

# The Manchester Ship Canal Company Limited

## Surface Water Discharge Licence

### Heads of Terms

Subject to contract and without prejudice



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| Licensor :               | The Manchester Ship Canal Company Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Licensee:                | Trinity Developments (Manchester) Limited (CRN 11381019)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Licensee's Land :        | Trinity Island Development (Phase 1 Building D1) shown edged red on the attached plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Term :                   | 250 years from date of the license                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Charge Commencement Date | Date of first discharge                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Initial Rent :           | A rent equivalent to [REDACTED] per annum payable in advance by equal biannual payments on 1 <sup>st</sup> April and 1 <sup>st</sup> October of each year. (This being based on 532 apartments at £70/apt)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Connection Fee :         | £ [REDACTED] payable on the 1 <sup>st</sup> July 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Rent Review :            | <p>The annual rent will be reviewed annually on 1 April. The first such review will be 1 April 2022.</p> <p>The passing rent shall be the higher of the current rent, the annual rent increased by the equivalent percentage uplift in the United Utilities Water Plc charge for surface water drainage for residential customers or the annual rent uplifted in line with the increase in the RPI index.</p> <p>The annual charge will not surpass the sum of the annual charge that United Utilities Water Plc would levy to the premises on the site. In the event that United Utilities Water Plc stop levying a separate charge for surface water drainage or incorporate some of the charge into another service, this element of the rent review will be excluded.</p> |
| Rights Granted :         | The right to pass clean uncontaminated surface water from the Licensee's Land and to discharge such clean surface water through the outfall into River Irwell                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Licensee's Obligations : | <p>(1) To pay the annual rent by direct debit or automated payment on or before the due date.</p> <p>(2) Not to discharge anything other than clean surface water into the River Irwell</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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|                         | <p>(3) To comply with all relevant statutory or regulatory requirements including, in particular, the requirements of the Environment Agency or any body from time to time carrying out the functions currently carried out by the Environment Agency</p> <p>(4) To make good to the Licensor's satisfaction all damage caused to the bed or banks of the River Irwell due to the exercise of the Rights Granted</p> <p>(5) To maintain and keep the Licensee's equipment pipes outfalls and banks supporting the outfall etc in good and substantial and safe repair and condition at all times to the satisfaction of the Licensor's engineers</p> <p>(6) Not to assign, underlet, transfer, share, hold on trust or part with the benefit of the Rights Granted without the written permission of the Licensee such permission not be unreasonably withheld.</p> <p>(7) To indemnify the Licensor against all liability arising directly or indirectly from damage to the outfall by any vessel navigating the river, the exercise of the Rights, lack of maintenance or repair to the outfall and/or supporting river bank or otherwise, failure of the outfall as a result of subsidence, landslip or collapse of the bank, acts, omissions or defaults and any breach of covenant.</p> <p>The Licensor will use reasonable endeavours to mitigate its loss where it is reasonably practicable for the Licensor to do so and such loss is within the Licensor's control.</p> <p>(8) To provide warranties for the outfall works and ancillary works from the Contractor, any consultant with design responsibility and the person signing off the works as complete.</p> <p>(9) Not to discharge surface water at a rate exceeding [TBC] litres per second or with a velocity of discharge greater than 2 metres per second.</p> |
| Termination :           | If there is a breach of any of the Licensee's Obligations or if the Licensee becomes insolvent the Licensor will be entitled to terminate the Rights Granted by giving three month's written notice to the Licensee only after prior notice is given to the Licensee of the breach and the Licensee is given opportunity to remedy the breach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Licensor's Legal Fees : | The Licensor is to be responsible for Licensor's legal fees upto a maximum of £1,500 plus VAT and disbursements. The Licensee is responsible for the Licensor's fees above £1,500 plus VAT and disbursements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Engineers Fees :        | The Licensee is to be responsible for Licensor's engineer fees, capped at £500 plus VAT and disbursements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Confidentiality :       | Not to disclose the contents and terms of this Agreement to any third party and to treat the terms of this Agreement as confidential to it and its advisers save as required to comply with any legal obligation or the rules of any regulatory body                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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| Validity Period : | The Heads of Terms are valid for a period 6 months from the date of first issue. |

Signed by ..... on behalf of Trinity Developments (Manchester) Limited

Print Name .....

Date .....

Signed by ..... on behalf of The Manchester Ship Canal Company Ltd

Print Name .....

Date .....