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11 November 2010

Mr Paul Plummer
Director, Planning and Development
Network Rail Infrastructure Limited
Kings Place
90 York Way
London
N1 9AG

Dear Paul

Licence Condition

Thank you for your letter of 25 October 2010, in which you set out the approach Network Rail is taking generally to recruit non-executive directors with appropriate skills and experience to its Board and the steps you have taken and are planning to take to ensure continuing compliance with Condition 15.4 of Network Rail's network licence, particularly following David Bailey's retirement.

We strongly support your view of the importance of ensuring that Network Rail's Board consists of the right people with the right skill sets to discharge effectively the Board's primary role of governance of Network Rail. In view of your letter and, in particular, the fact that your most recent planned appointment has fallen through at a late stage necessitating a fresh recruitment search, we are prepared to exercise our power under your licence to extend the period within which Network Rail would otherwise be required to appoint a further non-executive director with substantial railway experience following David Bailey's retirement. We are extending the period for achieving compliance with Condition 15.4, as you request, from the one month specified in Condition 15.5, to 31 March 2011. This letter constitutes formal notice to that effect under paragraph 5 of Part II of Network Rail's licence.



We have already informed the Department for Transport and Transport Scotland of our decision. We will send them a copy of this letter and your letter of 25 October today and place them on our website in the next few days.

Yours sincerely

A handwritten signature in blue ink that reads "J.R. Thomas". The signature is written in a cursive style with a horizontal line above the first part of the name.

John Thomas