demised Premises and reimbursed to the Landlord (as a debt due) within 5 Working Days of demand and if such costs relate to the Shared Media such costs shall be shared between the Landlord and the Tenant in accordance with user of the relevant Shared Media.

3.11 Alterations

- (a) Save as provided in clause 3.11(b) below not to carry out any alterations to the Demised Premises without the prior written consent of the Landlord.
- (b) Not to carry out any internal non structural alterations without the Landlord's prior written consent which is not to be unreasonably withheld or delayed.
- (c) At the Expiry of the Term to remove such alterations and additions made to the Demised Premises by the Tenant which the Landlord reasonably requires to be removed and in such respect if required to do so by the Landlord to restore and make good the Demised Premises in a proper and workmanlike manner to the condition and design that existed before the alterations or additions were made with all services properly sealed off to the Landlord's satisfaction provided that the Tenant shall not be required to reinstate any alterations and/or additions that it has made to the Demised Premises under any obligation pursuant to any Enactment.

3.12 Rights of entry onto the Adjoining Property

Not to enter onto the Adjoining Property to exercise any of the rights hereby granted except in accordance with the following conditions:-

- (a) to cause as little interference as possible to the Landlord and any other tenants licensees or occupiers of the Adjoining Property and forthwith to remedy any damage caused to the Adjoining Property or the contents thereof to the reasonable satisfaction of the Landlord and to pay the Landlord an amount equal to the cost of remedying any damage caused to the Adjoining Property by reason of such entry which is not remedied by the Tenant and;

- (b) to comply with all regulations regarding entry to the Adjoining Property made by the Landlord and notified to the Tenant from time to time.

3.13 Notices

Forthwith to give to the Landlord notice of (and a certified copy of) any notice permission direction requisition order or a proposal made by any competent authority and without delay to comply in all respects at the Tenant's cost with the provisions thereof.

3.14 Entry by the Landlord and the holder of any Site Licence

- (a) To permit the Landlord and the holder of any Site Licence at reasonable times on reasonable prior written notice (except in an emergency) to enter the Demised Premises in order to:
 - (i) examine their state of repair;
 - (ii) ascertain that the covenants and conditions of this Lease have been observed;
 - (iii) take any measurement or valuation of the Demised Premises;
 - (iv) carry out surveys within and around the Demised Premises in connection with any proposed de-licensing of the area of the Estate in which the Demised Premises are situated;
 - (v) rebuild renew cleanse alter test maintain repair inspect decommission and make connections to any part of the Demised Premises the Estate or the Retained Estate including the Conducting Media;
 - (vi) rebuild renew remove alter decommission or demolish any Adjoining Property where there is no reasonably practicable alternative to carrying out such work other than by gaining access to the Demised Premises;
 - (vii) enable the Landlord and the holder of any Site Licence to monitor control and direct the activities of the Tenant to the extent necessary to ensure that the Tenant's activities conform with the conditions of the Site Licence applicable to the Premises or the Landlord's Estate and with the requirements or conditions imposed by any Public Authority and such right shall be exercisable also by inspectors of the ONR, the HSE or the EA in the course of their duties (whether or not accompanied by representatives of the Landlord) and the Tenant shall

permit any such entry pursuant to this clause 3.14(a)(vii) to take place at any time without notice;

- (viii) give effect to any other necessary or reasonable purpose;
- (ix) exercise the rights described in Part B of the Schedule.

PROVIDED THAT the Landlord and all others authorised to enter the Demised Premises for such purposes shall comply with the requirements of clauses 3.15(b) and 3.15(c).

- (b) Except in respect of access by the ONR, HSE or the EA, any person entering the Demised Premises shall cause as little inconvenience as possible to the Tenant and the activities carried out at the Demised Premises and shall cause as little damage as possible to the Demised Premises and the Tenant's fixtures and fittings and shall make good as soon as practicable at its own cost all damage so caused to the reasonable satisfaction of the Tenant and (subject to clause 3.14 of this Lease) the person entering shall keep confidential all information regarding the Tenant's or other occupier's business that is obtained and shall not disclose any such information save to the extent that disclosure may be required under any Enactment and any works that the Landlord is required to carry out to the Demised Premises are done as quickly and efficiently as reasonably practicable.
- (c) Except in respect of access by the ONR, HSE or the EA, any such right shall be exercised by the person in all cases first consulting with the security staff of the Tenant and in attendance of the Demised Premises and (save in the case of emergency only) shall be effected at reasonable hours only after giving reasonable notice which shall be at least 48 hours prior written notice to the Tenant and shall at all times comply with the Tenant's Entry Requirements.

3.15 Encroachments, obstruction and overloading

- (a) To preserve all rights of light and other easements belonging to the Demised Premises and not to give any acknowledgement that they are enjoyed by consent.
- (b) Not to do or omit anything which might subject the Demised Premises to the creation of any new easement and to give notice to the Landlord forthwith of any encroachment which might have that effect.
- (c) Not to discharge any Hazardous Materials into any Conducting Media serving the Demised Premises other than in accordance with any consents or licences required for such discharge or the Tenant Safety Requirements or as varied

between the Landlord and the Tenant and to keep such Conducting Media clear and functioning properly insofar as they are within the Demised Premises or (if outside the Demised Premises) up to and including the agreed hand-over point.

- (d) Not to obstruct any requisite notice erected on the Demised Premises including any erected by the Landlord in accordance with its powers under this Lease and not to obstruct any premises adjoining the Demised Premises or any means of escape.
- (e) Not to overload or cause undue strain to the services of the Demised Premises beyond the loadings and tolerances existing at the date of this Lease or notified to the Tenant in writing and not to suspend any weight from the ceilings or walls of the Demised Premises which would exceed such loadings and tolerances.
- (f) Not to stop-up or darken the windows and other openings of the Demised Premises.

3.16 User

- (a) Not to use the Demised Premises
 - (i) Otherwise than for the Tenant's Use;
 - (ii) For a sale by action or for any public meeting or any illegal offensive or immoral trade business or activity or for residential purposes; or
 - (iii) For any works involving the emission of ionising radiation other than naturally occurring radiation or for any purposes involving the bringing on or keeping of radioactive materials or other Hazardous Substances at the Demised Premises within the scope of any relevant enactments.
- (b) [Not to use the external areas of the Demised Premises for any purposes except ancillary parking and access to buildings on the Demised Premises as appropriate in accordance with the rights granted under this Lease unless otherwise permitted by this Lease]

<Check whether relevant>

3.17 Covenants affecting reversion

To perform and observe all the covenants restrictions provisions and stipulations affecting the Demised Premises and not to interfere with any rights easements or other matters affecting the Demised Premises.

3.18 Regulations

- (a) To comply with any regulations made or varied from time to time by the Landlord and/or the holder of the Site Licence and notified in writing to the Tenant with regard to the safe and efficient running and management of the Demised Premises and the Adjoining Property including (but without prejudice to the generality of the foregoing) regulations relating to security arrangements at the point(s) of access to the Adjoining Property and traffic control signs parking no waiting areas speed limits and safety arrangements or otherwise.
- (b) To conform (together with its agents, servants and all persons authorised by it) in all respects with the Tenant Safety Requirements.
- (c) To observe any restrictions on freedom of movement and access imposed on the Tenant its agents, employees and visitors upon freedom of movement and access to the Demised Premises required to demonstrate the effectiveness of emergency plans on a licensed nuclear site in accordance with the provisions of the Nuclear Installations Act 1965.
- (d) To take all reasonable steps at all times during the Term to maintain the security of the Demised Premises against entry by unauthorised persons.

3.19 [Decommissioning and radioactive waste management liabilities

- (a) Not to undertake (or omit to undertake) any operation or carry out (or omit to carry out) any act in or on the Demised Premises which may materially increase the eventual decommissioning or radioactive waste management costs in respect of the Demised Premises or any building that forms part of the Demised Premises or to install any new plant or equipment or alter any existing plant or equipment in such a way as to increase such costs without the prior approval in writing of the Landlord and the holder of any Site Licence (the giving of such approval being in the Landlord and the holder of any Site Licence's absolute discretion) and to comply with the terms of any agreement from time to time in force between the Landlord and the Tenant and any agreement from time to time in force between the holder of any Site Licence and the Tenant governing decommissioning and waste management liabilities]

3.20 Contamination

- (a) To decontaminate remediate or take such action as the Landlord may require to remove Hazardous Materials from the Demised Premises or which may or is migrating leaching or escaping from the Demised Premises.

- (b) Not to allow Hazardous Substances to migrate escape or be discharged from the Demised Premises and in the event that such migration escape or discharge does occur the Tenant shall indemnify the Landlord and the Superior Landlord against all costs claims damages expenses and any other liabilities arising out of or in connection with such migration escape or discharge.

3.21 Alienation

- (a) Subject to clause 6.16 and except as expressly permitted by clauses 3.21(f) or by consent given pursuant to clauses 3.21(b) 3.21(c) or 3.21(f) or 3.21(g) not to transfer assign convey underlet licence charge part with or share possession or occupation of the whole or any part of the Demised Premises or hold the Lease as trustee agent or otherwise for the benefit of any third party
- (b) Not to assign (or agree to assign) the whole of the Demised Premises without the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR provided that (without prejudice to the Landlord's right to withhold consent or to impose other conditions where it is reasonable to do so) for the purposes of Section 19 (1A) of the Landlord and Tenant Act 1927
 - (i) the Landlord may withhold consent in the following circumstances:
 - (A) if the prospective assignee is a Group Company of the Tenant or
 - (B) if in the reasonable opinion of the Landlord the prospective assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in this Lease
 - (ii) the Landlord may give its consent subject to all or any of the following conditions:
 - (A) the prospective assignee covenants with the Landlord to pay the Rent and observe and perform the Tenant's covenants in this Lease during the residue of the Term or until released pursuant to the 1995 Act
 - (B) the Tenant enters into an authorised guarantee agreement within the meaning of the 1995 Act in such terms as the Landlord may reasonably require
 - (C) if the Landlord reasonably requires such other guarantor or guarantors acceptable to the Landlord guarantee(s) to the Landlord the due performance of the prospective assignee's

obligations in such terms as the Landlord may reasonably require

(D) any security for the Tenant's obligations under this Lease which the Landlord holds immediately before the assignment is continued or renewed in each case on such terms as the Landlord may reasonably require in respect of the Tenant's liability under the authorised guarantee agreement referred to in clause 3.21(b)(ii)(B), and

(E) any sum due from the Tenant to the Landlord under this Lease is paid and any material breach of the Tenant's covenants in this Lease is remedied

(c) Not to underlet (or agree to underlet) the whole of the Demised Premises without the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR and in any event not unless:

(i) the prospective undertenant has covenanted with the Landlord to observe and perform:

(A) the lessee's obligations in the underlease, and

(B) the Tenant's covenants in this Lease (except for payment of the Rent)

during the term of the underlease or until released pursuant to the 1995 Act

(ii) if the Landlord reasonably requires a guarantor or guarantors acceptable to the Landlord has guaranteed the performance by the undertenant of the covenant at 3.21(c)(i) above in such terms as the Landlord may reasonably require

(iii) no premium is given or taken for the grant of the underlease

(iv) any rent free period or other financial inducement given to the prospective undertenant is no greater than is usual at the time in all the circumstances

(v) the rent payable under the underlease is not less than whichever is the greater of the Rent then payable under this Lease and the best rent reasonably obtainable for the underlease without a premium

(vi) the underlease is by deed and:

- (A) is consistent with this Lease
 - (B) contains a rent reviewable at the same times and on the same terms as the Rent
 - (C) contains undertenants covenants with the Landlord (as well as the underlessor) that (save as permitted under subclause (D) below) it will not assign underlet charge or part with or share possession or occupation of the whole or any part of the underlet premises
 - (D) contains undertenants covenants with the Landlord (as well as the underlessor) not to assign or charge the whole or underlet the whole or part of the underlet premises without the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR, and
 - (E) has the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR
- (vii) before any underlease is completed (or if earlier before the Tenant becomes contractually bound to take it) the underlease is validly excluded from sections 24 to 28 inclusive of the 1954 Act and the Tenant promptly produces to the Landlord adequate evidence of such valid exclusion
- (d) Not without the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR to:
- (i) vary the terms of any underlease;
 - (ii) agree any review of the rent under any underlease; or
 - (iii) accept a surrender of all or any part of any underlet premises (where such consent is necessary)
- (e) To enforce against any undertenant the provisions of any underlease and to operate the rent review provisions in any underlease and not to permit any reduction of the rent payable by any undertenant
- (f) Subject to prior written consent of the [Landlord (such consent not to be unreasonably withheld or delayed) and the] ONR submitted by way of an application via the Landlord or (where the Landlord is not the Site Licence Holder in respect of the Demised Premises) the relevant Site Licence Holder the Tenant may (on giving prior written notice to the Landlord containing all

relevant information) share occupation of the whole or part of the Demised Premises with a Group Company of the Tenant on condition that the relationship of landlord and tenant is not created and such occupation ceases immediately if the occupier ceases to be a Group Company of the Tenant

[Commentary: Consent of the ONR is mandatory]

- (g) Not to charge (or agree to charge) the whole or any part of the Demised Premises without the consent of the Landlord (not to be unreasonably withheld) and the consent of the ONR submitted by way of an application via the Landlord or (where the Landlord is not the Site Licence Holder in respect of the Demised Premises) the relevant Site Licence Holder

[Commentary: Consent of the ONR is mandatory]

- (h) To give to the Landlord' solicitors within 14 days written notice of any assignment underletting charge or other devolution of any interest in the Demised Premises together with a certified copy of the relevant documentation and a reasonable registration fee of not less than £50.00 plus VAT
- (i) From time to time on demand to provide the Landlord with such details as the Landlord may reasonably require of all derivative interests in the Demised Premises

3.22 Keyholders

To register with the Landlord the name and home address and home telephone number (and any mobile telephone number) of at least two keyholders of the Demised Premises.

3.23 Security

- (a) To adopt the same security procedures and standards as are adopted from time to time by the Landlord and/or the holder of any Site Licence to comply with any Enactment or Regulatory Requirement and any direction from any Public Authority for the safe-keeping of Nuclear Material (as described in the Nuclear Installations Act 1965) provided that the Landlord or the holder of any Site Licence shall (as appropriate) notify the Tenant of such procedures and standards and of any modifications to them.
- (b) Without prejudice to any other obligations contained in this Lease, to provide particulars of all employees, agents and contractors to the Landlord and the holder of any Site Licence in such format reasonably requested by each of them for security clearance purposes and to ensure that its employees, agents,

contractors and visitors observe any restrictions or regulations relating to access to the Adjoining Property (or any part of it) which may be imposed by the holder of any Site Licence from time to time in the interests of security (which for the avoidance of doubt shall include restrictions on entry by nationals of specified countries) and to ensure that such employees, agents, contractors and visitors carry such security passes or identity documents as the Landlord or the holder of any Site Licence may prescribe and further to comply with stop and search procedures authorised or prescribed by the Landlord or the holder of any Site Licence from time to time in the interest of the security of the Adjoining Property and the Demised Premises whether such procedures are implemented by the Civil Nuclear Constabulary or any other guard force authorised by the Landlord or the holder of any Site Licence.

- (c) To take all practicable steps at all times during the Term to maintain the security of the Demised Premises against entry onto them by unauthorised persons.

3.24 Landlord's costs

- (a) To pay all costs and demands properly incurred by the Landlord:-
 - (i) in relation to, or in reasonable contemplation of the preparation and service of a notice under section 146 of the Law of Property Act 1925 or any proceedings under section 146 or 147 of that Act notwithstanding forfeiture is avoided otherwise than by relief granted by the court and;
 - (ii) in connection with or procuring the remedying of any breach of covenant on the part of the Tenant contained herein.
- (b) To pay all costs and demands reasonably incurred by the Landlord in relation to any application for consent required or made necessary by this Lease (such costs to include reasonable management fees and expenses) whether or not it is granted (except in cases where the Landlord is obliged not to withhold its consent unreasonably and the withholding of its consent is held to be unreasonable), or the application is withdrawn.

3.25 Additional costs

To pay to the Landlord within 5 Working Days of demand the costs properly incurred by the Landlord in connection with compliance with all Enactments and with the Site Licence in relation to the Demised Premises including fees payable to the ONR, the HSE, the EA and any other government ministry or department.

3.26 Nuisance

Not to do anything in or about the Demised Premises and/or use the Demised Premises for any purpose which may be or become a nuisance or which may cause damage to or interfere in any way with the Adjoining Use the Estate the Retained Estate or the Adjoining Property or any plant and equipment on the Adjoining Property or the rights granted to the Landlord or the Superior Landlord herein Provided That the continuing lawful use of the Demised Premises for the Tenant's Use or uses ancillary thereto shall not be or be deemed to be a breach of this clause 3.26 so long as the Tenant carries out such use in a responsible manner having regard to the Adjoining Use the Estate the Retained Estate and the Adjoining Property and the plant and equipment on the Estate the Retained Estate or the Adjoining Property.

3.27 Yielding up

- (a) At the Expiry of the Term quietly to yield up the Demised Premises to the Landlord with vacant possession removing all chattels and belongings and in compliance with all relevant Enactments and requirements of any Public Authority relating thereto and in accordance with the covenants by the Tenant contained in this Lease or in any previous tenancy of the Demised Premises in connection with which the Tenant was permitted to carry out alterations to the Demised Premises subject to a liability to reinstate but did not reinstate the alterations on the determination of that tenancy and to make good (if required by the Landlord) any damage so caused in a proper and workmanlike manner to the Landlord's reasonable satisfaction (having removed the tenant's fixtures and fittings from the inactive areas of the Demised Premises (and in removing such fixtures and fittings the Tenant shall make good any damage thereby caused to the Demised Premises)).

3.28 Defective premises

To give notice forthwith to the Landlord of any defect in the Demised Premises which might give rise to:

- (a) an obligation on the Landlord to do or refrain from doing anything in relation to the Demised Premises; or
- (b) any duty of care or the need to discharge such duty imposed by the Defective Premises Act 1972 or otherwise; or
- (c) a breach of the Site Licence

and at all times to display and maintain all notices which the Landlord may from time to time reasonably require to be displayed at the Demised Premises in relation to their state of repair and condition.

3.29 Insurance and fire fighting precautions and equipment

- (a) Not to do or omit anything by which any insurance policy (particulars of which shall have been provided to the Tenant) relating to the Demised Premises and/or the Adjoining Property or any part of them becomes void or voidable or by which the rate of premium on such policy may be increased.
- (b) To take all practicable and reasonable precautions to guard against the risk of fire to the reasonable satisfaction of the Landlord and (at the Tenant's expense) to conform and comply with any requirements of any competent authority relating to the prevention of fire on or at the Demised Premises.
- (c) To comply with all requirements and reasonable recommendations of the insurers and to provide and maintain unobstructed appropriate operational fire fighting equipment and fire notices on the Demised Premises.
- (d) To notify the Landlord and the Superior Landlord forthwith of:
 - (i) any incidence of any Insured Risk on the Demised Premises and of any other event which ought reasonably to be brought to the attention of insurers;
 - (ii) the insurable value of any fixture installed in the Demised Premises by the Tenant or any person claiming under or through the Tenant.
- (e) That it has prior to the execution of this Lease disclosed to the Landlord and the Superior Landlord in writing any matter known to the Tenant which might affect the decision of any insurance underwriter to underwrite any of the Insured Risks and that it will disclose particulars of any such matter to the Landlord and the Superior Landlord in writing forthwith on becoming aware of it.
- (f) That if at any time the Tenant or any person claiming under or through it shall be entitled to the benefit of any insurance of the Demised Premises to cause all money paid under such insurance to be applied in making good the loss or damage in respect of which it was paid.
- (g) If the whole or any part of the Adjoining Property and/or the Demised Premises is damaged or destroyed by any of the Insured Risks at any time during the Term and the insurance money under any insurance policy effected by the Superior Landlord is rendered wholly or partially irrecoverable because of some

act or default of the Tenant or any person deriving title under or through it or their respective servants agents or invitees forthwith to pay the Superior Landlord the whole or a proper proportion of the amount of the insurance money so irrecoverable.

3.30 Indemnity

To indemnify the Landlord and the Superior Landlord against all expenses proceedings costs claims damages demands and any other liability or consequence arising out or in respect of any breach of any of the Tenant's obligations under this Lease (including all costs reasonably incurred by the Landlord or the Superior Landlord in an attempt to mitigate any such breach) or of any act omission or negligence of the Tenant or any person at the Demised Premises expressly or impliedly with the Tenant's authority.

3.31 Land Registry

If required by the Landlord to the extent the grant (or any transfer) of this Lease and of any right appurtenant to it requires to be completed by registration pursuant to the Land Registration Act 2002 in order to operate at law, to comply with the relevant registration requirements and, as soon as practicable, to provide the Landlord and the Superior Landlord with a copy of an official copy of the relevant register evidencing compliance with them.

3.32 Observe Superior Lease

To observe and perform all the covenants on the part of the tenant contained in the Superior Lease so far as they relate to the Demised Premises and (without prejudice to any Tenant covenants in this Lease) are not expressly assumed by the Landlord in this Lease.

3.33 Indemnity for breach of Superior Lease

To indemnify and keep indemnified the Landlord and the Superior Lease against all damages losses costs expenses actions demands proceedings claims and liabilities made against or suffered or incurred by the Landlord or the Superior Landlord arising directly or indirectly out of any breach by the Tenant of the covenant to observe the Superior Lease set out in clause 3.32

3.34 Permit access to Landlord

To permit the Landlord to enter upon the Demised Premises for any purpose that is in the opinion of the Landlord necessary to enable it to comply with the covenants on the part of the tenant contained in the Headlease or the Superior Lease or to avoid the

forfeiture thereof notwithstanding that the obligation to comply with such covenants may be imposed on the Tenant by this Lease.

3.35 Permit access to Superior Landlord

To permit the Superior Landlord and all persons authorised by it to enter the Demised Premises for the purposes specified and upon the terms contained in the Headlease or the Superior Lease as if the provision in the Headlease and the Superior Lease were incorporated in this Lease.

3.36 Costs

Where the Tenant makes an application to the Landlord under the Lease for consent and the consent of the Superior Landlord is also required under the Superior Lease to pay on an indemnity basis:

- (a) all costs and other expenses properly incurred by the Landlord in relation to that application including seeking the Superior Landlord's consent in accordance with clause 4.8 whether that application is granted refused offered subject to any qualification or withdrawn.
- (b) professional advice obtained by the Landlord in relation to that application.
- (c) the costs and other expenses of the the Superior Landlord in relation to that application.

4 LANDLORD'S COVENANTS

The Landlord **COVENANTS** with the Tenant during the period whilst it is the Landlord and without liability in respect of any subsequent period:-

4.1 Quiet enjoyment

Provided that the Tenant has complied with its covenants and obligations contained in this Lease the Tenant shall and may peaceably and quietly hold and enjoy the Demised Premises during the Term without any disturbance or interruption by the Landlord or any person lawfully claiming through under or in trust for it

4.2 Rights of entry

Not to enter the Demised Premises in exercise of any of the rights hereby reserved except in accordance with the condition that the Landlord causes as little interference as reasonably practicable to the Tenant and as soon as reasonably practicable remedies any damage caused to the Demised Premises or the contents thereof to the reasonable satisfaction of the Tenant and pays to the Tenant an amount equal to the

cost of remedying any such damage to the Demised Premises if the same is not remedied by the Landlord within a reasonable period.

4.3 Services

To comply with its covenants and obligations set out in Part D of the Schedule subject as therein provided.

4.4 Insurance

- (a) To use reasonable endeavours to procure that the Demised Premises are insured against the Insured Risks in a sum which in the Superior Landlord's opinion is their full replacement cost (but not necessarily the facsimile reinstatement cost).
- (b) On request to supply the Tenant (but not more frequently than once in any period of twelve months) with evidence of such insurance.
- (c) If and whenever during the Term the Demised Premises (except as aforesaid) are damaged or destroyed by an Insured Risk and to the extent that payment of the insurance monies is not refused because of any act neglect default or omission of the Tenant or of any person deriving title under or through the Tenant or their respective servants agents and invitees the Landlord will use reasonable endeavours to procure that the Superior Landlord (with all convenient speed) takes the necessary steps to obtain any requisite planning permissions and consents and if they are obtained to lay out the money received from the insurance of the Demised Premises (except sums in respect of public liability and employer's liability and loss of rent) in replacing (but not necessarily in facsimile reinstatement) the damaged or destroyed parts (except as aforesaid) as soon as reasonably practicable **PROVIDED ALWAYS THAT** the Superior Landlord shall not be liable to carry out the replacement if it is unable (having used all reasonable endeavours) to obtain every planning permission and consent necessary to execute the relevant work in which event the Superior Landlord shall be entitled to retain all the insurance money received by it.
- (d) To use reasonable endeavours to procure that the interest of the Tenant is noted on the Superior Landlord's policy and that the insurers provide a waiver of their right of subrogation against the Tenant.

4.5 Landlord's Obligations

To use best endeavours to maintain and comply with any Site Licence insofar as it applies to the Demised Premises the Adjoining Premises and the Estate.

4.6 To pay rent

To pay the rent reserved by the Superior Lease and to comply with the covenants set out in clause 4.4 thereof to the extent they apply to property other than the Demised Premises.

4.7 To enforce covenants

Upon receiving notice from and at the expense of the Tenant to take all reasonable steps to enforce the covenants on the part of the Superior Landlord contained in the Superior Lease.

4.8 Superior Landlord's consent

To take all reasonable steps but at the cost of the Tenant to obtain the consent of the Superior Landlord whenever the Tenant makes an application for any consent required hereunder where the consent of the Landlord and the Superior Landlord is needed by virtue of this Lease or the Superior Lease in those cases where the Landlord is willing to give its consent or where the Landlord's refusal to give such consent is held by the court to be unreasonable.

5 GUARANTOR'S COVENANTS

The Guarantor covenants with the Landlord in the terms set out in Part F

6 PROVISOS

PROVIDED ALWAYS and it is agreed and declared between the Parties:-

6.1 Re-entry

If at any time during the term of this Lease any of the following events shall occur:-

- (a) the whole or part of the rents shall be unpaid for 14 days after becoming payable (whether the rents have been demanded or not); or
- (b) the Tenant is in breach of any of the terms or conditions of this Lease; or
- (c) if the Tenant or any guarantor of the Tenant's obligations (or if more than one person any one of them):
 - (i) being a company is the subject of a petition or issues a notice convening a meeting to consider a resolution for its winding up or enters into liquidation whether voluntarily (except for reconstruction or amalgamation of a solvent company on terms previously agreed by the Landlord) or compulsorily or has a provisional liquidator or a receiver (including an administrative receiver) appointed or a resolution is

passed or any other step is taken by the company or its directors for the appointment of an administrator, or an administrator is appointed, or a petition or application for an administration order is presented in relation to the company or a petition for one or of a voluntary arrangement or a proposal for one under Part I Insolvency Act 1986 or having been registered with unlimited liability it acquires limited liability; or

- (ii) being a company incorporated outside the United Kingdom is the subject of any proceedings or events analogous to those referred to in clause (c)(i) in the country of its incorporation or elsewhere or shall otherwise cease for any other reason to be or to remain liable under this Lease or shall cease for any reason to maintain its corporate existence (other than by merger consolidation or other similar corporate transaction in which the surviving corporation assumes or takes over the liabilities of the Tenant under this Lease);
- (iii) being an individual is the subject of a bankruptcy petition or bankruptcy order or of any application or order or appointment under section 253 or section 273 or section 286 Insolvency Act 1986 or otherwise becomes bankrupt or insolvent or dies; or
- (iv) enters into or makes any proposal to enter into any arrangement or composition for the benefit of his creditors

the Landlord may at any time thereafter re-enter the Demised Premises or any part thereof in the name of the whole and thereupon this demise shall absolutely cease and determine but without prejudice to any rights and remedies of the Landlord in respect of any antecedent breach by the Tenant of any of the covenants contained in this Lease.

6.2 Relocation of Conducting Media

- (a) At any time during the Term the Landlord may by giving reasonable notice in writing addressed to the Tenant notify the Tenant that the Landlord (at its own cost) is to relocate or re-position any or all of the Conducting Media serving the Demised Premises (whether shared or exclusive) and which are situated in on or over or through the Adjoining Property
- (b) where both Parties cease the use of the Shared Media at the same time the cost of removal and making safe in accordance with all relevant Enactments Regulatory Requirements and requirements of all Public Authorities shall be shared according to each Party's respective use of the same;

6.3 [Common Parts

The Common Parts shall at all times be subject to the exclusive control and management of the Landlord who may from time to time (if it shall be necessary or reasonable to do so for the benefit of the Building or otherwise in keeping with the principles of good estate management) alter stop up or divert any of them (leaving available for use by the Tenant reasonable and sufficient means of access to egress from and servicing of the Demised Premises)]

<Relevant where Demised Premises is part of a building only>

6.4 Notices

(a) Unless otherwise stated in this Lease, any notice, request or other communication to be made by one party to the other under or in connection with this Lease shall be in writing and shall be delivered personally or sent by first class post or courier to that other party as follows:

(i) if to the Tenant to:

Address: []

(marked for the attention of []); and

(ii) if to the Landlord to:

Address: []

(marked for the attention of []) with a copy to be addressed to and sent to the Landlord's agent as notified to the Tenant from time to time;

or such other persons and addresses as may from time to time be notified in writing by one party to the other.

(b) Unless otherwise stated in this Lease, a notice, request or other communication under or in connection with this Lease shall be deemed delivered:

(i) if delivered personally, when left at the address referred to in clause 6.4(a) above; and

(ii) if sent by first class mail, two Working Days after the date of posting.

6.5 No implied easements

Neither the granting of this Lease nor anything herein contained shall by implication of law or otherwise operate or be deemed to confer upon the Tenant any easement right or privilege whatsoever over or against the Adjoining Property which would or might

restrict or prejudicially affect the future rebuilding alteration or development of the Adjoining Property save for the rights expressly granted to the Tenant hereunder and the Landlord shall have the right at any time to make such alterations to or pull down and rebuild or redevelop the whole or any part of the Adjoining Property as it may deem fit without obtaining any consent from or making any compensation to the Tenant even if the acts of the Landlord could be construed as a breach of any of the Landlord's covenants or would interfere with the rights granted to the Tenant in Part A of the Schedule.

6.6 Exclusion of statutory compensation

Except where any statute prohibits or modifies the right of the Tenant to compensation being reduced or excluded by agreement, the Tenant shall not be entitled, on quitting the Demised Premises or any part of them, to claim any compensation from the Landlord under the 1954 Act.

6.7 Exclusion of Landlord and Tenant Act 1954

- (a) Further to the Notice and the Declaration and pursuant to section 38A(1) of the 1954 Act the Landlord and the Tenant agree that the provisions of sections 24 to 28 (inclusive) of the 1954 Act are excluded in relation to this Lease
- (b) [Further to the Guarantor's Notice and the Guarantor's Declaration and pursuant to section 38A(1) of the 1954 Act the Landlord and the Guarantor agree that the provisions of sections 24 to 28 (inclusive) of the 1954 Act are excluded in relation to the tenancy to be entered into by the Guarantor pursuant to Part F of the Schedule]
- (c) The provisions of Sections 24 to 28 (inclusive) of the 1954 Act are excluded in relation to the tenancy created by this Lease.

6.8 Tenant's fixtures and fittings

The Tenant's fixtures and fittings (and any plant and equipment replacing the same) is and shall remain the chattels of and the sole and absolute property of the Tenant

6.9 Limitation of liability

- (a) Save as expressly set out in this Lease neither the Landlord nor the Tenant or any of its officers employees agents or contractors shall have any liability whatever to the other Party for any indirect or consequential loss (including loss of profit, loss of production, loss of contract or loss of goodwill and any liability arising out of any liability of the other Party to any other person) whether resulting from negligence, breach of contract or otherwise on the part of the

Landlord or the Tenant (as the case may be) or any of its officers, employees agents or contractors in connection with this Lease.

- (b) Nothing in this Lease shall have the effect of excluding or restricting the liability of either party or of its officers, employees or agents for death or personal injury arising out of such person's negligence.
- (c) Each Party to this Lease agrees that the other Party (in this clause referred to as "relevant party") holds the benefit of clauses 6.9(a) to 6.9(b) above as trustee for itself and for its officers, employees and agents provided that in enforcing those provisions the relevant Party shall be obliged to take any such steps as it may in its absolute discretion think fit.
- (d) The Landlord shall not be liable for (without prejudice to clause 6.2) any stoppage or severance affecting any of the Shared Media due to any cause beyond the control of the Landlord (acting reasonably).

6.10 Rent cesser

If and whenever during the Term:

- (a) the Demised Premises (other than the Tenant's plant and equipment and trade fixtures) or any rights granted to the Tenant by this Lease are damaged or destroyed by any of the Insured Risks so that the Demised Premises are incapable of occupation and use; and
- (b) the insurance of the Demised Premises or the payment of any insurance money has not been vitiated by the act neglect default or omission of the Tenant or of any person deriving title under or through the Tenant or their respective servants agents and invitees

the rents reserved by this Lease or a fair proportion of them according to the nature and extent of the damage sustained shall be suspended and cease to be payable from the date of destruction or damage until whichever is the earlier of the date on which the Demised Premises (other than as aforesaid) are made fit for substantial occupation and use and the date of expiry of a period of three years from the date of damage or destruction.

6.11 Determination

- (a) If the Demised Premises shall be so destroyed or damaged as to be substantially unfit for occupation and use and remain so for a period of at least two years and six months from the date of damage or destruction either the Landlord or the Tenant may by not less than six months notice given to expire

at any time determine this Lease and from the giving of such notice the Landlord's obligations under clause 4.4(c) shall cease to apply and on the expiry of such notice this Lease shall determine without prejudice to any rights or remedies which may then have accrued in respect of any breach of any of the covenants or provisions contained in this Lease and the Superior Landlord shall be entitled to retain the insurance money.

- (b) If the Demised Premises shall be so destroyed or damaged as to be substantially unfit for occupation and use and the Landlord receives notice from the Superior Landlord requiring this Lease to be terminated the Landlord shall serve on the Tenant a notice to terminate this Lease immediately following any request to do so by the Landlord or the Superior Landlord and from the giving of such notice the Landlord's obligations under clause 4.4(c) shall cease to apply and on the expiry of such notice this Lease shall determine without prejudice to any rights or remedies which may then have accrued in respect of any breach of any of the covenants or provisions contained in this Lease and the Superior Landlord shall be entitled to retain the insurance money.

6.12 No planning warranty

Nothing contained in this Lease shall imply or warrant that the Demised Premises may (whether under statute or otherwise) be used for the Tenant's Use.

6.13 Construction

This Lease is governed by and shall be construed in accordance with English law.

6.14 Suspension of occupation and determination of the Term by Landlord

- (a) If at any time during the Term the Superior Landlord the Landlord or the holder of the Site Licence requires possession of the Demised Premises in order to:
- (i) comply with the provisions of any Enactment and/or the Site Licence; or
 - (ii) comply with the proper requirements of any Public Authority and/or any Regulatory Requirement; or
 - (iii) (where the Secretary of State certifies that possession is urgently required) carry out repairs (whether on the Demised Premises or elsewhere) which are needed for the proper operation of the Adjoining Property or for any other proper purpose;

then the Landlord may either:

- (iv) terminate this Lease by giving written notice to the Tenant ("**Termination Notice**") and upon the issue of such notice by the Landlord this Lease shall immediately cease and determine but without prejudice to any rights either Party may have against the other for any antecedent breach; or
 - (v) serve a notice in writing on the Tenant ("**Suspension Notice**") suspending from the date set out in the notice the Tenant's right to occupy and the Landlord's covenant to give quiet enjoyment of the whole or part of the Demised Premises.
- (b) The Landlord shall use all reasonable endeavours to give the Tenant at least 14 days warning that it intends to serve a Termination Notice or a Suspension Notice on the Tenant but the Parties agree that in an emergency neither the Superior Landlord nor Landlord shall not be obliged to give any warning.
- (c) If the Superior Landlord or the Landlord serves a Suspension Notice on the Tenant then:
- (i) the Tenant's right to occupy and the Landlord's covenant to give quiet enjoyment of the whole or such part of the Demised Premises (as specified by the Landlord) shall be suspended and the rent first reserved by this Lease (or a fair proportion of them as specified by the Landlord) shall be suspended and cease to be payable in both cases from the date specified in the Suspension Notice until the date of the expiry of that notice served by the Superior Landlord or the Landlord pursuant to sub-clause (ii) of this sub-clause (c);
 - (ii) the Superior Landlord or the Landlord (as the case may be) shall give the Tenant not less than 10 Working Days prior written notice that it no longer requires possession of the Demised Premises and on the expiry of such notice the suspension of the Tenant's right to occupy and the Landlord's covenant to give quiet enjoyment of the Demised Premises shall be lifted;
 - (iii) if the Superior Landlord or the Landlord (as the case may be) does not serve a notice pursuant to sub-clause (ii) of this sub-clause (c) within 2 years of the date of the notice served by the Superior Landlord or the Landlord (as the case may be) pursuant to clause 6.14(a)(v) then the Tenant may by not less than 6 months' notice given to expire at any time determine this Lease and on the expiry of such notice this Lease shall determine without prejudice to any rights or remedies which either

Party may have incurred against the other in respect of any breach of any of the covenants or provisions contained in this Lease.

6.15 Construction (Design and Management) Regulations 2007

- (a) In this clause:
 - (i) the expression "**Regulations**" means the Construction (Design and Management) Regulations 2007 and any expressions appearing in this clause which are defined in the Regulations have the same meaning; and
 - (ii) the expression "**relevant work**" means any construction work which is undertaken by the Tenant or by a person claiming under it pursuant to an obligation or a right (whether or not requiring the Landlord's consent) under this lease and for the purposes of the Regulations the Tenant irrevocably acknowledges that it, and not the Landlord, arranges the design, carrying out and construction of relevant work.
- (b) The Tenant irrevocably acknowledges that it will be the only client in respect of any relevant work.
- (c) Before any relevant work is commenced in respect of which the Tenant shall act as agent on behalf of the Landlord the Tenant shall make a written election that it is to be treated as the only client in respect of the relevant work for the purposes of the Regulations and give a copy of the election to the Landlord.
- (d) To the extent that the Landlord may be a client for the purposes of the Regulations in relation to the relevant work the Landlord agrees to the written election by the Tenant.
- (e) The Tenant shall:
 - (i) comply with its obligations as a client for the purposes of the Regulations;
 - (ii) ensure that the CDM co-ordinator and the principal contractor and any other duty holders that it appoints in relation to the relevant work comply with their respective obligations under the Regulations;
 - (iii) liaise with the CDM co-ordinator to enable the CDM co-ordinator to assist the Tenant in performing the Tenant's duties as client under the Regulations;

- (iv) [ensure that all relevant documents relating to the relevant work are placed in the health and safety file for the Demised Premises by the CDM co-ordinator in accordance with the Regulations;]

<Lease of whole of a building>

- (v) [maintain the health and safety file for the Demised Premises in accordance with the Regulations and give the health and safety file to the Landlord at the end of the term of the Lease; and]

<Lease of whole of a building>

- (vi) [allow the Landlord and its surveyors to enter the Demised Premises to inspect the health and safety file and at its own cost promptly supply the Landlord with copies of it or any of the documents in it.]

<Lease of whole of a building>

- (vii) [at completion of the construction phase of the relevant work
 - (A) ensure that the CDM co-ordinator gives the Landlord all documents relating to the relevant work that are required under the Regulations to be kept in the health and safety file for the Demised Premises; and
 - (B) ensure that the CDM co-ordinator checks that the documents are kept in the health and safety file or that the CDM co-ordinator updates the health and safety file for the Demised Premises].

<Lease of part of a building>

- (f) [the Landlord shall co-operate with the CDM co-ordinator to the extent necessary to allow the CDM co-ordinator either to check that the documents relating to the relevant work are kept in the health and safety file for the Demised Premises or to update the health and safety file for the Demised Premises].

<Lease of part of a building>

- (g) The provisions of this clause shall apply notwithstanding that any consent issued by the Landlord in respect of any relevant work does not refer to the said provisions or to the Regulations.

6.16 Consents

In the event of the ONR or the Superior Landlord refusing consent to an application of the Tenant including but not limited to an application to assign underlet charge or otherwise dispose of the Lease or the Demised Premises or any part then the withholding of such consent by the Landlord shall be deemed to be reasonable

6.17 Third Party Determination

- (a) Where this Lease provides for Third Party Determination the matter for determination shall be referred at the Landlord's option either to a single arbitrator acting in accordance with the Arbitration Act 1996 or to an independent expert acting as an expert
- (b) The arbitrator or the expert (as the case may be) shall be agreed between the Landlord and the Tenant or in the absence of agreement nominated on the application of either party by the President
- (c) If the arbitrator or expert (as the case may be) fails to make any determination as to fees they shall be borne equally between the Landlord and the Tenant

7 EARLY TERMINATION

7.1 [Either the Landlord or the Tenant] [The Landlord] [The Tenant] may determine this Lease on [the] [any] Break Date by serving on the [other party][Tenant] [Landlord] written notice prior to [the] [any] [the relevant] Break Notice Date [specifying the proposed Break Date]

7.2 This Lease shall only determine as a result of notice served by the Tenant under clause 7.1 if on the [relevant] Break Date:

- (a) the Tenant gives vacant possession of the Demised Premises to the Landlord; and
- (b) the Tenant is not in material breach of any of its covenants in this Lease; and
- (c) there are no arrears of Rent

7.3 On Determination the Tenant shall deliver to the Landlord the original of this Lease and any counterpart underleases and all other title documents relating to the Demised Premises

7.4 [If the Landlord serves notice of determination under clause 7.1 then on the Break Date the Tenant shall give vacant possession of the Demised Premises]

7.5 The Landlord may in its absolute discretion waive compliance with all or any of the conditions or obligations set out in clauses 7.2 [and] 7.3[and 7.4] but unless otherwise expressly agreed in writing such waiver shall not relieve the Tenant from liability to comply with the relevant condition or obligation

7.6 If the provisions of this clause 7 are complied with then on the Break Date this Lease shall determine but without prejudice to the rights of either party in respect of any previous breach by the other

7.7 The Landlord may determine this Lease at any time after the date of this Lease on not less than 3 months prior written notice in the event that the Demised Premises are Dedesignated. Upon expiry of such notice upon which the Term shall immediately cease and determine but without prejudice to any rights either party may have against the other for any antecedent breach.

8 CONFIDENTIALITY

8.1 Confidential Information

Subject to clauses 8.2 to 8.8 below, each party shall hold in confidence all documents, materials and other information, whether technical or commercial, supplied by or on behalf of another party (including all documents and information supplied in the course of any dispute resolution procedure to which a dispute is referred in accordance with this Lease) and shall not except with the written agreement of the party that supplied the information publish or otherwise disclose the same otherwise than as expressly provided for in this Lease unless or until the recipient party can demonstrate that any such document, material or information is in the public domain through no fault of its own and through no contravention of this Lease, whereupon to the extent that it is in the public domain this obligation shall cease.

8.2 Disclosure by the Landlord or the Site Licence Holder

The Landlord and/or the holder of any Site Licence may disclose any and all information acquired by it under or pursuant to this Lease (the "**Information**") to:

- (a) the Parliamentary Commissioner for Administration, a Minister of the Crown, any department of the government of the United Kingdom, the Scottish Parliament, the National Assembly of Wales, the Mayor of London, Greater London Landlord or any department, officer, agent, representative, employee, consultant or adviser of any of them;
- (b) the Regulators;

- (c) the extent required by applicable Law or pursuant to an order of any court of competent jurisdiction;
- (d) bidders who have pre-qualified to participate in any relevant forthcoming tender process upon obtaining an undertaking of confidentiality equivalent to that contained in clause 8.1;
- (e) insurers upon obtaining an undertaking of confidentiality equivalent to that contained in clause 8.1;
- (f) consultees under the Energy Act; and/or
- (g) any department, officer, agent, representative, employee, consultant or adviser of any of the entities referred to in clauses 8.2(a) to 8.2(f) above subject, in the case where the entity in question would be required to provide an undertaking of confidentiality equivalent to that contained in clause 8.1, to obtaining such undertaking of confidentiality.

8.3 So far as is practicable, the Landlord and/or the holder of any Site Licence shall give the Tenant reasonable notice of any proposed disclosure pursuant to clause 8.2.

8.4 Notwithstanding the provisions of clause 8.2, the Landlord and/or the holder of any Site Licence may with the consent of the Tenant (not to be unreasonably withheld) further disclose the Information to persons not referred to in clause 8.2 .

8.5 Any determination as to whether it is reasonable for the Tenant to withhold its consent to disclosure under clause 8.2 above shall have regard to:

- (a) compliance with the Landlord's and (where relevant) the holder of any Site Licences statutory functions and duties, including in particular the promotion of effective competition and value for money;
- (b) relevant Government policy;
- (c) the requirement to maintain security;
- (d) the commercial sensitivity of the information
- (e) the public interest; and
- (f) the requirement to maintain openness and transparency.

8.6 Publication

- (a) The Landlord and/or the holder of any Site Licence may publish in such form and at such times as it sees fit such information as the Landlord reasonably requires to publish having regard to the list of considerations set out in

clause 8.5 above, including information it includes in its respective annual report.

- (b) The Landlord and/or the holder of any Site Licence shall give the Tenant reasonable notice of any proposed publication pursuant to clause 8.6(a).

8.7 Disclosure by the Tenant

The Tenant may disclose without the consent of the Landlord any and all information acquired by it under or pursuant to this Lease save for information which is judged by the ONR to be security sensitive (unless the recipient of information pursuant to this clause 8.7 holds all relevant security clearances) to:

- (a) the Parliamentary Commissioner for Administration, a Minister of the Crown, any department of the government of the United Kingdom, the Scottish Parliament, the National Assembly of Wales, the Mayor of London, Greater London Landlord or any other local Landlord;
- (b) the Regulators;
- (c) the extent required by applicable Law or pursuant to an order of any court of competent jurisdiction;
- (d) insurers, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 8.1;
- (e) professional advisers, upon obtaining an undertaking of confidentiality equivalent to that contained in clause 8.1; and
- (f) any department, officer, agent, representative, employee, consultant or adviser of any of the entities referred to in sub-clauses (a) to (e) of this clause above subject, in any case where the entity in question would be required to provide an undertaking of confidentiality equivalent to that contained in clause 8.1, to obtaining such an undertaking of confidentiality.

8.8 Freedom of Information Act

This clause 8 is subject to the parties' respective obligations under the Freedom of Information Act 2000, as amended (if any).

9 NEW TENANCY

This Lease constitutes a new tenancy for the purposes of the 1995 Act.

10 EXCLUSION OF THIRD PARTY RIGHTS

Each party confirms that no term of this Lease is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Lease except by the holder of any Site Licence and/or the Superior Landlord.

IN WITNESS whereof this Deed has been executed by the parties and is intended to be and is hereby delivered on the day and year first before written

Schedule 1

Part A

Easements and rights in the nature of easements granted to the Tenant

- 1 The right to the free passage and running of Utilities from time to time benefiting the Demised Premises through the Conducting Media which now or during the Term pass through in or over the Adjoining Property.
- 2 The right on giving not less than 3 Working Days' prior written notice to the Landlord (save in case of emergency) (such notice being given to such person as the Landlord may from time to time direct) and subject to compliance with the Site Licence and such conditions as the Landlord may reasonably impose (which may include conditions as to route to be used and supervision of such entry by the Landlord) to enter on such parts of the Adjoining Property as is necessary in order for the Tenant to comply with its obligations under this Lease and insofar as it is not possible to comply with its obligations under this Lease from within the Demised Premises.
- 3 To the extent that the Landlord has the power to grant such right and subject to the terms of the Site Licence and subject to the terms of any contract in relation to the provision of Utilities the right (in common with the Landlord and all others authorised by the Landlord from time to time) to connect into and to receive Utilities through the Conducting Media of the Landlord now or hereafter at the Demised Premises.
- 4 The right to use (in common with the Landlord and all those authorised by it) such roads accessways and pathways over and upon the Adjoining Property as notified by the Landlord to the Tenant from time to time for the purposes of access to and from the Demised Premises only.
- 5 [The right to use such car parking spaces located on the Adjoining Property as the Landlord shall from time to time direct].
- 6 [The right at all times in connection with the Permitted Use for the Tenant its servants and duly authorised agents invitees and visitors to use the Common Parts over such routes as the Landlord in its absolute discretion shall from time to time designate]

<Relevant where Demised Premises is part of a building only>

Part B

Easements and rights in the nature of easements excepted and reserved to the Landlord

- 1 The right to the free passage and running of Utilities now benefiting the Adjoining Property through the Conducting Media which now or at any time during the Term pass through in or over the Demised Premises.
- 2 The right on giving reasonable prior written notice to the Tenant (save in case of emergency) to enter the Demised Premises in order to inspect test maintain repair operate alter remove replace and renew:-
 - 2.1 the Conducting Media;
 - 2.2 the Adjoining Property and the buildings and structures thereon;
 - 2.3 any Conducting Media laid pursuant to paragraph 3 of Part A of this Schedule
- 3 The right at all times to enter the Demised Premises for any other purpose for which the Tenant covenants in this Lease to permit entry
- 4 The right on giving reasonable prior written notice to the Tenant (save in the case of emergency) to enter the Demised Premises in order to lay new or relocate existing Conducting Media in over or under the Demised Premises
- 5 All rights of light and air support protection shelter and all other easements quasi-easements rights and privileges now belonging to or enjoyed by the Adjoining Property
- 6 Where the Tenant ceases use of the Shared Media within the Demised Premises the Landlord's right under Part A of this Schedule shall continue
- 7 The right to build alter or extend (whether vertically or laterally) any building on any Adjoining Property notwithstanding the access of light and air to the Demised Premises
- 8 All rights of light, air and other easements and rights (but without prejudice to those expressly granted by this Lease) enjoyed by the Demised Premises from or over the [Adjoining Property], all such rights being reserved for the benefit of the [Adjoining Property]
- 9 [Subject to compliance with clause 3.14, the right to pass and repass to and from the Adjoining Property with or without vehicles for all purposes connected with the Landlord's use and enjoyment of the Adjoining Property over and along the roads, footpaths and accessways designated for such use by the Tenant at any time and which are within the Demised Premises]

Part C

Rent Review

1 For the purposes of paragraphs 2 to 8 inclusive of this Part C of the Schedule the following expressions shall have the following meanings:

"**Base Figure**" means the Index figure for []

"**Increase**" means the amount if any by which the Index for the month preceding the Rent Review Date exceeds the Base Figure

"**Index**" means the Retail Price Index for all items excluding mortgage interest published by the Office for National Statistics or by any successor government department ministry or any other body upon which the duty to maintain such index devolves or if such Index ceases to exist then such other suitably comparable index as the parties may agree or in the absence of agreement shall be referred for determination in accordance with paragraph 4 below

"**Increased Rent**" means the aggregate of £[] and the amount which bears the same proportion to £[] as the Increase bears to the Base Figure

"**Rent Restrictions**" means any enactment of law which prevents the Landlord reviewing the Rent or recovering the Rent under this Lease

"**Review Date**" means the date specified in [the Particulars / clause 1.1] and "**Relevant Review Date**" shall be construed accordingly

"**Reviewed Rent**" means the Rent following each Review Date pursuant to paragraph 3 of Part C of the Schedule

2 During the Term the Rent shall be the greater of £[] per annum and such increased amount as is calculated in accordance with paragraph 4 of this Part C of the Schedule

3 On each Review Date the Rent shall be reviewed to the higher of:

3.1 the Rent payable immediately before the Relevant Review Date (but for any abatement of Rent); and

3.2 the Increased Rent

4 The Increased Rent on the Relevant Review Date shall be agreed in writing between the Landlord and the Tenant or (in the absence of agreement) determined by Third

Party Determination on the application of either party at any time after the Relevant Review Date

- 5 If any Reviewed Rent is not agreed or determined by the Relevant Review Date the Rent shall continue to be payable at the rate applicable immediately before that date (but for any abatement of Rent) and the Tenant shall pay within 5 days of the Reviewed Rent being ascertained the amount of any increase for the period from and including the Relevant Review Date up to the month next following ascertainment
- 6 Whenever any Reviewed Rent is ascertained the Landlord and Tenant shall sign and exchange a memorandum recording it
- 7 If on any Relevant Review Date there are Rent Restrictions in force the Landlord may elect at any time that the day following the date on which the Rent Restrictions are modified or repealed shall be substituted for the Relevant Review Date
- 8 Time is not of the essence in this Part C of the Schedule

Part D

Services and Service Charge

1 PROVISION OF SERVICES

1.1 Subject to payment by the Tenant of the Service Charge at all times during the Term the Landlord shall use reasonable endeavours to carry out provide manage and operate the Services in an efficient manner and in accordance with the principles of good estate management Provided That:

- (a) The Landlord may take out of service for repair replacement modernisation or otherwise for as short a period as is reasonably practicable any plant or installations or any part thereof used in the provision of the Services and shall not be liable to the Tenant or the Tenant's employees or those claiming through or under the Tenant for such taking out of service or for the failure or breakdown of the plant or installations relating to such Services or of the electricity gas or water supply or drainage services unless due to the default or neglect of the Landlord or the Landlord's agent arising out of a failure to act in accordance with the principles of good estate management
- (b) The Landlord shall not incur any liability in respect of any failure in the management or operation of the Services unless due to the default or neglect of the Landlord or the Landlord's agent arising out of a failure to act in accordance with the principles of good estate management
- (c) The Landlord may from time to time discontinue the supply of any Service or reduce the degree to which such Service is provided if in the interests of good estate management of the Estate it considers it appropriate to do so
- (d) The Landlord shall be at liberty at any time during the Term upon giving notice in writing to the Tenant to arrange for any or all of the items comprising the Utilities Services to be adopted by any suitable utility provider and upon such adoption the Landlord shall no longer be obliged to provide such Utilities Services and (without prejudice to any payments due and outstanding at the date of adoption) the Tenant shall not be required to pay the Utilities Services Charge to the Landlord in respect of those Utilities Services so adopted and the Tenant shall thereafter deal directly with such utility service provider
- (e) In each case Services shall not be provided by the Landlord where the Tenant is obliged under this Lease to provide the same

- 1.2 The Landlord shall use reasonable endeavours to ensure that the Service Charge proportion payable by the Tenant under this Lease is a fair and reasonable proportion of the total service charge for the Estate at all times and to use reasonable endeavours to manage the Estate in such a way that the Service Charge payable by the Tenant is as low as reasonably practicable having regard to the obligations on the Landlord to provide services in accordance with the terms of this Lease

2 THE SERVICES

- 2.1 The Estate Services to be included within the Estate Service Charge are as follows:-

- (a) The provision and maintenance (including replanting or planting) of the landscaped areas forming part of the Estate the grounds and any trees and shrubs therein (and vermin control thereon) and any architectural or ornamental features.
- (b) The repair and maintenance of all roads paths common car parks and lighting upon the Estate.
- (c) The provision and maintenance of signage of the Estate including road traffic directional signs.
- (d) The maintenance of all boundaries of the Estate including fences access barriers gates and necessary patrol tracks.
- (e) The provision of a security service and equipment for the Estate including reception at the main gate and an agreed first response capability.
- (f) The provision of a first response emergency evaluation team
- (g) Any other services relating to the Estate or any part of it provided by the Landlord from time to time which shall be reasonably capable of being enjoyed by the occupier of the Demised Premises or reasonably calculated to be for the benefit of the Tenant or other tenants of the Estate or appropriate for the maintenance upkeep or cleanliness of the Estate and in any such case in keeping with the principles of good estate management

- 2.2 [The Building Services to be included within the Building Service Charge are as follows:-

- (a) Inspecting maintaining and repairing amending altering rebuilding and renewing and where appropriate treating washing down painting and decorating all load bearing and other structural parts of the Building and the external fabric and surfaces (except the external surfaces of the doors and door frames referred to in paragraph 5 of the definition of Demised Premises at clause 1.1 and the

whole of the window glazing and frames constructed in the external walls and in the other boundaries of the said premises referred to in paragraph 6 of the definition of Demised Premises at clause 1.1)

- (b) Inspecting servicing maintaining and repairing amending overhauling and replacing all the Landlord's apparatus plant machinery and equipment within the Building
- (c) Maintaining repairing cleansing emptying amending and renewing all Service Media
- (d) Maintaining repairing cleansing renewing the electrical distribution system within the Building (but excluding small power sockets and light fittings)
- (e) Maintaining and renewing any fire alarms and ancillary apparatus and basic fire prevention and fire fighting equipment and apparatus in the Building (excluding specialist plant and systems)
- (f) Providing such heating for the Building and for such hours and times of the year as the Landlord shall in its reasonable discretion determine
- (g) Providing water hygiene testing to the Building
- (h) Supplying whether by purchase or hire and maintaining renewing replacing repairing servicing and keeping in good and serviceable order and condition all Landlord's fixtures and receptacles appliances materials equipment and other things which the Landlord may deem desirable or necessary for the maintenance appearance upkeep or cleanliness of the Building or any part of it
- (i) Cleaning as frequently as the Landlord shall in its reasonable discretion consider adequate the outside of the window glazing
- (j) Cleaning maintaining and repairing the Common Parts including all Service Media forming part of the Common Parts
- (k) Lighting the Common Parts and cleaning maintaining repairing and replacing lighting machinery and equipment on the Common Parts
- (l) Cleaning maintaining repairing and replacing refuse bins on the Common Parts
- (m) Cleaning maintaining repairing and replacing signage for the Common Parts
- (n) Cleaning maintaining repairing and replacing the floor coverings on the internal areas of the Common Parts

- (o) Cleaning maintaining repairing and replacing the furniture and fittings on the Common Parts
- (p) Cleaning maintaining repairing and replacing the furniture fittings and equipment in the lavatories and washrooms on the Common Parts and providing hot and cold water soap paper towels and other supplies for them
- (q) Decorating the internal areas of the Common Parts
- (r) Any other services relating to the Building or any part of it provided by the Landlord from time to time which shall be:
 - (i) reasonably capable of being enjoyed by the occupier of the Demised Premises; or
 - (ii) reasonably calculated to be for the benefit of the Tenant and other tenants of the Building; or
 - (iii) appropriate for the maintenance upkeep or cleanliness of the Building and (in any such case) in keeping with the principles of good estate management]

<Relevant where Demised Premises is part of a building only>

2.3 The Utilities Services which comprise in and are paid for by the Utilities Service Charge are as follows:

- (a) The provision of a gas connection to the Demised Premises for the generation of heating and supply of gas to the Demised Premises
- (b) The provision of water supply connection to the Demised Premises and supply of water to the Demised Premises
- (c) The provision of conventional drainage from the Demised Premises including surface water and foul sewerage.
- (d) The provision of an electricity supply connection to the Demised Premises and the supply of electricity to the Demised Premises
- (e) The provision of a telecommunication connection to the Demised Premises and supply of telecommunication services to the Demised Premises

3 CALCULATION AND PAYMENT OF SERVICE CHARGE

3.1 The Estate Service Charge shall comprise the proportionate part of the Landlord's Costs incurred in connection with the provision of the Estate Services and shall be a fair and reasonable sum as at 1 April in the relevant Landlord's accounting year.

3.2 [The Building Service Charge shall comprise the proportionate part of the Landlord's Costs incurred in connection with the provision of the Building Services and shall be a fair and reasonable as at 1 April in the relevant Landlord's accounting year]

<Relevant where Demised Premises is part of a building only>

3.3 The Utility Service Charge shall comprise the proportionate part of the Landlord's Costs incurred in connection with providing the Utilities Services and relate exclusively to such services and shall be a fair and reasonable sum and also have regard to the quantity of such Services used or consumed by the Tenant Provided That the Landlord and Tenant agree that in so far as such Services are metered or are subsequently metered the Tenant shall pay the actual cost of the item consumed on the Demised Premises as recorded by the meters.

3.4 The amount of the Landlord's Costs shall be ascertained and certified annually in accordance with the provisions of this Lease in a certificate signed by a qualified accountant as soon as reasonably practicable after the end of the Landlord's accounting year ("the Certificate").

3.5 The expression "the Landlord's accounting year" shall mean the period from 1 April of every year to 31 March of the following year or such other annual period as the Landlord may in its discretion from time to time determine as being that in which the accounts of the Landlord relating to the Estate shall be made up.

3.6 A copy of the Certificate for each Landlord's accounting year shall be supplied by the Landlord to the Tenant without charge within three months after the end of the Landlord's accounting year.

3.7 The Certificate shall contain a breakdown of all the items of expenditure set out in Part D of this Schedule and comprised in the Landlord's Costs in respect of the Landlord's accounting year to which it relates.

3.8 On the Quarter Days in every year during the Term the Tenant shall pay to the Landlord such a sum (hereinafter called "the advance payment") in advance and on account of the Service Charge for the Landlord's accounting year then current as the Landlord shall from time to time specify as being in its reasonable opinion a fair and reasonable assessment of one quarter of the likely Service Charge for the Landlord's accounting year then current such amount to be in accordance with the anticipated expenditure set out in the estimate provided to the Tenant at the beginning of each Landlord's accounting year then current ("the relevant year").

(a) If the Landlord reasonably and properly considers that the likely Service Charge for the relevant year will exceed the aggregate of the advance payments for the relevant year the Landlord may reassess the advance payments for the whole

of the relevant year ("the revised advance payments") and the Tenant shall pay to the Landlord the revised advance payments on each of the next following Quarter Day during the remainder of the relevant year and the Tenant shall pay to the Landlord within 21 days of receipt of a written demand the aggregate of the amounts by which the advance payments already made in respect of the relevant year fall short of the sum which would have been payable if the revised advance payments had been assessed before the commencement of the relevant year.

- (b) If the Landlord does not assess the amount of the advance payment payable hereunder in respect of any Landlord's accounting year before the beginning of such year the advance payments shall continue to be payable at the rate specified for the previous year until such time as the Landlord has made such assessment whereupon the Tenant shall pay to the Landlord within 21 days of receipt of a written demand the aggregate of the amount by which the advance payments already made in respect of the relevant year fall short of the sum which would have been payable if the amount of the advance payments for the relevant year had been assessed before the commencement thereof and on each of the Quarter Days during the remainder of the relevant year the Tenant shall pay to the Landlord the advance payments at the new rate.

3.9 As soon as practicable and in any event within three months after the end of each Landlord's accounting year the Landlord shall furnish to the Tenant the Certificate and an account ("the Account") specifying the Service Charge payable by the Tenant for that year due credit being given therein for the advance payments and any revised advance payments made by the Tenant in respect of the said year and upon the furnishing of the Certificate and such account there shall be paid by the Tenant to the Landlord within 21 days the balance (if any) of the Service Charge after deduction of the aggregate of any advance payments and/or revised advance payments made by the Tenant to the Landlord in respect of the said year or there shall be credited by the Landlord to the Tenant any amount which shall have been overpaid by the Tenant by way of advance payments and revised advance payments as the case may require Provided That:

- (a) the provisions of this paragraph shall continue to apply notwithstanding the expiration or sooner determination of the Term but only in respect of the period down to such expiration or sooner determination as aforesaid. The Service Charge for the Landlord's accounting year then current shall be apportioned for the said period on a daily basis and upon the expiry or sooner determination of the Term the Landlord shall repay any overpayment to the Tenant within 3 months of the end of the Landlord's accounting year

- (b) the Services described in Part D of this Schedule may be the subject of a separate invoice but in all other respects shall be treated as part of the Service Charge and all provisions of this Schedule shall apply thereto as appropriate.
- 3.10 Subject as hereinafter provided and subject to the Landlord complying with its obligations under paragraph 3.11 below the Certificate and the Account shall be final and binding upon the parties hereto (save in the case of manifest error) provided always that subject to the Tenant first paying the Service Charge the Tenant shall be entitled by written notice within 3 months of receipt of the Certificate and the Account to challenge the same or anything contained therein on the ground that either of them contains an error or errors and/or that any of the Services or any charge in relation to any of the Services has or have been included therein which should not have been included and/or that the amount charged in relation to any particular Service or Services is unreasonable in all the circumstances. If such a challenge cannot be resolved between the Landlord and the Tenant it shall be referred for Third Party Determination and any sum agreed or determined as aforesaid to have been overpaid by the Tenant shall be repaid by the Landlord to the Tenant within 30 days of it being agreed or determined with interest on the overpaid at the base rate of Barclays Bank Plc for the period from the date of such challenge to it being agreed or determined.
- 3.11 The Landlord shall following a reasonable request by the Tenant make available to the Tenant all invoices and details of expenses incurred in providing the Services at the management office for the **Estate** situated on the Estate.
- 3.12 Where the Landlord carries out major works of redecoration replacement or rebuilding (where necessary by way of repair) the Landlord may elect to defray the expenditure so incurred over such longer period than the Landlord's accounting year or years in which such expenditure is incurred as it shall in its absolute discretion consider appropriate and may include the actual cost of any interest properly incurred on such part of such expenditure not so far charged to tenants by way of Service Charge at the lower of the base rate from time to time of Barclays Bank plc or the rate the Landlord actually pays on any part of such expenditure not yet charged to the tenants and borrowed by the Landlord. Such expenditure shall be calculated on a day-to-day basis either from the date on which the expenditure is incurred down to the end of the Landlord's accounting year (in relation to the Landlord's accounting year in which such expenditure is incurred) or the period of the Landlord's accounting years (in relation to the subsequent Landlord's accounting years over which the expenditure is defrayed) Provided That the Tenant shall not contribute towards expenditure incurred prior to the date hereof or after the expiry or determination of the Term.
- 3.13 The Landlord may if reasonably necessary raise money by way of loan or overdraft paying a reasonable rate of interest thereof for the purposes of defraying expenditure

incurred in providing the Services or any of them and any proper and reasonable interest or other charges (excluding Value Added Tax for which the Landlord is entitled to credit under the Value Added Tax Act 1994) payable by the Landlord in respect thereof shall be included under paragraph 4.1 of this Part D of the Schedule as part of the Landlord's Costs.

4 THE LANDLORD'S COSTS

The Landlord's Costs shall be calculated after the end of each Landlord's accounting year and shall comprise the aggregate for such year of the following:-

- 4.1 The costs expenses outgoings and other expenditure reasonably and properly incurred from time to time by the Landlord in connection with the provision of the Services including without prejudice to the generality of the foregoing any interest and/or any other charges payable by the Landlord in relation to any loan or overdraft raised in accordance with the foregoing or provisions of this Lease.
- 4.2 The Retained Estate Costs
- 4.3 []% of the amount of the Estate Service Charge payable by the Tenant during the relevant Landlord's accounting year.
- 4.4 []% of the amount of the Building Service Charge payable by the Tenant during the relevant Landlord's accounting year.]
- 4.5 []% of the amount of the Utilities Service Charge payable by the Tenant during the relevant Landlord's accounting year (excluding the cost of any fuels water and electricity and fixed charges payable to the relevant supplier of the Utilities which that provides such fuel and water and electricity to the Landlord).
- 4.6 A fair and reasonable sum attributable to any Services provided to any premises on the Estate used or occupied by the Landlord (or others authorised by the Landlord) to the extent that such premises are used for the purposes of managing the Estate and providing the Services.
- 4.7 Value Added Tax (if any) at the applicable rate in respect of the fees and other items of expenditure herein mentioned save to the extent that such Value Added Tax is recoverable by the Landlord in its accounting with HM Revenue and Customs.

Part E

Guarantee

1 GUARANTEE

1.1 The Guarantor covenants with the Landlord (as between the Landlord and the Guarantor as if the Guarantor were principal debtor):

- (a) that until the Tenant is released by law from the Tenant's covenants in the Lease:
 - (i) the Tenant will pay the rents reserved by and perform its covenants and observe the conditions contained in the Lease and
 - (ii) if the Tenant fails to do so the Guarantor will indemnify the Landlord on demand against all losses costs claims expenses liabilities and demands arising from that failure
- (b) that the Tenant will perform its covenants and observe the conditions contained in any authorised guarantee agreement to be entered into in respect of the Lease

2 LIABILITY

2.1 The Guarantor shall not be released from liability by:

- (a) forbearance the granting of time to or any other indulgence allowed by the Landlord to the Tenant
- (b) any refusal by the Landlord to accept rent at a time when it is or might be entitled to re-enter the Demised Premises
- (c) any variation of the Lease or surrender of part of the Demised Premises whether or not made with the Guarantor's consent
- (d) the Landlord transferring its interest in reversion to the Lease
- (e) the insolvency liquidation dissolution winding-up administration receivership or reconstruction of or any change in the name style or constitution of the Landlord Tenant or Guarantor
- (f) any legal limitation relating to or incapacity of the Tenant
- (g) any other act, matter or thing by or as a result of which the Guarantor would have been released

3 WAIVER OF GUARANTOR'S RIGHTS

Until all payments and obligations expressed to be guaranteed by the Guarantor in paragraph 1 ("the guaranteed liabilities") have been paid discharged or satisfied in full the Guarantor will not without the Landlord's prior written consent:

- (a) exercise its rights of subrogation and/or indemnity against the Tenant
- (b) seek to enforce any right against the Tenant in respect of the guaranteed liabilities whether directly or by way of lien set-off or counterclaim
- (c) claim or prove in competition with the Landlord in the liquidation winding-up or bankruptcy of the Tenant or have the benefit of or share in any payment from or composition with the Tenant or the Tenant's creditors or any other arrangement on the Tenant's insolvency
- (d) be entitled to share in any security held by the Landlord or stand in place of the Landlord in respect of any security nor take any security from the Tenant in respect of this Guarantee

Provided that any security taken by the Guarantor and any money received or benefit obtained by the Guarantor in respect of the guaranteed liabilities despite the Guarantor's covenants in this paragraph 3 of Part F of the Schedule shall be held in trust by the Guarantor for the Landlord

4 TERMINATION OF LEASE

4.1 If the Lease is terminated by disclaimer or forfeiture the Guarantor will (if required in writing by the Landlord within six months of the date of termination) either:

- (a) at the cost of the Guarantor enter into a new lease of the Demised Premises with effect from the date of termination for the residue of the term of the Lease and on the same terms as the Lease but so that:
 - (i) any outstanding rent review or other matters shall be completed as between the Landlord and the Guarantor and
 - (ii) the Guarantor shall assume the liability of the Tenant under the Lease as if it had continued; or
- (b) pay to the Landlord within fourteen days of written demand a sum equal to the amounts which would otherwise have been payable under the Lease until the date six months after the date of termination or (if earlier) the date the Demised Premises are fully re-let

Executed as a deed by **MAGNOX LIMITED**)

acting by:)

Director

Director/Secretary

Executed as a deed by **[TENANT]**)

acting by:)

Director

Director/Secretary

Executed as a deed by **[GUARANTOR]**)

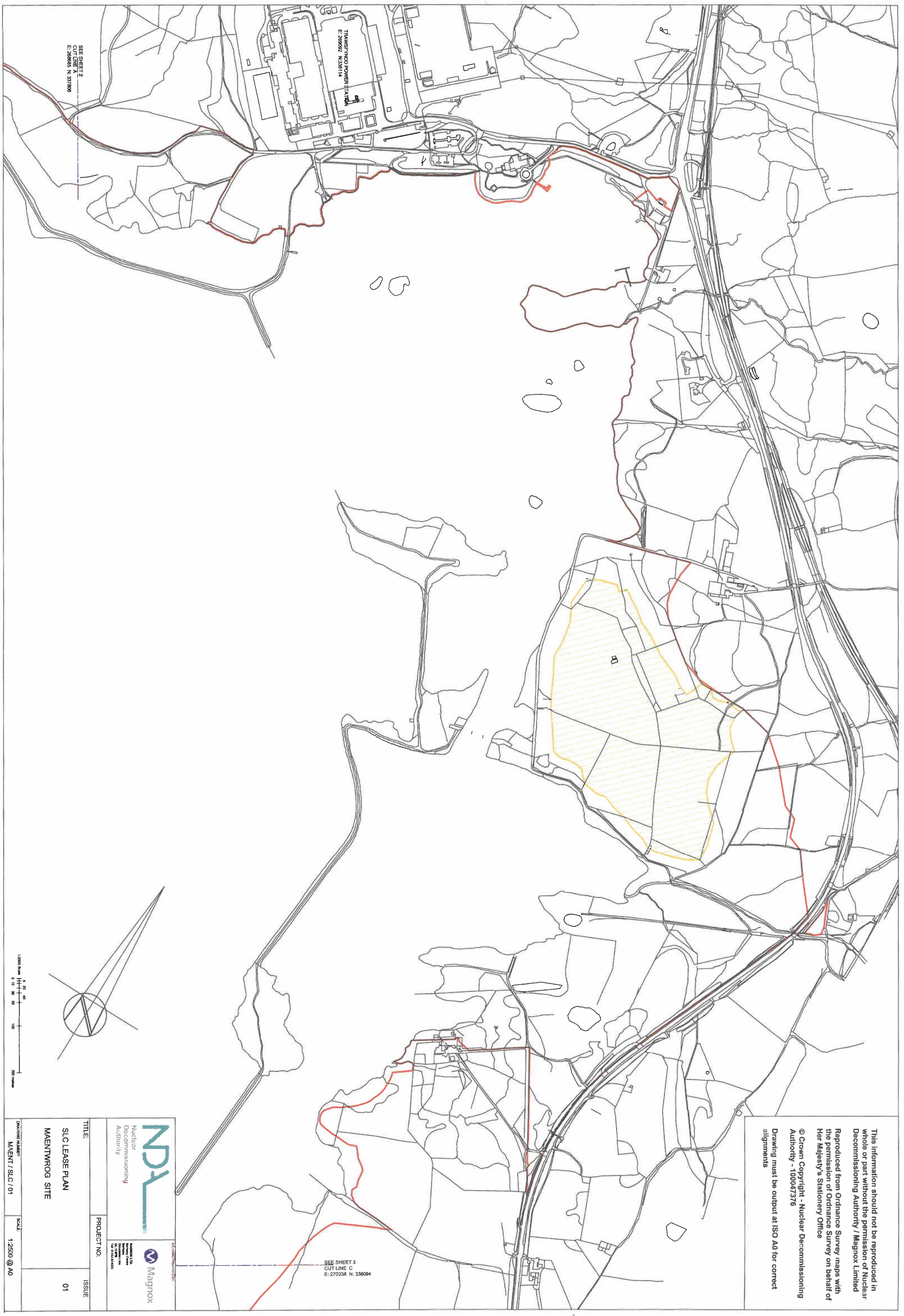
acting by:)

Director

Director/Secretary

Schedule 7

Plans of the Maentwrog Land

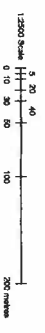
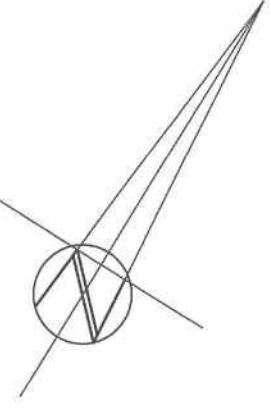


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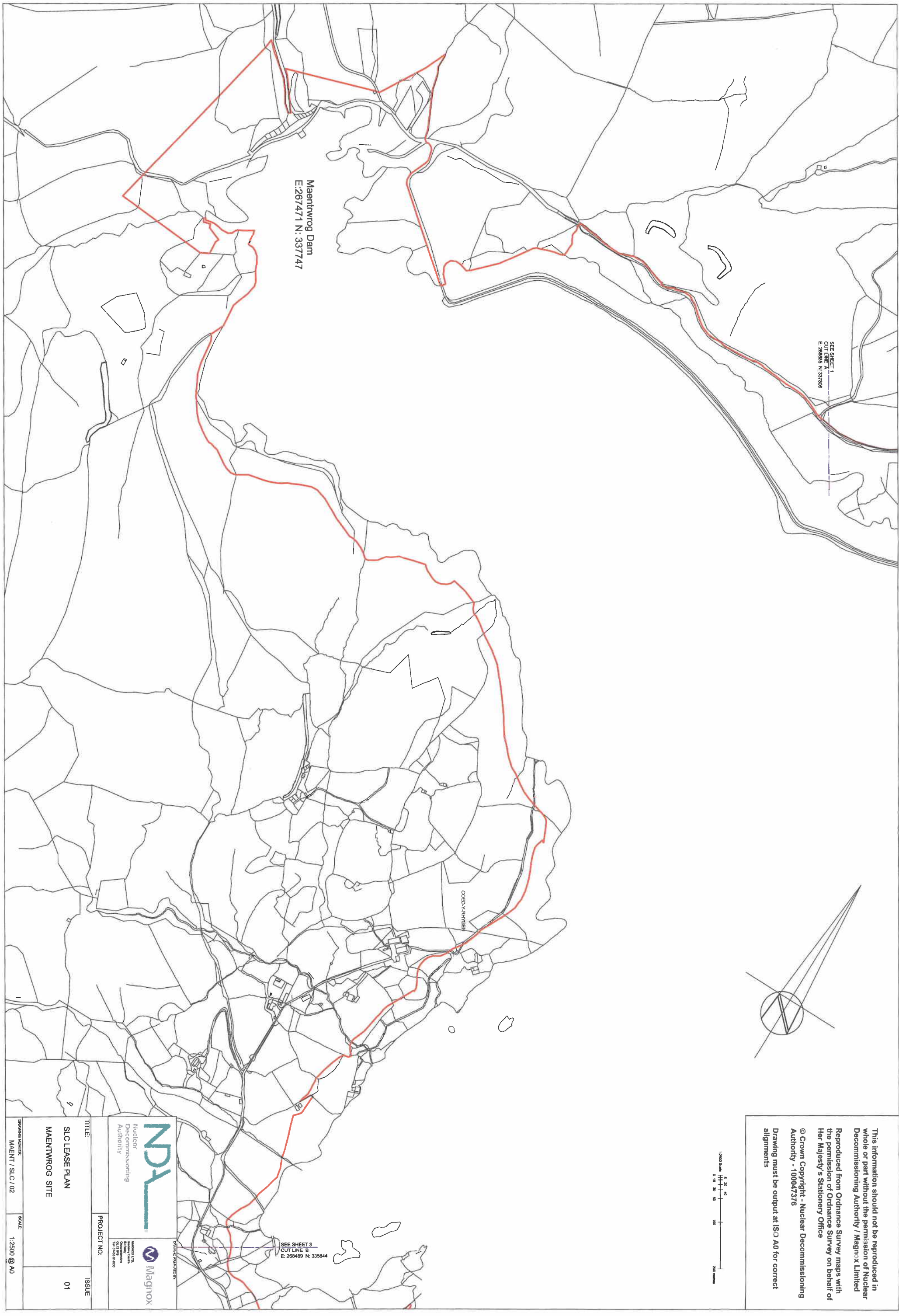
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SEE SHEET 2
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TRANSFUND POWER STATION
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ISSUE 01		SCALE 1:2500 @ A0	

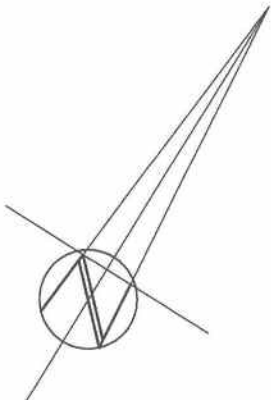


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Maentwrog Dam
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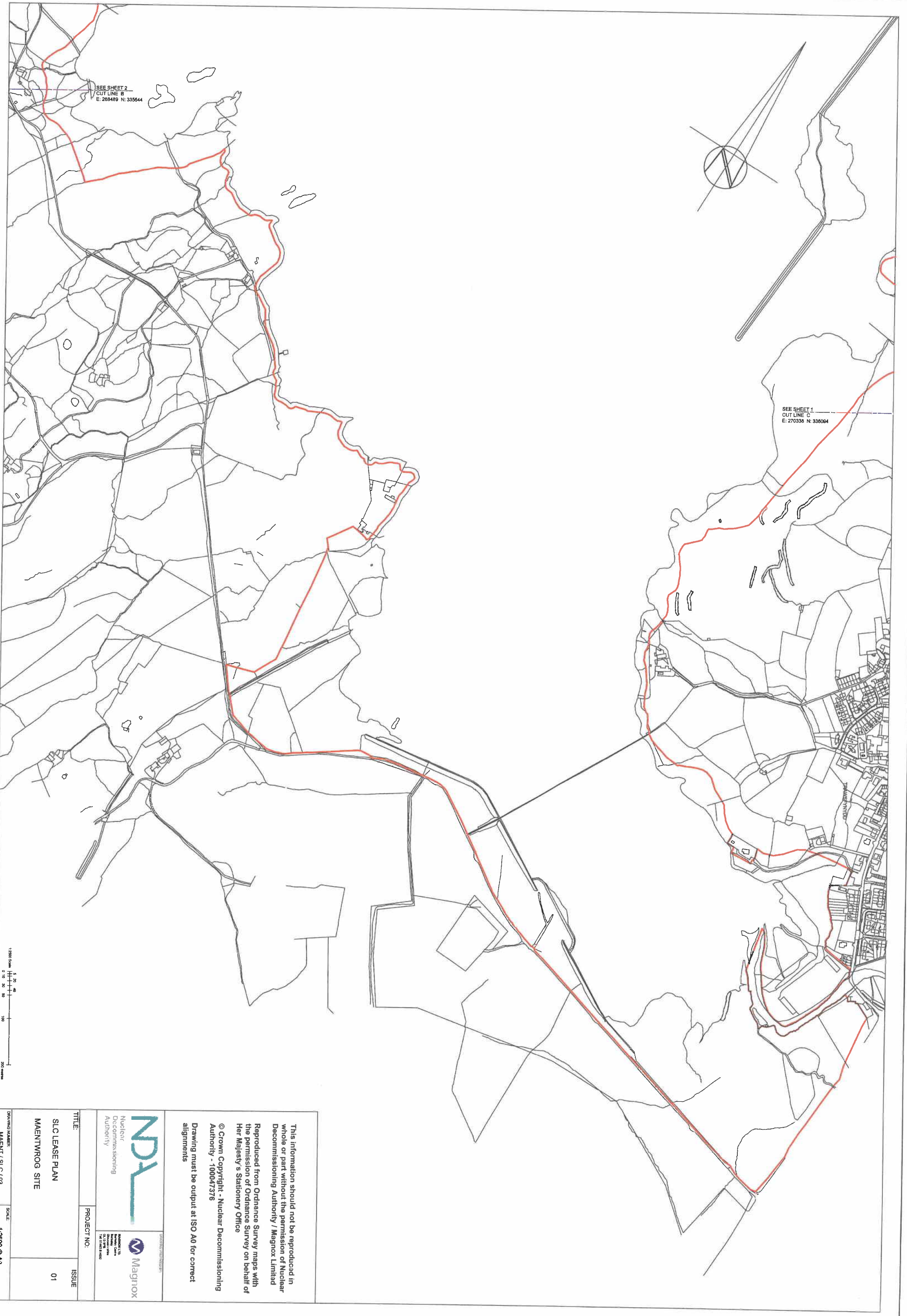
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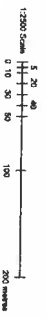
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Department
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TITLE:	PROJECT NO:	ISSUE:
SIC LEASE PLAN		01
MAENTWROG SITE		
DRAWING NUMBER:	SCALE:	
MAENT / SIC / 02	1:2500 @ A0	



SEE SHEET 1
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SEE SHEET 2
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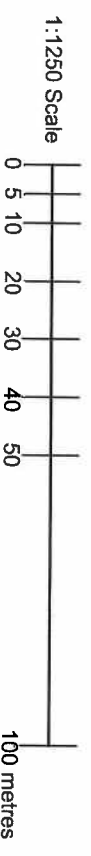
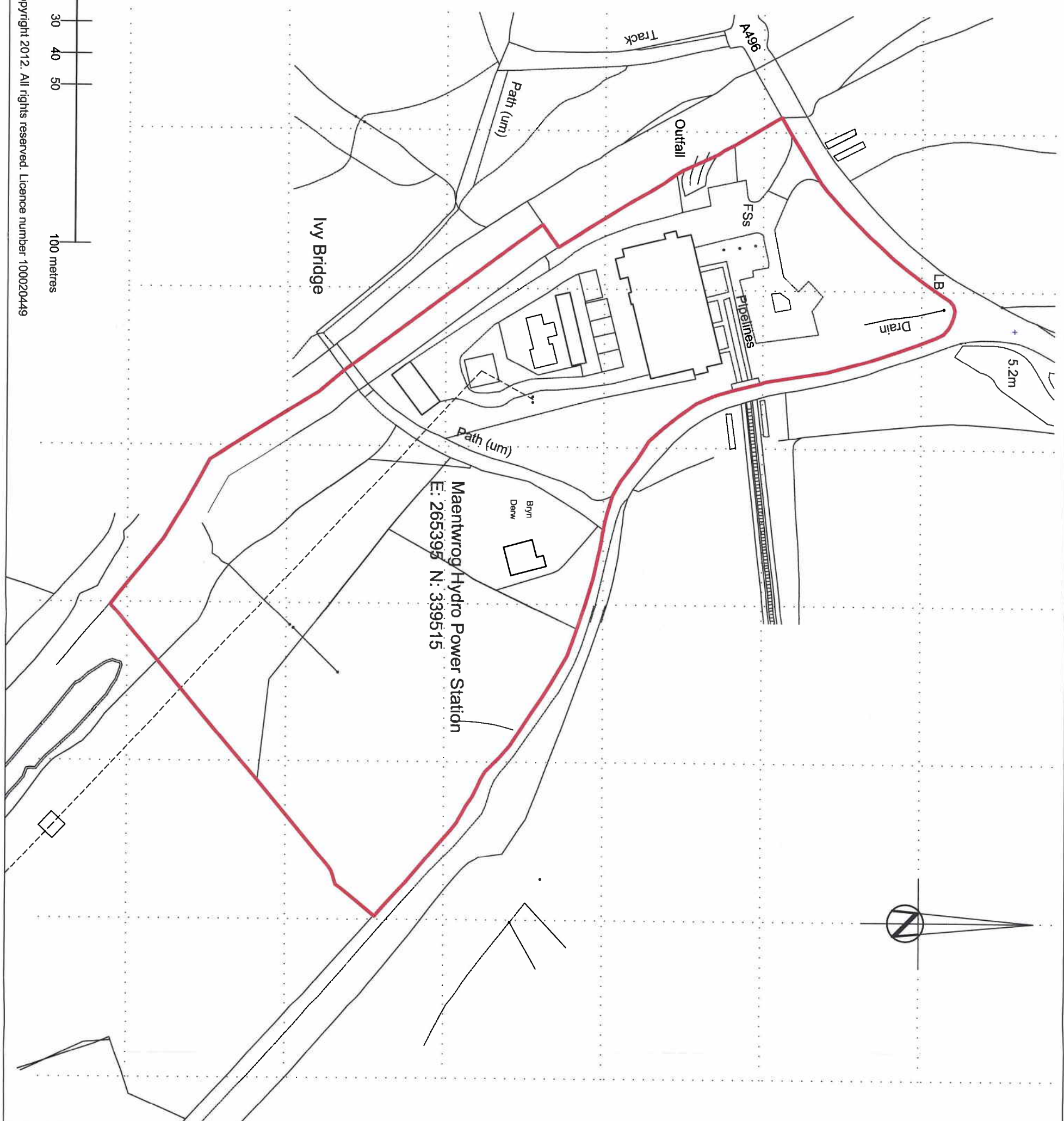
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		TITLE SLC LEASE PLAN MAENTWROG SITE	01



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TITLE	PROJECT NO:	ISSUE
SLIC LEASE PLAN MAENTWROG HYDRO POWER STATION		01
DRAWING NUMBER MAENT / SLIC / 04	SCALE 1:1250 @ A3	

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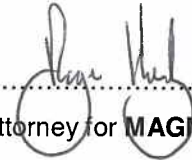
Director 

Director/Secretary 



Executed as a deed by ROGER HARDY
as attorney for **MAGNOX LIMITED** under a
power of attorney dated 18 July 2014
in the presence of:

)
)
)
)


.....
as attorney for **MAGNOX LIMITED**


.....
Witness GARY HORLOCK

.....
.....
.....

Address

TRANCE SUCITOR

Occupation

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London EC2A 2EG