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24 July 2017

Carew Satchwell
Route Contract Manager, LNW Route
Network Rail Infrastructure Ltd
Baskerville House, Centenary Square
Broad St, Birmingham
B1 2ND

James Carter
Network Access Manager
London & Birmingham Railway Limited
5th Floor, 102 New Street
Birmingham
B2 4JB

Dear Carew and James

Approval of the 3rd supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and London & Birmingham Railway Limited (London Midland) (jointly “the parties”)

1. We have today approved the above supplemental agreement submitted to us formally on 24 July 2017 under section 22 of the Railways Act 1993 (the Act). This follows an earlier informal submission of a draft agreement for our consideration. The purpose of this letter is to set out the reasons for our decision.
2. The purpose of this agreement is to replicate the changes made in the 60th supplemental agreement from the previous track access contract (TAC) to the parties' existing TAC. These changes include updating Service Groups EJ01-EJ06 in Appendix 1 Schedule 8 to correct the CP5 Train Operator payment error that cropped up in the modelling process, Appendix 7C to provide a default consist for train service code 22209001 and Appendix 7D to remove Class 319s from the list of metered units.
3. No industry consultation was undertaken as the proposed changes are entirely of a commercial nature between Network Rail and London Midland with no other train, freight operators or external parties affected.
4. Our review identified no issues and we are satisfied that approval is in accordance with our statutory duties under Section 4 of the Railways Act 1993. We identified some

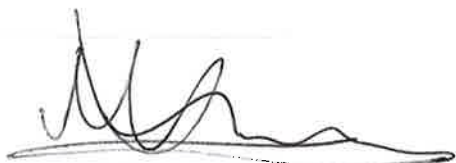
minor drafting issues and put this to the parties with our suggestions. They have accepted our comments and amended the agreement accordingly for the formal submission.

5. In considering the agreement and in reaching our decision, we have had to weigh and strike the appropriate balance in discharging our statutory duties under section 4 of the Act. We have concluded that approval of this supplemental agreement is consistent with our section 4 duties, in particular those relating to protecting the interests of users of railway services (section 4(1)(a)), promoting the use of the railway network for the carriage of passengers (section 4(1)(b)) and enabling persons providing railway services to plan their businesses with a reasonable degree of assurance (section 4(1)(g)).

6. Under clause 18.2.4 of the track access contract, Network Rail is required to produce a conformed copy, within 28 days of any amendment being made, and send copies to ORR and the Train Operator. Please send the conformed copy to me at ORR.

7. Electronic copies of this letter, the approval notice and the agreement will be sent to Keith Merritt at Department for Transport and Peter Craig at Network Rail. Copies of the approval notice and the agreement will be placed on ORR's public register (website) and copies of this letter and the agreement will be placed on the ORR website.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Albon', written over a horizontal line.

Michael Albon