

SUB LEASE [AND ADDITIONAL GRANT]

AMONG

[]

AND

[]

AND

SP DISTRIBUTION PLC

SUBJECTS: SUB STATION SITE AT []

CONTROLLED COPY

SUB LEASE

among

[] (who and whose successors as heritable proprietors of the Leased Subjects are hereinafter referred to as the "Head Landlord")

and

[] **LIMITED** a Company incorporated under the Companies Act (Company Number []) and having its Registered Office at [] (who and whose successors as mid-landlords of the subjects hereinafter let are hereinafter referred to as the "Landlords")

and

SP DISTRIBUTION PLC (who and whose successors as tenants under this lease are hereinafter referred to as the "Tenants")

IT IS CONTRACTED AND AGREED between the Parties as follows, videlicet:-

1. **Definitions and Interpretation**

1.1 Definitions

In this clause and in this Lease the following expressions shall bear the following meanings:-

“**Access Route**” means the route shown coloured [] on Plan 1;

“**Direct Lease**” means a valid and marketable lease (with the benefit, without prejudice to the foregoing generality, of all necessary third party consents) between the Head Landlord and the Tenants in the form of the draft lease forming Part 2 of the Schedule;

“**Electric Lines**” means all overhead and underground electric lines (being lines used, designed or adapted for use in carrying electricity or electronic communications for any purpose and including any support for any such lines, any apparatus connected to any such lines and any wire, cables, tube, pipe or other similar thing (including its casing or coating) which surrounds or supports or is surrounded or supported by, or is installed in close proximity to, or is supported, carried or suspended in association with any such lines including connections, cable markers, cable terminals, drains, culverts, inspection hatches, jointing bays and other underground or overhead works to include the erection of steel lattice

towers/pylons/poles with guards, foundations, supports, stays, wires, cables and other structures for the purpose of supporting all overhead lines; [presume underground line]

"Head Landlord" means [];

"Head Lease" means the lease entered into between the Head Landlord and the Landlords dated [] and registered in the Land Register of Scotland under Title Number [];

"Larger Subjects" means ALL and WHOLE [];

"Leased Subjects" means ALL and WHOLE the area shown outlined in [] on Plan [] and declaring that the Leased Subjects shall extend to:-

- (a) the paint and other decorative finish of the interior surface of the walls of the Substation but not any other part of such walls;
- (b) the door and door frame in the wall of the Substation;
- (c) all ventilators serving the Substation; and in the Substation ;
- (d) the floor and ceiling finishes of the Substation but not extending to anything below such floor finish or above such ceiling finish

"Parties" means the Landlords and the Tenants and the Head Landlord;

"Plan 1" means the plan number 1 referred to herein and annexed and executed as relative hereto;

"Plan 2" means the plan number 2 referred to herein and annexed and executed as relative hereto;

"Plan 3" means the plan number 3 referred to herein and annexed and executed as relative hereto;

"Planning Permission" means the planning permission for the erection of [] as subsequently amended or varied;

"Reserved Rights" means the rights reserved to the Landlords set out in Part 1 of the Schedule;

"Schedule" means the schedule in 3 parts annexed and executed as relative hereto;

"**Substation**" means the substation building erected on the Larger Subjects shown [] on Plan 2 together with all ancillary apparatus, equipment, drains, pipes and Electric Lines;

"**Sub Tenant Planning Permission**" means the planning permission or deemed planning permission to be granted in respect of the Sub Tenants' apparatus to remain on the Leased Subjects in terms acceptable to the Sub Tenants' (at the Sub Tenants' sole discretion);

"**Term of the Lease**" shall mean the Term of the Lease defined in Clause 3 hereof; and

"[] **Windfarm**" means the proposed or existing windfarm at [] within the Larger Subjects;

1.2 Interpretation

- 1.1.1. Any reference in this Lease to a statute or order or other legal requirement shall include from time to time throughout the term any statutory extension, modification or re-enactment or amendment of such statute or order or legal requirement and any regulations and orders made under them.
- 1.1.2. Wherever the context so admits or requires and in the absence of any provision to the contrary references in this Lease to the Leased Subjects shall include any part of the Leased Subjects.
- 1.1.3. Headings of paragraphs and of schedules (if any) and the front cover and contents section of this Lease are for ease of reference only, shall be deemed not to form part of this Lease and shall not be taken into account in the construction or interpretation of this Lease.
- 1.1.4. References in this Lease to any clause or sub-clause without further designation shall be construed as references to the clause or sub-clause of this Lease so numbered.
- 1.1.5. References in this Lease to this Lease shall (except in the case of references to the date of this Lease or the date of entry under this Lease) be construed as a reference to this Lease and any deed, licence, consent or other instrument supplemental to this Lease.

1.1.6. Words importing only the neuter gender include the masculine and feminine genders and vice versa; words importing only the masculine gender include the feminine gender and vice versa; words importing natural persons include corporate bodies and other legal persons and vice versa and words importing only the singular number include the plural number and vice versa.

2. The Grant

2.1 The Landlords in consideration of the rent and other prestations and subject to the whole conditions, provisions and declarations hereinafter specified hereby sublet (with the consent and concurrence of the Head Landlord which consent and concurrence is evidenced by its execution hereof) to the Tenants the Leased Subjects but subject to the Reserved Rights; TOGETHER WITH (by way of inclusion and not exception) (One), a non-exclusive right of pedestrian and vehicular access along the Access Route (with or without plant and materials) for the purpose of access and egress to the Leased Subjects (and also, for the avoidance of doubt vehicular and pedestrian access and egress around the perimeter of the Leased Subjects so far as reasonably required for the purposes of exercising the Tenants' rights under this Lease) and using, erecting, inspecting, maintaining, repairing, renewing and removing the Substation and the Electric Lines but subject to the Tenants (i) agreeing with the Landlord in advance (both acting reasonably) being obliged not to obstruct or block the Access Route so far as reasonably possible; (Two) a non-exclusive right to park vehicles on the Larger Subjects, (Three) a right to use, erect, install, inspect, maintain, repair, renew, remove, extend and enlarge Electric Lines within, under, over and across the area shown [] on Plan [] and within in, through and over the Substation and also through and under the walls, ceiling and/or floors of the Substation and to open up the respective surfaces, floor and walls thereof as far as may be necessary from time to time; (Four) rights to connect into and use an electricity supply which electricity supply will serve the Leased Subjects at all times; (Five) rights to connect into and use all service media required to serve the Leased Subjects in so far as such service media is located in the Larger Subjects; (Six) an unrestricted right of access and to be upon so much of the Larger Subjects as is necessary for the purpose of erecting and thereafter from time to time for the purpose of installing, inspecting, maintaining and repairing and renewing the Substation and the Electric Lines and to open and close the Substation doors and display the Tenants safety signage thereon; and (Seven) to fix or attach or lay and install, keep installed, maintain, renew, adjust, remove, repair, inspect and use machinery and apparatus to, in or on the walls and floor of the Substation and Larger Subjects.

2.2 The Head Landlord and Landlords shall, upon request, consent to any servitude which the Tenants require in order to connect the Electric Lines to the Substation provided that the

route or routes of such Electric Lines have first been approved by the Head Landlord and the Landlords, such approval not to be unreasonably withheld or delayed and provided that the Landlords shall not be entitled to withhold consent where the route or routes in question do not in the reasonable opinion of the Landlords adversely impact on the Landlord's infrastructure on the Larger Subjects.

- 2.2.1 [Drafting note:- if required – The Head Landlord as proprietor of the Larger Subjects hereby grants in favour of the Landlord (i) a non-exclusive right of pedestrian and vehicular access along the Access Route (with or without plant and materials) for the purpose of access and egress to and from the Larger Subjects and (ii) an unrestricted right to lay, install and keep installed, maintain, renew, alter, adjust, remove, repair, inspect, replace, extend and/or enlarge and use the Electric Lines within, through and over the route shown coloured [] on the [Plan] (“the Cable Route”) all in so far as the Cable Route forms part of the Larger Subjects and which right[s] [is/are] hereby granted as an ancillary right to the Head Lease and is granted subject to the whole obligations on the Landlord as tenant under the Head Lease as if such obligations applied to the rights granted under this Clause.]

3. Term

- 3.1. The Lease shall be for a period from and after the [insert details] day of [insert details] Two Thousand and [] notwithstanding the date or dates hereof (“the Date of Entry”) until [] or until the earlier to occur of (a) termination of the Head Lease by whatever cause and (b) any extension of the duration of the Lease effected by means of the provisions of Clause 3.2 below (“the Term of the Lease”).
- 3.2. In the event that the Landlords and the Head Landlord agrees to extend the duration of the Head Lease in accordance with Clause [] of the Head Lease (“the Head Lease Extension”), then the Lease shall be extended for a period corresponding to the Head Lease Extension (“the Lease Extension”), and the Parties shall be bound to enter into a minute of agreement recording the Lease Extension.
- 3.3. If at any time during the term of this Lease the Tenants shall be desirous of terminating the same the Tenants shall give to the Landlords and the Head Landlords not less than six months’ notice in writing of such desire and shall substantially perform and observe all the obligations and conditions hereinbefore contained and on its part to be performed and observed up to such termination then and in any such case from and after the expiration of such notice this Lease shall terminate but without prejudice to any claim by either Party in respect of any antecedent breach of any obligation or condition herein contained;
- 3.4. The Landlords shall have no right to irritate this Lease whether on grounds of non-payment of rent or otherwise.

4. Rent

The Tenants bind and oblige themselves to pay to the Landlords the sum of One Pound (£1) STERLING per annum (if asked).

5. Direct Lease

5.1 Break Option in Head Lease

5.1.1 If either the Head Landlords or the Landlords intend to exercise their break option in terms of Clauses 2.2.1 and 2.2.2 of the Head Lease prior to the expiry of the Term of the Lease then, notwithstanding Clause 2.2.1 and 2.2.2 of the Head Lease, the Head Landlords and the Landlords shall be obliged to provide 28 months written notice to the Tenants of their intention to terminate the Head Lease.

5.1.2 Where a Direct Lease is required by the Tenants to fulfil their regulatory requirements and statutory obligations as network operators under the Electricity Act 1989 (or such subsequent amending legislation) the Tenants may, within 3 months of receipt of the Landlords' written notice in terms of Clause 5.1.1 hereof, serve written notice on the Head Landlords and the Landlords requiring the Head Landlords to grant a Direct Lease to the Tenants upon expiry of the Term of the Lease.

5.1.3 In the event that the Tenants do not submit a copy of the Tenants' Planning Permission or evidence of the Tenants' Planning Permission being a deemed planning permission to the Head Landlords and the Landlords within 18 months of service of the notice in terms of Clause 5.1.1, neither the Head Landlords nor the Tenants shall be obliged to enter into the Direct Lease. For the avoidance of doubt the Tenants shall not be obliged to enter into the Direct Lease, if the Tenants' Planning Permission is not in terms entirely satisfactory to the Tenants, at the Tenants' sole discretion.

5.1.4 Following Tenants submitting a copy of the Tenants' Planning Permission or evidence of the Tenants' Planning Permission being a deemed planning permission to the Head Landlords and the Landlords in accordance with Clause 5.1.3(c):

- a) the Landlords, at their sole cost, shall restore and decommission the Substation and the Electric Lines in accordance with the Head Lease (save where such decommissioning obligations are no longer required as a result of the Tenants' Planning Permission); and
- b) the Tenants shall use reasonable endeavours to co-operate with the Landlords' reasonable requirements (including all health and safety requirements) in respect of the Landlords' compliance with the restoration obligations within with the Head Lease

and/or the Planning Permission (save where such decommissioning obligations are no longer required as a result of the Tenants' Planning Permission);

- c) the Tenants shall be liable for all costs and expenditure incurred in respect of the obtaining the Tenants' Planning Permission;
- d) all parties shall use reasonable endeavours to co-operate in compliance with the Head Lease, the Planning Permission and the Tenants' Planning Permission, PROVIDED THAT the reasonable costs of the Head Landlord shall be reimbursed by the Landlord; and
- e) the Tenants shall be bound to enter into the Direct Lease in accordance with Clauses 5.5-5.7.

5.2 **Expiry of Head Lease**

5.2.1 In circumstances where the Head Lease has not been terminated by reason of the Head Landlord and /or the Landlords exercising their break options in terms of Clause 2.2.1 and 2.2.2 of the Head Lease the Landlord will serve written notice on the Tenants not less than 28 months prior to the expiry date of the Head Lease (or in the event of the duration of the Head Lease having been extended in terms of Clause [] thereof and this Lease having been extended for a corresponding period, the expiry of such extended period) confirming that the Head Lease will terminate as at the Expiry Date.

Where:

- a) no notice has been provided by the Landlords in accordance with Clause 5.2.1 prior to the date falling 28 months prior to the expiry of the Term of the Lease; and
- b) a Direct Lease is required by the Tenants to fulfil their regulatory requirements and statutory obligations as network operators under the Electricity Act 1989 (or such subsequent amending legislation),

the Tenants will be entitled to, at any point prior to the date falling 1 month prior to the expiry of the Term of the Lease, serve written notice on the Head Landlords and the Landlords requiring the Head Landlords to grant a Direct Lease to the Tenants following the expiry of the Term of the Lease, together with a copy of the Tenants' Planning Permission or evidence that the Tenants' Planning Permission is a deemed planning permission.

5.2.2 In the event that the Tenants do not serve notice in terms of Clause 5.2.1 hereof and submit a copy of the Tenants' Planning Permission or evidence that the Tenants' Planning Permission is a deemed planning permission to the Head Landlords and the Landlords prior

to the date falling 1 month prior to the expiry of the Term of the Lease neither the Head Landlords nor the Tenants shall be obliged to enter into the Direct Lease.

5.2.3 Following the Tenants serving notice in terms of Clause 5.2.1 hereof and submitting a copy of the Tenants' Planning Permission or evidence that the Tenants' Planning Permission is a deemed planning permission to the Head Landlords and the Landlords in accordance with Clause 5.2.2:

- a) the Landlords shall, at their sole cost, restore and decommission the Substation and the Electric Lines in accordance with the Head Lease (save where such decommissioning obligations are no longer required as a result of the Tenants' Planning Permission); and
- b) the Tenants shall use reasonable endeavours to co-operate with the Landlords' reasonable requirements (including all health and safety requirements) in respect of the Landlords' compliance with the restoration obligations within with the Head Lease and/or the Planning Permission (save where such decommissioning obligations are no longer required as a result of the Tenants' Planning Permission);
- c) the Tenants shall be liable for all costs and expenditure incurred in respect of obtaining with the Tenants' Planning Permission;
- d) all parties shall use reasonable endeavours to co-operate in compliance with the Head Lease, the Planning Permission and the Tenants' Planning Permission; and
- e) the Tenants shall be bound to enter into the Direct Lease in accordance with Clauses 5.5-5.7.

5.3 **Irritancy of Head Lease**

5.3.1 Where:

- a) the Head Lease is irritated by the Head Landlords;

the Head Landlords will serve written notice on the Tenants advising them of said irritancy within two working days after the Head Landlords serving notice on the Landlords irritating the Head Lease.

5.3.2 In the event of irritancy of the Head Lease as aforesaid and a Direct Lease is required by the Tenants to fulfil their regulatory requirements and statutory obligations as network operators under the Electricity Act 1989 (or such subsequent amending legislation) the Tenants will be entitled to require the Head Landlords to immediately grant to them with

effect from the date of irritancy of the Head Lease the Direct Lease by serving written notice to this effect on the Head Landlords.

5.3.3 In the event of irritancy of the Head Lease only the Direct Lease shall contain the additional clauses contained at Part 3 of the Schedule;

5.3.4 Following the Tenants serving notice in terms of Clause 5.3.2 hereof:

- a) the Tenants shall be liable for all costs and expenditure incurred in respect of obtaining with the Tenants' Planning Permission;
- b) all parties shall use reasonable endeavours to co-operate in compliance with the Head Lease, the Planning Permission and the Tenants' Planning Permission; and
- c) the Tenants shall be bound to enter into the Direct Lease in accordance with Clauses 5.5-5.7.

5.4 **Option**

If necessary in order to comply with statutory or regulatory or licence obligations, the Tenants shall have the right to exercise an option to require the Landlords to renounce the Lease at any time and for the Head Landlord to grant the Direct Lease in favour of the Tenants by serving not less than three months' prior written notice on each of the Landlords and the Head Landlords of their intention to renounce the Lease and enter into the Direct Lease ("the Option").

5.4.1 In the event that the Tenants exercise the Option then:-

- 5.4.1.1 The Tenants shall provide an engrossment of a renunciation of the Lease ("the Renunciation") to the Landlords not later than two months prior to the Renunciation Date, validly executed by the Tenants. The Renunciation shall be validly executed by the Landlords within 21 days of receipt of the engrossment of the Renunciation and delivered to the Tenants on the Renunciation Date. As soon as reasonably practicable after the Renunciation Date the Tenants shall present the Renunciation for registration in the Land Register of Scotland and in the Books of Council and Session and shall provide each of the Head Landlords and the Landlords with an extract of the Renunciation within 14 days of receipt of the same from the Books of Council and Session;

- 5.4.1.2 The Landlords shall provide an engrossment of a renunciation of the Head Lease to the extent of the Leased Subjects ("the Head Lease Renunciation") to the Head Landlords not later than two months prior to the Renunciation Date, validly executed by the Landlords. The Head Lease Renunciation shall be validly executed by the Head Landlords within 21 days of receipt of the engrossment of the Head Lease Renunciation. On the Renunciation Date the Head Landlords shall exhibit a certified true copy of the validly executed Head Lease Renunciation to the Landlords and shall deliver the Head Lease Renunciation to the Tenants. As soon as reasonably practicable after the Renunciation Date, the Tenants shall present the Head Lease Renunciation for registration in the Land Register of Scotland and in the Books of Council and Session and shall provide each of the Landlords and the Head Landlords with one extract of the Head Lease Renunciation within 14 days of receipt of same from the Books of Council and Session.
- 5.4.1.3 The Tenants shall provide to the Head Landlords an engrossment of the Direct Lease not later than two months prior to the Renunciation Date, validly executed by the Tenants. The Direct Lease shall be validly executed by the Head Landlords and delivered to the Tenants on the Renunciation Date. As soon as reasonably practicable after the Renunciation Date, the Tenants shall present the Direct Lease for registration in the Land Register of Scotland and in the Books of Council and Session and shall provide the Head- Landlords with one extract of the Direct Lease within 14 days of receipt of same from the Books of Council and Session.
- 5.5 The date of entry under any Direct Lease to be entered into pursuant to Clauses 5.1, 5.2, 5.3 or 5.4 shall be the date following the expiry of the Term of the Lease, subject to the prior provision of the Tenants' Planning Permission.
- 5.6 The Head Landlord will execute the Direct Lease within 20 working days of the preparation of the engrossed Direct Lease and will send the duly signed Direct Lease to the Tenants' solicitors.
- 5.7 The Tenants will execute the Direct Lease within 20 working days of the date of delivery of engrossment to the Landlords' solicitors and shall thereafter register the Direct Lease in the Land Register of Scotland and the Books of Council and Session and will obtain three extracts thereof (one for the Head Landlords, one for the Landlords and one for the Tenants).

6. Use

- 6.1 The Tenants shall use the Leased Subjects for the installation and operation of a Substation Lines and for no other purposes whatsoever without the prior written consent of the Landlords and the Head Landlords, with independent access (such access to be in accordance with Clause 2 of this Lease) at all times (24 hours per day).
- 6.2 The Tenants shall be entitled to confer on duly authorised third parties the right to enter on the Leased Subjects [and the Shared Area] and to enjoy all rights available to the Tenants under this Lease but subject always to making good all physical damage caused as a result of exercising the aforesaid rights.

7. Repair and Maintenance

- 7.1 The Landlords shall be solely responsible during the currency of this Lease for the maintenance and repair of the Leased Subjects including the Substation.
- 7.2 During the currency of the Head Lease the Landlords shall be obliged to clean, clear, maintain, repair, replace and where necessary renew as is reasonably appropriate having regard to the nature of the item in question (a) the embankment surrounding the Substation; (b) any drainage facilities including pipes, manholes, tanks and outfalls forming part of same and all associated equipment in so far as serving the Leased Subjects and the Substation and that whether located within or outwith the Leased Subjects and which (a) and (b) shall be sufficient for the proper use of the Leased Subjects.

8. Provisions of Head Lease

Except to the extent (if any) inconsistent with the whole other terms and conditions of the Sublease, the Tenants shall not contravene obligations incumbent on the Landlords in the Head Lease relating to the Leased Subjects which are (a) of a non-monetary nature and are also (b) relevant and appropriate obligations for the Tenants as an electricity transmission operator whether relating to maintenance and repair, the use of the Leased Subjects or otherwise and that to the effect of freeing and relieving the Landlords of all liability and responsibility with any such contravention.

9. Landlords' Obligations

- 9.1 The Landlords shall not erect or permit any buildings, Electric Lines or other erections nor permit any trees, shrubs or bushes to be grown or cultivated within a lateral distance of five metre from the middle of the Electric Lines or within the area coloured [] which might

interfere with the enjoyment by the Tenants of the Electric Lines or the rights hereby granted and generally restrict any of the operations of the Tenants in relation to the use and operation of the Electric Lines or the future use, operation, inspection, maintenance, repair, replacement, enlargement or removal thereof;

- 9.2 The Landlords undertake not to do or cause or permit to be done on or along the Electric Lines anything likely to cause damage or injury to the Electric Lines and to take all reasonable precautions to prevent such damage or injury;
- 9.3 This Lease shall not terminate by reason of the damage or destruction of Leased Subjects or the Substation notwithstanding any rule of law to the contrary;
- 9.4 The Landlords shall not install (or allow to be installed) upon the Larger Subjects and/or the Substation any machinery or apparatus or thing that causes strain will or is likely to cause damage to Leased Subjects or any part thereof or the Tenants' fixtures and fittings and other equipment in the Substation, provided that the Landlords shall at all times be permitted to construct and operate a wind farm development on the Larger Subjects;
- 9.5 The Landlord shall not obstruct or diminish (or allow to be obstructed or diminished) the full free and uninterrupted access and flow of air in (i) the air conditioning system within the Substation in so far as it serves the Leased Subjects and (ii) the ventilators serving the Leased Subjects, provided that the Landlords shall at all times be permitted to construct and operate a wind farm development on the Larger Subjects.
- 9.6 The Landlords shall at all times keep the Substation in good and substantial repair and condition provided that the Tenants may give the Landlords notice in writing of any defects, decay or want of repair which affect the tenant's use of the Substation or the Electric Lines and the Landlords shall with all reasonable speed (and immediately in the case of an emergency) after such notice well and substantially make good the said defects decay or want of repair and if the Landlords shall not within two months after such notice (or immediately in the case of an emergency) commence and proceed diligently to well and substantially execute and complete such repairs it shall be lawful (but not obligatory) for the Tenants and its contractors agents and employees or any person authorised by it or them to enter and be upon the Larger Subjects and to execute such repair works as are necessary to comply with the said notice and the reasonable costs properly incurred in connection therewith shall be repaid by the Landlords to the Tenants within 30 days of receipt of written demand
- 9.7 The Landlords shall insure the Substation with such substantial insurance office and for such sum as the Landlords shall from time to time be advised by such insurance office as being the full cost of reinstatement thereof including professional fees payable upon any

application for planning permission or other consents as may be required in relation to such rebuilding or reinstatement the cost of removal, demolition site clearance and any works that may be incidental to the same against damage or destruction by fire, riot, civil commotion, malicious damage, storm, flood, bursting and overflowing of waterpipes and other apparatus and such other risks as may be reasonably necessary to insure against (the "insured risks") and produce to the Tenants (on demand and not more than once in every year) a copy of such policy and the last premium renewal receipt);

- 9.8 If and whenever during the term the Substation or any part of them is damaged or destroyed (whether by an insured risk or otherwise) the Landlords shall apply for and endeavour diligently to obtain all appropriate consents for rebuilding and reinstatement of the Substation and following receipt of all such appropriate consents (and to the extent that the insurance monies are not withheld as a result of any act or default of the Tenants) rebuild and reinstate the Building as soon as possible and will apply all money received in respect of the said insurance to the extent necessary in rebuilding or reinstating such destruction or damage;]
- 9.9 This Lease shall not terminate by reason of the damage or destruction of either the Substation notwithstanding any rule of law to the contrary. But in any of those circumstances the Tenants shall not be obliged in any way to supply electricity to the Landlords or to the Larger Subjects and/or the Substation.

10. Indemnity

The Tenants shall indemnify the Landlords from and against all actions, proceedings, claims, demands, costs and expenses which are brought against the Landlords (except such as may be due or caused by or arise out of any act, neglect or default or the contributory negligence of the Landlords (but only to the extent that the Landlords' negligence so contributes), their tenants, licensees or anyone authorised by them or their respective agents or employees) in respect of bodily injury to any persons or physical damage caused by the negligent act or negligent omission of the Tenants or those for whom they are responsible at law in the maintenance, installation, repair, replacement, rerouting, relocation and/or removal of the Substation or of the Electric Lines and any infrastructure or equipment introduced onto the Leased Subjects by the Tenants or those for whom they are responsible at law (including, for the avoidance of doubt, any contractors or sub-contractors of the Tenants) PROVIDED THAT the Landlords shall as soon as practicable give notice in writing to the Tenants of any such action proceeding claim or demand brought made or threatened against the Landlords and shall not settle adjust or compromise such action proceeding claim or demand without the consent of the Tenants such consent not to be unreasonably withheld or delayed.

11. Removal at Expiry

At the expiry or earlier termination of the Lease the Tenants shall:

- (a) remove themselves from the Leased Subjects without any warning or process of removal;
- (b) not remove but instead decommission and make safe the Electric Lines within the Leased Subjects and decommission and remove any infrastructure and any other apparatus within the Leased Subjects. Provided, for the avoidance of doubt, the Tenants shall not be obliged to remove any concrete plinths; and

For the further avoidance of doubt the obligations in this Clause 13 shall remain in full force and effect until implemented in full, notwithstanding the expiry or earlier termination of this Lease.

12. Arbitration

Any dispute or difference between the parties hereto under these presents shall, failing agreement, be referred for the decision and decree arbitral of a single Arbitrator mutually appointed or, failing agreement, to be appointed by the President for the time being of the Law Society of Scotland.]

13. Environmental

The Landlords warrant that the Leased Subjects and the route of any SP Lines installed under the provision of this Lease are not upon or within contaminated land (as defined by the Environment Protection Act 1990 as amended) and are contamination free and shall indemnify the Tenants absolutely against all actions, proceedings, costs, claims, losses, damages, expenses and liability incurred or threatened by reason of any contamination on and/or affecting the Leased Subjects and/or the route of any SP Lines installed under the provisions of this Lease; and b) the cost of all remedial action carried out in the future in respect of contamination or pollution, in all cases created before or existing on the date of entry under this Lease or arising from the Landlord's exercise of the Landlords rights hereunder and professional fees and expenses in connection with all such matters.

The Tenants shall not be liable for any contamination of the Environment (as defined by the Environment Protection Act 1990 as amended) or for any breach of Environmental Law arising out of the previous use of the Leased Subjects or the Larger Subjects (except in so far as arising out of the use/activities of the Tenants or those for whom the Tenants are responsible at law) and the Landlords shall meet the costs of any actions, proceedings, costs, claims, losses, damages, expenses and liability incurred by reason of any contamination on and/or affecting the Leased Subjects and the cost of all remedial action carried out in the future in respect of contamination or pollution (except insofar as arising out of the use/activities of the Tenants or those for whom the Tenants are responsible in law) and professional fees and expenses in connection with all such matters. The Tenants shall be

responsible for any contamination of the Environment or for any breach of Environmental law arising out of their operations or the operations of those for whom they are responsible at law on the Leased Subjects or the Larger Area and the Tenants shall meet the costs of any actions, proceedings, costs, claims, losses, damages, expenses and liability incurred by reason of any contamination on and/or affecting the Leased Subjects and the cost of all remedial action carried out in the future in respect of contamination or pollution arising as a result of such operations.

14. Statutory Rights

The Landlords, the Head Landlord and the Tenants agree that nothing contained in this Lease shall affect abridge, diminish or lessen the powers of the Tenants under the Electricity Act 1989 or any statutory modification or re-enactment thereof for the time being in force.

The Tenants shall be bound to comply with all obligations imposed under or by virtue of any act or acts of the UK or Scottish Parliaments or EU Regulations or any other relevant body relating to exercise of the Tenants' rights under this Lease.

The Landlords and the Head Landlords shall also be obliged to comply with all obligations imposed under or by virtue of any acts of the UK or Scottish Parliaments or EU Regulations or any other relevant body for the time being in force and shall be obliged to comply with all reasonable directions and requirements (including without limitation health and safety requirements) of the Tenants in relation to the Leased Subjects.

15. Warrandice

The Landlords hereby grant absolute warrandice in respect of the Lease and all the rights granted hereunder including all rights of access.

16. Head Landlord Consent

By its execution hereof the Head Landlord consents to the grant of this Lease and of the grant of all access and other rights referred to herein on the terms and conditions contained herein.

17. Costs

The Landlords will be responsible for their own legal costs (plus VAT and outlays) and those of the Head Landlords and the Tenants in connection with the registration preparation and execution of these presents, the Lease Extension, any variation or amendment to the Lease, and the Direct Lease.

18. Jurisdiction

This Lease shall be interpreted in accordance with the Law of Scotland and any dispute, difference or question of any kind which may arise between the parties shall be determined in accordance with the Law of Scotland.

19. Consent to Registration

The Parties hereto consent to the registration hereof [and of any decree arbitral made in terms of Clause 13 hereof] for preservation and execution: IN WITNESS WHEREOF

CONTROLLED COPY

This is the Schedule referred to in the foregoing Lease among [], [] and [].

SCHEDULE – PART 1

THE RESERVED RIGHTS

There are excepted and reserved to and in favour of the Landlords and all others authorised by the Landlords or who are otherwise entitled thereto the following rights (in so far as authorised by the Head Lease) exercisable within the Leased Subjects :-

1. Subject to providing the Tenants with reasonable prior notice and subject to such supervision as the Tenants may require (acting reasonably) a right of access to enter the Leased Subjects at all times throughout the period of this Lease with agents, workmen and others for the purposes of (a) exercising any of the rights reserved to the Landlords; and (b) carrying out any of the obligations imposed upon the Landlords in the foregoing Lease and/or this Schedule.

The foregoing reservations referred to shall be exercised subject to the following provisos namely that:-

- (i) the Landlords shall exercise the reservations so as to cause as little disturbance to the Leased Subjects as is reasonably practicable;
- (ii) the Landlords shall make good as soon as is reasonably practicable all physical damage thereby caused to the Leased Subjects.

SCHEDULE – PART 2

THE DIRECT LEASE

CONTROLLED COPY

LEASE

BETWEEN

[]

AND

[]

SUBJECTS: SUB STATION SITE AT []

CONTROLLED COPY

L E A S E

between

[] who and whose successors as landlords of the subjects hereinafter let are hereinafter referred to as the "**Landlords**") ON THE ONE PART

and

[] (who and whose successors as tenants under this lease are hereinafter referred to as the "**Tenants**") ON THE OTHER PART

IT IS CONTRACTED AND AGREED between the Parties as follows, videlicet:-

1. Definitions and Interpretation

1.1 Definitions

In this clause and in this Lease the following expressions shall bear the following meanings:-

"**Access Route**" means the route of the existing access track shown [] on Plan [];

"**Borehole**" means the borehole the approximate location of which is shown [];

"**Electric Lines**" means all overhead and underground electric lines (being lines used, designed or adapted for use in carrying electricity or electronic communications for any purpose and including any support for any such lines, any apparatus connected to any such lines and any wire, cables, tube, pipe or other similar thing (including its casing or coating) which surrounds or supports or is surrounded or supported by, or is installed in close proximity to, or is supported, carried or suspended in association with any such lines including connections, cable markers, cable terminals, drains, culverts, inspection hatches, jointing bays and other underground or overhead works to include the erection of steel lattice towers/pylons/poles with guards, foundations, supports, stays, wires,

cables and other structures for the purpose of supporting all overhead lines; [presumes underground lines]

["**Index Linked**" means except insofar as referred to in clause 8.3 hereof the relevant figure multiplied by the greater of (a) the figure "1" and (b) RPI_n divided by RPI_a]; [relevant if alternative access road to be provided]

[**RPI** is the All Items Retail Price Index as published by the Office for National Statistics and in the event of such Index ceasing to exist such other index as shall be the generally accepted equivalent index at the time or if there is no such generally accepted equivalent index, such other index as the Landlords, acting reasonably, may select;] [relevant if alternative access road to be provided]

[**RPI_n** means the value of RPI for the month preceding the relevant payment date;] [relevant if alternative access road to be provided]

[**RPI_a** means, except insofar as referred to in clause 8.3 hereof, the value of the RPI for [month of calculation of alternative access costs].] [relevant if alternative access road to be provided]

"**Larger Subjects**" means ALL and WHOLE [];

"**Leased Subjects**" means ALL and WHOLE [];

"**Parties**" means the Landlords and the Tenants;

["**Plan 1**" means the plan number 1 referred to herein and annexed and executed as relative hereto; [*Leased/shared areas*]]

["**Plan 2**" means the plan number 2 referred to herein and annexed and executed as relative hereto; [*Access Route*]]

["**Plan 3**" means the plan number 3 referred to herein and annexed and executed as relative hereto; [*FOC*]]

["**Plan 4**" means the plan number 4 referred to herein and annexed and executed as relative hereto; [*Windfarm Site*]]

["**Plan 5**" means the plan number 5 referred to herein and annexed and executed as relative hereto; [*Substitute Access*]]

["**Plan 6**" means the plan number 6 referred to herein and annexed and executed as relative hereto; [*Temporary rights*]]

"**Reserved Rights**" means the rights reserved to the Landlords set out in Part 1 of the Schedule;

"**Schedule**" means the schedule annexed and executed as relative hereto.

["**Shared Areas**" means those parts of the Larger Subjects shown shaded dark blue on Plan 1;] [may be relevant depending on location]

["**Substation**" means the substation building erected on the Leased Subjects shown [] together with all ancillary apparatus, equipment, drains, pipes and Electric Lines;]

["**Substitute Access**" means the access route over the Larger Subjects (100 metres wide) shown [], subject to such deviation to be agreed between the Landlord and the Tenant acting reasonably;] [relevant if unable to grant rights over the Access Route for 99 years]

"**Term of the Lease**" shall mean the Term of the Lease defined in Clause 3.1 hereof;

"**Termination Date**" means the date of expiry of the Term of the Lease (as hereinafter defined).

["**Windfarm**" means the proposed or existing windfarm at [] within the Larger Subjects;

"**Windfarm Lease**" means the lease entered into between the Landlords and [] dated [] and registered in the Land Register of Scotland under Title Number [];

1.2 Interpretation

- 1.1.7. Any reference in this Lease to a statute or order or other Legal Requirement shall include from time to time throughout the term any statutory extension, modification or re-enactment or amendment of such statute or order or Legal Requirement and any regulations and orders made under them.

- 1.1.8. Wherever the context so admits or requires and in the absence of any provision to the contrary references in this Lease to the Leased Subjects shall include any part of the Leased Subjects.
- 1.1.9. Headings of paragraphs and of schedules (if any) and the front cover and contents section of this Lease are for ease of reference only, shall be deemed not to form part of this Lease and shall not be taken into account in the construction or interpretation of this Lease.
- 1.1.10. References in this Lease to any clause or sub-clause without further designation shall be construed as references to the clause or sub-clause of this Lease so numbered.
- 1.1.11. References in this Lease shall (except in the case of references to the date of this Lease or the date of entry under this Lease) be construed as a reference to this Lease and any deed, licence, consent or other instrument supplemental to this Lease.
- 1.1.12. Words importing only the neuter gender include the masculine and feminine genders and vice versa; words importing only the masculine gender include the feminine gender and vice versa; words importing natural persons include corporate bodies and other legal persons and vice versa and words importing only the singular number include the plural number and vice versa.

2. The Grant

- 2.1 The Landlords in consideration of the rent and other prestations and subject to the whole conditions, provisions and declarations hereinafter specified hereby let to the Tenants the Leased Subjects but subject to the Reserved Rights; TOGETHER WITH (by way of inclusion and not exception) (One) [unless and/or until such time as the Substitute Access is required], a non-exclusive right of pedestrian and vehicular access along the Access Route (with or without plant and materials) for the purpose of access and egress to the Leased Subjects (and also, for the avoidance of doubt vehicular and pedestrian access and egress around the perimeter of the Leased Subjects so far as reasonably required for the purposes of exercising the Tenants' rights under this Lease) and using, erecting, inspecting, maintaining, repairing, renewing and removing the Substation and the Electric Lines [but subject to the Tenants (i) agreeing with the Landlord in advance (both acting reasonably) a traffic management plan in respect of the transportation of any abnormal loads over the Access Route; and] (ii) being obliged not to obstruct or block the Access Route;; (Two) [a non-exclusive right to use the

Shared Area for the purposes of accessing the Leased Subjects, parking vehicles, and use of the septic tank, drainage pipes and treatment system situated, or to be situated, within the Shared Area for foul water drainage] [depends on location of the same] (Four) a non-exclusive right to extract water from the Borehole; (Five) a right to use, erect, install, inspect, maintain, repair, renew, remove, extend and enlarge Electric Lines within, under, over and across the area shown []; (Six) [with effect from any cessation of use of that section of the Access Route running through the subjects [describe subjects where access rights are inadequate] a non-exclusive right of access along the Substitute Access for access and egress to the Leased Subjects and for the purpose of using, erecting, inspecting, maintaining, repairing, renewing and removing the apparatus, any substations on the Leased Subjects and the Electric Lines] [if alternative access route required]; (Seven) [with effect from 24 months prior to cessation of use of the Access Route a right to construct, improve, maintain, repair, replace, renew and complete (to the Tenants' satisfaction (acting reasonably)) a suitable access tracked roadway at the Tenants' sole expense (except as provided for in clause 8.3) to a specification in accordance with any planning permissions and approved in advance by the Landlords (which approval shall not be unreasonably withheld or delayed) over the Substitute Access, subject to the Tenants obtaining or procuring all necessary permissions therefor subject to the prior written approval of the Landlords (such approval not be unreasonably withheld or delayed); For the avoidance of doubt, any demands to be made by the Tenants in terms of clause 8.3 hereof must be made as soon as is reasonably practicable] [if required]; (Eight) rights to connect into and use an electricity supply which electricity supply will serve the Leased Subjects at all times and (Nine) rights to connect into and use all septic tanks, drainage pipes and treatment systems and any other service media required to serve the Leased Subjects in so far as such septic tanks, drainage pipes, treatment systems and any other service media are located in the Larger Subjects .

2.2 The Landlords shall, upon request, consent to any servitude which the Tenants require in order to connect the Electric Lines to the Substation provided that the route or routes of such Electric Lines have first been approved by the Landlords, such approval not to be unreasonably withheld or delayed and provided that the Landlords shall not be entitled to withhold consent where the route or routes in question do not in the reasonable opinion of the Landlords adversely impact on the Landlord's

infrastructure on the Larger Subjects.

3. Term

- 3.1. Subject to clauses 3.2 and 3.3 hereof, the Lease shall be for a period from and after the [insert details] day of [insert details] Two Thousand and Twelve notwithstanding the date or dates hereof (“the Date of Entry”) until the 99th Anniversary of the Date of Entry (“the Term of the Lease”).
- 3.2. The Tenants shall be obliged to surrender this Lease in the event that for any continuous period of [three] years that the Tenants do not use the Leased Subjects for the use permitted at Clause 5 hereunder;
- 3.3. The Landlords shall have the right to terminate this Lease following the expiry of a period of [two years] after planning permission allowing the use of the Leased Subjects for the use permitted at Clause 5 hereunder has lapsed, expired or been terminated, by giving 12 months’ prior written notice of such termination.
- 3.4. If at any time during the term of this Lease the Tenants shall be desirous of terminating the same the Tenants shall give to the Landlords not less than six months’ notice in writing of such desire and shall substantially perform and observe all the obligations and conditions hereinbefore contained and on its part to be performed and observed up to such termination then and in any such case from and after the expiration of such notice this Lease shall terminate but without prejudice to any claim by either Party in respect of any antecedent breach of any obligation or condition herein contained;
- 3.5. The Tenants will be permitted to assign, sub-let or share possession of the Leased Subjects without the consent of the Landlords in relation to any statutory successor of the Tenants or the successor to the Tenants’ licence to distribute electricity in the geographical area which includes the Larger Subjects provided that said successor will be the operator of the electricity distribution system.
- 3.6. The Tenants shall be entitled to sub-let any part of the Leased Subjects to any Related Company without Landlords’ consent, provided always that (i) the Tenants give written notification of any such sub-letting to the Landlords if so requested by the Landlords; (ii) the Tenant's provide a certified copy of any such sub-lease to the Landlords if so requested by the Landlords; and (iii) the Tenants intimate in writing to the Landlords the identity of such Related

Companies as sub-tenants of any part of the Leased Subjects and subsequently the date on which they or any of them cease or ceased to occupy any part of the Leased Subjects if so request by the Landlords.

- 3.7. The Tenants shall be entitled to share possession of any part of the Leased Subjects with any Related Company, provided always that (i) no tenancy rights are created or security of tenure thereby conferred; (ii) the acceptance of performance of any obligations by the Landlords from any Related Company shall not be or be deemed to be acceptance of any right of tenancy or otherwise in a question with the Related Company or the Tenants and the Landlords; (iii) the Tenants shall intimate in writing to the Landlords the identity of the Related Companies (if any) in the Leased Subjects and subsequently the date on which they or any of them cease or ceased to occupy any part of the Leased Subjects if so requested by the Landlords.
- 3.8. For the purpose of this Clause 3 "Related Company" shall mean a holding company of, or a subsidiary of the Tenants or a subsidiary of such holding company, as these terms are defined in Section 1159 of the Companies Act 2006.
- 3.9. The Landlords shall have no right to irritate this Lease whether on grounds of non-payment of rent or otherwise.

4. Rent

The Tenants bind and oblige themselves to pay to the Landlords the sum of One Pound (£1) STERLING per annum (if asked).

5. Use

- 5.1 The Tenants shall use the Leased Subjects and the rights granted hereunder for the erection, installation and operation of the Substation and for no other purposes whatsoever without the prior written consent of the Landlords with independent access (such access to be in accordance with Clause 2 of this Lease) at all times (24 hours per day).
- 5.2 The Tenants shall be entitled to confer on duly authorised third parties the right to enter on the Leased Subjects [and the Shared Area] for the purposes set out in Clause 5.1, and to enjoy all rights available to the Tenants under this Lease but subject always to making good all physical damage caused as a result of exercising the aforesaid rights.

6. Construction of the Substation [optional]

- 6.1 The Tenants shall within 1 month of being requested to do so (but only following completion of any relevant works) deliver to the Landlords an as-built plan accurately showing the Substation, and the position of all cables, pipes or drains installed in terms of this Clause 6.
- 6.2 The Tenants shall have the following temporary rights during the period from the Date of Entry until the date of completion of construction of the Substation and the Electric Lines:
- 6.2.1 the right to lay, use, inspect, maintain, repair, replace, renew and remove the Electric Lines (including rights to extend and enlarge) along the route shown [];
- 6.2.2 the non-exclusive right to occupy that area of ground shown [] as a temporary [works/lay down/compound/car parking] area [(“the Temporary Works Area”)] [amend definition as appropriate] together with such vehicles and equipment as necessary for the purpose of erecting the Substation, installing the ancillary apparatus on the Leased Subjects and laying the Electric Lines, including the erection of such portacabins as required by the Tenant which portacabins shall be removed as soon as reasonably possible following the date of completion of construction of the Substation and the Electric Lines ;
- 6.2.3 the non-exclusive right to take access and egress with or without plant, machinery and vehicles to the Leased Subjects, and the [Temporary Works Area] by and over the temporary access road shown [].
- 6.2.5 the non-exclusive right to connect into and use an electricity supply and water supply, including all drainage thereof.
- 6.3 The Tenants shall make good or pay reasonable compensation to the Landlords for any physical damage caused to the [Larger Subjects] and the Access Route by the Tenants as a direct result of any wrongful or negligent act by the Tenants' in carrying out their operations to erect the Substation, install the ancillary apparatus and equipment, lay the Electric Lines, locate and remove the portacabins and carry out any maintenance or other works connected therewith in terms of the rights granted or in exercising the temporary rights at Clauses 6.2 above.

7. Repair and Maintenance

- 7.1 The Tenants shall be solely responsible during the currency of this Lease for the maintenance and repair of the Leased Subjects including the Substation excluding therefrom any drainage facilities including pipes, manholes, tanks and outfall forming part

of same, the Borehole, septic tank and treatment systems within the Leased Subjects;
[confirmation from TOCA required]

- 7.2 [Without prejudice to the foregoing following the expiry of the Windfarm Lease but during the currency of this Lease the Tenants will be responsible for the maintenance and repair of any item within the Shared Area which previously served both the Leased Subjects and the subjects leased by the Windfarm Lease except to the extent that the same have been decommissioned in accordance with the Windfarm Lease.]
- 7.3 Without prejudice to the foregoing, following the expiry of the Windfarm Lease but during the currency of this Lease the Tenants shall be obliged to clean, clear, maintain repair and where necessary renew the drains and soakaways serving *inter alia* the Leased Subjects to put and keep them in a usable condition sufficient for the proper drainage of the Leased Subjects.
- 7.4 The Tenants shall be obliged to erect a [2.4m] high palisade security fence of a design and position approved in advance by the Landlords surrounding the Leased Subjects and the Tenants shall thereafter be obliged to maintain and repair the said fence [(under exception of the section of fence between the points marked [])] in good and secure condition throughout the Term of the Lease to the satisfaction of the Landlords acting reasonably.
- 7.5 During the currency of the Windfarm Lease the Landlords shall be obliged to clean, clear, maintain, repair, replace and where necessary renew as is reasonably appropriate having regard to the nature of the item in question (a) the embankment surrounding the Substation; (b) the drainage pipe surrounding the embankment and shown []; (c) the Borehole [within the Shared Areas] (d) any drainage facilities (whether surface water or related to the septic tank) including pipes, manholes, tanks and outfalls forming part of same and all associated equipment in so far as serving the Leased Subjects [and (e) the Shared Areas] and that whether located within or outwith the Leased Subjects which (a), (b), (c) (d) and (e) shall be sufficient for the proper use of the Leased Subjects.
- 7.6 Following the expiry of the Windfarm Lease the obligations contained in Clause 7.5 shall transfer to the Tenants.

8. Landlords' Obligations

- 8.1 The Landlords shall not permit any trees, shrubs or bushes to be grown or cultivated within a lateral distance of five metre from the middle of the Electric Lines or within the area coloured [] which might interfere with the enjoyment by the Tenants of the Electric

Lines or the rights hereby granted and generally restrict any of the operations of the Tenants in relation to the use and operation of the Electric Lines or the future use, operation, inspection, maintenance, repair, replacement, enlargement or removal thereof;

8.2 The Landlords undertake not to do or cause or permit to be done on the Larger Subjects anything likely to cause damage or injury to the Leased Subjects and the Electric Lines, or to those things to which the Tenants are granted rights under this Lease and to take all reasonable precautions to prevent such damage or injury.

8.3 This Lease shall not terminate by reason of the damage or destruction of Leased Subjects or the Substation notwithstanding any rule of law to the contrary;

8.4 The Landlords shall not install (or allow to be installed) upon the Larger Subjects and/or the Substation any machinery or apparatus or thing that causes strain will or is likely to cause damage to Leased Subjects or any part thereof or the Tenants' fixtures and fittings and other equipment in the Substation, provided that the Landlords shall at all times be permitted to allow a wind farm development to be operated on the Larger Subjects;

8.5 The Landlord shall not obstruct or diminish (or allow to be obstructed or diminished) the full free and uninterrupted access and flow of air in (i) the air conditioning system within the Substation and (ii) the ventilators serving the Leased Subjects, provided that the Landlords shall at all times be permitted to construct and operate a wind farm development on the Larger Subjects;

8.6 [For the purposes of this clause the following terms shall have the following meanings:-

“Agreed Period” means the period commencing on [] and terminating on the earlier of (a) energisation of a new physical electricity connection to the Leased Subjects for the benefit of subjects other than [] Windfarm; and (b) de-energisation of [] Windfarm in so far as related to decommissioning for removal of all of the wind turbines constructed as part of [] Windfarm..

“Burdened Owner” shall have the meaning ascribed to it in the [] ;

“Force Majeure Event A” means any act of god, strike, lock-out or other industrial disturbance not involving employees of either the Landlords or the Tenants, act of public enemy, war, declared or undeclared threat of war, explosion, terrorist act, blockade,

revolution, riot, insurrection, civil commotion or public demonstration, nuclear fallout, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water, or weather issues/problems, but excluding any Force Majeure B Event;

"Force Majeure Event B" means any prohibition or restriction made by any government department, statutory authority or court which prevents or restricts the rights granted under [] from being exercised on account of any matters related to public health (including without prejudice to the generality of the foregoing, foot and mouth disease);

"Indexed Linked" means for the purposes of this clause 8.3 only the relevant figure multiplied by the greater of (a) figure "1" and (b) RPIa

RPIb

Where:

RPI is the All Items Retail Price Index as published by the Office for National Statistics and in the event of such index ceasing to exist, such other indexes shall be generally accepted as the equivalent index at that time or if there is no such general accepted equivalent index, such other index as the Landlords, acting reasonably, may select; and

RPIa means the value of RPI for the month preceding the relevant anniversary of the Date of Entry;

RPIb means the value of RPI for [month of calculation of alternative access costs].

"Trigger Event" means the rights granted under the [] cease to be exercisable for the benefit of the Tenants provided that the occurrence of any one or more of the following two circumstances shall not constitute a Trigger Event (a) the rights granted under [] are not exercisable due to the occurrence of a Force Majeure Event A which continues for a

period of less than 3 months; and/or (b) the rights granted under [] cease to be exercisable on account of a Force Majeure Event B;

With effect from the Trigger Event the Landlords undertake during any balance of the Agreed Period remaining after the Trigger Event to free, relieve and indemnify the Tenants on demand against the whole reasonable costs properly incurred by the Tenants in the construction of the Substitute Access up to a maximum figure of £ [cost of road], Indexed Linked annually on the anniversary of the Date Of Entry.]

9. Tenants' Obligations

9.1 The Tenants shall indemnify the Landlords from and against all actions, proceedings, claims, demands, costs and expenses which are brought against the Landlords (except such as may be due or caused by or arise out of any act, neglect or default or the contributory negligence of the Landlords (but only to the extent that the Landlords' negligence so contributes), their tenants, licensees or anyone authorised by them or their respective agents or employees) in respect of bodily injury to any persons or physical damage caused by the negligent act or negligent omission of the Tenants or those for whom they are responsible at law in the maintenance, installation, repair, replacement, rerouting, relocation and/or removal of the Substation or of the Electric Lines and any infrastructure or equipment introduced onto the Leased Subjects by the Tenants or those for whom they are responsible at law (including, for the avoidance of doubt, any contractors or sub-contractors of the Tenants) PROVIDED THAT the Landlords shall as soon as practicable give notice in writing to the Tenants of any such action proceeding claim or demand brought made or threatened against the Landlords and shall not settle adjust or compromise such action proceeding claim or demand without the consent of the Tenants such consent not to be unreasonably withheld or delayed.

9.2 Except to the extent (if any) inconsistent with the whole other terms and conditions of this Lease, the Tenants shall not contravene any relevant obligations imposed in the title deeds of the Leased Subject imposed prior to the Date of Entry.

10. Removal at Expiry

At the expiry or earlier termination of the Lease the Tenants shall:

(a) remove themselves from the Leased Subjects without any warning or process of removal;

- (b) not remove but instead decommission and make safe the Electric Lines within the Leased Subjects and decommission and remove any infrastructure and any other apparatus within the Leased Subjects [and reinstate the route of Substitute Access if required by the Landlords (acting reasonably)] and that in accordance with the terms of any relevant planning permission and/or deemed planning permission or other necessary consent relating thereto to the reasonable satisfaction of the Landlords. Provided, for the avoidance of doubt, the Tenants shall not be obliged to remove any concrete plinths (to the extent such concrete plinths are required to be removed in terms of any relevant decommissioning obligations in respect of the decommissioning of [] Windfarm) [or reinstate the route of Substitute Access] except when (1) the expiry or earlier termination of this Lease postdates the removal of the wind turbines to be constructed as part of [] Windfarm from within the Larger Subjects; and (2) there has been energisation of a new physical electricity connection to the Leased Subjects for the benefit of subjects other than [] Windfarm and in the event of both (1) and (2) applying the Tenant shall be responsible for decommissioning and removal as aforesaid in accordance with the terms of any relevant planning permission and/or deemed planning permission or other necessary consent relating thereto to the reasonable satisfaction of the Landlords; and

For the further avoidance of doubt the obligations in this Clause 10 shall remain in full force and effect until implemented in full, notwithstanding the expiry or earlier termination of this Lease.

13 Arbitration

Any dispute or difference between the Parties hereto under these presents shall, failing agreement, be referred for the decision and decree arbitral of a single Arbiter mutually appointed or, failing agreement, to be appointed by the President for the time being of the Law Society of Scotland.] [parties may decide this is not appropriate]

14 Environmental

The Landlords warrant that the Leased Subjects are not contaminated land in terms of the Environment Act 1995 and that the Leased Subjects are not adversely affected by pollution or contaminates in terms of any environmental legislation (including the Public Health (Scotland) Act, 1987, the Alkali etc. Works Regulations Act, 1906, the Rivers (Prevention of Pollution) (Scotland) Acts, 1951 and 1965, the Control of Pollution Act, 1974, the Health and Safety at Work etc., Act, 1974, the Environmental Protection Act, 1990, the Clean Air Act, 1993, the Radio-active Substances Act, 1993, the Environment Act 1995 and any other legislation relating to environmental matters);

The Tenants shall not be liable for any contamination of the Environment (as defined by the Environment Protection Act 1990 as amended) or for any breach of Environmental Law arising out of the previous use of the Leased Subjects or the Larger Subjects (except in so far as arising out of the use/activities of the Tenants or those for whom the Tenants are responsible at law) and the Landlords shall meet the costs of any actions, proceedings, costs, claims, losses, damages, expenses and liability incurred by reason of any contamination on and/or affecting the Leased Subjects and the cost of all remedial action carried out in the future in respect of contamination or pollution (except insofar as arising out of the use/activities of the Tenants or those for whom the Tenants are responsible in law) and professional fees and expenses in connection with all such matters. The Tenants shall be responsible for any contamination of the Environment or for any breach of Environmental law arising out of their operations or the operations of those for whom they are responsible at law on the Leased Subjects or the Larger Area and the Tenants shall meet the costs of any actions, proceedings, costs, claims, losses, damages, expenses and liability incurred by reason of any contamination on and/or affecting the Leased Subjects and the cost of all remedial action carried out in the future in respect of contamination or pollution arising as a result of such operations.

15 Statutory Rights

The Landlords and the Tenants agree that nothing contained in this Lease shall affect abridge, diminish or lessen the powers or obligations of the Tenants under the Electricity Act 1989 or any statutory modification or re-enactment thereof for the time being in force.

The Tenants shall be bound to comply with all obligations imposed under or by virtue of any act or acts of the UK or Scottish Parliaments or EU Regulations or any other relevant body relating to exercise of the Tenants' rights under this Lease

The Landlords shall also be obliged to comply with all obligations imposed under or by virtue of any acts of the UK or Scottish Parliaments or EU Regulations or any other relevant body for the time being in force and shall be obliged to comply with all reasonable directions and requirements (including without limitation health and safety requirements) of the Tenants in relation to the Leased Subjects.

16. Warrandice

The Landlords warrant this Lease to the Tenants absolutely and all the rights granted hereunder including all rights of access..

17. Consent to Registration

The Parties hereto consent to the registration hereof [and of any decree arbitral made in terms of Clause 13] hereof for preservation and execution: IN WITNESS WHEREOF

This is the Schedule referred to in the foregoing Lease between [] and [].

SCHEDULE – PART 1

THE RESERVED RIGHTS

There are excepted and reserved to and in favour of the Landlords and all others authorised by the Landlords and/or who are otherwise entitled thereto the following rights:-

2. Subject to providing the Tenants with reasonable prior notice and subject to such supervision as the Tenants may require (acting reasonably) a right of access to enter the Leased Subjects at all times throughout the period of this Lease with agents, workmen and others for the purposes of (a) exercising any of the rights reserved to the Landlords; and (b) carrying out any of the obligations imposed upon the Landlords in the foregoing Lease and/or this Schedule.
3. [The right to use the septic tank, treatment systems and any connections thereto within the Leased Subjects for all reasonable purposes in connection with the operation and use of the operations cabin/ control building to be constructed adjacent to the Substation.] [depends on location of the same]
4. [A non-exclusive right to extract water from the Borehole for all purposes in connection with operations on the Larger Subjects] [depend on the location of the same]

The foregoing reservations referred to shall be exercised subject to the following provisos namely that:-

- (i) the Landlords shall exercise the reservations so as to cause as little disturbance to the Leased Subjects as is reasonably practicable;
- (ii) the Landlords shall make good as soon as is reasonably practicable all physical damage thereby caused to the Leased Subjects.

SCHEDULE – PART 3

DIRECT LEASE CLAUSES IN THE EVENT OF IRRITANCY

If during the first 18 months of this Lease the Tenants shall be desirous of terminating the same due to the Tenants not having or not having reasonable prospects of obtaining a planning permission for the Tenants' use of the Leased Subjects in terms of this Lease in terms which are acceptable to the Tenants, in the Tenants' sole discretion, the Tenants shall give to the Landlords notice in writing of such desire and then this Lease shall immediately terminate but without prejudice to any claim by either Party in respect of any antecedent breach of any obligation or condition herein contained.

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