

**THIS DEED OF GIFT** is made the 27<sup>th</sup> day of March 1997  
**BETWEEN:**

- (1) **THE SECRETARY OF STATE FOR DEFENCE** ("the **Secretary**")
- (2) **WALTHAM ABBEY TRUST COMPANY LIMITED** of 66 High Street Dawley Telford TF4 2HD Shropshire (Registered Company Number 3325864) ("the **Trustees**")

**WHEREAS:**

- (A) The Trustees are the present trustees of a charitable trust established by a Declaration of Trust dated 5th March 1997 and made by the Trustees ("the **Foundation**")
- (B) Immediately before the execution of this Deed by a Transfer made between the Secretary (1) and the Trustees (2) ("the **Transfer**") the Secretary transferred to the Trustees the freehold of the site known as Waltham Abbey Royal Gunpowder Mills ("the **Site**") which is more particularly described in the Transfer to hold on the trusts of the Foundation
- (C) It is intended that a charitable company ("the **Charitable Company**") will be incorporated to develop all or part of the Site into an interpretative centre and to manage the Site in accordance with an agreement to be entered into between the Trustees and the Charitable Company ("the **Management Agreement**")
- (D) It is intended that in the event that the Charitable Company is unable to develop and manage the Site in accordance with the Management Agreement the rights of the Charitable Company over the Site shall

determine and the Trustees shall resume control of and responsibility for the Site and shall keep the Site in a safe secure and stable condition

- (E) Certain areas of the Site require further decontamination if the Site is to be developed into an interpretative centre in the manner agreed by the Secretary and the decontamination works are more particularly described in the Report prepared by W.S. Atkins & Co dated 18 March 1997 and annexed hereto ("the **Report**") (hereinafter referred to as "the **Decontamination Works**")
- (F) The Secretary has conditionally agreed to give the sum of Six million Eight hundred and Fifty thousand pounds sterling (£6,850,000) to the Trustees to enable them to keep the Site in a safe secure and stable condition and carry out the decontamination works required to be done at the Site and the conditions of such gift are set out in this Deed

**NOW THIS DEED WITNESSES** as follows:

- 1 The Secretary agrees that immediately after the execution of this Deed he shall transfer the sum of Six million Eight hundred and Fifty thousand pounds sterling (£6,850,000) to the Trustees to hold upon the trusts of the Foundation
- 2 The Secretary agrees:
  - (a) To pay any difference between the cost of the Decontamination Works and the sum of One million Six hundred thousand pounds sterling (£1,600,000) save that the Secretary shall only pay the difference between the cost of the decontamination works required to to be done in conjunction with and as a part of the Phase I works (as referred to in an Agreement to be entered into today between Epping Forest District Council and

the Trustees and hereinafter referred to) if such Phase I works are completed prior to 1st April 1999 and are carried out strictly in accordance with the specification set out in the Report

- (b) To pay for the cost of any decontamination works not specified in the Report which as a result of any change in the law or otherwise are required to be done by the Trustees at the Site and which result from actions or omissions prior to the Transfer and which are required to allow public access to the Site
- (c) That if the decontamination works carried out prior to the transfer have not been carried out to the standard either required by law at the date of such works (or if higher the standard required by law at any time prior to the Site opening to the public) or if a higher standard that stipulated in the contract or contracts under which those works were undertaken then the Secretary will pay the Trustees the reasonable costs of bringing such works up to such standard and PROVIDED THAT the Trustees shall use such monies to carry out such decontamination works to such standard
- (d) to indemnify the Trustees in relation to all and any claims against the Trustees which may arise out of contamination at the Site which occurred during the ownership of the Secretary where such claim or claims could have been brought against the Secretary PROVIDED ALWAYS that the Trustees shall as soon as possible notify the Secretary of any such claims brought or made against the Trustees and shall not compound settle or admit the same without the consent of the Secretary (not to be unreasonably withheld) who may at his own expense defend dispute or settle the same in the name and on behalf of the

Trustees who shall give to the Secretary (but at the Secretary's expense) all reasonable assistance that the Secretary may require for such purpose

- 3 In consideration of the payment of sum of Six million Eight hundred and Fifty thousand pounds sterling (£6,850,000) to the Trustees by the Secretary the Trustees covenant with the Secretary that:
- (a) To complete the Phase I works by 1 April 1999 if they have received grants to a total value of at least Six million Five Hundred thousand pounds sterling (£6,500,000) from the Heritage Lottery Fund to assist them to complete such works
  - (b) In accordance with Clause 7(c) of the Trust Deed establishing the Foundation within 90 days of the date of this Deed they shall ensure that the Permanent Endowment Fund (as defined in the said Trust Deed) comprises at least Five million pounds sterling (£5,000,000)
  - (c) All professional and other fees charges costs and expenses incurred in relation to the disposal of the Site prior to the Transfer shall be discharged by the Trustees within 90 days of the date of this Deed
  - (d) By no later than 30th June 1998 the Articles of Association of the Trustees shall be amended to provide:
    - (i) that up to three of the directors of the Trustees shall be nominated by directors of the Charitable Company if such company is incorporated;

- (ii) that one of the directors of the Trustees shall prior to his/her appointment be deemed to be appointed by the Secretary and the initial trustee deemed to be so appointed is Steven Norris;
  - (iii) that one of the directors of the Trustees shall prior to his/her appointment be deemed to be appointed by The Historic Buildings and Monuments Commission for England and the initial trustee deemed to be so appointed is Thomas Limna;
  - (iv) that one of the directors of the Trustees shall prior to his/her appointment be deemed to be appointed by The Nature Conservancy Council for England and the initial trustee deemed to be so appointed is Don Spinks;
  - (v) that one of the directors of the Trustees shall prior to his/her appointment be deemed to be appointed by The National Museum of Science and Industry and if Dr Brenda Buchanan is appointed as a trustee then her appointment shall be deemed to have been made by the said National Museum of Science and Industry
  - (vi) that from the first Annual General Meeting to be held after 21st February 2000 and thereafter every Annual General Meeting one quarter of the Trustees shall retire by rotation
- (e) Subject to the proviso by no later than 30th June 1998 they will have entered into the Management Agreement with the Charitable Company provided that the Management Agreement shall not be entered into unless there are at least 12 directors of

the Charitable Company who have been validly appointed at that time of such signing all of whom have approved the Management Agreement

- (f) The Management Agreement shall contain provisions to cover the following issues:
- (i) the Charitable Company shall employ a chief executive or other similar employee or company officer by 30 September 1998 or such later date as the Secretary shall agree
  - (ii) the Charitable Company shall develop the Site in accordance with plans and to a programme of works and to a timescale approved by the Trustees;
  - (iii) the Charitable Company shall have the right to occupy the Site for the purpose of developing and managing the Site in accordance with such plans but if there is any breach not capable of remedy within a time agreed by the Trustees of the Management Agreement then such rights of occupation shall immediately cease;
  - (iv) in the event that the Charitable Company shall cease or fail to occupy the Site the Trustees shall take whatever steps are required to preserve the Site in a safe and secure condition
- (g) If and whenever the Trustees have occupation of the Site they shall keep the Site in a safe and secure condition

(h) Until the Charitable Company is incorporated and has employed a chief executive or other similar employee or company officer (and the appointed person has been in post for at least one month) the Trustees will:

(i) consult the body formed to advise the Secretary on the future of the Site and known informally as the Trust Steering Committee;

(ii) employ such professional advisers as the Trustees require and which have been approved by the Trust Steering Committee

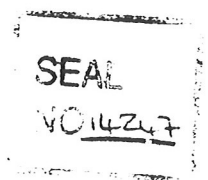
4 The parties hereto hereby certify that this instrument falls within category L in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987

**IN WITNESS**

THE CORPORATE SEAL of )  
THE SECRETARY OF STATE FOR DEFENCE )  
hereunto affixed is authenticated )  
by: )



Authorised by the Secretary of State for Defence



SIGNED as a Deed and Delivered  
by the said WALTHAM ABBEY  
TRUST COMPANY LIMITED acting by

)  
)  
)

*Dei in De.*  
*Nomine*

Director

Director/~~Secretary~~