

**Dated**

-----

## **Extension Agreement**

**in relation to the Sponsorship Agreement for the  
London Cycle Hire Scheme**

**between**

**Transport Trading Limited**

**and**

**Santander UK plc**

**THIS AGREEMENT** is made on Jul 1, 2021

2021

**BETWEEN:**

- (1) **TRANSPORT TRADING LIMITED** (Company Number: 03914810) with its registered office at 5 Endeavour Square, London E20 1JN (“**TTL**”); and
  - (2) **SANTANDER UK PLC** (Company Number: 02294747) with its registered office at 2 Triton Square, Regent’s Place, London NW1 3AN (the “**Sponsor**”)
- (together the “**Parties**” and references to “**Party**” shall be construed accordingly).

**WHEREAS:**

- (A) On 27 February 2015 the Parties entered in the Sponsorship Agreement for the London Cycle Hire Scheme (the “**Contract**”).
- (B) Pursuant to clause 2.2 of the Contract, the Parties may agree to renew the Contract for a period of up to three (3) Years after the expiry of the Initial Term (“**Renewal Term**”) upon terms to be agreed between the Parties.
- (C) Following discussions, the Parties have agreed a Renewal Term of three Years, on the terms set out in this Extension Agreement (the “**Agreement**”).

**AGREED TERMS**

**1 DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Contract shall have the same meaning when used in this Agreement, unless the context otherwise requires.
- 1.2 The rules of construction set out in clause 1.2 of the Contract shall apply to this Agreement as if set out in this Agreement save that references in the Contract to the "Contract" shall, where applicable, be construed as references to this Agreement, and the terms of this Agreement shall take precedence.

**2 CONSIDERATION**

- 2.1 In consideration for the additional On-going Sponsor Payments payable by the Sponsor (as set out in Schedule 3) in exchange for the grant of the Core Rights for an extended period by TTL and the related benefits for

each Party, the Parties agree to the Renewal Term on the terms of this Agreement.

### **3 VARIATION**

3.1 The Parties agree that, from the date of this Agreement, the Contract shall be amended and supplemented as set out in clause 4 below and in the Schedule to this Agreement.

### **4 ANTI-BRIBERY AND ANTI-TAX EVASION FACILITATION**

4.1 Each Party warrants, represents and undertakes to the other Party that:

- (a) in entering into this Agreement it has not done, and in performing its obligations under this Agreement and the Contract it shall not do, any act or thing that contravenes the Bribery Act 2010 or any other applicable anti-bribery laws and/or regulations;
- (b) it shall have, and shall maintain in place throughout the Term adequate procedures designed to prevent bribery occurring within the meaning given in the Bribery Act 2010 and applicable guidance;
- (c) it shall promptly report to the other Party any request or demand for any undue financial or other advantage of any kind received by it in connection with the performance of this Agreement and/or the Contract;
- (d) it shall not engage in any activity, practice or conduct which would constitute either:
  - (i) a UK tax evasion facilitation offence under section 45(5) of the Criminal Finances Act 2017; or
  - (ii) a foreign tax evasion facilitation offence under section 46(6) of the Criminal Finances Act 2017;
- (e) it shall promptly report to the other Party any request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the Criminal Finances Act 2017 in connection with the performance of this Agreement and/or the Contract;
- (f) it shall have and shall maintain in place throughout the Term such policies and procedures as are both reasonable to prevent the facilitation of tax evasion by another person (including employees of TTL) and to ensure compliance with clause 4.1 (d); and
- (g) that it shall immediately notify the other Party in writing on

becoming aware of, or suspecting, any failure to comply with any provision of this clause 4.1.

4.2 In clause 4.1, the following terms shall have the following meanings:

(a) for the purposes of clause 4.1(b) the meaning of adequate procedures shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act);

(b) for the purposes of clause 4.1(f) the meaning of ‘policies and procedures as are both reasonable to prevent the facilitation of tax evasion’ shall be determined in accordance with any guidance issued under section 47 of the Criminal Finances Act 2017; and

(c) for the purposes of clause 10.2 (g) a person associated with the relevant Party includes any subcontractor of such Party.

4.3 Any failure by a Party to comply with any provision of clause 4.1 shall entitle the other Party to terminate the Contract immediately, at no cost liability or penalty to the non-defaulting Party and without prejudice to any other rights or remedies of the non-defaulting Party.

## **5 MISCELLANEOUS**

5.1 Save as otherwise provided for in this Agreement, the Contract shall remain in full force and effect in accordance with its terms.

5.2 Each Party acknowledges and agrees that the variations contemplated by this Agreement comply with the requirements of clause 2.2 of the Contract.

5.3 The provisions in the Contract of clauses 16, 17, 18 and 19 shall be incorporated into this Agreement and shall apply herein with the necessary consequential amendments.

## SCHEDULE

1. The Parties agree that the Contract is extended for a Renewal Term of three (3) years, expiring on 30<sup>th</sup> April 2025.
2. The following clauses in the Contract shall be amended as follows:

*Clause 1.1 – definition of “**Bicycles**” shall be replaced in its entirety with:*

**“Bicycles”** means the bicycles included in the London Cycle Hire Scheme (including any E-bikes introduced during the Term);

*Clause 1.1 – definition of “**Core Rights**” shall be replaced in its entirety with:*

**“Core Rights”** means the rights granted by TTL to the Sponsor pursuant to the terms of this Contract, including the naming rights, sponsorship rights, branding rights, promotion rights, publicity rights and ancillary rights, as more particularly described in schedule 1 (and which, for the avoidance of doubt, only apply to Bicycles and their related Street Furniture, Keys, Scheme Name, Composite Logo, Maintenance Vehicles, Cycle Hire Roundel, staff uniforms etc and excluding any rights relating to E-scooters) and includes any alternative rights to the extent that they are agreed and incorporated into this Contract pursuant to clause 4.4(b);

*Clause 1.1 – definition of “**Data Protection Legislation**” shall be replaced in its entirety with:*

**“Data Protection Legislation”** means

- (a) the Regulation (EU) 2016/679 on the protection of natural persons with regard to the Processing of personal data and on the free movement of such data (“GDPR”);
- (b) Directive (EU) 2016/680 (the Law Enforcement Directive);
- (c) any legislation in force from time to time in the United Kingdom relating to privacy and/or the Processing of Personal Data, including but not limited to the Data Protection Act 2018 and the UK GDPR;
- (d) any statutory codes of practice issued by the Information Commissioner in relation to such legislation; and
- (e) the Privacy and Electronic Communications (EC Directive) Regulations 2003;

V5 – Execution version

Clause 1.1 – new definition of “**E-bikes**” to be added:

“**E-bikes**” means bicycles which can be powered by electricity as well as propelled by pedals;

Clause 1.1 – new definition of “**E-scooters**” to be added:

“**E-scooters**” means electric scooters as authorised by the Secretary of State, in exercise of his powers under section 44 of the Road Traffic Act 1988 or any replacement legislation permitting the use of electric scooters on roads;

Clause 10 (Access to Data) shall be deleted in its entirety.

Schedule 3 (Payment Schedule) paragraph 1 shall be replaced in its entirety with:

- Table 1 below sets out the total Sponsor Payments which are payable to TTL in relation to the Core Rights.

Table 1: Sponsor Payments

Sponsor Payments	£
<b>Total Sponsor Payments (including those already paid)</b>	<b>£62,500,000</b>

Schedule 3 (Payment Schedule) paragraph 4 shall be replaced in its entirety with:

- TTL shall be entitled to invoice the Sponsor for the Initial Sponsor Payment, and Ongoing Sponsor Payments in accordance with the triggers (“**Invoice Triggers**”) and amounts set out in table 2 below.

Table 2 – Sponsor Payments – Invoice Triggers and amounts payable

Sponsor Payment	Invoice Triggers	Amount Payable
Initial Sponsor Payment	Effective Date (of the Contract)	£900,000
Launch Date Payment	1/5/2015	£3,475,000
Ongoing Sponsor Payments:		
On-going Sponsor Payment – payment 1	Within 1 <sup>st</sup> contract year: (31/1/2016)	£6,250,000
On-going Sponsor Payment – Payment 2	Annual 31/1/2017	£6,250,000

On-going Sponsor Payment – payment 3	Annual 31/1/2018	£6,250,000
On-going Sponsor Payment – payment 4	Annual: 31/1/2019	£6,250,000
On-going Sponsor Payment – payment 5	Annual: 31/1/2020	£6,250,000
On-going Sponsor Payment – payment 6	Annual: 31/1/2021	£6,250,000
On-going Sponsor Payment – payment 7	Annual: 31/1/2022	£6,250,000
On-going Sponsor Payment – payment 8	Annual: 31/1/2023	£6,250,000
On-going Sponsor Payment – payment 9	Annual: 31/1/2024	£6,250,000
On-going Sponsor Payment – payment 10	Annual: 31/1/2025	£1,875,000

TTL agrees that as at the date of this Agreement, the Sponsor has paid in full the Initial Sponsor Payment, the Launch Date Payment, and On-going Sponsor Payment numbers from 1 to 6 inclusive (listed above).

*Schedule 3 (Payment Schedule) “Additional London Cycle Hire Scheme Activation and Promotion Fund paragraph 2 shall be replaced in its entirety with:*

The Activation and Promotion Fund will be £1,000,000 for each year of the Contract running from the Effective Date up to the end of the Initial Term (which the Sponsor has already provided). The Activation and Promotion Fund will be £250,000 net of VAT and agency fees for each year of the Contract running from 1 May 2022 to 30 April 2025. In the event that any of the total Activation and Promotion Fund is unspent in any given year, then the unspent amount shall be rolled over for use in the following year.

Signed   
matt denham (Jun 28, 2021 10:56 GMT+1)

Name matt denham  
Title Head of Procurement  
Date Jun 28, 2021

**For and on behalf of  
TRANSPORT TRADING LIMITED**

V5 – Execution version

Signed *D.Sherwood*  
D.Sherwood (Jun 29, 2021 10:59 GMT+1)

Name D.Sherwood  
Title Director of Marketing  
Date Jun 29, 2021

**For and on behalf of  
SANTANDER UK PLC**

Signed *Gabriel Montoya B.*  
Gabriel Montoya B. (Jul 1, 2021 11:11 GMT+1)

Name Gabriel Montoya B.  
Title Head of Organisation & Costs  
Date Jul 1, 2021

**For and on behalf of  
SANTANDER UK PLC**