

**PART 8 OF THE ENTERPRISE ACT 2002 (EA02)  
UNDERTAKINGS TO THE COMPETITION AND MARKETS AUTHORITY  
(CMA) UNDER SECTION 219 OF THE EA02 RELATING TO:**

**THE UNFAIR TERMS IN CONSUMER CONTRACTS REGULATIONS 1999; AND  
PART 2 OF THE CONSUMER RIGHTS ACT 2015.**

BDP Freehold Limited, registered number 09153057, registered office UHY Hacker Young, Love Street, Chester, Cheshire, England, CH1 1QN and its subsidiaries within the meaning of section 1159 of the Companies Act 2006 and any interconnected trading companies within the meaning of section 223(4) of the EA02 ('BDP Freehold'), voluntarily gives the following undertakings to the CMA under section 219 of the EA02.

The CMA accepts the undertakings from BDP Freehold on the basis that BDP Freehold has stated to the CMA that no Ground Rent has been paid to it by any Former Leaseholder above the initial Ground Rent in respect of each Lease (and no such Ground Rent will be collected by it).

For the avoidance of doubt, these undertakings do not amount to an admission that any person has infringed the law.

**UNDERTAKINGS**

In accordance with section 219(4) and section 219B of the EA02, BDP Freehold undertakes:

- not to engage in any conduct which contravenes paragraphs 1 to 9 below;
- not to engage in such conduct in the course of its business or another business; and
- not to consent to or connive in the carrying out of such conduct by a body corporate with which it has a special relationship (within the meaning of section 222(3) of the EA02).

**Interpretation**

**Doubling Clause** means a term or terms in a Lease which cause the Ground Rent payable under the Lease to double (or more) more frequently than every 20 years, and includes any such clause which was in a Lease and has been subsequently varied to refer to a different rate of escalation (eg RPI).

**Ground Rent** refers to the principal rent payable periodically by a Leaseholder to his or her landlord under the terms of a Lease, however described, but for the avoidance of doubt does not include other sums which may be reserved as rent such as but not limited to a service charge and insurance costs.

**Lease** means a long residential lease for which Taylor Wimpey was originally the freeholder (or landlord) and that contains a Doubling Clause and for which BDP Freehold is now the freeholder (or landlord).

**Leaseholder** means a person who holds a leasehold interest in a property pursuant to a Lease.

**Taylor Wimpey** means Taylor Wimpey plc, registered number 00296805, registered office Gate House, Turnpike Road, High Wycombe, Buckinghamshire HP12 3NR

and its subsidiaries within the meaning of section 1159 of the Companies Act 2006 and any interconnected trading companies within the meaning of section 223(4) of the EA02.

### **Removal of Doubling Clauses**

1. BDP Freehold will make an offer to each Leaseholder to vary the Lease and remove the Doubling Clause, with any associated costs to the Leaseholder to be covered up to an amount of £750 and such costs to be reimbursed upon provision by the Leaseholder of reasonable evidence that such costs have been incurred. For the avoidance of doubt, the amount of £750 is the Leaseholder's maximum aggregate total entitlement under these undertakings for costs incurred and is inclusive of VAT.
2. The offer in paragraph 1 will be communicated by:
  - a. sending a letter to the relevant property; and
  - b. sending an email to the Leaseholder (where their email address is known).
3. The offer in paragraph 1 will be communicated within 30 working days of the date of this undertaking and then again annually for a two-year period or until accepted by the Leaseholder, whichever is earliest.
4. Once an offer has been accepted by a Leaseholder, BDP Freehold will use all commercially reasonable endeavours to effect the variation without undue delay.

### **Non-reliance on Doubling Clauses**

5. BDP Freehold will not rely, or seek to rely, on a Doubling Clause against a Leaseholder, including not demanding any Ground Rent above the initial Ground Rent.
6. BDP Freehold will not take any action or steps for possession against a Leaseholder for non-payment of Ground Rent in reliance on Ground 8 of Schedule 2 to the Housing Act 1988 or take any action or steps leading to possession or any other sanction against a Leaseholder for non-payment of Ground Rent in excess of the initial Ground Rent.

### **Other matters**

7. Whilst these undertakings are in effect, to the extent BDP Freehold sells the freehold of any property which is subject to a Lease and for which it is the freeholder (or landlord), it will do so on terms that the purchaser will comply with a set of obligations in relation to the Leases acquired that are the same as those

set out in paragraphs 1 – 6 of these undertakings (as applied to the Leaseholder in question), and the timing is to be taken to run from the date of the sale of the freehold and for the balance of any period remaining under these undertakings.

8. Whilst these undertakings are in effect, to the extent that BDP Freehold acquires the freehold of any property subject to a lease that would become a Lease on BDP Freehold's acquisition of the freehold, it will offer to remove the Doubling Clause under the same terms as set out in these undertakings. It will also comply with the requirements of paragraphs 5 and 6 above.
9. Without prejudice to any other information which the CMA may request, BDP Freehold will provide the CMA:
  - a. within 30 working days of the applicable deadlines for making offers under paragraph 1 above, with written confirmation that all such offers have been made to all Leaseholders (or, where, all such offers have not been made, the number outstanding and the reasons why together with a timetable for the satisfaction of outstanding requirements); and
  - b. with a report, on an annual basis, setting out:
    - i. the total number of offers made under paragraph 1 above;
    - ii. the total number of such offers which have been accepted;
    - iii. the total number of Doubling Clauses removed; and
    - iv. confirmation of compliance with paragraphs 5 and 6 above.

**BY SIGNING THESE UNDERTAKINGS BDP FREEHOLD IS AGREEING TO BE BOUND BY THEM. CONDUCT WHICH CONTRAVENES PARAGRAPH 1 TO 9 ABOVE MAY CONSTITUTE A COMMUNITY/SCHEDULE 13 INFRINGEMENT PURSUANT TO SECTION 212 OF THE EA02. IF HAVING SIGNED THIS DOCUMENT BDP FREEHOLD BREACHES ANY OF THE ABOVE UNDERTAKINGS, IT IS AWARE THAT IT MAY BE THE SUBJECT OF AN APPLICATION TO THE COURT FOR AN ENFORCEMENT ORDER UNDER SECTION 215 OF THE EA02.**