

SUMMARY OF KEY DOCUMENTS

LAND RETAINED AGREEMENT

Parties: The parties to the Land Retained Agreement (LRA) are the Council and LIFTCo.

Obligations: LIFTCo is required under the LRA to design, build, finance, operate and maintain each Neighbourhood Resource Centre (NRC) for the contract period. The contract period is 25 years.

Construction: LIFTCo is obliged to ensure that each NRC is constructed and ready for use by a specified date. No payments will be made to LIFTCo until this time subject to certain circumstances (most notably where undisclosed contamination is found on the Site or where the Council proposes a change to its requirements or where there are certain types of Change in Law or where the Council is in breach of its obligations).

Services: When LIFTCo believes that the NRC is complete the NRC will be subject to independent certification. If the independent certifier is content that the NRC meets all of the requirements set out in the LRA then a Certificate of Practical Completion will be issued. This will trigger the commencement of the operational phase of the project and payment of the Annual Service Payment.

Service Period: LIFTCo is obliged to maintain each NRC throughout the life of the Agreement.

Service Payment: During the operational phase LIFTCo will be paid an Annual Service Payment for providing the Services. Deductions will be made from the Annual Service Payment if services are not delivered to the agreed standard. If performance is extremely poor the LRA can be terminated.

Flexibility: The LRA permits either the Council or LIFTCo to propose changes to the Services provided by LIFTCo during the term subject to agreement on costs.

Termination: The LRA sets out in detail the circumstances in which the Agreement may be terminated. In summary, termination may arise as a result of:

- Default by the Council or voluntary termination by the Council;
- Default by LIFTCo;
- Force Majeure Events; and
- Breach of the Corrupt Gifts or Refinancing Provisions.

The compensation payable to the LIFTCo will depend on the circumstances giving rise to termination. Compensation will generally include the amount outstanding to the main Lenders. Where the termination is due to the Council, compensation may also include Redundancy Payments, Sub Contractors Losses and all dividends paid out by LIFTCo.

LENDERS' DIRECT AGREEMENT

Parties: The Parties to the Lenders' Direct Agreement (LDA) are: (1) The Council (2) LIFTCo (3) BHH Holdco and (4) NIBC Bank NV.

Purpose: The purpose of the LDA is to prevent the Council from terminating the LRA due to the default of LIFTCo without giving the main Lenders the opportunity to remedy such default.

Obligations: The Council agrees not to terminate the LRA until it has given the Senior Lender's Agent opportunity to remedy any default on the part of LITFCo.

If the Senior Lenders choose to rectify the default, they may do this by remedying any underlying problems themselves or by arranging for the LRA to be transferred to a new contractor. If they choose the latter solution, they must ensure that the new contractor has the appropriate expertise and resources.

INDEPENDENT TESTER CONTRACT

Parties: The parties to the Independent Tester Contract (ITC) are: (1) The Council (2) LIFTCo (3) Drivers Jonas (4) NIBC Bank NV and (5) Ashley House

Purpose: The purpose of the ITC is to ensure that the NRCs are constructed to the agreed standard.

Obligations: The Council and LIFTCo jointly appoint the Independent Tester to monitor construction of the NRCs and to issue the necessary certificate on completion of each NRC.

The ITC may only be terminated with the joint agreement of the Council and LIFTCo. In that event the Council and the LIFTCo will engage another Independent Tester to perform the role of the Independent Tester.

SUBORDINATED CREDIT AGREEMENT

Parties: The parties to the Subordinated Credit Agreement (SCA) are: (1) Partnership for Health Limited (2) GSL Joint Ventures Limited (3) Babcock and Brown Investment Holdings Limited and (4) The Council

Purpose: The purpose of the SCA is to provide an unsecured loan to LIFTCo

Obligations: The parties agree to provide LIFTCo with further loans (in the case of the Council £136,800) which will be unsecured against the assets of LIFTCo. The parties agree that the amounts paid to LIFTCo under this Agreement will only be repaid after LIFTCo has complied with all its obligations to the main Lender