

DATED

18 SEPTEMBER

2003

---

**LONDON UNDERGROUND LIMITED**

- and -

**TUBE LINES LIMITED**

**SUPPLEMENTAL AGREEMENT**

**Lovells**

Atlantic House  
Holborn Viaduct  
London  
EC1A 2FG

**THIS SUPPLEMENTAL AGREEMENT** is made on 18 SEPT 2003

**BETWEEN**

- (1) **LONDON UNDERGROUND LIMITED** whose registered office is at 55 Broadway, London SW1H 0BD (LUL); and
- (2) **TUBE LINES LIMITED** whose registered office is at 10th Floor, 30 The South Colonnade, Canary Wharf, London E14 (Infraco).

**WHEREAS**

(A) By a contract dated 31 December 2002 (*the AR Service Contract*) the parties agreed that the Amended and Restated Contract dated 4 April 2002 between LUL and Infraco was amended and restated to be read and construed and otherwise take effect in the form of that contract upon (among other things) all the conditions to the AR Service Contract being a PPP agreement (set out in section 210 of the GLA Act) having been satisfied and upon completion of the transfer of all of the issued share capital in Infraco (other than the Special Share) to the private sector pursuant to the Share Purchase Agreement.

(B) The AR Service Contract has been further amended from time to time between 31 December 2002 and the date of this Supplemental Agreement to address changes to the relationship between the parties to that time.

(C) The provisions of this Supplemental Agreement are being agreed specifically to address Infraco's desire to amend the provisions of one of its Funding Agreements and agree with LUL consequential changes to the basis for the payment of ISC from LUL to Infraco.

**IT IS AGREED AS FOLLOWS:**

**1. INTERPRETATION**

- 1.1 To the extent applicable, the provisions of this Supplemental Agreement shall be interpreted in accordance with clause 1.2 of the Master Definitions Agreement dated 1 April 2000 made between LUL, Infraco, BCV and SSL as amended and restated.
- 1.2 Words and expressions used in this Supplemental Agreement shall, to the extent applicable and unless defined herein or the context otherwise requires, have the meaning assigned to them in the MDA.
- 1.3 The following words and expressions shall, to the extent applicable and unless defined herein or the context otherwise requires, have the meaning set out below:

***Marginal Interest Amount*** shall have the meaning ascribed to that expression in, and be calculated in accordance with, the Further Supplemental Agreement of even date made between LUL and Tube Lines (Holdings) Limited relating to the Share Purchase Agreement between the parties dated 8 May 2002 (as amended by a Supplemental Agreement dated 30 December 2002).

- 1.4 Notwithstanding the MDA, as between LUL and Infraco this Supplemental Agreement shall be treated as a Transaction Document for all purposes.

**2. SUPPLEMENTAL AGREEMENT**

- 2.1 This Supplemental Agreement is supplemental to the AR Service Contract.

- 2.2 The tendering of this Supplemental Agreement to LUL for signature shall be deemed to be a proposal by Infracore for a change to the AR Service Contract as referred to in paragraph 1 of Schedule 5.8 to the AR Service Contract, and the signature by LUL of this Supplemental Agreement shall be LUL's response pursuant to paragraph 3 of that Schedule, and shall also be deemed to be the record in writing of the change for the purpose of paragraph 4 of that Schedule.

**3. OPERATIVE PROVISIONS**

- 3.1 The parties to this Supplemental Agreement agree that clause 18.4 of the AR Service Contract shall be amended as set out in schedule 1.
- 3.2 The parties to this Supplemental Agreement agree that the AR Service Contract is hereby deemed to be amended and restated in its entirety with immediate effect including the amendments made pursuant to clause 3.1.

**4. PROVISIONS OF AR SERVICE CONTRACT TO APPLY**

- 4.1 The provisions of clauses 49 (*Dispute Resolution*), 54 (*Survival*), 55 (*Notices*), 56 (*Waiver*), 57 (*Assignment and Variations*), 58 (*Severability*), 59 (*Further Assurances*), 60 (*Language*), 61 (*Costs*), 62 (*Entire Agreement*), 63 (*Application of Statutes*) of the AR Service Contract shall apply to this Supplemental Agreement as if they were set out in full but with references to the AR Service Contract replaced by references to this Supplemental Agreement.
- 4.2 Without prejudice to clause 49 (*Dispute Resolution*) of the AR Service Contract, this Supplemental Agreement shall be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales as provided for in clauses 9.1 and 9.2 (*Jurisdiction and Enforcement*) of the Dispute Resolution Agreement.
- 4.3 Save as otherwise provided herein the AR Service Contract shall remain in full force and effect in accordance with its terms. As from the date hereof any and all references in the AR Service Contract to "this Agreement", "hereunder" or other derivative description of the AR Service Contract will be construed as references to the AR Service Contract as amended by this Supplemental Agreement.

**SCHEDULE 1**

18.4 The ISC Adjustment Statement shall set out the following:

- (a) the Baseline ISC which relates to the Payment Period two (2) Payment Periods following the Payment Period during which the ISC Adjustment Statement is submitted;
- (b) the ISC Adjustment for the Payment Period two (2) Payment Periods prior to the Payment Period during which the ISC Adjustment Statement is submitted;
- (c) the amount of the LUL Share of a Refinancing, pursuant to clause 31.6(h);
- (d) any Marginal Interest Amount calculated for the Payment Period immediately prior to the Payment Period during which the ISC Adjustment Statement is submitted (and which if positive will be payable to LUL, and if negative will be payable by LUL, in each case by way of ISC Adjustment); and
- (e) for the purposes of this Contract, the definition of ISC Adjustment shall be amended by the addition of the following words at the end of that definition:

“...together with (in relation to JNP only) (1) the amount of the LUL Share of a Refinancing, pursuant to clause 31.6(h) of the Service Contract and (2) any Marginal Interest Amount...”.

**IN WITNESS WHEREOF** this Contract has been signed for and on behalf of the parties on the date first above written.

**SIGNED by**  
and  
on behalf of  
**LONDON UNDERGROUND LIMITED**

)  
)  
)  
)  
) *M. Stojelicki B.R. Holt*

**SIGNED by**  
and  
for and on behalf of  
**TUBE LINES LIMITED**

)  
)  
)  
)  
) *TH*  
*Alex Kelly*