EVERSHEDS

(EXCHANGED) 8.45 AM SHEREET / VAN HOFFEN

DATED 2 AUGUST **2006**

(1) LONDON BOROUGH OF HACKNEY

(2) LONDON DEVELOPMENT AGENCY

AGREEMENT

for the sale of freehold property in the London Borough of Hackney comprised in Plot Numbers 10, 17, 18, 21, 40, 42, 43, 44, 45, 56, 67and 110 as shown on the CPO for the London Olympics 2012

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PARTICULARS

DATE	2 August 2006
Seller	THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HACKNEY whose address is Town Hall, Mare Street, London, E8 1EA
LDA	LONDON DEVELOPMENT AGENCY of Devon House, St Katharine's Way, London E1W 1JX
LDA's Solicitors	Eversheds LLP of Senator House, 85 Queen Victoria Street, London, EC4V 4JL (Ref: 114999.000208).
Completion Date(s)	10 working days from the date the Price or Proportion is agreed or determined following notice from LDA calling for completion of the transfer of the whole or part of the Property pursuant to clause 2.3 or 2.4 OR 2 July 2007
Price	Market Value calculated in accordance with clause 3 or as otherwise determined in this Agreement
Property	(i) The freehold property comprised in Plot Numbers 10, 17, 18, 21, 40, 42, 43, 44, 45, 56, 67, and 110 as shown on the CPO (and shall where the context admits include parts of the Property comprised in individual Plot Numbers) registered at the Land Registry under the Title Numbers and described in and conveyed by the Root of Title and shown for identification edged red on the Plan. (ii) Such rights title and interests as the Seller may have in the Property described at (i) above and more particularly described in Schedule 4
Root of Title	Statutory Declarations from the Seller in a form reasonably acceptable to the LDA
Title Numbers	The title number identified for each Plot Number in Schedule 4

THIS AGREEMENT is made on the date set out in the Particulars

BETWEEN

(1) the Seller; and

(2) LDA.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Defined terms

In this Agreement, the following words and expressions have the following meanings:

"Access Period"	the period from the date hereof until the Date of Actual Completion
"Actual Completion"	actual completion of the sale and purchase of the Property and "Date of Actual Completion" is to be interpreted accordingly
"Commercial Conditions"	the Standard Commercial Property Conditions (First Edition)
"Compensation Code"	the code of statute and case law applicable to the ascertainment payment or determination of compensation following the compulsory purchase of land pursuant to Section 20 of the Regional Development Agencies Act 1998
"Competent Authority"	any statutory authority local authority county authority or other authority body or company responsible for the provision of services or highways
"Contract Rate"	4% per annum above the base lending rate from time to time of HSBC plc.
"CPO "	any compulsory purchase order pursued by LDA or any other acquiring authority in connection with the Olympic Games and/or the regeneration of the Property and/or other surrounding land including The London Development Agency (Undergrounding of Powerlines, Lower Lea Valley) Compulsory

	Purchase Order 2005 and the London Development Agency (Lower Lea Valley, Olympic and Legacy) Compulsory Purchase Order 2005
"Deposit Deed"	the form of deposit deed at Annexure 7 to be entered into between LDA and the Seller
"Election"	an election to waive exemption from VAT in respect of the Property pursuant to paragraph 2(1) Schedule 10 to the VATA
"Expert"	any person from time to time appointed to act as an expert under clause 13
"General Matters"	the matters referred to in clause 6.3.
"GOL"	The Government Office for London
"Inspector"	any inspector appointed by the Secretary of State to make a recommendation as to whether a CPO should be confirmed
"Leases"	the leases tenancy documents and licences briefly described in Schedule 3 (if any)
"Market Value"	the value of the Property (ascertained in accordance with the relevant principles of compensation under Section 5(2) of the Land Compensation Act 1961 as if the Seller's interest in the Property had been acquired compulsorily by LDA pursuant to Section 20 of the Regional Development Agencies Act 1998 and assuming that possession of the Property is taken by LDA following service of a notice of entry on the Completion Date
"Olympic Games"	the international sporting event known as the Olympic and Paralympic Games to be held in London and elsewhere in 2012 starting and ending with formal opening and closing ceremonies.
"Particulars"	the Particulars set out at the front of this Agreement

"Plan"	the plan or plans attached to this Agreement
"Planning Act"	the Town and Country Planning Act 1990 including any statute amending, consolidating or replacing it
"Plot Number"	the plot numbers for the Property as shown on the CPO
"Proportion"	means such proportion of the Price as shall be agreed or determined by the Expert as is appropriate for the part of the Property called for by LDA pursuant to clause 2.3
"Recreation Grounds"	Plots 40, 43, 44 and 56 (Arena Field Recreation Ground) Plots 10 and 110 (White Hart Recreation Field) and Plot 21 (Morris Field)
"Secretary of State"	the Secretary of State for Trade and Industry or such other person who shall for the time being have the power to confirm the CPO
"Survey Works"	surveys, environmental, soil and other tests investigations and inspections and measurements.
"Template Lease"	the form of lease at Annexure 5 to be granted by the Seller to LDA
"Title Matters"	the agreements, covenants, declarations, easements, exceptions, provisions, reservations, stipulations and other matters set out in paragraph 1 of Schedule 2 or referred to in the deeds and documents briefly described in paragraph 2 of Schedule 2 in each case so far as they are subsisting, capable of taking effect and affect the Property
"VAT"	Value Added Tax
"VATA"	Value Added Tax Act 1994

1.2 Construction

In this Agreement:

1.2.1 the clause headings do not affect its interpretation;

1.2.2 unless otherwise indicated, references to clauses and Schedules are to clauses of and Schedules to this Agreement and references in a Schedule to a Part or paragraph are to a Part or paragraph of that Schedule;

1.2.3 the Schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and references to this Agreement include the Schedules;

1.2.4 references to any statute or statutory provision include references to:

1.2.4.1 all Acts of Parliament and all other legislation having legal effect in the United Kingdom; and

1.2.4.2 any subsequent statutes directly or indirectly amending, consolidating, extending, replacing or re-enacting that statute and also include any orders, regulations, instruments or other subordinate legislation made under that statute;

1.2.5 references to a "party" or to "parties" shall be a references to a "party" or "parties" to this Agreement;

1.2.6 references to the Property include any part of it;

1.2.7 "including" means "including, without limitation";

1.2.8 "working day" has the meaning given to it in the Commercial Conditions;

1.2.9 if any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of the Agreement is to be unaffected; and

1.2.10 where any party indemnifies the other under the agreement the indemnified party shall be obliged to:

- keep the indemnifying party informed of all claims;
- involve it in proceedings if the indemnifying party so wishes; and
- to mitigate its loss.

1.3 **Contracts (Rights of Third Parties) Act 1999**

The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

1.4 **Particulars**

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

1.5 **Commercial Conditions**

The Commercial Conditions, as varied by Schedule 1, form part of this Agreement so far as they are applicable to the sale of the Property and are consistent with the express terms of this Agreement.

2. **AGREEMENT FOR SALE**

2.1 **Agreement**

Subject to clause 2.8 the Seller agrees to sell and LDA agrees to buy the Property at the Price.

2.2 **Deposit**

No deposit is payable on the date of this Agreement.

2.3 **Tranches**

2.3.1 LDA may at its option call for the Property to be transferred by separate tranches of such land as is comprised in one or more Plot Numbers at various times by separate Transfers and in such case the Market Value shall be calculated on the basis of the part of the Property comprised in LDA's notice.

2.3.2 If LDA wishes to purchase the Property in separate tranches they may at any time serve not less than 28 days notice on the Seller accompanied by a plan showing the extent of the Property they wish to acquire and proposing a price for such property. If the parties are unable to agree the Proportion then either may call for the matter to be determined by the Expert.

2.3.3 For the avoidance of doubt the LDA may call for completion in accordance with clauses 2.3 and/or 2.4 notwithstanding Market Value has not been agreed or determined by serving not less than 28 days notice on the Seller.

2.4 **Option to call for Completion**

LDA may at any time serve not less than 28 days notice on the Seller requiring completion of the sale of the whole of the Property.

2.5 **Completion**

Completion of the sale is to take place on the Completion Date or if LDA exercises its option in clause 2.3 on the Completion Dates.

2.6 **Possession**

The Property is sold with vacant possession (save for Plot 45).

2.7 **Alienation**

The Seller shall not assign charge or otherwise dispose of this Agreement or any part or any benefit or interest in or under this Agreement.

2.8 **Conditionality**

Completion of the sale of the Property shall be conditional upon the Seller taking all necessary steps to comply with s123 Local Government Act 1972 and satisfy the Restriction(s) noted at the relevant Proprietorship Register of Title Numbers NGL82967 and LN142467 (which the Seller hereby undertakes to use its reasonable endeavours so to do forthwith upon exchange of this Agreement but no notices shall be issued or published before 1st September 2006 and shall keep the LDA fully advised of the steps taken and responses received).

3. **MARKET VALUE**

3.1 The Seller and LDA shall use reasonable endeavours to agree the Market Value of the Property as soon as reasonably practicable.

3.2 If the Market Value is agreed by the Seller and LDA prior to the Completion Date the Price shall be the Market Value.

3.3 If the Market Value is not agreed by the Completion Date then LDA shall pay to the Seller the Market Value (less any amounts already paid) within fifteen (15) working days of the Market Value being agreed by the parties or determined by the Lands Tribunal.

4. **VALUE ADDED TAX**

Payment of VAT

The Seller confirms that neither it nor any company in the same VAT group as the Seller has made an Election and neither it not they will do so on or before the

Date of Actual Completion. If, for any reason, the Seller is liable to account to HM Revenue and Customs for VAT on the Price or any other sums due to the Seller under this Agreement, the Price set out in this Agreement and any other sums payable will be deemed to be exclusive of any VAT and the LDA shall pay the difference forthwith to the Seller.

5. TITLE

Title deduced

The Seller has deduced title to the Property to LDA and LDA is not entitled to raise any requisition or objection to the title except in respect of:

5.1 any entries registered against the Title Number(s) after the date set out in Schedule 2 and any Land Charges registered against the name of the Seller after the date of this Agreement and any cautions against first registration registered against the Property at the Land Registry after the date of this Agreement that relate to matters that the Seller has not previously disclosed to LDA; and

5.2 any financial charges registered against the Title Number(s) or the name of the Seller at the Land Charges Registry or at Companies House.

6. TITLE MATTERS

6.1 Specific matters

The Property is sold subject to and, to the extent that the Seller is able to transfer them, with the benefit of the Title Matters.

6.2 LDA's knowledge

LDA's Solicitors have been provided with copies of the Title Matters and LDA is to be treated as buying the Property with full knowledge of them and will not raise any requisition or objection to them.

6.3 General matters

The Property is sold subject to:

6.3.1 the matters contained or referred to in Commercial Condition 3.1.2;

6.3.2 any registered local land charges;

6.3.3 any notice, order or proposal given or made by a government department or by any public or local authority, statutory undertaker or other competent body or person;

6.3.4 all charges, orders, proposals, restrictions, agreements, notices or other matters arising under the town and country planning or highways legislation which affect or relate to the Property and to any orders or regulations made under that or any other legislation;

6.3.5 all rates, charges and other outgoings which affect or are charged on the Property except for any mortgage or legal charge relating to money secured on the Property;

6.3.6 any unregistered interest that overrides the disposition effected pursuant to this Agreement under section 11(4)(c) or Schedules 1, 3 or 12 Land Registration Act 2002;

6.3.7 all public or private rights of way and other rights, easements or quasi-easements and wayleaves affecting the Property, but without any liability on the Seller to define them; and

6.3.8 all liability to repair and maintain roads, paths, conduits, fences and other like matters or to contribute to the cost of their repair and maintenance, but without any liability on the Seller to provide evidence of or to apportion liability.

6.4 **Disclosure**

The Seller warrants to LDA that it has disclosed to LDA those matters contained or referred to in this clause 6.3 of which it has actual knowledge and any Land Charges registered in the Local Land Charges Register affecting the Property.

7. THE TRANSFER

Preparation of the transfer

The transfer or transfers if LDA exercises its right pursuant to clause 2.3 shall be in the form attached to this Agreement.

8. LAND REGISTRY APPLICATIONS

Protection of this Agreement

LDA is not to send this Agreement or any copy of it to the Land Registry and is not to protect the benefit of this Agreement at the Land Registry except by the registration of a Unilateral Notice. The Seller agrees not to object to the registration of a Unilateral Notice.

9. SELLER'S OBLIGATION TO CO-OPERATE WITH THE OLYMPIC GAMES

9.1 Assistance to LDA

The Seller shall (at the cost of LDA) provide to LDA all assistance (including giving any written consents) reasonably required by LDA in connection with the laying or relocating of any conducting media in under on or adjacent to the Property or any negotiations or procedures relating to the foregoing in connection with the Olympic Games and /or the regeneration of the Property and/or other surrounding land.

9.2 Withdrawal of Objections

The Seller :

9.2.1 agrees that from the date of this Agreement any objections made by or on behalf of the Seller to the CPO (whether directly or indirectly) are withdrawn

9.2.2 shall not raise directly or indirectly any objection to the CPO.

10. FULL AND FINAL SETTLEMENT

Any payments made by LDA pursuant to this Agreement are made in full and final settlement of any claim that the Seller may have against LDA in relation to it relinquishing any rights in the Property or any entitlement it would otherwise have had to compensation by virtue of the CPO.

11. LICENCE FOR LDA TO ENTER THE PROPERTY

11.1 Grant of Licence

The Seller grants on the date of this Agreement a licence to LDA in the form annexed at Annexure 6.

12. TRAVELLERS SITE

12.1 The Seller and the LDA shall co-operate to secure reasonable alternative premises ("the Alternative Traveller's Sites") for the continued use and occupation of the occupiers of Plot 45 ("the Occupiers") and shall together consult with the Occupiers.

12.2 The LDA may take such action as it deems reasonably necessary to obtain vacant possession of Plot 45 and the Seller shall provide such assistance as is reasonably required by the LDA.

12.3 The LDA shall pay any reasonable costs incurred by the Seller in the provision and layout of the Alternative Traveller's Sites.

12.4 Where, in accordance with the provisions of clause 12.1, the parties agree that the LDA will purchase the land or use land already in its ownership to provide an Alternative Traveller's Site, the market value of the land will be deducted from the Price payable by the LDA for plot 45 if such land is to be transferred to the Seller pursuant to clause 12.5.

12.5 If required by the LDA the Seller shall accept a transfer of any Alternative Traveller's Site acquired or used in connection with clause 12.4.

13. **DETERMINATION BY EXPERT**

13.1 Subject to the provisions of paragraph 4 of Schedule 5, any dispute or difference arising between the Seller and LDA other than matters of legal construction or where it is specifically provided by this Agreement to the contrary, shall be referred to and determined by the Expert if so required by either of the parties by notice to the other party

13.2 The Expert shall be an independent person have been professionally qualified for not less than ten years and shall have substantial recent experience in respect of the subject matter of the dispute or difference and shall be a specialist in relation to such subject matter

13.3 The parties shall cooperate with each other by instructing an appointor jointly. Any dispute as to the identity, qualification or experience of the appointee on the form or content of instructions or evidence or information to be supplied shall be referred to the decision of an indemnified person appointed by the President for the time being of the Law Society on the application of either party and the parties shall be bound by the decision of that independent party

13.4 Whenever the Expert is to be appointed under this Clause he shall act as an expert and not as an arbitrator and the following provisions shall have effect:

13.4.1 the Expert's decision shall be final and binding upon the parties;

13.4.2 the Expert shall consider, inter alia, but shall not be bound by, any written representations on behalf of the parties made within such time limits as he shall specify, which time limits shall be as short as he shall consider practicable in the circumstances;

13.4.3 the Expert shall make available to each party copies of the other party's representations and allow the other party to make further written representations thereon to which Clause 13.4.2 shall apply.

13.4.4 upon receipt of any such representations the Expert shall forthwith inspect the Property if necessary and give notice of his instructions, if any, to the parties and, if he shall so require, invite them or their

advisers to attend his inspection and to make oral representations thereat;

13.4.5 the Expert shall as quickly as possible thereafter notify the parties in writing of his determination of the dispute or difference referred to him;

13.4.6 the parties shall use all reasonable endeavours to procure that the Expert shall give his decision with reasons as speedily as possible;

13.4.7 the costs of appointing the Expert and his costs and disbursements in connection with his duties under this Agreement shall be shared between the parties in such proportions as the Expert shall determine

14. CONFIDENTIALITY

14.1 Requirement for confidentiality

Neither the Seller nor LDA are without the prior written consent of the other knowingly to disclose or publish or permit or cause to be disclosed or published any details of this Agreement or its existence whether before or after Date of Actual Completion save only:

14.1.1 to the extent necessary in order to comply with the requirements of the Stock Exchange;

14.1.2 to the extent necessary in order to comply with the requirements of HM Revenue and Customs or the local rating authority;

14.1.3 to the extent necessary to effect registration at the Land Registry by means only of a Unilateral Notice but without sending this Agreement or any copy of it to the Land Registry;

14.1.4 to the extent necessary to comply with statutory obligations;

14.1.5 to the extent necessary for audit purposes;

14.1.6 to the extent ordered to do so by the court or any other Competent Authority; or

14.1.7 in connection with any inquiry in respect of the CPO.

14.2 Professional Advisers

The Seller and LDA are to ensure that their professional advisers and agents are fully instructed and required to comply with these restrictions on disclosure.

14.3 **Press Release**

On the date of this Agreement, the Seller and LDA may issue a press release in a form to be agreed (both parties acting reasonably).

15. **ADDITIONAL PROVISIONS**

15.1 **Information provided**

LDA acknowledges that this Agreement has not been entered into wholly or partly in reliance on any statement or representation made by or on behalf of the Seller, other than any statements or representations given by the Seller's Solicitors in written replies to written enquiries raised by LDA's Solicitors before the date of this Agreement;

15.2 **Sums due under this Agreement**

Any payment due from one party to another under this Agreement (other than the Price) which is not made within five working days of the due date for payment is to bear interest at the Contract Rate from and including the due date of payment to and including the date on which the payment is actually made and that interest is to be paid at the same time as the payment.

15.3 **Entire agreement**

This Agreement constitutes the entire contract between the parties and may be varied or modified only in writing by the parties or their authorised representatives specifically referring to this clause and stating that this Agreement is varied in the manner specified.

15.4 **Notices**

LDA appoints LDA's Solicitor as its agent for the service of any notices or proceedings relating to this Agreement.

15.5 **State of Repair**

LDA enters into the obligations in this Agreement with notice of the actual state of repair and condition of the Property and takes the Property in its actual physical state.

15.6 **Lease to Occupy East Marsh**

15.6.1 The LDA may at its option call for a lease ("the Lease") to occupy those properties known as Plot Numbers 6 and 7 (known as "East Marsh") (or such parts as the LDA shall specify) from the Seller in the form of the Template Lease for such term as the LDA shall specify (but not commencing before May 2011 and not expiring later than August 2013

unless mutually agreed between the Seller and the LDA as being reasonably required for the delivery of the Olympic Games (both parties acting reasonably)).

15.6.2 Upon completion of the Lease in accordance with clause 15.6.1 the Seller and the LDA shall enter into the Deposit Deed.

15.6.3 So far as is practicable the LDA shall minimise the number of trees to be removed at East Marsh, replace at the expiry of the Lease those trees that have been removed with trees which are similar in species but not necessarily of similar age and in accordance with a mutually agreed replacement plan and take all reasonable steps to protect those trees that are not removed during the term of the Lease.

15.7 **Bridge Rights**

15.7.1 The LDA may at its option call for such right title or interest that it requires in all or any parts of Plots 6 and 7 to secure land and/or necessary easements and rights for bridge footings.

15.7.2 The LDA agrees that the exercise of the options at 15.6.1 and 15.7.1 are conditional upon the LDA procuring the construction of a pedestrian connection from East Marsh to the Olympic Games site by the commencement of the Olympic Games.

15.7.3 The LDA shall consult with the Seller upon the design and location of the pedestrian connection referred to at clause 15.7.2 with particular regard to the treatment of the undercroft, minimising the land required and its location in order to provide access from East Marsh to South Marsh BUT it is hereby agreed and accepted that the LDA's discretion as to the location and design of the pedestrian connection shall not be fettered in any way by these consultations.

15.8 **Arena Field Recreation Ground (Plots 40, 43, 44 and 56 White Hart Recreation Fields (Plots 10 and 110) and Morris Field (Plot 21)**

15.8.1 The Seller and the LDA agree that the Recreation Grounds shall be transferred to LDA in consideration of £1 (One Pound).

15.8.2 The Seller and the LDA shall following completion of the Olympic Games agree an area of land owned by the LDA equivalent in terms of size, condition and use value and within the area shown edged red on plan A to the Recreation Grounds which land shall be transferred from the LDA to the Seller in consideration of £1 (One Pound) and any dispute or difference arising between the Seller and the LDA in relation to the area of land to be transferred from the LDA to the Seller

pursuant to this clause 15.8.2 shall be determined in accordance with the provisions of paragraph 4 of Schedule 5.

15.8.3 The LDA shall upon completion of the transfer of Plot 45 register a restriction at H.M. Land Registry in respect of that title in the form set out at Schedule 6 ("the Restriction").

15.8.4 The Seller further agrees that the Restriction may be removed by the Registered Proprietor of Plot 45 provided that it supplies evidence that the provisions of Clause 15.8.2 of this Agreement have been complied with.

15.9 **Gainsborough School Bridge**

The LDA will procure the provision of a pedestrian river crossing to connect Gainsborough School to the other side of the river within a reasonable period following the end of the Olympic Games.

15.10 **Restrictions on Title**

The Seller confirms that the sale of the Property is in accordance with the Local Government Act 1972 or some other Act or Authority and shall use reasonable endeavours to provide any such confirmation to H.M. Land Registry in order to satisfy any such restrictions.

16. **MAIN MARSH RECREATION GROUNDS, PROGRAMME OF WORKS AND ESCROW ACCOUNTS**

The parties to this Agreement agree that that provisions of Schedule 5 shall apply in accordance with the terms set out therein.

17. **SIGNING**

This Agreement has been signed under hand by or on behalf of the Seller and LDA and it is exchanged on the date set out in the Particulars.

SCHEDULE 1

Variations to the Commercial Conditions

1. Exclusion of Commercial Conditions

Commercial Conditions 2.2, 3.4, 6.8.4, 8.2.4 and 8.3 are excluded.

2. Variation of Commercial Conditions

2.1 In Commercial Condition 1.1.1(b) the definition of "clearing bank" is amended by replacing the words "CHAPS Clearing Limited" with the words "CHAPS Clearing Co. Limited".

2.2 In Commercial Condition 1.1.1(e) the definition of "direct credit" is varied by replacing the words "nominated by" with the word "of".

2.3 In Commercial Condition 1.1.l(m) the definition of "working day" does not include the days 24 December to 1 January inclusive.

2.4 Commercial Condition 1.5 will not apply and the buyer may sub-sell the property or assign the benefit of this Agreement to a third party.

2.5 Commercial Condition 6.2 reads, "Completion is to take place at the Seller's solicitor's Office".

2.6 In Commercial Condition 7.3.2, the words "between completion date and actual completion" are replaced by "from and including the completion date to and including actual completion".

2.7 Commercial Condition 7.3.4 reads "The seller will take the net income from the property until completion as well as compensation under condition 7.3.1".

SCHEDULE 2

Title Matters

Register entries

The matters contained or referred to in the Property and Charges Registers of the Title Numbers as at 6 September 2005 other than financial entries.

SCHEDULE 3

The Leases

Date	Document	Parties
NONE		

SCHEDULE 4

Title Details

Plots 17, 21, 40, 43, 44, 56 - title number N12297

Plot 18 - title number NGL82967

Plot 40 - title number EGL380974

Plot 42 - title number LN142467

Plot 45 - title number NGL454620

Plot 67 - title number 109644

SCHEDULE 5

Terms of Co-operation (Main Marsh Recreation Grounds)

1. **Definitions and Interpretation**

1.1 In this Schedule capitalised terms shall have the same meaning ascribed to them in **clause 1** of this Agreement save that the following expressions shall have the following meanings unless inconsistent with the context:

"Available Pitches"	those football pitches on Main Marsh Recreation Grounds;
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London for a full range of banking transactions;
"Closed Pitches"	those football pitches on East Marsh (as defined in clause 15.6 of this Agreement), being such pitches as shall cease to be used and shall be closed following the grant of the East Marsh Lease;
"East Marsh Lease"	any lease granted to the LDA by Hackney in respect of East Marsh pursuant to clause 15.6 of this Agreement;
"Escrow Accounts"	the Improvement Escrow Account and the Recreation Escrow Account;
"Escrow Accounts Terms and Conditions"	the terms and conditions upon which the Escrow Accounts shall be operated, as such terms and conditions are agreed between Hackney and the LDA, if required, pursuant to paragraph 5 of this Schedule;
"Hackney"	The Mayor and Burgesses of the London Borough of Hackney (including its statutory successors);
"Hackney Improvement Escrow Account Contribution"	such sum as Hackney shall contribute to the Improvement Escrow Account, such sum to be agreed between Hackney and the LDA and to be contributed in accordance with paragraph 5 of this

Schedule;

"Improvement Escrow Account" — an account to be opened in the joint names of the parties and into which the parties shall deposit funds (in accordance with paragraph 5 of this Schedule) to be utilised towards carrying out the Improvement Works and to be operated as set out in paragraph 5 of this Schedule;

"Improvement Works" — improvement works to be made on the Main Marsh Recreation Grounds to improve the facilities on the Main Marsh Recreation Grounds as such works shall be agreed between the parties and shall be set out in the Marshes Sports Development Strategy and which shall include the following types of improvements:

(1) maximising the number of pitches that can be used for football and rugby ("Pitches");

(2) ensuring the provision of additional Pitches on the Main Marsh Recreation Grounds to accommodate demand from local users for football and rugby for the period that East Marsh (defined in clause 15.6 of this Agreement) is unavailable for use;

(3) improving the quality and drainage of Pitches across the Main Marsh Recreation Grounds in order to maximise usage at any one time;

(4) enhancing changing room facilities in order to provide for and maximise use by men, women, children and disabled users, using a high quality design solution;

(5) providing ancillary facilities

including first aid rooms, changing accommodation for match officials, rangers' station and a community space for coaching, teaching and other agreed purposes;

(6) enhancing the uses at Mabley Green (shown edged red on plan B annexed to this Agreement) (as well as the Main Marsh Recreation Grounds (shown edged red on plan C annexed to this Agreement) and East Marsh (as defined in clause 15.6 of this Agreement)) to provide a range of sports and community uses to increase access and wider opportunities for participation as guided by Hackney's Sport and Physical Activity Strategy;

(7) environmental enhancement to bring about substantial improvement for users of the Main Marsh Recreation Grounds as well as significant works for the reinstatement of East Marsh (defined in clause 15.6 of this Agreement) after the Olympic Games;

(8) enhancing nature conservation assets, including possible tree planting, for the Main Marsh Recreation Grounds before the Olympic Games;

(9) working up proposals and undertaking works to protect trees from damage from construction activity and the operation of the temporary facilities at the Main Marsh Recreation Grounds;

	(10) working up proposals for and undertaking works to secure the long term maintenance and management of open space and/or common land including measures to care for trees and for the replacement of specimens which do not survive initial planting; and
	(11) such other works as the LDA and Hackney shall agree from time to time.
"Independent Person"	such firm of solicitors or other organisation nominated in accordance with paragraph 5.2 of this Schedule to hold and maintain the Escrow Accounts on trust for the LDA and Hackney;
"LDA"	the London Development Agency of Devon House, St Katharine's Way, London E1W 1JX (including its statutory successors);
"LDA Improvement Escrow Account Contribution"	£1,000,000 (one million pounds) plus an amount equivalent to the Hackney Improvement Escrow Account Contribution (subject to a maximum additional amount of £1,000,000 (one million pounds)), to be contributed by the LDA to the Improvement Escrow Account in accordance with paragraph 5 of this Schedule;
"LDA Recreation Escrow Account Contribution"	£1,000,000 (one million pounds) to be contributed by the LDA to the Recreation Escrow Account in accordance with paragraph 5 of this Schedule;
"Longstop Date"	31 May 2007;
"Main Marsh Recreation Grounds"	Land as shown edged red on Plan C
"Marshes Sports Development Strategy"	the strategy to be developed jointly by Hackney and the LDA in accordance with the terms of this Schedule setting out the strategy for sports facilities on the Main

	Marsh Recreation Grounds (including, without limitation, the Improvement Works);
"Other Funding"	means any funding received or receivable from public and private sector bodies in relation to the works to be undertaken to carry out the Improvement Works and/or Recreational and Open Space Works;
"Programme of Works"	a programme of works to be agreed by Hackney and the LDA in accordance with paragraph 3 of this Schedule;
"Recreation Escrow Account"	an account to be opened in the joint names of the parties into which the LDA shall deposit funds (in accordance with paragraph 5 of this Schedule) to be utilised towards carrying out the Recreation and Open Space Works and to be operated as set out in paragraph 5 of this Schedule;
"Recreational and Open Space Works"	such works, as agreed by Hackney and the LDA from time to time, to be made to the recreational and open space facilities on the Main Marsh Recreation Grounds, where such works are not Improvement Works; and
"Temporary Football Facilities"	the provision of 12 football pitches to be accommodated on the Main Marsh Recreation Grounds in accordance with this Schedule prior to 31 August 2009 in substitution for the existing 11 football pitches on East Marsh (as defined in clause 15.6 of this Agreement), the location of such pitches to be agreed by the LDA and Hackney before 31 May 2007 and provided that all 12 pitches will be accommodated together on the same area of land.

2. Conditionality

2.1 The provisions of this Schedule shall be conditional upon the transfer of the Recreation Grounds to the LDA pursuant to the provisions of clause 15.8 of this Agreement.

2.2 The provisions of paragraphs 3.1.4 and 3.4 of this Schedule are conditional upon:

2.2.1 the LDA exercising its option to call for a lease to occupy East Marsh (as defined in clause 15.6 of this Agreement); and

2.2.2 Hackney granting such a lease of East Marsh (as defined in clause 15.6 of this Agreement) to the LDA,

both in accordance with the provisions of clause 15.6 of this Agreement.

3. **Parties' Obligations, Programme of Works and Sports Development Strategy**

3.1 The LDA and Hackney undertake to each other that they shall:

3.1.1 at all times, show the utmost good faith to each other in all matters relating to this Schedule;

3.1.2 be just, true and transparent to each other in all matters relating to this Schedule;

3.1.3 use their best endeavours to agree a Programme of Works prior to the Longstop Date; and

3.1.4 use their reasonable endeavours to;

3.1.4.1 agree the Marshes Sports Development Strategy by the Longstop Date; and

3.1.4.2 ensure that the Marshes Sports Development Strategy makes provision for the Temporary Football Facilities.

3.2 In the event that the LDA and Hackney are unable to agree the Marshes Sports Development Strategy and/or a Programme of Works prior to the Longstop Date the provisions of paragraph 4 of this Schedule shall apply.

3.3 The Programme of Works shall, in relation to the Improvement Works, set out the LDA's and Hackney's priorities and funding commitments, Other Funding available and such other matters as the LDA and Hackney shall agree in relation to carrying out the Improvement Works and shall set out the priority framework for the delivery of the Improvement Works identifying, without limitation, the following in relation to the Improvement Works;

3.3.1 timescales for commencement;

3.3.2 the milestones and delivery responsibilities;

3.3.3 the skills necessary to undertake and manage such works;

3.3.4 the staff/resource commitment of each of the LDA and Hackney in carrying out the Improvement Works (if applicable).

3.4 Upon the grant of the East Marsh Lease the LDA shall ensure, for two football seasons, that the Temporary Football Facilities are maintained to an acceptable quality and standard so as to ensure that they are fit for the standard of football currently played on the football pitches on the Main Marsh Recreation Grounds (including competitive matches) provided always that:

3.4.1 the LDA shall not be required to expend more than £360,000 (the "Maximum Sum") on the improvements of the Temporary Football Facilities the specifications of such improvements are to be reasonably agreed between the Seller and the LDA (both acting reasonably);

3.4.2 the LDA's obligations under this paragraph 3.4.2 shall expire:

3.4.2.1 on the earlier of:

(a) the expiry of the East Marsh Lease and the provision of equivalent facilities on the Main Marsh Recreation Grounds (or such other area in the locality of the Main Marsh Recreation Grounds); and

(b) the expenditure by the LDA of the Maximum Sum; and

3.4.2.2 notwithstanding any other provision of this Agreement, in the event that the implementation of the Marshes Sports Development Strategy shall result in the improvement of more than ten (10) Available Pitches in addition to the Temporary Football Facilities, the LDA's obligation under this clause shall reduce by £30,000 for each Available Pitch improved.

4. Dispute Resolution

4.1 This paragraph 4 shall apply where the LDA and Hackney are unable to agree the Marshes Sports Development Strategy, the Improvement Works, the Programme of Works and/or are in dispute in relation to what area of land shall be transferred to Hackney pursuant to clause 15.8.2 of this Agreement (each a "Dispute Situation").

4.2 Where a Dispute Situation has arisen either party may give notice in writing to the other party within 5 Business Days of the Dispute Situation arising (the "Dispute Notice") that in its opinion there is a dispute and identifying the matter in respect of which the parties are in dispute (the "Dispute Matter").

22 pitches x £360,000 pound
23 pitches x £330,000
20 pitches = £300,000

4.3 Following service of a Dispute Notice each party shall use all reasonable endeavours to resolve the Dispute Matter. If the parties are unable to resolve the Dispute Matter within 20 Business Days from the date of the service of the Dispute Notice then each party shall nominate, by written notice to the other, the then current Chief Executive of its organisation (or, failing him, a senior officer who has the authority of the relevant party to resolve the Dispute Matter on behalf of the relevant party) (the "Senior Officers").

4.4 Following the nomination of the Senior Officers in accordance with paragraph 4.3, the parties shall each, within 10 Business Days of the expiry of the 20 Business Day period referred to above, prepare and serve on the Senior Officers a memorandum setting out their position on the Dispute Matter and the reasons for adopting such position.

4.5 The parties shall procure that their respective Senior Officers shall consider each memorandum served on them pursuant to paragraph 4.4 and use all reasonable endeavours to resolve the Dispute Matter. If the Senior Officers agree on a resolution or disposition of the Dispute Matter they shall jointly draft a statement setting forth the terms of such resolution or disposition which they shall then sign for the purposes of identification. The parties shall be bound to observe the terms of such statement and ensure that it is fully and promptly carried into effect.

4.6 In the event that the Senior Officers do not resolve the Dispute Matter within 20 Business Days of the date upon which the later of the memoranda is served by the parties (pursuant to paragraph 4.4) then the provisions of paragraph 5 shall apply where the Dispute Matter relates to the LDA and Hackney being unable to agree the Programme of Works.

5. Escrow Accounts

5.1 The provisions of this paragraph 5 shall only apply in the circumstances set out in paragraph 4.6 above.

5.2 Within 5 Business Days of the Senior Officers being unable to resolve the Dispute Matter in the manner set out in paragraph 4, the LDA and Hackney shall nominate an Independent Person or, failing agreement within such period, such Independent Person as shall be appointed at the request of either or both of the parties by or on behalf of the President for the time being (or the next most senior available officer) of the Law Society.

5.3 The LDA and Hackney undertake to each other to use their best endeavours to agree the Escrow Accounts Terms and Conditions with each other and with the Independent Person within 15 Business Days of the date upon which the Independent Person is nominated in accordance with paragraph 5.2 such that the Escrow Accounts are established as soon as practicable thereafter.

5.4 The Escrow Accounts shall be maintained by the Independent Person upon the Escrow Accounts Terms and Conditions provided always that it shall be a term of the Escrow Accounts Terms and Conditions that no payments shall be made out of either of the Escrow Accounts without the prior written consent of both the LDA and Hackney, unless they otherwise agree.

5.5 The LDA undertakes to Hackney that it shall:

5.5.1 within 5 Business Days of the Improvement Escrow Account being established with the Independent Person, pay into the Improvement Escrow Account the LDA Improvement Escrow Account Contribution; and

5.5.2 within 5 Business Days of the Recreation Escrow Account being established with the Independent Person, pay into the Recreation Escrow Account the LDA Recreation Escrow Account Contribution,

provided that, in the event that Hackney has not paid the Hackney Improvement Escrow Account Contribution into the Improvement Escrow Account within the timescale set out in paragraph 5.6, the LDA shall be entitled to require the repayment of the LDA Escrow Account Contribution from the Improvement Escrow Account immediately thereafter where the LDA has paid such contribution into the Improvement Escrow Account.

5.6 Hackney undertakes to the LDA that it shall, within 5 Business Days of the Improvement Escrow Account being established with the Independent Person, pay into the Improvement Escrow Account the Hackney Escrow Account Contribution provided that, in the event that the LDA has not paid the LDA Escrow Account Contribution into the Improvement Escrow Account within the timescale set out in paragraph 5.5.1, Hackney shall be entitled to require the repayment of the Hackney Improvement Escrow Account Contribution from the Improvement Escrow Account immediately thereafter where Hackney has paid such contribution into the Improvement Escrow Account.

5.7 The Escrow Accounts Terms and Conditions shall include, without limitation, the terms upon which:

5.7.1 the Escrow Accounts shall be operated (including, without limitation, the signatories to the Escrow Accounts);

5.7.2 payments shall be made from the Escrow Accounts (subject always to paragraph 5.4);

5.7.3 the manner in which and terms upon which the Escrow Accounts shall be closed.

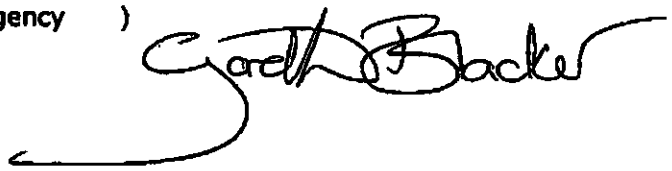
SCHEDULE 6

Form of Restriction

No disposition of the registered estate by the registered proprietor is to be registered without a written consent signed on behalf of the London Borough of Hackney by its authorised officer or conveyancer other than a grant of a Lease or Licence for a period of less than 10 years.

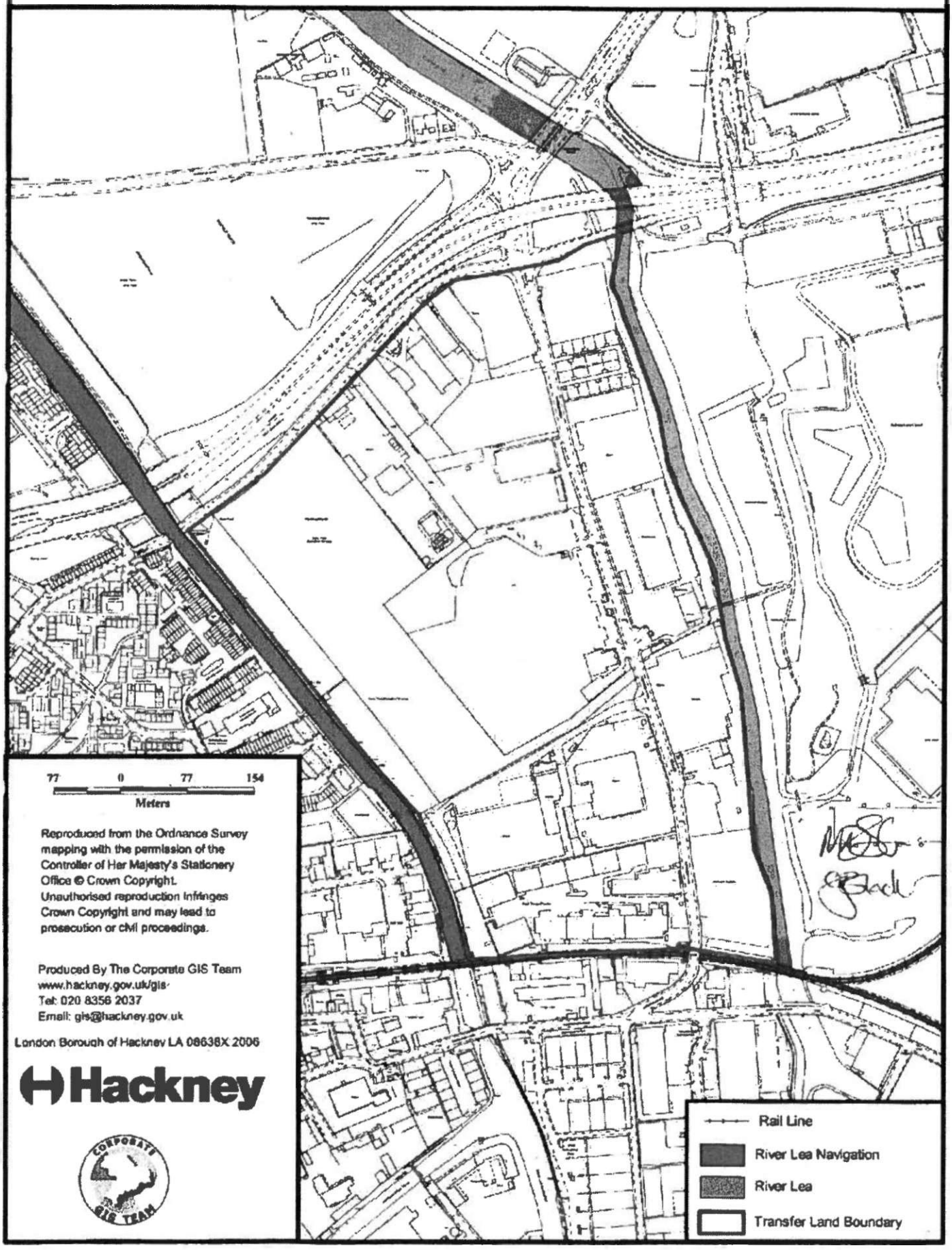
SIGNED on behalf of the Mayor and Burgesses of the London Borough of Hackney)

SIGNED by London Development Agency)

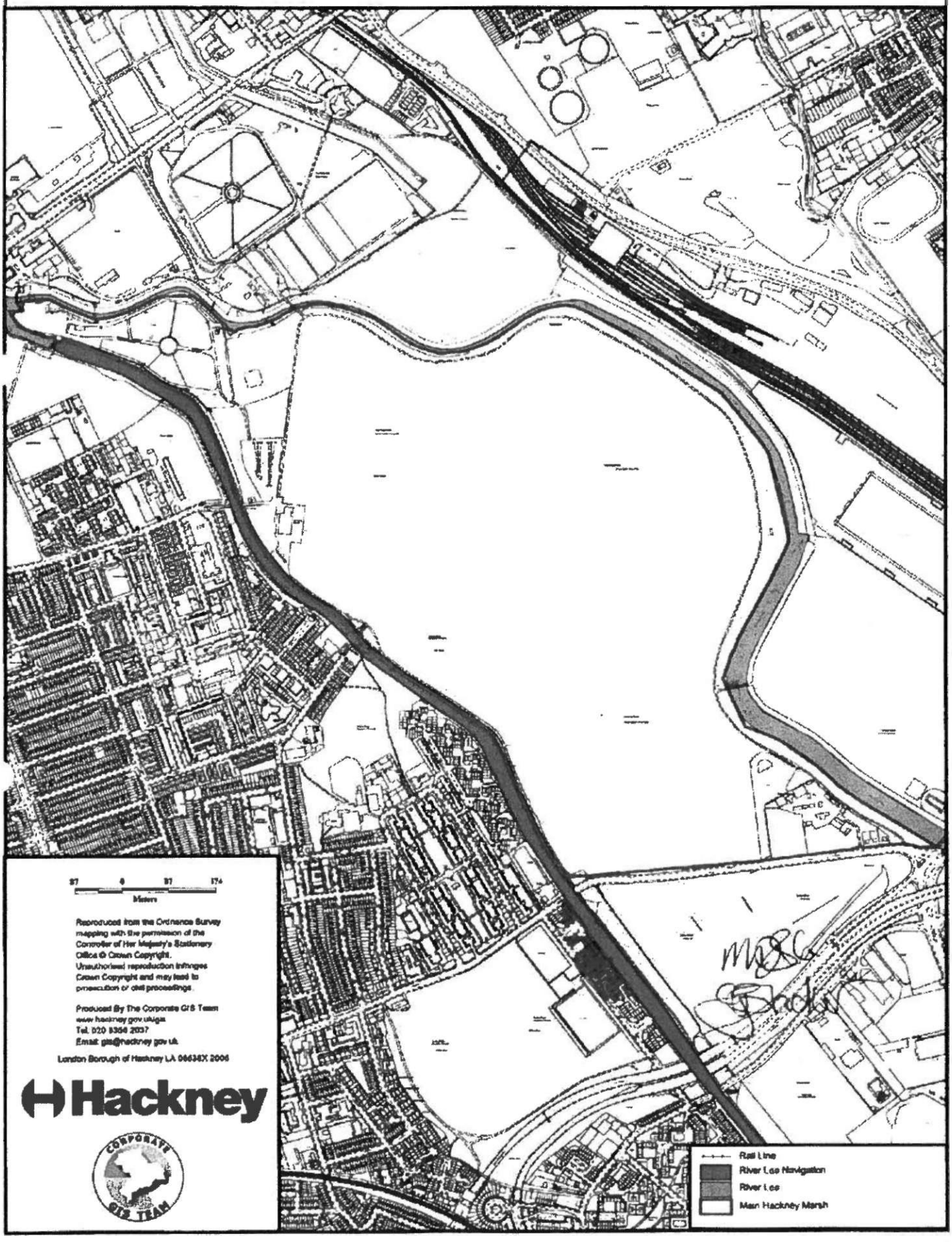


LONDON BOROUGH OF HACKNEY AND LONDON DEVELOPMENT AGENCY
OLYMPIC LAND AGREEMENT:

Plan A: Area within which land is to be transferred back to LBH post Olympic Games (Clause 15.82)



LONDON BOROUGH OF HACKNEY AND LONDON DEVELOPMENT AGENCY
OLYMPIC LAND AGREEMENT:
Plan B: Mabley Green (Schedule 5)

LONDON BOROUGH OF HACKNEY AND LONDON DEVELOPMENT AGENCY
OLYMPIC LAND AGREEMENT:

Plan C: Main Marsh Recreation Ground (Schedule 5)