

APPENDIX 2

Summary of Acquisition and Disposal

1. The Owner and the City will enter into a sale and leaseback agreement (the **Agreement**);
2. At the same time as entering into the Agreement, the parties will enter into the Indemnity under which the Owner will indemnify the City against all matters arising from the sale and leaseback transaction, the use of S203 and the associated documentation. The Indemnity will also include obligations on the Owner to build, and to honour all offers of compensation made to date, the specific terms of which are yet to be agreed. LSPH will act as guarantor in relation to the Indemnity;
3. The Owner will take a new head lease of the Property from London Underground Limited and Transport for London (the **New Headlease**), under the terms of the development agreement between those parties;
4. The Owner will assign the New Headlease to the City (the **Sale**) and simultaneously the City will grant back a sublease to the Owner for the term of the New Headlease less 3 days, with the City's obligations under the Headlease being passed through to the Owner (the **Underlease**);
5. The New Headlease will be re-assigned to the Owner not more than forty-five (45) working days later (the New Headlease and the Underlease may merge or remain in place, separately, at LSM's discretion).