



Shareholders Direct Agreement

The Secretary of State for Environment, Food and Rural Affairs

and

Allianz Infrastructure Luxembourg I S.a.r.l. (as Equity Provider 1)

and

Bazalgette (Investments) Limited (as Equity Provider 2)

and

IPP (Bazalgette) Limited (as Equity Provider 3)

and

Dalmore Capital 14 GP Limited acting in its capacity as general partner of
Dalmore Infrastructure Investments LP (as Equity Provider 4)

and

DIF Bid Co Limited (as Equity Provider 5)

and

Bazalgette Equity Limited (as IP EquityCo)

and

Bazalgette Ventures Limited (as IP JVCo)

and

Bazalgette Holdings Limited (as IP HoldCo)

and

Bazalgette Tunnel Limited (as IP OpCo)

24 August 2015

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BETWEEN:

- (1) **THE SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS** whose office is at Nobel House, 17 Smith Square, London, SW1P 3JR (the "**Secretary of State**");
- (2) **ALLIANZ INFRASTRUCTURE LUXEMBOURG I S.A.R.L.** with registration number B 157276 and whose registered address is at 14, boulevard F.D. Roosevelt, L-2450, Luxembourg ("**Equity Provider 1**");
- (3) **BAZALGETTE (INVESTMENTS) LIMITED** with registration number 09527399 and whose registered address is at Two London Bridge, London, SE1 9RA ("**Equity Provider 2**");
- (4) **IPP (BAZALGETTE) LIMITED** with registration number 09531046 and whose registered address is at Two London Bridge, London, SE1 9RA ("**Equity Provider 3**");
- (5) **DALMORE CAPITAL 14 GP LIMITED**, acting in its capacity as general partner of Dalmore Infrastructure Investments LP, with registration number 09426364 and whose registered address is at One, London Wall, London, EC2Y 5AB ("**Equity Provider 4**");
- (6) **DIF BID CO LIMITED** with registration number 9281082 and whose registered address is at 1st Floor, 94-96 Wigmore Street, London, W1U 3RF ("**Equity Provider 5**");
- (7) **BAZALGETTE EQUITY LIMITED** a limited liability company incorporated in England and Wales with registration number 9553394 and whose registered address is at The Point, 37 North Wharf Road, Paddington, London, W2 1AF ("**IP EquityCo**"); and
- (8) **BAZALGETTE VENTURES LIMITED** a limited liability company incorporated in England and Wales with registration number 9553461 and whose registered address is at The Point, 37 North Wharf Road, Paddington, London, W2 1AF ("**IP JVCo**"); and
- (9) **BAZALGETTE HOLDINGS LIMITED** a limited liability company incorporated in England and Wales with registration number 9553510 and whose registered address is at The Point, 37 North Wharf Road, Paddington, London, W2 1AF ("**IP HoldCo**"); and
- (10) **BAZALGETTE TUNNEL LIMITED** a limited liability company incorporated in England and Wales with registration number 9553573 and whose registered address is at The Point, 37 North Wharf Road, Paddington, London, W2 1AF ("**IP OpCo**")

each a "**Party**" and together the "**Parties**".

RECITALS:

- (A) The Secretary of State has specified the Project pursuant to Regulation 4(1) of the SIP Regulations.
- (B) Following a tender process undertaken by Thames Water in accordance with the SIP Regulations, IP OpCo has been established to undertake the Project in accordance with the Project Documents.
- (C) The Regulator has designated IP OpCo as an "infrastructure provider" in relation to the Project pursuant to Regulation 8(1) of the SIP Regulations.
- (D) The Secretary of State has agreed to provide contingent financial support to IP OpCo for the Project and, pursuant to the Contingent Equity Support Agreement, certain undertakings to IP HoldCo in relation to the provision of equity financing to IP HoldCo.

- (E) The Parties (other than the Secretary of State) have entered into the Shareholders Agreement in order to govern:
- (i) the respective rights and obligations of the Private Sector Shareholders; and
 - (ii) the conduct of IP EquityCo, IP JVCo, IP HoldCo and IP OpCo businesses.
- (F) The Parties have entered into this shareholders direct agreement (this "**Agreement**") in order to, amongst other things, govern the respective rights and obligations of the Secretary of State and the Private Sector Shareholders.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement the following expressions shall have the following meanings:

"Acceptance Period" has the meaning given to it in paragraph 1.2 of schedule 4 (*Secretary of State Transfers*);

"Affiliate" means, in relation to a company, a Holding Company or a Subsidiary of that company;

"Aggregate Commitment" has the meaning given to it in the Contingent Equity Support Agreement;

"Alliance Agreement" has the meaning given to it in the Contingent Equity Support Agreement;

"Approved Project Completion Plan" has the meaning given to it in clause 11.3;

"Articles" means the IP EquityCo Articles, the IP JVCo Articles, the IP HoldCo Articles and the IP OpCo Articles;

"Associate" means in relation to any company:

- (a) any company of which such company is a subsidiary;
- (b) any subsidiary of such company; or
- (c) any other subsidiary of such company's holding company;

"Boards" means the IP EquityCo Board, the IP JV Co Board, the IP HoldCo Board and the IP OpCo Board (as the context may require) and **"Board"** means any of them;

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

"Buy Notice" has the meaning given to it in paragraph 1.3 of schedule 4 (*Secretary of State Transfers*);

"Capital Expenditure" has the meaning given to it in the Contingent Equity Support Agreement;

"Cash Surpluses" has the meaning given to it in schedule 1 (*Valuation of Contingent Equity*) in the Contingent Equity Support Agreement;

"Category 1 Reserved Matters" means those matters identified as "Category 1 Reserved Matters" in schedule 1 (*Reserved Matters*);

"Category 2 Reserved Matters" means those matters identified as "Category 2 Reserved Matters" in schedule 1 (*Reserved Matters*);

"Claim" has the meaning given to it in clause 12.1(c);

"Codes" has the meaning given to it in clause 20.14;

"Commercially Sensitive Information" means any information detailed in Part C of schedule 3 (*Transparency Information and Commercially Sensitive Information*);

"Commitment Notice" has the meaning given to it in the Contingent Equity Support Agreement;

"Common Terms Agreement" has the meaning given to it in the Master Definitions Agreement;

"Confidential Information" has the meaning given to it in the Contingent Equity Support Agreement;

"Consequential Loss" has the meaning given to it in the Contingent Equity Support Agreement;

"Contingent Equity Commitment Period" has the meaning given to it in the Contingent Equity Support Agreement;

"Contingent Equity Commitment Request" has the meaning given to it in the Contingent Equity Support Agreement;

"Contingent Equity Contribution Date" has the meaning given to it in the Contingent Equity Support Agreement;

"Contingent Equity Support Agreement" means the contingent equity support agreement entered into between the Secretary of State, IP OpCo and IP HoldCo dated on or about the date of this Agreement;

"Continuing Shareholders" has the meaning given to it in paragraph 1.1 of schedule 4 (*Secretary of State Transfers*);

"Controlling Interest" means the:

- (a) direct or indirect ownership or control of more than 50 per cent of the voting share capital of IP EquityCo; or
- (b) ability to direct the casting of more than 50 per cent of the votes exercisable at general meetings of IP EquityCo on all, or substantially all, matters; or
- (c) right to appoint or remove directors of IP EquityCo holding a majority of the voting rights at meetings of the board on all, or substantially all, matters;

"Deed of Adherence" means a deed in substantially the same form as the draft set out at schedule 2 (*Deed of Adherence*);

"Deemed Transfer Notice" has the meaning given in the Shareholders Agreement;

"Directors" means, as the context may require, the IP EquityCo Directors, the IP JVCo Directors, the IP HoldCo Directors and/or the IP OpCo Directors as nominated by the relevant parties from time to time and **"Director"** shall mean any of them;

"Disallowed Expenditure" has the meaning given to it in the Contingent Equity Support Agreement;

"Discontinuation Agreement" means the discontinuation agreement entered into between the Secretary of State, IP HoldCo, IP OpCo and the Security Trustee (as defined therein) acting in its capacity as the security trustee dated on or about the date of this Agreement;

"Discontinuation Date" has the meaning given to it in the Discontinuation Agreement;

"Discontinuation Notice" has the meaning given to it in the Discontinuation Agreement;

"Dispute" has the meaning given to it in clause 34.1;

"Dispute Resolution Process" means the process set out in schedule 5 (*Dispute Resolution Process*);

"Distribution" means any payments (other than payments made to persons pursuant to arrangements entered into for the provision of management and other services incurred in connection with the Project and which are entered into on *bona fide* arm's length terms in the ordinary and usual course of trading) to any Investor, including:

- (a) any payment of dividends, bonus issues, return of capital, fees, interest, principal or other amounts whatsoever (by way of loan or repayment of any loan or otherwise) (in cash or in kind), to any Investor; and
- (b) payments to any Investor referred to in paragraphs (c)(ii), (c)(v), (c)(vi) and (c)(viii) of the definition of Restricted Payment in the Master Definitions Agreement and any payments to any Investor as a result of paragraphs (a) and (c) of the definition of Permitted Transaction in the Master Definitions Agreement;

"DOTAS" means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992;

"Drag Along Period" has the meaning given to it in paragraph 1.11 of schedule 4 (*Secretary of State Transfers*);

"Drag Along Right" has the meaning given to it in paragraph 1.8 of schedule 4 (*Secretary of State Transfers*);

"Dragged Shareholder" has the meaning given to it in paragraph 1.8 of schedule 4 (*Secretary of State Transfers*);

"Eligible Affiliate" means, in respect of any Private Sector Shareholder, any Affiliate of that Private Sector Shareholder which the Secretary of State is satisfied (acting reasonably) would (either directly or by the provision of appropriate credit support) following the transfer of any Junior Capital to such Affiliate and accession to this

Agreement in accordance with its terms, be capable of satisfying the equity commitments of the Private Sector Shareholder transferor as referred to in clause 3 (*Equity*);

"Environmental Information Regulations" has the meaning given to it in the Contingent Equity Support Agreement;

"Equity Subscription Obligations" mean the obligations on the Private Sector Shareholders under the Shareholders Agreement:

- (a) in relation to the commitment for the equity investment which is required to complete the Project (based on Capital Expenditure up to the Threshold Outturn); and
- (b) to maintain or have the benefit of, on each Test Date, Equity Support securing the payment of equity commitments of the Private Sector Shareholders in favour of IP OpCo or the Security Trustee equal to the amount of the aggregate equity commitments required to be subscribed by the Private Sector Shareholders during the eighteen (18) month period immediately following such Test Date based on the latest Expenditure Forecast in relation to the equity subscription obligations of the Private Sector Shareholders up to the Threshold Outturn;

"Equity Support" has the meaning given to it in schedule 2 of the Discontinuation Agreement;

"Existing Shareholder" means, on the relevant date, a holder of Junior Capital as of that date;

"Exit Notice" has the meaning given to it in paragraph 1.1 of schedule 4 (*Secretary of State Transfers*);

"Expiry Date" means the later of:

- (a) the date on which the Secretary of State ceases to be the holder of Junior Capital; and
- (b) the earlier of the following dates:
 - (i) the System Acceptance Date;
 - (ii) the Discontinuation Date;
 - (iii) the date on which the Parties agree in writing to terminate this Agreement; and
 - (iv) the Transfer Termination Date;

"Fees Regulations" means The Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004;

"Financial Indebtedness" has the meaning given to it in the Master Definitions Agreement;

"FOIA" has the meaning given to it in the Contingent Equity Support Agreement;

"General Anti-Abuse Rule" or **"GAAR"** means:

- (a) the legislation in Part 5 of the Finance Act 2013; and

(b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;

"Good Engineering and Construction Practice" means the good engineering practices and other practices, methods, equipment and procedures usually employed in engineering, design, construction, completion and commissioning by construction contractors and that degree of skill, diligence, prudence and foresight which would reasonably be expected to be observed by a skilled and experienced contractor engaged in carrying out activities the same as or similar to the IP Works under the same or similar circumstances for the lawful, safe, reliable and efficient, design, engineering, construction, completion and commissioning of sewage conveyance and treatment using the best available techniques and other best practices, methods, equipment and procedures, in all cases with a view to minimising environmental harm;

"Good Faith" has the meaning given to it in the Contingent Equity Support Agreement;

"Government Support Package" or **"GSP"** has the meaning given to it in the Contingent Equity Support Agreement;

"Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others;

"HMG Entity" has the meaning given to it in the Contingent Equity Support Agreement;

"HMG Shareholder" means an HMG Entity which has been issued with Junior Capital in accordance with clause 6.1(b) of the Contingent Equity Support Agreement;

"Holding Company" has the meaning set out in section 1159 of the Companies Act 2006;

"IAR Overrun Application" has the meaning given to it in the Project Licence;

"Investor" means any person who has an interest, directly or indirectly, in IP OpCo or any Subsidiary or a Holding Company of such person or any other Subsidiary of that Holding Company;

"IP EquityCo Articles" means the articles of association of IP EquityCo as amended from time to time;

"IP EquityCo Board" means the board of Directors from time to time of IP EquityCo as constituted in accordance with the Shareholders Agreement and the IP EquityCo Articles;

"IP EquityCo Director" means any director from time to time of IP EquityCo including, where applicable, any alternate director appointed pursuant to clause 5 (*Appointment of Secretary of State Directors to the Boards*);

"Information" shall have the meaning given to it in clause 20.6;

"IP HoldCo Articles" means the articles of association of IP HoldCo as amended from time to time;

"IP HoldCo Board" means the board of Directors from time to time of IP HoldCo as constituted in accordance with the Shareholders Agreement and the IP HoldCo Articles;

"IP HoldCo Director" means any director from time to time of IP HoldCo including, where applicable, any alternate director appointed pursuant to clause 5 (*Appointment of Secretary of State Directors to the Boards*);

"IP JVCo Articles" means the articles of association of IP JVCo as amended from time to time;

"IP JVCo Board" means the board of Directors from time to time of IP JV Co as constituted in accordance with the Shareholders Agreement and the IP JVCo Articles;

"IP JVCo Director" means any director from time to time of IP JV Co including, where applicable, any alternate director appointed pursuant to clause 5 (*Appointment of Secretary of State Directors to the Boards*);

"IP OpCo Articles" means the articles of association of IP OpCo as amended from time to time;

"IP OpCo Board" means the board of Directors from time to time of IP OpCo as constituted in accordance with the Shareholders Agreement;

"IP OpCo Director" means any director from time to time of IP OpCo including where applicable any alternate director appointed pursuant to clause 5 (*Appointment of Secretary of State Directors to the Boards of IP HoldCo and IP OpCo*);

"IP Owned Structures" has the meaning given to it in the Project Licence;

"IP Works" has the meaning given to it in the Contingent Equity Support Agreement;

"Junior Capital" has the meaning given to it in the Contingent Equity Support Agreement;

"Key Personnel" means those persons who fill the following roles of IP HoldCo and/or IP OpCo:

- (a) Chief Executive Officer;
- (b) Chief Financial Officer; and
- (c) Chief Operating Officer;

"Liaison Agreement" means the agreement of that name entered into between the Secretary of State, IP OpCo and Thames Water on or about the date of this Agreement;

"Licence Award" means the date of this Agreement;

"Main Works Contracts" has the meaning given to it in the Contingent Equity Support Agreement;

"Master Definitions Agreement" means the master definitions agreement entered into between, among others, the Secretary of State, the Secured Creditors, IP OpCo, IP HoldCo and the Security Trustee on or about the date of this Agreement;

"Minister of the Crown" has the meaning given to it in the Contingent Equity Support Agreement;

"Modified WIA" has the meaning given to it in the Contingent Equity Support Agreement;

"New Private Sector Shareholder" means any person becoming a Private Sector Shareholder after the date of this Agreement;

"Non-Compliant Private Sector Shareholder" means a party to whom the Secretary of State is entitled to give a Provisional Transfer Notice pursuant to clauses 7.4, 9.4 and 15.7;

"Occasion of Tax Non-Compliance" means:

- (a) any tax return of a Private Sector Shareholder submitted to a Relevant Tax Authority on or after 1 October 2012 is found to be incorrect as a result of:
 - (i) a Relevant Tax Authority successfully challenging the Private Sector Shareholder under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; or
 - (ii) the failure of an avoidance scheme which the Private Sector Shareholder was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or
- (b) the Private Sector Shareholder's tax affairs give rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the date of this Agreement or to a penalty for civil fraud or evasion;

"Offer" has the meaning given to it in paragraph 1.14 of schedule 4 (*Secretary of State Transfers*);

"Offer Terms" has the meaning given to it in paragraph 1.1(d) of schedule 4 (*Secretary of State Transfers*);

"Permitted Security" has the meaning given to it in the Master Definitions Agreement;

"Post Construction Review" has the meaning given to it in the Project Licence;

"Predicted Overrun" means has the meaning given to it in the Contingent Equity Support Agreement;

"Private Sector Shareholders" means Equity Provider 1, Equity Provider 2 Equity Provider 3, Equity Provider 4, Equity Provider 5 and such other persons (other than the Secretary of State or another HMG Shareholder) who become shareholders in IP EquityCo from time to time in accordance with this Agreement, the Shareholders Agreement and the IP EquityCo Articles, and **"Private Sector Shareholder"** means any one of them;

"Project" has the meaning given to it in the Contingent Equity Support Agreement;

"Project Completion Plan" has the meaning given to it in clause 11.1;

"Project Documents" has the meaning given to it in the Contingent Equity Support Agreement;

"Project Licence" has the meaning given to it in the Contingent Equity Support Agreement;

"Proportionate Entitlement" has the meaning given to it in paragraph 1.1 of schedule 4 (*Secretary of State Transfers*);

"Provisional Transfer Notice" means a notice given by the Secretary of State to a Non-Compliant Private Sector Shareholder pursuant to clauses 7.4, 9.4 and 15.7;

"PSS Termination Date" has the meaning given to it in clause 2.3;

"Regulator" means the Water Services Regulation Authority;

"Relevant Instruments" has the meaning given to it in paragraph 1.1 of schedule 4 (*Secretary of State Transfers*);

"Relevant Tax Authority" means HM Revenue & Customs, or, if applicable, a tax authority in the jurisdiction which is the Private Sector Shareholder's principal place of business;

"Request for Information" shall have the meaning given to it in clause 20.6;

"Reserved Matters" means the Category 1 Reserved Matters and the Category 2 Reserved Matters, which shall not be carried out without prior written approval of the Secretary of State in accordance with clause 10.1 and clause 10.2;

"RfI Recipient" has the meaning given in clause 20.8;

"Sale Date" has the meaning given to it in paragraph 1.13 of schedule 4 (*Secretary of State Transfers*);

"Secretary of State Observer" has the meaning given to it in clause 4.1;

"Secured Creditor" has the meaning given to it in the Discontinuation Agreement;

"Secretary of State Replacement" has the meaning given to it in clause 23.5;

"Security Trust and Intercreditor Deed" means the security trust and intercreditor deed entered into between (among others) the parties to this Agreement, the Security Trustee and IP OpCo's lenders dated on or about the date of this Agreement;

"Security Trustee" has the meaning given to it in the Discontinuation Agreement;

"Selling Shareholders" has the meaning given to it in paragraph 1.12 of schedule 4 (*Secretary of State Transfers*);

"Senior Financing Agreements" has the meaning given to it in the Discontinuation Agreement;

"Shareholder Claimant" has the meaning given to it in clause 12.1(a);

"Shareholder Claimant Directors" has the meaning given to it in clause 12.1(a)(ii);

"Shareholder Respondent" has the meaning given to it in clause 12.1(b);

"Shareholder Respondent Directors" has the meaning given to it in clause 12.1(b)(ii);

"Shareholders Agreement" means the shareholders agreement entered into between the parties to this Agreement (other than the Secretary of State) dated on 12 May 2015 (as amended and restated from time to time);

"SIP Regulations" means the Water Industry (Specified Infrastructure Projects) (English Undertakers) Regulations 2013 (SI 2013/1582) as amended from time to time;

"Specified Price" has the meaning given to it in paragraph 1.1(b) of schedule 4 (*Secretary of State Transfers*);

"Subsidiary" has the meaning set out in section 1159 of the Companies Act 2006;

"Suitable Party" means any person who is not an Unsuitable Party;

"System Acceptance Date" has the meaning given to it in the Contingent Equity Support Agreement;

"TA" has the meaning given to it in clause 11.2;

"Tag Along Notice" has the meaning given to it in paragraph 1.14 of schedule 4 (*Secretary of State Transfers*);

"Test Date" has the meaning given to it in the Discontinuation Agreement;

"Thames Water" means Thames Water Utilities Limited (registration number 02366661) or the Incumbent Undertaker (as defined in the Project Licence) from time to time;

"Third Party Purchaser" has the meaning given to it in paragraph 1.1(c) of schedule 4 (*Secretary of State Transfers*);

"Threshold Outturn" has the meaning given to it in the Contingent Equity Support Agreement;

"Threshold Outturn Date" has the meaning given to it in the Contingent Equity Support Agreement;

"Transaction Documents" has the meaning given to it in the Discontinuation Agreement;

"Transfer" has the meaning given to it in the Contingent Equity Support Agreement;

"Transfer Termination Date" means the date on which this Agreement is terminated in accordance with clause 2.4 or clause 2.6;

"Transparency Information" means the information described in Parts A and/or B of schedule 3 (*Transparency Information and Commercially Sensitive Information*) and in no circumstances shall any Transparency Information constitute Commercially Sensitive Information;

"Trigger Shares" has the meaning given to it in paragraph 1.13(a) of schedule 4 (*Secretary of State Transfers*);

"Triggering Transfer" has the meaning given to it in paragraph 1.12 of schedule 4 (*Secretary of State Transfers*); and

"Unsuitable Party" means:

- (a) any person whose activities, in the reasonable opinion of the Secretary of State (as determined on behalf of the Secretary of State by a member of the senior civil service), pose or could pose a threat to national security relating to the Project; or
- (b) any person whose tax returns submitted on or after 1 October 2012 have been found to be incorrect as a result of:
 - (i) HMRC successfully challenging it under the GAAR or the Halifax Abuse Principle (and such challenge has not been subsequently successfully overturned);
 - (ii) a tax authority in a jurisdiction in which the person is obliged to submit a tax return successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the GAAR or the Halifax Abuse Principle (and such challenge has not been subsequently successfully overturned); and/or

- (iii) the failure of an avoidance scheme which the person was involved in and which was, or should have been, notified under the Disclosure of Tax Avoidance Scheme or any equivalent or similar regime in a jurisdiction in which the person is established.

1.2 Interpretation

- (a) In this Agreement, where definitions have the meaning given to them in the Master Definitions Agreement, those definitions shall be as set out in the Master Definitions Agreement as at Licence Award, unless the Secretary of State has expressly consented to any amendment to such definitions.
- (b) In this Agreement, unless the context otherwise requires the headings are inserted for convenience only and shall not affect the construction of this Agreement.
- (c) The schedules shall be deemed to be incorporated into this Agreement.
- (d) All representations, warranties, indemnities, covenants, agreements, undertakings and obligations made or given or entered into by more than one person in this Agreement are made or given or entered into severally and not jointly.
- (e) Expressions in this Agreement that are appropriate to companies shall be construed, in relation to an undertaking that is not a company, as references to the corresponding persons, officers, documents or organs, as the case may be, appropriate to undertakings of that nature.
- (f) Unless a contrary indication appears, any reference in this Agreement to:
 - (i) any document, agreement or instrument is a reference to that document, agreement or instrument as amended, novated, supplemented, extended or restated;
 - (ii) a document being in "**Agreed Form**" is a reference to the form of the relevant document agreed between the parties and for the purpose of identification initialled by each of them or on their behalf;
 - (iii) a "**person**" includes any individual, firm, borrower, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - (iv) the Secretary of State, Equity Provider 1, Equity Provider 2, Equity Provider 3, Equity Provider 4, Equity Provider 5, IP EquityCo, IP JVCo, IP HoldCo, IP OpCo or any other person includes its respective successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Agreement;
 - (v) a "**clause**" or "**schedule**" is a reference to a clause of or schedule to this Agreement;
 - (vi) a reference to a subsidiary or holding company is to be construed in accordance with section 1159 of the Companies Act 2006;
 - (vii) a provision of law is a reference to that provision as amended or re-enacted;
 - (viii) a time of day is a reference to London time; and

- (ix) references to "**includes**", "**including**", "**in particular**", "**other**" or "**otherwise**" are to be construed without limitation and the eiusdem generis rule shall not apply to this Agreement.

2. **COMMENCEMENT AND DURATION**

2.1 This Agreement shall come into effect:

- (a) in relation to the Private Sector Shareholders (other than New Private Sector Shareholders), the Secretary of State, IP EquityCo, IP JVCo, IP HoldCo and IP OpCo, on Licence Award; and
- (b) in relation to any New Private Sector Shareholders, on the date on which the relevant New Private Sector Shareholder executes a Deed of Adherence in accordance with clause 15.1 or 15.2 and accedes to the Security Trust and Intercreditor Deed and Shareholders Agreement.

2.2 Except as provided in clause 2.3, this Agreement shall continue in full force and effect until the Expiry Date.

2.3 Immediately following the earlier of the Expiry Date and a Private Sector Shareholder ceasing to hold any Junior Capital (the "**PSS Termination Date**"), such Private Sector Shareholder shall cease to have any rights or obligations under this Agreement save that:

- (a) its rights and obligations under clauses 9.2 and 19 (*Confidentiality and Freedom of Information*) to 34 (*Jurisdiction and Disputes*);
- (b) its liability for any breaches of this Agreement occurring prior to the PSS Termination Date;
- (c) any rights or cause of action under this Agreement that arose prior to the PSS Termination Date; and
- (d) its rights to receive any payment in connection with the transfer of its Junior Capital,

shall continue in full force and effect.

2.4 If a transfer of the IP Works and/or the IP Owned Structures (as applicable) (whether partially or wholly constructed), whether by share sale or asset transfer, is directed or agreed pursuant to the Project Licence, Modified WIA or otherwise in accordance with law which, subject to clause 2.5:

- (a) excludes this Agreement (and a replacement shareholders direct agreement has not been entered into by the transferee in accordance with clause 2.7) or any other document forming part of the Government Support Package;
- (b) excludes the Liaison Agreement;
- (c) excludes the Project Licence and the relevant transferee has not been granted a project licence pursuant to the Modified WIA; or
- (d) where there is more than one transferee for the transfer, excludes this Agreement, any other document forming part of the Government Support Package or the Liaison Agreement in a transfer to a single transferee,

and the Secretary of State has not given its express consent to such transfer, the Secretary of State may, by notice to the other Parties, terminate this Agreement with effect from the date of such transfer. Such termination shall be without prejudice to any

accrued rights or obligations under this Agreement and no Party will have any claim against any other Party in respect of such termination.

2.5 For the purposes of clauses 2.4(a), 2.4(b) and 2.4(d) only, the references to "this Agreement", "any other document forming part of the GSP" or "the Liaison Agreement" shall each be construed to exclude any documents which:

- (a) are not capable of being transferred at law; and
- (b) have expired by operation of their terms.

2.6 If a transfer of:

- (a) the IP Works and/or the IP Owned Structures (as applicable) (whether partially or wholly constructed), whether by share sale or asset transfer; or
- (b) the shares of IP OpCo, IP HoldCo or IP JVCo which results in a breach of clause 7.3 of the Shareholders Direct Agreement,

in each case occurs as a result of the enforcement of any security under the Senior Financing Agreements:

- (i) where any document forming part of the Government Support Package which has a counterparty which ceases to be a Holding Company of IP OpCo has not been transferred to an equivalent Holding Company of IP OpCo (an **"Equivalent Holding Company"**);
- (ii) where the transferee, any Equivalent Holding Company or any shareholder of any Equivalent Holding Company has not entered a Deed of Adherence or a replacement Shareholders Direct Agreement in a form satisfactory to the Secretary of State;
- (iii) where the transferee, any Equivalent Holding Company or any shareholder of any Equivalent Holding Company is an Unsuitable Party ;
- (iv) where the financing arrangements following such transfer are not substantially equivalent to the existing financing arrangements or are less favourable to the Secretary of State;
- (v) where the transferee, any Equivalent Holding Company or any shareholder of any Equivalent Holding Company is not resident in the United Kingdom for tax purposes; or
- (vi) where the corporate ownership structure of IP OpCo is not equivalent to the corporate structure of IP OpCo at Licence Award as referenced in clause 7.3 of the Shareholders Direct Agreement and as contemplated by the terms of the GSP,

and the Secretary of State has not given its express consent to such transfer, the Secretary of State may, by notice to the other Parties, terminate this Agreement with effect from the date of such transfer. Such termination shall be without prejudice to any accrued rights or obligations under this Agreement and no Party will have any claim against any other Party in respect of such termination.

2.7 Following the enforcement of any security under the Senior Financing Agreements resulting in a change of ownership of IP HoldCo or (with the approval of the Secretary of State) IP OpCo, the Secretary of State shall enter into a replacement shareholders direct agreement with the new owners of the relevant company in a form satisfactory to the Secretary of State unless such owners have acceded to this Agreement.

3. **EQUITY**

3.1 The Private Sector Shareholders, IP EquityCo, IP JVCo, IP HoldCo and IP OpCo shall comply with the terms of the Shareholders Agreement.

3.2 The Private Sector Shareholders, IP EquityCo, IP JVCo, IP HoldCo and IP OpCo shall not amend, vary, prejudice, reduce or waive the Equity Subscription Obligations without the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed).

3.3 IP EquityCo, IP JVCo, IP HoldCo and each of the Private Sector Shareholders acknowledge that the:

- (a) price to be paid for Junior Capital to be issued in respect of ATO Equity (as defined in the Contingent Equity Support Agreement); and
- (b) adjustments to STO Equity and ATO Equity (each as defined in the Contingent Equity Support Agreement),

will be determined pursuant to clause 7 (*Valuation of new Junior Capital*) of the Contingent Equity Support Agreement and each irrevocably agrees to be bound by such determination and shall take all action reasonably required to effect such determination.

4. **SECRETARY OF STATE OBSERVER**

4.1 Subject to clause 4.2, from the date of a Commitment Notice until the earlier of:

- (a) the date of the appointment of a Director nominated by the Secretary of State in accordance with clause 5 (*Appointment of Secretary of State Directors to the Boards*); and
- (b) the withdrawal of a Contingent Equity Commitment Request by IP HoldCo pursuant to clause 5.4 of the Contingent Equity Support Agreement,

the Secretary of State shall be entitled to nominate (and remove or replace) by notice in writing to IP EquityCo, IP JVCo, IP HoldCo and IP OpCo (copied to the Directors) from time to time a person as an observer (the "**Secretary of State Observer**") to attend the meetings of the Boards.

4.2 The entitlement to nominate a Secretary of State Observer and the right of the Secretary of State Observer to attend meetings of the Boards shall not apply during any period that one or more Secretary of State appointed Directors have been appointed to the Boards pursuant to clause 5 (*Appointment of Secretary of State Directors to the Boards*).

4.3 The Secretary of State shall make the nomination referred to in clause 4.1 having consulted with the Private Sector Shareholders. If the proposed Secretary of State Observer is not an employee or officer of the Department for Environment, Food and Rural Affairs or of another HMG Entity then the Secretary of State shall inform the Private Sector Shareholders of the identity of the proposed appointee and shall have reasonable regard to any representations made by any Private Sector Shareholder asserting that the proposed Secretary of State Observer would not be appropriate because that proposed appointee is an employee of, or associated with, a direct competitor of the relevant Private Sector Shareholder.

4.4 Following a nomination under clause 4.1, the Secretary of State shall procure that the Secretary of State Observer shall enter into a confidentiality undertaking in favour of the Parties (other than the Secretary of State) in relation to any information received by the Secretary of State Observer in that capacity.

- 4.5 If the Secretary of State Observer breaches the confidentiality undertaking referred to in clause 4.4, any of the Parties (other than the Secretary of State) may remove the person currently acting as the Secretary of State Observer by prior notice in writing to the Secretary of State. On receipt of such notice, the Secretary of State shall be entitled to nominate a replacement Secretary of State Observer by notice in writing to the other Parties in accordance with clause 4.1.
- 4.6 Following the entry into a confidentiality undertaking in accordance with clause 4.4, the Secretary of State Observer shall be entitled to receive a copy of all Board papers (including all briefing papers, information and notices sent to any of the Directors in their capacity as Directors of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo), minutes of all Board meetings and any other information received by any of the Directors in their capacity as Directors of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo at the same time such information is provided to the Directors as if he/she were a Director.
- 4.7 The Secretary of State Observer shall have no right to vote at Board meetings, but shall have the right to speak and contribute at Board meetings. The Secretary of State Observer shall be entitled to notice of Board meetings as if he/she were a Director.
- 4.8 The Secretary of State Observer shall not be entitled to attend the relevant part of a Board meeting or to receive the relevant part of any Board papers which relate to any dispute or matter where proceedings have been issued against the Secretary of State by IP EquityCo, IP JVCo, IP OpCo or IP HoldCo such that the step-aside provisions in clause 12.1(d) apply.

5. **APPOINTMENT OF SECRETARY OF STATE DIRECTORS TO THE BOARDS**

- 5.1 Subject to clause 5.2, where an Aggregate Commitment (together with any Junior Capital held by the Secretary of State on the date of the relevant Contingent Equity Commitment Request) is an amount equal to or greater than ten (10) per cent of the total equity issued by IP EquityCo in favour of any shareholder at the date of the relevant Contingent Equity Commitment Request, on and from the first relevant Contingent Equity Contribution Date the Secretary of State shall have the right exercisable by notice in writing to IP EquityCo to require the appointment of one or more Directors of IP EquityCo nominated by the Secretary of State and by like notice to require the removal of any such appointed Director(s) and the appointment of one or more other persons to act in place of such Director(s).
- 5.2 Where clause 5.1 applies, for so long as the Secretary of State's shareholding in IP EquityCo is:
- (a) greater than zero (0) but less than twenty (20) per cent of the total issued share capital in IP EquityCo, the Secretary of State shall be entitled to nominate one Director under clause 5.1; and
 - (b) equal to or greater than twenty (20) per cent of the total issued share capital in IP EquityCo, the Secretary of State shall be entitled to nominate an additional Director.
- 5.3 In addition to the Secretary of State's rights to require the appointment of Directors under clause 5.1, the Secretary of State shall have the right exercisable by notice in writing to IP EquityCo to require the appointment of one or more persons (up to a maximum of three) as alternate director(s) to each of its Director appointees and to replace any such person(s) as an alternate director from time to time.
- 5.4 The Parties shall procure that the Director(s) of IP EquityCo (and any alternate director(s)) required by the Secretary of State to be appointed or removed in accordance

with this clause 5 shall also be appointed or removed, as the case may be, as Director(s)/alternate director(s) of IP JVCo, IP HoldCo and IP OpCo.

5.5 The Parties acknowledge and agree that the valuation of ATO Equity (as defined in the Contingent Equity Support Agreement) pursuant to clause 6 of the Contingent Equity Support Agreement may impact the percentage of the total issued share capital in IP EquityCo held by the Secretary of State from time to time.

5.6 To the extent that the Secretary of State is no longer entitled to appoint the number of Directors pursuant to clause 5.2 which the Secretary of State has as a result of the valuation of ATO Equity, the last Director(s) appointed by the Secretary of State shall be automatically removed from office until the number of Directors remaining in office appointed by the Secretary of State is equal to the number which the Secretary of State is entitled to appoint pursuant to clause 5.2.

6. **SECRETARY OF STATE ADHERENCE TO THE SHAREHOLDERS AGREEMENT AND SECURITY TRUST AND INTERCREDITOR DEED**

6.1 The Parties shall execute a deed of adherence with the Secretary of State or another HMG Shareholder (as applicable) in the form set out in the Shareholders Agreement on or immediately prior to the date on which the Secretary of State or the HMG Shareholder (as applicable) becomes a holder of Junior Capital to ensure that the Secretary of State or the HMG Shareholder (as applicable) becomes a party to the Shareholders Agreement.

6.2 The Parties shall execute a deed of adherence with the Secretary of State or HMG Shareholder (as applicable), in its capacity as holder of Junior Capital, in the form set out in the Security Trust and Intercreditor Deed on or immediately prior to the date on which the Secretary of State or the HMG Shareholder (as applicable) becomes a holder of Junior Capital to ensure that the Secretary of State or the HMG Shareholder (as applicable) becomes a party to the Security Trust and Intercreditor Deed.

7. **TAX COMPLIANCE AND OTHER UNDERTAKINGS**

7.1 Each Private Sector Shareholder represents and warrants that, as at the date of this Agreement, it has notified the Secretary of State in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in that is in connection with any Occasions of Tax Non-Compliance.

7.2 If at any time, during the term of this Agreement, an Occasion of Tax Non-Compliance occurs in relation to a Private Sector Shareholder, the Private Sector Shareholder shall:

(a) notify the Secretary of State in writing of such fact within five (5) Business Days of its occurrence; and

(b) promptly provide to the Secretary of State:

(i) details of the steps which the Private Sector Shareholder is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with the steps proposed to mitigate the Occasion of Tax Non-Compliance; and

(ii) such other information in relation to the Occasion of Tax Non-Compliance as the Secretary of State may reasonably require.

7.3 Each Private Sector Shareholder shall exercise all of the rights available to it as a shareholder in IP EquityCo to ensure, and IP EquityCo shall ensure, that:

(a) IP OpCo maintains tax residency status in the United Kingdom;

- (b) IP HoldCo retains ownership of one hundred (100) per cent of the issued share capital of IP OpCo;
- (c) IP JVCo retains ownership of one hundred (100) per cent of the issued share capital of IP HoldCo; and
- (d) IP EquityCo retains ownership of one hundred (100) per cent of the issued share capital of IP JVCo.

7.4 If:

- (a) the warranty given by a Private Sector Shareholder pursuant to clause 7.1 is untrue and/or the Private Sector Shareholder commits a material breach of its obligation to notify the Secretary of State of any Occasion of Tax Non-Compliance as required by clause 7.2 and, in either case, the Private Sector Shareholder fails to promptly provide details of the proposed steps to mitigate the impact of the Occasion of Tax Non-Compliance which, in the reasonable opinion of the Secretary of State, are acceptable; or
- (b) a Private Sector Shareholder breaches its obligations under clause 7.3,

then the Secretary of State shall be entitled to give a Provisional Transfer Notice to that Private Sector Shareholder and the provisions of clause 17 (*Provisional Transfer Notices*) shall apply.

7.5 The Secretary of State shall provide reasons to the relevant Private Sector Shareholder when exercising its discretion under clause 7.4 to issue a Provisional Transfer Notice.

7.6 Neither IP EquityCo nor IP JVCo will:

- (a) create or permit to subsist any security interest other than as created pursuant to the Senior Financing Agreements as at the date of this Agreement on, over or affecting the whole or any part of its respective undertaking or assets, present or future, excluding the categories of security specified in paragraphs (a), (b), (c), (l), (p), (q) and (r) of the definition of Permitted Security in the Master Definitions Agreement;
- (b) be a creditor in respect of any Financial Indebtedness or incur or allow to remain outstanding any Financial Indebtedness other than as contemplated by the subscriptions obligations arising under the Shareholders Agreement; or
- (c) incur or allow to remain outstanding any guarantee in respect of any obligation of any person arising under the Shareholders Agreement.

8. **EXPERIENCED INDEPENDENT NON-EXECUTIVE DIRECTOR**

IP OpCo and IP HoldCo shall appoint to the IP OpCo Board and maintain the appointment of, for the period from Licence Award until the System Acceptance Date, an independent non-executive Director (and any replacement as necessary) with experience in senior management, executive or advisory roles on major infrastructure investments or projects for a period of at least 10 years, including on at least one infrastructure investment or project (or programme of related infrastructure investments or projects) with a capital value in excess of £250 million in the United Kingdom or another country in a sector which is regulated.

9. **PROVISION OF INFORMATION TO THE SECRETARY OF STATE**

9.1 For the term of this Agreement:

- (a) IP EquityCo shall supply in respect of IP EquityCo, IP JVCo shall supply in respect of IP JVCo, IP HoldCo shall supply in respect of IP HoldCo and IP OpCo shall supply in respect of IP OpCo, the Secretary of State with the Transparency Information as detailed in Part A of schedule 3 (*Transparency Information and Commercially Sensitive Information*) relating to it no later than the relevant last date for provision of the information referred to therein;
- (b) each Private Sector Shareholder shall provide the Secretary of State with the information as detailed in Part B of schedule 3 (*Transparency Information and Commercially Sensitive Information*) no later than the relevant last date for provision of the information referred to therein; and
- (c) IP EquityCo, IP JVCo, IP HoldCo, IP OpCo and each Private Sector Shareholder shall use its reasonable endeavours to assist the Secretary of State in its preparation of any report required by a government department from time to time, which relates in whole or in part to the Project.

9.2 Notwithstanding the provisions of clause 19 (*Confidentiality and Freedom of Information*):

- (a) the Secretary of State may disclose and use any Transparency Information in such manner and for such purposes as it may determine from time to time, including reports and reviews of the performance of the Project and in relation to any audit, accounting or other review or scrutiny by any government or public body where the Secretary of State considers it appropriate to make some or all of such information available; and
- (b) IP EquityCo, IP JVCo, IP HoldCo, IP OpCo and each Private Sector Shareholder shall permit all records referred to in clauses 9.1 and 9.2 to be examined and copied from time to time by the Secretary of State or by any person to whom the Secretary of State notifies IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) that it wishes to have access to any such documents, records or information.

9.3 If the Secretary of State considers (acting reasonably) that a Private Sector Shareholder is in breach of clause 9.1(b), the Secretary of State shall be entitled to serve notice on the relevant Private Sector Shareholder requesting the relevant information as detailed in Part B of schedule 3 (*Transparency Information and Commercially Sensitive Information*) to be provided to the Secretary of State within ten (10) Business Days.

9.4 If the Private Sector Shareholder referred to in clause 9.3 does not provide the information requested by the Secretary of State under clause 9.3, the Secretary of State shall be entitled to give that Private Sector Shareholder a Provisional Transfer Notice and the provisions of clause 17 (*Provisional Transfer Notices*) shall apply.

9.5 The Secretary of State shall provide reasons to the relevant Private Sector Shareholder when exercising its discretion under clause 9.4 to issue a Provisional Transfer Notice.

10. **RESERVED MATTERS**

10.1 From the date of a Commitment Notice until the date upon which the Secretary of State ceases to hold any Junior Capital, the Category 1 Reserved Matters shall not be carried out by or in relation to IP EquityCo, IP JVCo, IP HoldCo or IP OpCo without the prior written approval of the Secretary of State, and each Private Sector Shareholder shall use their respective rights and powers to procure, so far as they are each able, that no such Reserved Matter is carried out unless the required approval has been given.

10.2 Where the Aggregate Commitment (together with any Junior Capital held by the Secretary of State on the date of the relevant Contingent Equity Commitment Request) is an amount equal to or greater than ten (10) per cent of the total equity issued by IP

EquityCo in favour of any shareholder at the date of the relevant Contingent Equity Commitment Request, then from the date of the relevant Commitment Notice until the date that the Secretary of State's shareholding in IP EquityCo has reduced to less than ten (10) per cent of the total issued share capital of IP EquityCo (provided that such shareholding has been at least ten (10) per cent), the Category 2 Reserved Matters shall not be carried out by or in relation to IP EquityCo, IP JVCo, IP HoldCo or IP OpCo without the prior written approval of the Secretary of State, and each Private Sector Shareholder shall use their respective rights and powers to procure, so far as they are each able, that no such Reserved Matter is carried out unless the required approval has been given.

11. PROJECT COMPLETION PLAN

11.1 Following the identification of a Predicted Overrun pursuant to the Liaison Agreement, and if either clauses 7.2.8(i) or 7.2.8(ii) of the Liaison Agreement apply, IP OpCo shall provide the Secretary of State with a detailed expenditure plan for IP OpCo for the completion of the Project (the "**Project Completion Plan**") and such Project Completion Plan shall:

- (a) include details of the proposed cost mitigation measures to be employed (including, but not limited to, proposed method of delivery, timing of expenditure and IP OpCo's management of its contractors);
- (b) include proposals for managing regulatory approvals and consents (including, but not limited to, any IAR Overrun Applications) in order to prevent or reduce Disallowed Expenditure as far as reasonably practicable;
- (c) comply with Good Engineering and Construction Practice; and
- (d) include details of any adjustment to the relevant Predicted Overrun likely to arise as a result of the measures and proposals under clauses 11.1(a) and 11.1(b).

11.2 The Secretary of State shall be entitled to:

- (a) review, challenge and comment on the Project Completion Plan; and
- (b) appoint a technical adviser (the "**TA**") at IP OpCo's expense who will be entitled to review, challenge and comment on the Project Completion Plan,

in each case, to ensure that the Project Completion Plan meets the requirements of clause 11.1.

11.3 IP OpCo shall give due consideration to any comments provided by the TA and the Secretary of State in respect of the Project Completion Plan and promptly provide revised versions to the Secretary of State updated to reflect such comments as necessary until the Secretary of State approves the Project Completion Plan (as updated from time to time with the agreement of the Secretary of State, the "**Approved Project Completion Plan**"), provided that IP OpCo may refer any disputes regarding the content of the Project Completion Plan to the Dispute Resolution Process in order to determine the Approved Project Completion Plan.

11.4 If at any time IP OpCo considers (acting reasonably) that the Approved Project Completion Plan requires amendment to reflect changes in costs, timing or other circumstances in the Project, it may submit a revised draft Project Completion Plan to the Secretary of State and clauses 11.2 and 11.3 will apply to such revised plan.

11.5 IP OpCo shall:

- (a) provide to the Secretary of State and the TA all supporting information comprising or relating to the Project Completion Plan reasonably requested by the Secretary of State or the TA; and

- (b) comply with the Approved Project Completion Plan as agreed or determined in accordance with this clause 11.

11.6 Any failure by IP OpCo to comply with the Approved Project Completion Plan (as may be updated in accordance with clause 11.4) in any material respect will constitute a Remedy Event (as that term is defined in the Discontinuation Agreement) in accordance with the terms of the Discontinuation Agreement.

12. **STEP-ASIDE PROVISIONS**

12.1 Notwithstanding any provision to the contrary in this Agreement, the Shareholders Agreement, the IP EquityCo Articles, the IP JVCo Articles, the IP HoldCo Articles or the IP OpCo Articles:

- (a) if it is reasonable to conclude that a Private Sector Shareholder, any Associate of a Private Sector Shareholder or the Secretary of State (to the extent the Secretary of State holds any Junior Capital) has a firm intention to issue proceedings in respect of any Claim against IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (the **"Shareholder Claimant"**):

- (i) the relevant Board shall be entitled to defend such Claim in the name and at the expense of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be);

- (ii) each of the Directors appointed by the Shareholder Claimant (the **"Shareholder Claimant Directors"**) shall not be entitled to (and the Shareholder Claimant shall procure that the Shareholder Claimant Directors shall not) make (or participate in making) any decisions, attend or vote at meetings of the Board or otherwise take any action on behalf of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) in respect of the defence by IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) of such Claim, nor shall they be entitled to receive any Board papers or other papers (or the relevant part thereof) or information in relation to such Claim; and

- (iii) the quorum at any Board meeting of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) convened to consider any such Claim shall not require the Shareholder Claimant Directors;

- (b) if a Private Sector Shareholder or the Secretary of State (to the extent the Secretary of State holds any Junior Capital) (other than the Shareholder Respondent, as defined below) asserts that IP EquityCo, IP JVCo, IP HoldCo or IP OpCo has any Claim against another Private Sector Shareholder, an Associate of a Private Sector Shareholder or the Secretary of State (to the extent the Secretary of State holds any Junior Capital) (the **"Shareholder Respondent"**):

- (i) the relevant Board shall be entitled to determine if and when to pursue such Claim in the name and at the expense of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) by the issue of proceedings by IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) against the Shareholder Respondent;

- (ii) each of the Directors appointed by the Shareholder Respondent (the **"Shareholder Respondent Directors"**) shall not be entitled to receive any Board papers (or the relevant part thereof) or other papers or information in relation to such Claim, nor shall they be entitled to (and the Shareholder Respondent shall procure that each of the Shareholder Respondent Directors shall not) make (or participate in making) any decisions, attend or vote at

meetings of the Board or otherwise take any action on behalf of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) in respect of:

- (A) any decision pursuant to sub-clause 12.1(b)(i) to issue proceedings in respect of the relevant Claim; and/or
 - (B) once proceedings have been issued in respect of the relevant Claim, the pursuance of that Claim by IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be); and
 - (iii) the quorum at any board meeting of IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (as the case may be) convened in relation to any consideration of making a Claim (as referred to under sub-clause 12.1(b)(i)) and after the issue of proceedings in relation to the relevant Claim shall not require the Shareholder Respondent Directors.
- (c) For the purposes of this clause 12.1, "**Claim**" shall mean a claim of any nature, whether for breach of contract, in tort, breach of statutory duty or otherwise.
- (d) The Secretary of State Observer shall be excluded from meetings and from receipt of Board papers or other information in the same manner as the Director(s) appointed by the Secretary of State in accordance with sub-clauses (a) and (b).

13. **SECRETARY OF STATE RIGHTS OF SALE**

- 13.1 Subject to clauses 13.2 and 15, the Secretary of State shall be entitled to Transfer such Junior Capital (or any part thereof) as it may possess from time to time to such entities and on such terms as the Secretary of State (acting in its absolute discretion) considers appropriate.
- 13.2 The provisions of schedule 4 (*Secretary of State Transfers*) shall apply in relation to any Transfer or proposed Transfer by the Secretary of State to a third party. The Secretary of State shall not Transfer its beneficial interest in such Junior Capital separately from its legal interest.
- 13.3 Without limiting schedule 4 (*Secretary of State Transfers*), a Private Sector Shareholder and/or IP EquityCo may offer to purchase all (but not some) of the Junior Capital held by the Secretary of State at any time. The Secretary of State, in its absolute discretion, may accept or reject such offer and/or place such conditions on the transfer of the Junior Capital as it considers necessary (including regarding the terms of any such sale and purchase).

14. **AMENDMENTS TO THE SHAREHOLDERS AGREEMENT AND ARTICLES**

- 14.1 The Parties agree that the Shareholders Agreement and the Articles may not be varied or terminated without the prior written consent of the Secretary of State (such consent not to be unreasonably withheld).
- 14.2 To the extent of any inconsistency between this Agreement and the Shareholders Agreement, this Agreement prevails.

15. **TRANSFERS OF JUNIOR CAPITAL**

- 15.1 Without prejudice to the remainder of this clause 15 and clause 16 (*Transfers of Junior Capital during a Contingent Equity Commitment Period*), no Private Sector Shareholder nor the Secretary of State shall sell or Transfer any Junior Capital to any person other than to an Existing Shareholder unless that person has first executed a Deed of Adherence in the form set out in schedule 2 (*Deed of Adherence*) and has acceded to the Security Trust and Intercreditor Deed and Shareholders Agreement. Each of the Parties shall

execute any such Deed of Adherence in respect of a Transfer of Junior Capital made in the accordance with this Agreement, the Shareholders Agreement, the Contingent Equity Support Agreement, the IP EquityCo Articles and the IP JVCo Articles. Neither IP EquityCo nor IP JVCo shall register any Transfer in accordance with this Agreement, the Shareholders Agreement and the IP EquityCo Articles and the IP JVCo Articles unless the transferee (other than where the transferee is the Secretary of State or existing Private Sector Shareholder) has first executed a Deed of Adherence in the form set out in schedule 2 (*Deed of Adherence*).

- 15.2 IP EquityCo shall not register any New Private Sector Shareholder unless and until IP EquityCo procures that such New Private Sector Shareholder has executed a Deed of Adherence in the form set out in schedule 2 (*Deed of Adherence*), has provided the executed power of attorney required by clause 19.3 and has acceded to the Security Trust and Intercreditor Deed and Shareholders Agreement.
- 15.3 The Private Sector Shareholders shall inform the Secretary of State in writing as soon as practicable, but in any event not less than 30 Business Days in advance, of any proposed Transfer of Junior Capital.
- 15.4 IP EquityCo and IP JVCo shall provide all reasonable assistance to all holders of Junior Capital in relation to any Transfer or proposed Transfer by any holder of Junior Capital including, but not limited to, entering into any necessary documentation, providing or granting access to any relevant information (including but not limited to accounting information), providing any third party purchaser with access to the management of IP EquityCo, IP JVCo, IP OpCo and its Associates, and otherwise allowing any third party purchaser to perform customary due diligence on IP EquityCo, IP JVCo, IP OpCo and its Associates (subject to, where information is being provided directly to any third party purchaser, such third party purchaser entering into a non-disclosure agreement with IP EquityCo or IP JVCo (as the case may be) in customary form, reasonably acceptable to IP EquityCo or IP JVCo (as the case may be)).
- 15.5 Without prejudice to clause 16 (*Transfers of Junior Capital during a Contingent Equity Commitment Period*), the Secretary of State shall be entitled to object to any proposed Transfer of Junior Capital if such proposed Transfer is to an Unsuitable Party.
- 15.6 If the Secretary of State is entitled to, and does, object to a Transfer of Junior Capital pursuant to clause 15.5 or clause 16 (*Transfers of Junior Capital during a Contingent Equity Commitment Period*), neither IP EquityCo nor IP JVCo shall register the proposed Transfer and the transferring Private Sector Shareholder shall not make the proposed Transfer.
- 15.7 Without prejudice to clause 15.6, if an Unsuitable Party is registered as a shareholder in IP EquityCo, the Secretary of State shall be entitled to give a Provisional Transfer Notice to that Private Sector Shareholder and the provisions of clause 17 (*Provisional Transfer Notices*) shall apply.
- 15.8 The Secretary of State shall provide reasons to the relevant Private Sector Shareholder when exercising its discretion under clause 15.5 to object to a proposed Transfer of Junior Capital or clause 15.7 to issue a Provisional Transfer Notice.

16. TRANSFERS OF JUNIOR CAPITAL DURING A CONTINGENT EQUITY COMMITMENT PERIOD

- 16.1 Subject to clauses 16.2, during any Contingent Equity Commitment Period, IP EquityCo and IP JVCo shall procure that no Private Sector Shareholder shall Transfer any interest in any Junior Capital to any party (whether to a third party, Private Sector Shareholder or otherwise) without:

- (a) first providing the Secretary of State with such details as the Secretary of State may reasonably require as to the identity of the proposed transferee(s) and the terms of the proposed Transfer; and
 - (b) the prior written consent of the Secretary of State (not to be unreasonably withheld or delayed, provided that, on and from the Threshold Outturn Date, such consent may be given or withheld in the absolute discretion of the Secretary of State).
- 16.2 Where the Secretary of State has not responded to any proposed Transfer of any interest in any Junior Capital in accordance with clause 16.1 within 20 Business Days of the later of:
- (a) the date of receipt of the relevant written request for such consent; and
 - (b) the date on which all reasonable details of the proposed transferee(s) and the terms of the proposed Transfer, including pricing in respect of the same, reasonably required by the Secretary of State, have been provided to the Secretary of State,
- the Secretary of State shall be deemed to have consented to such Transfer.
- 16.3 The Secretary of State's consent to any Transfer of any interest in any Junior Capital shall not be required where the proposed Transfer:
- (a) is an assignment by way of security made to any Secured Creditor;
 - (b) becomes effective on or following the expiry of the Contingent Equity Commitment Period;
 - (c) is of a percentage holding in IP EquityCo or IP JVCo which (individually or taken in aggregate with all previous Transfers by the relevant transferor or any of its Affiliates past or present) is less than one (1) per cent; or
 - (d) is made to any Eligible Affiliate, provided that if such Eligible Affiliate ceases or proposes to cease being an Eligible Affiliate then such Eligible Affiliate transferee shall immediately transfer all its interest in any Junior Capital to the originally transferring Private Sector Shareholder or to another Eligible Affiliate of the originally transferring Private Sector Shareholder.
- 16.4 The Secretary of State shall provide reasons to the relevant Private Sector Shareholder when exercising its discretion under clause 16.1(b) to object to a Transfer of Junior Capital.

17. **PROVISIONAL TRANSFER NOTICES**

- 17.1 If a Non-Compliant Private Sector Shareholder receives a Provisional Transfer Notice:
- (a) it shall (without prejudice to clause 17.1(b)) have sixty (60) Business Days to effect the transfer of all of its Junior Capital to a Suitable Party (or in the case of a Non-Compliant Private Sector Shareholder under clause 15.7 only, back to the relevant transferring Private Sector Shareholder); and
 - (b) in relation to any such transfer:
 - (i) the pre-emption and transfer provisions in the Shareholders Agreement, this Agreement, the Contingent Equity Support Agreement and the IP EquityCo Articles shall apply; and

- (ii) the other Private Sector Shareholders shall take (or procure) all steps reasonably requested of them by the Non-Compliant Private Sector Shareholder to enable any such transfer to be effected and registered.

17.2 If the Non-Compliant Private Sector Shareholder has not effected the transfer of its Junior Capital to a Suitable Party or back to the relevant transferring Private Sector Shareholder (as applicable) within the sixty (60) Business Day period referred to in clause 17.1(a), then the Non-Compliant Private Sector Shareholder shall be deemed to have given a Deemed Transfer Notice in respect of all the Junior Capital held by it in accordance with the provisions of the Shareholders Agreement.

17.3 The Secretary of State acknowledges and agrees that it shall not withhold its consent to a Transfer under clause 16 (*Transfers of Junior Capital during a Contingent Equity Commitment Period*) where the relevant transfer is required by this clause 17.

18. **RESTRICTION ON DISTRIBUTIONS AND TURNOVER**

18.1 IP EquityCo, IP JVCo, IP HoldCo or IP OpCo shall not declare, make, pay or permit a Distribution during the period from the first Contingent Equity Contribution Date until the expiry of the Contingent Equity Commitment Period (and any interest on unpaid Distributions shall also be deferred during such period).

18.2 If at any time any Private Sector Shareholder, IP EquityCo, IP JVCo or IP HoldCo receives a Distribution which is in breach of, or not in compliance with:

- (a) any lock-up under the financing arrangements of IP HoldCo or IP OpCo;
- (b) clause 4.3 (*Restriction on Distributions*) of the Discontinuation Agreement;
- (c) paragraph 2.2 of Schedule 2 of the Discontinuation Agreement; or
- (d) clause 18.1,

the receiving Private Sector Shareholder, IP EquityCo, IP JVCo or IP HoldCo (as applicable) shall:

- (i) within three (3) Business Days of receipt of such payment or proceeds, notify the details of such receipt or recovery in writing to the Secretary of State;
- (ii) hold any such assets and moneys received or recovered by it on trust for IP OpCo; and
- (iii) promptly pay an amount equal to such receipt or recovery to IP OpCo.

18.3 Following receipt of any sum from IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (at the case may be) in the circumstances set out in clause 18.1, the receiving Private Sector Shareholder or IP EquityCo, IP JVCo, IP HoldCo or IP OpCo (at the case may be) shall at its own expense do all such things required to transfer to the relevant person all Distributions which must be turned over in accordance with this clause 18 and shall pay all costs and stamp duties in connection with those transfers.

18.4 If for any reason, a trust in favour of, or a holding of property or other assets for, IP OpCo under this clause 18 is, becomes or is deemed to be, invalid or unenforceable, the Private Sector Shareholder otherwise obliged to hold any amounts on such trust shall pay and deliver to IP OpCo an amount equal to the payment, receipt or recovery in cash or, if in kind, the value conferred which it would otherwise have been bound to hold on trust for or as property of the relevant persons.

19. **DISCONTINUATION**

19.1 Each of IP JVCo and IP EquityCo acknowledges and agrees that:

- (a) any payment of Equity Compensation under the Discontinuation Agreement shall be in full satisfaction of any claim which can be made against the Secretary of State by IP JVCo and IP EquityCo in relation to termination of any of the GSP following the exercise by the Secretary of State of its right to issue a Discontinuation Notice; and
- (b) the Equity Compensation payable under the Discontinuation Agreement shall be the sole remedy of IP JVCo and IP EquityCo against the Secretary of State in respect of its right to issue a Discontinuation Notice or the termination of any of the GSP.

19.2 At any time following payment of the Equity Compensation in full in accordance with clause 6.3 of the Discontinuation Agreement, the Secretary of State shall be entitled to require that the Private Sector Shareholders transfer to the Secretary of State all the equity instruments issued by IP EquityCo to the Private Sector Shareholders and all the debt instruments issued by IP JVCo to the Private Sector Shareholders and the Private Sector Shareholders shall promptly do everything required to comply with such requirement.

19.3 As security for the performance of the obligations of the Private Sector Shareholders under clause 19.2, each Private Sector Shareholder agrees immediately after it executes this Agreement or becomes a party to this Agreement, to execute and deliver to the Secretary of State a power of attorney in the form set out in schedule 6.

20. **CONFIDENTIALITY AND FREEDOM OF INFORMATION**

Confidentiality

20.1 **Confidential Information**

Subject to clause 20.2 and clauses 20.6 to 20.15, the Parties shall at all times keep all Confidential Information confidential to the Party receiving it and shall not disclose such Confidential Information to any other person, except with the written authority of each Party to whom the information is confidential.

20.2 **Disclosure of Confidential Information**

A Party shall, without the prior consent of the relevant other Party, be entitled to disclose Confidential Information of that other Party:

- (a) that is reasonably required by the Party for the performance of its obligations under the Transaction Documents, including the disclosure of any Confidential Information to any employee, consultant, agent, officer, sub-contractor (of any tier) or adviser to the extent necessary to enable that Party to perform its obligations under the Transaction Documents;
- (b) to enable a determination to be made under the Dispute Resolution Process;
- (c) to any Secured Creditors or their professional advisers (including any rating agencies, if applicable) or insurance advisers or, where it is proposed that a person should or may provide funds (whether directly or indirectly and whether by loan, equity participation or otherwise) to IP OpCo to enable it to carry out its obligations under the Transaction Documents, to that Person and their advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;

- (d) to the extent required by the Water Industry Act or any other applicable law or pursuant to an order of any court of competent jurisdiction, any parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law including for the purposes of the National Audit Act 1983, the Comptroller and Auditor General;
- (e) to register or record any authorisations and to effect property registration that may be required; and
- (f) for the purpose of the examination and certification of any Party's accounts;

providing that any such disclosure is made in Good Faith.

20.3 Nothing in this clause 19 shall be deemed to prohibit, prevent or hinder, or render any Party liable for, the disclosure of any information by that Party to the Regulator, the Parliamentary Commissioner for Administration, a Minister of the Crown or any department of the Government of the United Kingdom, the European Commission, Parliament, the Scottish Parliament, the National Assembly of Wales, the Mayor of London, the Greater London Authority or any department or officer of any of them for the purpose of facilitating the carrying out of its functions.

20.4 **Obligations preserved**

Where disclosure is permitted under clause 20.2, other than clauses 20.2(d) and 20.2(e), the Party making such disclosure shall ensure that the recipient of the information is subject to the same obligation of confidentiality as that contained in this Agreement.

20.5 **Exploitation of information**

Subject to use of the information for the purposes expressly contemplated in clauses 20.2(c), 20.2(d) and 20.2(f), no Party shall make use of any information arising out of the Project issued or provided by or on behalf of any Party in connection with the Transaction Documents otherwise than for the purposes of the Transaction Documents, except with the written consent of the Party by whom or on whose behalf the information was provided.

Freedom of Information

20.6 For the purposes of clauses 20.6 to 20.15:

- (a) **"Request for Information"** shall have the meaning set out in the FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term "request" shall apply); and
- (ii) **"Information"** has the meaning given under Section 84 of the FOIA.

20.7 The Parties acknowledge that the Secretary of State is, and that the other Parties may become, subject to the requirements of the FOIA and the Environmental Information Regulations and each Party shall, subject to the remaining provisions of this clause 19, facilitate compliance by each other Party (as the case may be) with its Information disclosure requirements pursuant to the same in the manner provided for in clauses 20.8 to 20.15 (inclusive).

20.8 Where a Party (the **"RfI Recipient"**) receives a Request for Information in relation to Information that is confidential to another Party, the RfI Recipient shall provide a copy of such Request for Information to the relevant other Party within two (2) Business Days of receiving the Request for Information.

20.9 Within 10 Business Days of receiving a Request for Information from the RfI Recipient (or such longer period as the RfI Recipient may specify), the relevant other Party shall provide all necessary assistance as reasonably requested by the RfI Recipient in connection with any such Information, to enable the RfI Recipient to respond to a Request for Information within the time for compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.

20.10 Following notification under clause 20.8, and up until such time as the relevant other Party has assisted the RfI Recipient in accordance with clause 20.9, the relevant other Party may make representations to the RfI Recipient as to whether:

- (a) such Information requested should be disclosed and if so, on what basis;
- (b) such Information may be or is Confidential Information or Commercially Sensitive Information; or
- (c) further Information should reasonably be provided in order to identify and locate the Information requested,

provided always that, without prejudice to the relevant other Party's rights against the RfI Recipient in respect of any disclosure of Information made otherwise than in accordance with the FOIA, the RfI Recipient shall be responsible for determining:

- (d) whether Information is exempt from disclosure under the FOIA and the Environmental Information Regulations; and
- (e) whether Information is to be disclosed in response to a Request for Information;

in no event shall the relevant other Party respond directly, or allow its sub-contractors to respond directly, to a Request for Information unless expressly authorised to do so by the RfI Recipient.

20.11 Subject to clause 20.14, in deciding how to respond to a Request for Information which relates, or may relate, to Confidential Information or Commercially Sensitive Information, the RfI Recipient shall take into account any relevant representations by the relevant other Party in that regard that are made before expiry of the time period referred to in clause 20.9, and the RfI Recipient shall not issue a response to the Request for Information before such date.

20.12 If the RfI Recipient decides to respond to a Request for Information which relates, or may relate, to Confidential Information or Commercially Sensitive Information by confirming that it holds Confidential Information or Commercially Sensitive Information and/or by disclosing Confidential Information or Commercially Sensitive Information, it shall notify the relevant other Party of its decision in writing at least three Business Days before issuing such response.

20.13 In the event of a request from the RfI Recipient pursuant to clause 20.9, the relevant other Party shall as soon as practicable, and in any event within 5 Business Days of receipt of such request, inform the RfI Recipient of the relevant other Party's estimated costs of complying with the request to the extent these would be recoverable if incurred by the RfI Recipient under Section 12(1) of the FOIA and the Fees Regulations. Where such costs (either on their own or in conjunction with the RfI Recipient's own such costs in respect of such Request for Information) will exceed the appropriate limit referred to in Section 12(1) of the FOIA and as set out in the Fees Regulations the RfI Recipient shall inform the relevant other Party in writing whether or not it still requires the relevant other Party to comply with the request and where it does require the relevant other Party to comply with the request the 10 Business Days period for compliance shall be extended by such number of additional days for compliance as the RfI Recipient is entitled to under Section 10 of the FOIA. In such case, the RfI Recipient shall notify the relevant other

Party of such additional days as soon as practicable after becoming aware of them and shall reimburse the relevant other Party for such costs as the relevant other Party incurs in complying with the request to the extent it is itself entitled to reimbursement of such costs in accordance with its own FOIA policy from time to time.

20.14 The Parties acknowledge that (notwithstanding the other provisions of this clause 19) the RfI Recipient may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under Part I of the FOIA and the Code of Practice on the discharge of obligations of public authorities under the Environmental Information Regulations (the "**Codes**"), be obliged under the FOIA, or the Environmental Information Regulations to disclose Information concerning the other Parties or the Project:

- (a) in certain circumstances without consulting with the relevant other Party; or
- (b) following consultation with the relevant other Party and having taken their views into account,

provided always that where clause 20.14(a) applies the RfI Recipient shall, in accordance with the recommendations of the Codes, take reasonable steps, where appropriate, to give the relevant other Party notice, or failing that, to draw the disclosure to the attention of the relevant other Party after any disclosure.

20.15 The RfI Recipient shall not be liable for any loss, damage, harm or other detriment suffered by any other Party arising out of any Information being disclosed under the FOIA or Environmental Information Regulations provided the RfI Recipient has complied with clauses 20.6 to 20.15.

21. **FURTHER ASSURANCE**

Each Party will:

- (a) execute any document and do anything; and
- (b) use all reasonable endeavours to procure that any third party (where necessary) executes any deed or document and does any thing,

reasonably necessary to implement the terms of this Agreement.

22. **COSTS**

Each Party shall bear its own costs in relation to the drafting, negotiating and implementation of this Agreement.

23. **ASSIGNMENT**

23.1 This Agreement shall benefit and bind the relevant parties, their permitted assignees and their respective successors. Any reference in this Agreement to any party shall be construed accordingly.

23.2 **Restriction**

Subject to clause 23.3 (*Exception*), IP EquityCo, IP JVCo, IP OpCo and/or IP HoldCo shall not assign, novate or otherwise transfer their rights or obligations under this Agreement in whole or in part except with the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed).

23.3 **Exception**

IP EquityCo, IP JVCo, IP OpCo and/or IP HoldCo may create a security assignment of this Agreement in favour of any Secured Creditor and the Secretary of State shall:

- (a) assist in facilitating this, provided that all costs and expenses properly incurred by the Secretary of State in giving effect to such assignment are paid by IP OpCo; and
- (b) execute such documents as may reasonably and customarily be required to give effect to such assignment.

23.4 **Restriction on Secretary of State**

Subject to clause 23.5 (*Secretary of State exception*), the Secretary of State shall not assign, novate or otherwise transfer its rights or obligations under this Agreement in whole or in part except with the prior written consent of each of IP EquityCo, IP JVCo, IP OpCo and IP HoldCo (such consent not to be unreasonably withheld or delayed).

23.5 **Secretary of State exception**

The Secretary of State may transfer or novate its rights and its obligations under this Agreement to any Minister of the Crown or any entity directly wholly-owned or controlled by a Minister of the Crown (the "**Secretary of State Replacement**") provided that:

- (a) such transfer or novation is in respect of all of the Secretary of State's or, as applicable, the previous Secretary of State Replacement's, rights and obligations under this Agreement;
- (b) the Secretary of State Replacement enters into documentation, in the same form or otherwise in a form reasonably acceptable to each of IP EquityCo, IP JVCo, IP OpCo and IP HoldCo (in each case, such approval not to be unreasonably withheld or delayed), agreeing to be bound by the terms of this Agreement, with any consequential amendments which may be appropriate, as fully as if the Secretary of State Replacement had been a party to this Agreement and named in this Agreement in place of the Secretary of State or, as applicable, the previous Secretary of State Replacement;
- (c) where the Secretary of State Replacement is an entity directly wholly-owned or controlled by a Minister of the Crown, the Secretary of State has produced evidence to IP EquityCo, IP JVCo, IP OpCo and IP HoldCo (acting reasonably) that:
 - (i) the Secretary of State Replacement has the power and financial capability to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Agreement; and
 - (ii) all approvals, consents, updates and assurances required for the purposes of clause 23.5(c)(i) are, at the time of such transfer or novation, in full force and effect; and
- (d) all costs and expenses properly incurred by each of IP EquityCo, IP JVCo, IP OpCo and IP HoldCo in effecting such transfer or novation are paid by the Secretary of State Replacement.

23.6 **HMG Shareholder exception**

The Secretary of State may transfer, assign or novate any or all of its rights and obligations under this Agreement to an HMG Shareholder on prior written notice to each of the other Parties.

23.7 **Private Sector Shareholder restriction**

Save where expressly stated otherwise in this Agreement, any Private Sector Shareholder shall not assign, transfer, sub-contract, underlet, sell, bargain or otherwise dispose of or deal in any way with the benefit or burden of this Agreement in whole or in part except with the prior written consent of the Secretary of State.

24. **NO PARTNERSHIP OR AGENCY**

- (a) Nothing in this Agreement shall be construed as creating a partnership.
- (b) No Party shall be deemed to be an agent of any other Party and no Party shall hold itself out as having authority or power to bind any other Party in any way.

25. **NOTICES**

25.1 **Communications in writing**

Any communication to be made under or in connection with this Agreement shall be made in writing.

25.2 **Addresses**

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered is as follows:

[Redacted address information]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

or any substitute address and fax number or department or officer as the Party may notify to the other Parties by not less than five (5) Business Days' notice.

25.3 Delivery

- (a) Any communication or document made or delivered by one Party to another Party under or in connection with this Agreement shall only be effective:
 - (i) if by hand or recorded delivery, when so delivered; and
 - (ii) if by post (other than recorded delivery), when left at the relevant address two (2) Business Days after being deposited in the post (postage prepaid) in an envelope addressed to the relevant Party at the relevant address,and, if a particular department or officer is specified as part of its address, details provided under clause 25.2 (Addresses), if addressed to that department or officer.
- (b) Any notice under this Agreement shall be irrevocable.

25.4 Electronic communication

- (a) Any communication to be made under or in connection with this Agreement may be made by electronic mail or other electronic means, if the Parties:
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

- (ii) notify the other Parties in writing of their electronic mail address and any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify the other Parties of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form.

26. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

27. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, any right or remedy under this Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Agreement. No election to affirm this Agreement by any Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

28. CONSEQUENTIAL LOSS

Except where expressly stated otherwise, in no event shall the Secretary of State be liable to any other Party in respect of any Consequential Loss (whether on the basis of breach of contract, indemnity, warranty, tort, breach of statutory duty or otherwise) for any matter arising out of or in connection with this Agreement.

29. AMENDMENTS

This Agreement may be amended only by an instrument in writing signed by duly authorised representatives of each Party.

30. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by email attachment shall be an effective mode of delivery.

31. ENTIRE AGREEMENT

31.1 This Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all previous drafts, agreements, arrangements and understandings between them, whether written or oral, relating to its subject matter.

31.2 Subject to clause 31.3 each Party agrees that it shall have no remedies in respect of any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement. No Party shall have any claim for innocent or negligent misrepresentation based upon any statement in this Agreement.

31.3 Nothing in this Agreement shall exclude or limit liability in respect of fraud, fraudulent misstatement or any other matter to the extent not permitted by law to be excluded or limited.

32. **NO THIRD PARTY ENFORCEMENT RIGHTS**

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

33. **GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in relation to this Agreement are governed by the law of England and Wales.

34. **JURISDICTION AND DISPUTES**

34.1 Subject to the Dispute Resolution Process, the courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including, without limitation, a dispute regarding the existence, validity or termination of this Agreement and a dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) (a "**Dispute**").

34.2 The Parties agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

SCHEDULE 1

Reserved Matters

Ref.	Reserved Matter	Category 1 Reserved Matter	Category 2 Reserved Matter
A	Financial and Business Plan		
A1	Any material changes to the Business Plan, including a change that results in: <p style="margin-left: 40px;">(a) an increase to costs contemplated by the Business Plan of more than £10 million; and</p> <p style="margin-left: 40px;">(b) a delay to the System Acceptance Date contemplated by the Business Plan of greater than 60 Business Days,</p> <p style="margin-left: 40px;">when taken together with all related or connected changes to the Business Plan.</p>		✓
A2	Any change to the dividend policy set out in clause 9.2 of the Shareholders Agreement.		✓
A3	An increase in any indebtedness, save in the case of such indebtedness being used to repay Junior Capital held by the Secretary of State or where an increase in any indebtedness is governed by the Contingent Equity Support Agreement.		✓
A4	Any time prior to 1 April following the Post Construction Review, any decision to opt for the Ex-Post Approach rather than the Ex-Ante approach (each as defined in the Project Licence) in relation to determining the Additional Allowable Project Spend (as defined in the Project Licence).	✓	
A5	Any time prior to 1 April following the Post Construction Review, any re-investment of Cash Surpluses.	✓	
B	Junior Capital and constitutional		
B1	Any amendments to the memorandum of IP HoldCo or the IP HoldCo Articles.	✓	
B2	Any issue of (and the terms of any issue of) new Junior Capital or any variation of any rights attaching to any Junior Capital, save where contemplated by the Contingent Equity Support Agreement or this Agreement.	✓	
B3	The repurchase or cancellation by IP HoldCo of any Junior Capital.	✓	
C	Management, control, directors and employees		
C1	The making of or committing to make loans or advances in		✓

Ref.	Reserved Matter	Category 1 Reserved Matter	Category 2 Reserved Matter
	excess of £5 million by IP HoldCo.		
C2	Incurring or committing to incur expenditure in excess of £5 million.		✓
C3	Incurring additional contractual commitments for a time period in excess of 1 year (including any extensions or renewals) .		✓
C4	Any material acquisition or disposal by IP HoldCo (where "material" means an acquisition or disposal having a value of more than £10 million) except to the extent such acquisition or disposal is contemplated by existing contractual commitments.		✓
C5	Create or permit to subsist any security interest other than any Permitted Security.		✓
C6	Changes to Key Personnel, unless as a result of resignation, death or incapacity of such Key Personnel.		✓
D	Contracts with related parties		
D1	The entry into by IP HoldCo of any contract with a Private Sector Shareholder or an Associate of a Private Sector Shareholder (and/or any material amendment or variation to any such contract) other than in accordance with the Shareholders Agreement or this Agreement.	✓	
E	Insolvency and related proceedings		
E1	The commencement of any winding up or dissolution of, or the appointment of any liquidator, administrator or administrative receiver of, IP HoldCo or any of its assets unless it shall have become insolvent (and no Party shall present or cause to be presented or allow any act which would result in the winding up or the presentation of any petition for the winding up of IP HoldCo).	✓	

Each of the above Reserved Matters in this table shall also be a Reserved Matter in relation to IP EquityCo, IP JVCo and IP OpCo (as if references to IP HoldCo were references to IP EquityCo, IP JVCo and IP OpCo respectively).

SCHEDULE 2

Deed of Adherence

THIS DEED OF ADHERENCE is made on

20●

BY [●] of [●] ("**Adhering Party**") in favour of the persons whose names are set out in the Schedule to this Deed and is supplemental to the shareholders direct agreement dated [●] 2015 made by (1) The Secretary of State for Environment, Food and Rural Affairs, (2) Allianz Infrastructure Luxembourg I S.a.r.l, (3) Bazalgette (Investments) Limited, (4) IPP (Bazalgette) Limited, (5) Dalmore Capital 14 GP Limited acting in its capacity as general partner of Dalmore Infrastructure Investments LP, (6) DIF Bid Co Limited, (7) Bazalgette Equity Limited (8) Bazalgette Ventures Limited, (9) Bazalgette Holdings Limited and (10) Bazalgette Tunnel Limited (the "**Shareholders Direct Agreement**").

Terms defined in the Shareholders Direct Agreement shall bear the same meanings in this Deed.

IT IS AGREED

1. In consideration of the Adhering Party being accepted as a party for the purposes of the Shareholders Direct Agreement by the parties thereto, as from [*insert date*] (the "**Adherence Date**") the Adhering Party hereby confirms that it shall be a party to the Shareholders Direct Agreement and agrees to be bound by all of the relevant provisions of the Shareholders Direct Agreement from the Adherence Date.
2. The Adhering Party warrants and represents to each of the persons whose names are set out in the Schedule to this Deed, that the Adhering Party is a Suitable Party.
3. The Adhering Party makes all those warranties and representations, which are listed in full in clause 7 of the Shareholders Direct Agreement, to each of the persons whose names are set out in the Schedule to this Deed.
4. The Adhering Party's details for the purposes of clause 25 (Notices) and schedule 5 (Dispute Resolution Process) of the Shareholders Direct Agreement are as follows [●].
5. The Adhering Party confirms it has provided the executed power of attorney required by clause 19.3 of the Shareholders Direct Agreement on the date of this Deed.
6. This Deed and any other non-contractual obligations arising out of or in connection with it is governed by English law.

IN WITNESS WHEREOF this Deed has been executed by the Adhering Party and is intended to be and is hereby delivered on the date first above written

[*Insert signature blocks*]

SCHEDULE

[*Parties to Shareholders Direct Agreement including those who have executed earlier deeds of adherence*].

SCHEDULE 3

Transparency Information and Commercially Sensitive Information

[Redacted]

[Redacted]

[Redacted]

[Redacted]

SCHEDULE 4

Secretary of State Transfers

Rights of pre-emption

- 1.1 Before the Secretary of State makes any Transfer of any Junior Capital to a third party it shall first give a written notice (an "**Exit Notice**") to IP EquityCo and the other Existing Shareholders (the "**Continuing Shareholders**") offering to sell the relevant Junior Capital (the "**Relevant Instruments**") to each of the Continuing Shareholders in proportion (as nearly as may be) to the proportion of Junior Capital held by the Continuing Shareholders (respectively, a Continuing Shareholder's "**Proportionate Entitlement**") as at the close of business on the date prior to the date of the Exit Notice. An Exit Notice shall specify:
- (a) the number and type of Junior Capital which the Secretary of State is proposing to Transfer and each Continuing Shareholder's Proportionate Entitlement;
 - (b) the proposed price for the relevant Transfer, which must be cash (the "**Specified Price**");
 - (c) the identity and address of the person(s) to whom the Secretary of State proposes to sell the Relevant Instruments (the "**Third Party Purchaser**"); and
 - (d) any other material terms of the proposed Transfer (the "**Offer Terms**").
- 1.2 An Exit Notice shall be irrevocable (except as provided by paragraph 1.6 of this schedule) and shall constitute an offer by the Secretary of State to sell the Relevant Instruments to the Continuing Shareholders at the Specified Price and on the Offer Terms and shall be open for acceptance by each of the Continuing Shareholders for twenty (20) Business Days from the date of despatch of the Exit Notice (the "**Acceptance Period**").
- 1.3 Each of the Continuing Shareholders may at any time before the expiry of the Acceptance Period give notice (a "**Buy Notice**") to the Secretary of State stating:
- (a) its wish to accept the Transfer all or any of the Relevant Instruments offered to it by the Secretary of State at the Specified Price and on the Offer Terms; and
 - (b) if applicable, its wish to apply for the Transfer of the Relevant Instruments in excess of its Proportionate Entitlement by specifying in its Buy Notice the number of Relevant Instruments in excess of its Proportionate Entitlement which it is prepared to purchase.

If any of the Continuing Shareholders fails to serve a Buy Notice before the expiry of the Acceptance Period, it shall be deemed to have declined the offer by the Secretary of State constituted by the Exit Notice. A Buy Notice shall be irrevocable unless agreed in writing by the Secretary of State and all the Continuing Shareholders giving Buy Notices before the expiry of the Acceptance Period.

- 1.4 If any Continuing Shareholder has applied for less than its Proportionate Entitlement:
- (a) the excess shall be allocated (as nearly as may be) to each Continuing Shareholder who has given a Buy Notice for Relevant Instruments in excess of its Proportionate Entitlement, pro rata to the number and value of Junior Capital held by the Continuing Shareholders who have so applied as at the close of business on the date prior to the Exit Notice; and
 - (b) any allocation made under this paragraph 1.4 shall not, however, result in any Continuing Shareholder being allocated more Relevant Instruments than it has

applied for and any remaining excess shall be apportioned between the other Continuing Shareholders by applying this paragraph without taking account of such Continuing Shareholder.

1.5 If Buy Notices are served by Continuing Shareholders for all of the Relevant Instruments, the Secretary of State shall be bound to Transfer, and such Continuing Shareholders shall be bound to accept the Transfer, all of the Relevant Instruments at the Specified Price and upon the Offer Terms. Execution of the sale and purchase of the Relevant Instruments shall take place within 10 Business Days from receipt of the last received Buy Notice.

1.6 If Buy Notices are served by Continuing Shareholders for less than all of the Relevant Instruments, the Secretary of State shall be entitled at its discretion to either:

- (a) withdraw its Exit Notice and retain all the Relevant Instruments; or
- (b) transfer all of the Relevant Instruments to the Third Party Purchaser at not less than the Specified Price and on the Offer Terms, provided that the transfer is completed within 60 Business Days of the end of the Acceptance Period.

The Secretary of State shall indicate whether it has elected for option (a) or option (b) above by notice to the Continuing Shareholders and IP EquityCo within 20 Business Days of the end of the Acceptance Period. If it does not so elect, it shall be deemed to have elected for option (a).

1.7 If the Secretary of State withdraws the Exit Notice under paragraph 1.6, the Secretary of State shall not be entitled to serve a further Exit Notice in respect of the Relevant Instruments for a period of 3 months after the end of the relevant Acceptance Period, and then only by serving a further Exit Notice and otherwise complying with this schedule.

Drag Along rights

1.8 If at any time the Secretary of State holds sufficient Junior Capital as to grant the Secretary of State a Controlling Interest, the Secretary of State shall have the right (the "**Drag Along Right**") to require each of the other Existing Shareholders (each, a "**Dragged Shareholder**") to sell all the Junior Capital then held by them at the same time as the Secretary of State makes a Transfer of any Junior Capital to a third party (such transfer by the Secretary of State, the "**Drag Transfer**").

1.9 To exercise a Drag Along Right, the Secretary of State shall include in the relevant Exit Notice an express statement that it is exercising the Drag Along Right.

1.10 Each Private Sector Shareholder shall thereafter be obligated subject, to the completion of the Drag Transfer, to sell all the Junior Capital then held by them at the Specified Price and on the Offer Terms set out in the relevant Exit Notice.

1.11 Within 10 Business Days after the delivery of such Exit Notice (the "**Drag Along Period**"), or any longer period that the Secretary of State may specify in such Exit Notice, each Dragged Shareholder shall return to the Secretary of State duly executed originals of all documents reasonably required by the Secretary of State to be executed in connection with the proposed Transfer. If a Dragged Shareholder fails to deliver all such documents within the Drag Along Period, IP EquityCo shall be irrevocably empowered by the Dragged Shareholders to execute (and, where such documents are deeds, deliver) all such documents and to Transfer the Junior Capital on behalf of the Dragged Shareholders.

Tag Along Rights

1.12 If the effect of any proposed bona fide arm's length Transfer of any Junior Capital to a third party by any Private Sector Shareholder (the "**Selling Shareholder**") would result

in granting such third party a Controlling Interest (the "**Triggering Transfer**"), the Selling Shareholder shall serve a Sale Notice in accordance with paragraph 1.13.

- 1.13 The Selling Shareholder shall serve a written notice on the Secretary of State at least 20 Business Days before the proposed Triggering Transfer date (the "**Sale Date**") setting out the:
- (a) number and type of Junior Capital proposed to be sold (the "**Trigger Shares**");
 - (b) purchase price per share and other terms and conditions of payment (including all documents required to be executed by the Selling Shareholder to effect the transfer);
 - (c) identity of the proposed buyer of the Trigger Shares;
 - (d) the Sale Date; and
 - (e) any other material terms of the proposed sale,
- (a "**Sale Notice**").
- 1.14 On receipt of the Sale Notice, the Secretary of State shall have the right to serve a written notice (a "**Tag Along Notice**") on the Selling Shareholder requiring the Selling Shareholder to procure that the third party makes an offer ("**Offer**") to the Secretary of State to purchase all of the Secretary of State's Junior Capital on the same terms specified in the Sale Notice, provided that the only warranties required to be given by the Secretary of State shall be as to title to the Junior Capital, no encumbrances and capacity.
- 1.15 If the Selling Shareholder fails to comply with the provision of paragraph 1.13, paragraph 1.14 or fails to complete the acquisition of the Junior Capital of the Secretary of State, the Selling Shareholders shall not without the prior consent of the Secretary of State be permitted to complete the proposed Triggering Transfer and the Board shall not register any transfer of the Trigger Shares.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

or any substitute address or department or officer as any Party may notify in writing to each of the other Parties by not less than five (5) Business Days' notice.

The Contract Representatives will attempt in Good Faith to resolve the Dispute in the first instance through negotiations for a period of 10 Business Days from the date of notification of the Dispute or such other period as is agreed between the Parties in writing.

2. **SENIOR REPRESENTATIVES**

If the Contract Representatives have failed to reach agreement on a Dispute within the timeframe set out in paragraph 1, then the Dispute shall be notified to the following contacts (the "**Senior Representatives**") of the Parties:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

or any substitute address or department or officer as any Party may notify in writing to each of the other Parties by not less than five (5) Business Days' notice.

The Senior Representatives will attempt in Good Faith to resolve the Dispute through negotiations for a period of 10 Business Days from the date of notification of the Dispute or such other period as is agreed between the Parties in writing.

3. **INDEPENDENT ADJUDICATION IN RELATION TO THE PROJECT COMPLETION PLAN**

In relation to Disputes arising out of clause 11.3, where the Senior Representatives of the Parties have failed to reach agreement on such Dispute to within the timeframe set out in paragraph 2, either Party may refer the Dispute to Adjudication in accordance with appendix 1 (*Adjudication Procedure*) of schedule 3 (*Dispute Resolution Procedure*) to the Liaison Agreement, such determination to be final and binding.

4. **JUDICIAL PROCEEDINGS**

For all other Disputes, where the Senior Representatives of the Parties have failed to reach agreement on a Dispute within the timeframe set out in paragraph 2, then the Parties shall be entitled to commence proceedings in accordance with clause 34 (*Jurisdiction and Disputes*) to resolve the Dispute.

SCHEDULE 6

Form of power of attorney

THIS DEED is made on [*insert date*] by [*insert company name and registration number*] a company registered in [*insert country of registration*] whose [registered] office is at [*insert address*] (the "**Principal**").

WHEREAS

The Principal has become a party to a shareholders' direct agreement dated 2015 (the "**Agreement**") in relation to the Government Support Package for the Thames Tideway Tunnel Project and is obliged, pursuant to clause 19.3 of the Agreement, to deliver to the Secretary of State for Environment, Food and Rural Affairs (the "**Secretary of State**") a power of attorney in the form of this Deed. Terms defined in the Agreement shall bear the same meanings in this Power of Attorney.

NOW THIS DEED WITNESSES as follows:

1. The Principal irrevocably and unconditionally (and by way of security for the performance of its obligations under the Agreement) appoints any authorised representative of the Secretary of State as its attorney (the "**Attorney**") to execute and do in its name or otherwise, and on its behalf all documents, acts and things which the Attorney shall in its absolute discretion consider necessary or desirable in order to implement the Principal's obligations under clause 19.2 of the Agreement.
2. The Principal undertakes to ratify whatever any authorised representative of the Secretary of State as its Attorney shall lawfully do or cause to be done in accordance with this Power of Attorney and to indemnify and keep such Attorney indemnified from all claims, costs, expenses, damages and losses which the Attorney may suffer as a result of the lawful exercise by him of the powers conferred upon him by this Deed.
3. The appointment contained in paragraph 1 of this Deed shall in all circumstances remain in effect and be irrevocable until such time as the Principal ceases to be a party to the Agreement, but shall be of no further effect after that date.
4. This Deed shall be governed by and construed in accordance with the laws of England.

This Power of Attorney has been executed as a Deed and is delivered on the date shown above.

Executed as a Deed by
[*insert name of company*] acting by (**Signature of director**)
[*insert name of director*]

in the presence of:
.....
(Name of witness)

.....
(Address of witness)

.....
(Signature of witness)

IN WITNESS WHEREOF this Agreement has been duly executed and delivered as a deed on the date first above written.

The corporate seal of **THE SECRETARY OF STATE FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS** is hereunto affixed and is authenticated by:) SEAL AFFIXED
)
)
)
)
)

John Bourne
.....
Authorised Signatory

JOHN BOURNE
.....
Print Name

Executed and delivered as a deed by **ALLIANZ INFRASTRUCTURE LUXEMBOURG I S.À R.L.** acting by its attorneys:)
)
)
)

.....
Attorney Signatory

.....
Print Name

.....
Attorney Signatory

.....
Print Name

In the presence of:

.....
Witness's signature

.....
Print Name

.....
Witness's Address

In the presence of:

.....
Witness's signature

.....
Print Name

.....
Witness's Address

Executed and delivered as a deed by)
BAZALGETTE (INVESTMENTS))
LIMITED acting by its authorised)
signatory:)

██████████
.....
Authorised Signatory

██████████
.....
Print Name

In the presence of:

██████████
.....
Witness's signature

██████████
.....
Print Name

████████████████████
.....
Witness's Address

Executed and delivered as a deed by **IPP**)
(BAZALGETTE) LIMITED acting by its)
authorised signatory:)

██████████
.....
Authorised Signatory

██████████
.....
Print Name

In the presence of:

██████████
.....
Witness's signature

██████████
.....
Print Name

████████████████████
.....
Witness's Address

Executed and delivered as deed by **DALMORE CAPITAL 14 GP LIMITED**, acting in its capacity as General Partner of **DALMORE INFRASTRUCTURE INVESTMENTS LP**, by its General Partner Dalmore Capital 14 GP Limited acting by its authorised signatory:)
)
)
)
)
)
)

[Redacted]

.....
Authorised Signatory SIGNING UNDER A POWER OF ATTORNEY

[Redacted]

.....
Print Name

In the presence of:

[Redacted]

.....
Witness's signature

[Redacted]

.....
Print Name

[Redacted]

.....
Witness's Address

Executed and delivered as deed by **DIF BID CO LIMITED** acting by its authorised signatory:)
)
)

[Redacted]

.....
Authorised Signatory

[Redacted]

.....
Print Name

In the presence of:

[Redacted]

.....
Witness's signature

[Redacted]

.....
Print Name

[Redacted]

.....
Witness's Address

Executed and delivered as a deed by)
BAZALGETTE EQUITY LIMITED acting)
by:)

██████████
.....
Director

██████████
.....
Print Name

In the presence of:

██████████
.....
Witness's signature

██████████
.....
Print Name

████████████████████
.....
Witness's Address

Executed and delivered as a deed by)
BAZALGETTE VENTURES LIMITED)
acting by:)

██████████
.....
Director

██████████
.....
Print Name

In the presence of:

██████████
.....
Witness's signature

██████████
.....
Print Name

████████████████████
.....
Witness's Address

Executed and delivered as a deed by)
BAZALGETTE HOLDINGS LIMITED)
acting by:)

.....
Director

.....
Print Name

In the presence of:

.....
Witness's signature

.....
Print Name

.....
Witness's Address

Executed and delivered as a deed by)
BAZALGETTE TUNNEL LIMITED acting)
by:)

.....
Director

.....
Print Name

In the presence of:

.....
Witness's signature

.....
Print Name

.....
Witness's Address