

06/02/98

CSD/NWJ/SW

C00001266

C00001266/97092904

FAS 8810

MINUTE OF VARIATION OF LEASE

between

THE CROWN ESTATE COMMISSIONERS

and

CLYDEPORT OPERATIONS LIMITED

1998

W & J BURNES W.S.

MINUTE OF VARIATION OF LEASE

between

THE CROWN ESTATE COMMISSIONERS

and

CLYDEPORT OPERATIONS LIMITED

Subjects: Hunterston Construction Yard, Firth of Clyde

BURNES
s o l i c i t o r s

Edinburgh
Telephone 0131-226 2561
Facsimile 0131-225 3949/2964

MINUTE OF VARIATION OF LEASE

between

THE CROWN ESTATE COMMISSIONERS
acting in exercise of the powers of the Crown
Estate Act 1961 on behalf of the Queen's Most
Excellent Majesty (who acting and on behalf as
aforesaid and their successors are hereinafter
called "the Commissioners")

OF THE FIRST PART

and

CLYDEPORT OPERATIONS LIMITED,
incorporated under the Companies Acts
(Registered Number: 134759) and having their
Registered Office at Sixteen Robertson Street,
Glasgow (who and whose successors in right of
the tenant's interest under the Lease (as
hereinafter defined) are hereinafter called "the
Tenant")

OF THE SECOND PART

WHEREAS:

- A. The Commissioners are the landlords for the time being under the lease between the Commissioners and Clyde Port Authority dated Twenty eighth and Twenty ninth, both days of September Nineteen hundred and eighty eight of ALL and WHOLE the three areas of land extending together to Sixty one acres and ninety eight decimal or one hundredth parts of an acre (61.98 acres) or thereby being part of the bed of the sea lying below low water mark of ordinary spring tides situated at or near Hunterston Sands in the Firth of Clyde in the Parish of West Kilbride and County of Ayr and for registration purposes in the County of Ayr, all

as more particularly described in and shown delineated and coloured pink on the plan annexed and executed as relative to the said lease (hereinafter called “the Subjects”), as varied by Minute of Variation of Lease between the Commissioners and the Tenant (therein named “Clydeport Limited”) dated Seventh and Twenty first December Nineteen hundred and ninety four (the said lease varied as aforesaid being hereinafter called “the Lease”).

- B. The Tenant, as statutory successors to Clyde Port Authority conform to the Ports Act 1991, the Clyde Port Authority Scheme 1991 and Confirmation Order 1992 following thereon, is the tenant for the time being under the Lease.
- C. The Commissioners and the Tenant have agreed that the Lease will be varied in the manner following.

THEREFORE the parties HAVE AGREED and DO HEREBY AGREE as follows:-

1. VARIATION OF LEASE

From and after Eleventh July Nineteen hundred and ninety seven (“the Effective Date”), notwithstanding the dates hereof, the Lease shall be varied in the following respects:-

- 1.1 Notwithstanding the provisions of Clause 2 of the Lease, the Tenant will not be entitled to withdraw from the Lease as at Sixth January Two thousand and one,
- 1.2 With reference to Clause 2 of the Lease and notwithstanding anything contained in the Lease, if the Tenant exercises its right to withdraw from the Lease as at Sixth January Two thousand and six and there has been no sub-letting of at least one year’s duration since July Nineteen hundred and ninety seven, a surrender payment of [REDACTED]

[REDACTED] will be payable by the Tenant to the Commissioners on Sixth January Two Thousand and Six.

1.3 Notwithstanding anything contained in the Lease, rent shall be payable by the Tenant as follows:-

1.3.1 for the period from the Effective Date to Fifth January Two thousand and one inclusive, at the yearly rate of [REDACTED]; and

1.3.2 for the period from Sixth January Two thousand and one until the rent is reviewed as aftermentioned, at the yearly rate of [REDACTED]

payable quarterly in advance on Sixth January, Sixth April, Sixth July and Sixth October in each year, the first of such payments becoming due and payable as at the Effective Date and being a proportionate payment of [REDACTED] for the period from the Effective Date to Fifth October Nineteen Hundred and Ninety Seven inclusive, and the next payment becoming due and payable as at Sixth October Nineteen hundred and ninety seven for the quarter beginning on that date and so forth quarterly and termly thereafter during the currency of the Lease.

1.4 Notwithstanding anything contained in the Lease, the rent payable by the Tenant shall be reviewed on Sixth January Two thousand and six

and on the expiry of each period of five years thereafter in accordance with the following provisions:-

1.4.1

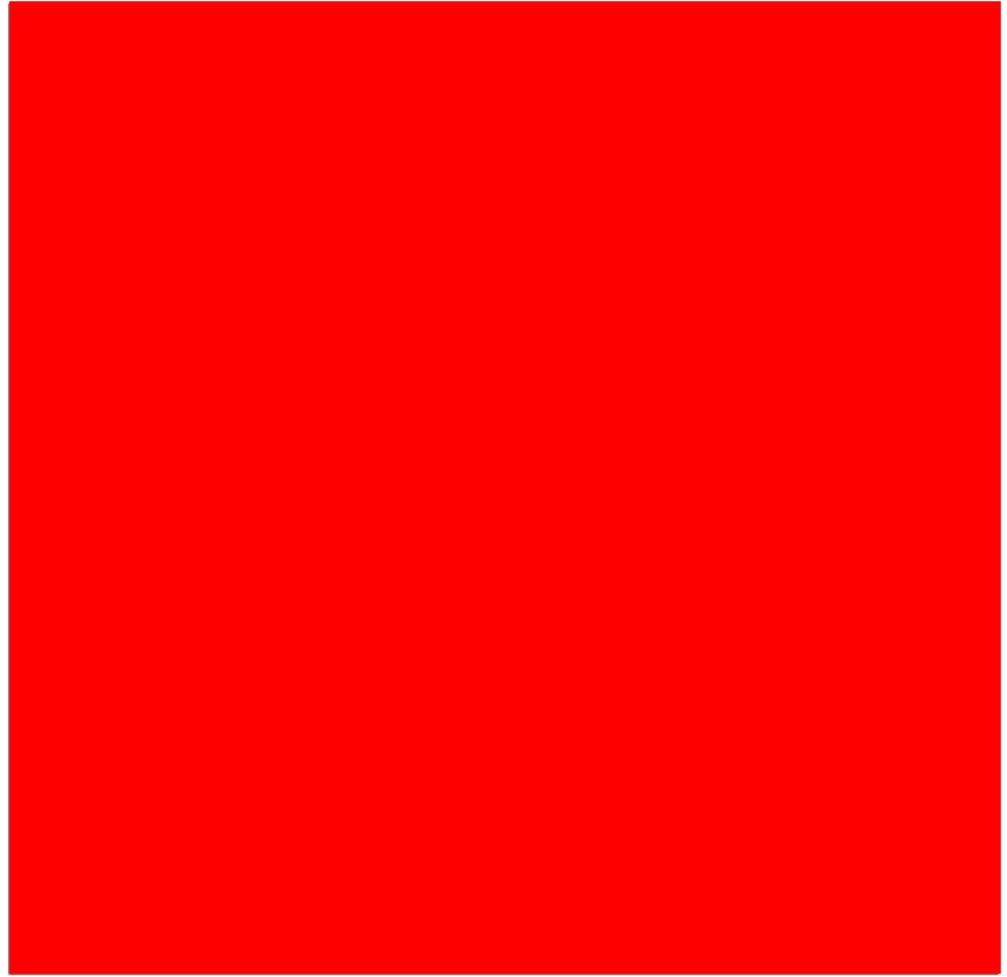


1.4.2



1.5





- 1.6 The Tenant shall be bound to pay interest on rent and on any other money payable to the Commissioners under the Lease from the due date for payment until payment is made at [REDACTED] [REDACTED] applying from time to time or at the option of the Commissioners on the cessation of the foresaid base lending rate, at the rates prescribed by Treasury Regulations from time to time under the Land Compensation (Scotland) Acts as they may be amended from time to time or, failing which, under any subsequent statute providing rates of interest which in the opinion of the Commissioners shall apply.

1.7 Sub-clause 4.1 (including for the avoidance of doubt the provisions for Rent Review) of the Lease shall be deleted.

1.8 Notwithstanding anything contained in the Lease, the Subjects shall be used for (a) any marine or marine related construction or decommissioning work, any port activity or any other marine use commensurate with the facilities on the Subjects, or (b) such other use subject always in the case of such other use only to obtaining the prior written consent of the Commissioners.

2. GENERAL

2.1 Except as varied by this Minute of Variation of Lease, the Lease shall continue in full force and effect without modification.

2.2 This Minute of Variation of Lease shall be governed by and construed in accordance with the Law of Scotland.

2.3 Headings are inserted in this Minute of Variation of Lease for ease of reference only and shall not be held to affect the interpretation hereof.

2.4 The Commissioners and the Tenant certify that this Minute of Variation of Lease is not a lease which gives effect to an Agreement for Lease as interpreted by the Inland Revenue in terms of the Guidance Note dated Thirtieth June Nineteen hundred and ninety four referring to Section 240 of the Finance Act 1994.

2.5 The Commissioners and Tenant consent to registration hereof for preservation and

execution: IN WITNESS WHEREOF these presents typewritten on this and the six preceding pages are executed as follows:- they are subscribed for and on behalf of the said Clydeport Operations Limited by [redacted] and [redacted], both Directors, at Glasgow on the Twelfth day of February Nineteen Hundred and Ninety Eight; and they are signed, in terms of Act of Parliament, by [redacted], authorised by The Crown Estate Commissioners to act on behalf of a Secretary of the Office of the Commissioners at Edinburgh on the Nineteenth day of February Nineteen Hundred and Ninety Eight in the presence of [redacted], 10 Charlotte Square, Edinburgh.

[redacted]

[redacted]

[redacted]

Clydeport Ops Ltd.

[redacted]

Clydeport Ops Ltd.