

GLADSTONE SIDINGS, NORTHAMPTON

KEWW/BRB/300808514

LEGAL PACK

1. Lease dated 22nd June 2005 between BRB (Residuary) Limited and Siemens PLC (2);
2. Office Copies of title number NN253210
3. Direct Agreement dated 20th August 2004 between the Strategic Rail Authority (1) and Siemens PLC (2);
4. Demarcation Agreement dated 25th March 1996 between British Railways Board (1) and Railtrack PLC (now Network Rail Infrastructure Limited) (2);
5. Option Agreement dated 20th August 2004 between the Strategic Rail Authority (1), BRB (Residuary) Limited (2) and Siemens PLC (3)
6. Agreement dated 23rd November 1949 made between British Transport Commission (1) and Northampton Corporation (2)

BRB (Residuary) Limited (“BRB”) is the owner of the freehold property (“the Property”) comprising the Kings Heath Train Maintenance Depot at Gladstone Sidings, Northampton, under title no. NN253210.

On 22nd June 2005, BRB entered into a lease of the Train Maintenance Depot with Siemens PLC (“Siemens”). The lease constitutes a Light Maintenance Depot as defined in the Railways Act 1993 as amended by the Transport Act 2000 (“the Act”) and the lease incorporates the Depot Access Conditions (“DACs”) which are standard conditions imposed by the Office of Rail Regulation (“ORR”) and the Department of Transport (“DfT”) regulating the use of a Maintenance Depot as a railway facility. The DACs are in standard form, but there is a procedure for varying the DACs which involves consultation with the DfT and the ORR and other interested parties such as train operating companies (“TOCs”). Any proposed variation or change to the DACs is void unless approved by the ORR.

The Direct Agreement between the SRA (now the DfT) and Siemens is a contract between those parties setting out the parties' rights and obligations regarding the maintenance of certain rolling stock by Siemens.

The Depot Facilities Agreement ("DFA") is between Silverlink Train Services Limited (1) and Siemens (2). On 11th November 2007, London Midland was awarded the franchise succession to Silverlink and is now the successor party to this agreement with Siemens. This document requires Siemens to ensure that a maintenance Depot is located on the Property and allows Siemens to provide an alternative site for the Depot in certain stipulated circumstances.

BRB and Siemens are the facility owners (as defined in the Act) in respect of the Depot and their consent is required before any party other than Siemens can operate the Depot. Essentially, the DFA requires Siemens to procure a legal interest in the Property, design and construct the Depot and maintain the Depot for use by Silverlink (now London Midland) and other stipulated TOCs.

Any proposal to alter the use or close the Depot will constitute a "Proposal for Change" as defined in the DACs. This will involve an application to the ORR under Section 41 of the Act. There is a consultation process before a closure can be certified by the ORR under the Act.

Under the Transport Act 2000, the ORR's functions in relation to closure transferred to the DfT.

The Option Deed ("the Option Deed") dated 20th August 2004 between the Strategic Rail Authority (1) and BRB (2) and Siemens (3), relates to the grant of certain options in favour of the SRA (now DfT) with respect to the Lease. The termination of the Lease can only be effected pursuant to clause 9 of the Lease. There is further provision for the DfT to require the lease to be terminated pursuant to the Option Agreement on the occurrence of certain stipulated "Relevant Termination Events" and upon service of a "Termination Notice" (as those terms are defined in the Option Deed), and pursuant to clauses 3 and 4 of the Option Deed.

The Demarcation Agreement dated 25th March 1996 is the property demarcation agreement entered into between BRB's predecessors, British Railways Board, and Railtrack PLC (now Network Rail Infrastructure Limited) following privatisation of the railways pursuant to a 1994 transfer scheme entered into pursuant to the Act.

The transfer scheme split the ownership of railway property into operational land and other land to be owned and operated by Network Rail and certain non-operational land to be owned by BRB.

The Demarcation Agreement regulates the rights and duties of each party in relation to the use by the other party of its land. Of particular interest are the reciprocal rights and reservations in clauses 4 and 5 and the covenants on the part of BRB in clause 9 and the schedule to the Agreement. Where BRB, as in this case, sell land which is subject to the terms and conditions of the Demarcation Agreement, there is an industry agreement whereby BRB will procure from any buyer a Deed of Covenant in standard template format for the buyer to observe, comply with and perform the covenants on the part of BRB set out in clause 9 and in the schedule to the Demarcation Agreement.

The Agreement dated 23rd November 1949 between The British Transport Commission, predecessors in title of BRB, and The London Midland and Scottish Railway Company relates to the construction and maintenance of a sewer which runs beneath part of the Property.