

- Original -

Qualification Document

HSL-Zuid Transport Contracts

Consortium DB Reise&Touristik & ARRIVA Nederland



&



13 September 2000
Heerenveen, The Netherlands

Common vision

The partners have joined in the consortium with the following vision:

We will pursue to maximize the customer's benefit in operating on the HSL-Zuid track. Through our complementary experience and strengths we are capable to develop outstanding fully integrated multi-modal services along HSL-Zuid markets. Partnerships with airlines, municipal transport companies, car drivers' associations and other service companies will guarantee a new excellence in mobility within the Netherlands and on the international relations. Additionally, we will ensure a 21th century feeling of traveling with the means of most modern train technology.

Appendix D: Request for Qualification

Part A: Information about the Applicant

The answers to these questions should be provided by the duly authorised officer of the Applicant. In cases where an Applicant is a consortium, the duly authorised officers of all consortium partners must duly answer these questions.

A 1 Applicant

Name	Consortium DB Reises&Touristik AG/Arriva Personenvervoer Nederland B.V.
Authorised Officer = Bid Director	Dr. Matthias Meier

A 2 In case the Applicant is a consortium, who are, or will be, the shareholders in the Applicant?

Company Name	(Intended) Percentage holding
DB Reises&Touristik AG	60 %
Arriva Personenvervoer Nederland B.V.	40 %

Frankfurt, 12.09.2000

Power of attorney

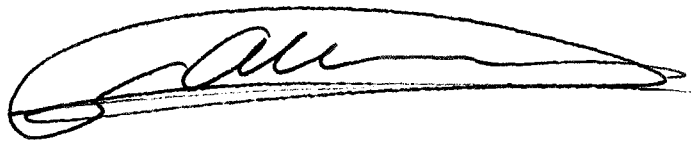
The undersigned DB Reise&Touristik AG and ARRIVA Personenvervoer Nederland B.V. hereby appoint Dr. Matthias Meier as bid director pursuant to item 2.1 of the memorandum of understanding between the two companies dated September 4, 2000 and provide him with the power of attorney to legally represent and act on behalf of the consortium vis à vis third parties.

Signed by and on behalf of



Werner Lübberink

DB Reise&Touristik AG



Kees Arends

ARRIVA Personenvervoer Nederland B.V.

A 3 Applicant's person for contact purpose (also in case the Applicant is a consortium)

Name	Dr. Matthias Meier
Address	Deutsche Bahn AG GZI Internationale Beziehungen Potsdamer Platz 2 D-10785 Berlin
Telephone	0049 30 - 297 - 63077
Fax	0049 30 - 297 - 63329
E-mail	Matthias.Meier@bku.db.de

A 4 What is the actual, or if applicable proposed, legal status of the Applicant?

Consortium and, after winning the tender, a limited liability company

(besloten vennootschap met aansprakelijkheid) under the laws of

the Netherlands

A 5 Where the Applicant is a consortium, an outline of the method for governing the relationships between each consortium partner should be provided.

c.f. memorandum of understanding

MEMORANDUM OF UNDERSTANDING

(hereinafter "MOU")

to constitute the Joint Venture []

Signed on September 4, 2000

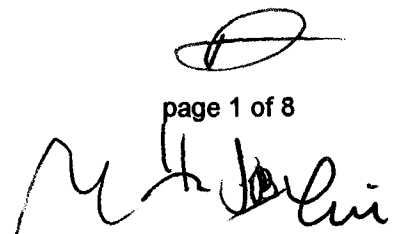
BY AND BETWEEN:

- (1) **DB Reise&Touristik AG**,
a company duly incorporated under the laws of Germany
(hereinafter "DB")
- (2) **ARRIVA Personenvervoer Nederland B.V.**,
a company duly incorporated under the laws of The Netherlands
(hereinafter "ARRIVA")

(DB and ARRIVA are herein referred to singly as a "Party" and collectively as the "Parties")

WHEREAS:

- (A) On the 17 July 2000 the State of the Netherlands (the "Promoter") has issued a "Qualification Document, HSL Zuid Transport Contracts" to provide the registered parties with the information needed to apply for qualification to tender for the transport services over the high-speed line between The Netherlands and Belgium (the "HSL-Zuid").
- (B) Having in mind the contribution HSL-Zuid will make towards free movement of people and services in Europe, the Parties have agreed to combine their specific knowledge to create maximum benefits to the passengers, the Dutch economy and the Parties: DB will, amongst other things, contribute its extensive experience and know-how in high-speed rail operations, project management and finance and ARRIVA will, amongst other things, contribute its experience and know-how in the Dutch public transport market together with its extensive experience in operating within commercially oriented public transport regimes.
- (C) The Parties have agreed to enter into a joint venture on the terms hereafter appearing for the purpose of applying for qualification to tender for the domestic and international transport services over HSL-Zuid and upon successful qualification to prepare and submit a competitive tender (the "Tender").

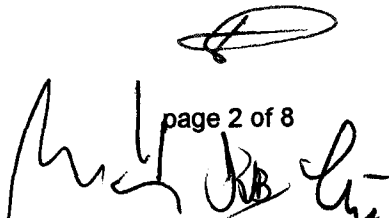


- (D) The Parties intend to form a special purpose company to operate the domestic and international transport services over HSL-Zuid if the Tender is accepted by the Promoter. Such a company would be formed reflecting the principles contained within this memorandum of understanding.

Now therefore in consideration of the mutual agreements herein contained, the Parties agree as follows:

1. FORMATION AND PURPOSE OF THE JOINT VENTURE

- 1.1 The Parties hereby constitute themselves as a joint venture (the "JV"), under the name of [], for the purpose of applying for qualification, preparing and submitting a Tender for the domestic and international transport services over HSL-Zuid (the "Project").
- 1.2 After initial submission of the Tender, if and to the extent necessary, revising the Tender in negotiation with the Promoter so as to achieve selection as the preferred bidder.
- 1.3 Thereafter, if negotiations for the award of the Project are successfully concluded and the Tender is accepted by the Promoter (the "Accepted Tender"), the Parties intend
- 1.3.1 to form a limited liability special purpose company under the laws of the State of the Netherlands in respect of the Project (the "SPC");
 - 1.3.2 to sign a shareholder agreement to govern the relationship of the Parties as shareholders of the SPC, such shareholder agreement shall be based upon the provisions laid down in this MOU and such shareholder agreement shall supersede this MOU;
 - 1.3.3 to provide the necessary equity for the SPC (according to Clause 1.4);
 - 1.3.4 to raise the necessary finance in respect of the Project on a limited recourse basis so that neither Party shall become liable for a greater amount than that which it has agreed to commit to the Project; and
 - 1.3.5 through the medium of the SPC, entering into such further agreements as may be necessary to operate the domestic and international transport services over HSL-Zuid and to fulfil the commitments in the Accepted Tender.
- 1.4 The Parties agree with regard to amounts of contribution, equity investment and funding, repayment or distribution of interest following the equity investment in the SPC on the following shares (the "Shares"):
- 1.4.1 as regards DB: 60%
 - 1.4.2 as regards ARRIVA: 40%



The Parties agree to use every effort to ensure that the interests, rights and benefits of the Parties will be equalised, to the extent possible, in accordance with the Parties' Shares.

- 1.5 It is understood and agreed that the purpose for which the JV is constituted under this MOU shall be limited strictly to the purposes referred to in Clauses 1.1, 1.2, 1.3 and as further described in this MOU and for no other purpose whatsoever.
- 1.6 Each party shall second and/or make available to the JV (on terms to be agreed between the Parties) such staff and/or other internal resources as may be agreed to assist in the preparation of the Tender.
- 1.7 Upon prior written agreement by the Parties the JV shall enter into consultancy or advisory agreements with third parties.
- 1.8 Each Party undertakes to the other that it will not, until
 - 1.8.1 the Promoter has selected a preferred bidder other than the JV, or
 - 1.8.2 this MOU is terminated by mutual written agreement by the Parties,directly or indirectly enter into any negotiations or agreements with any third party about any kind of participation, joint venture or other form of co-operation agreements in respect of the Project.
- 1.9 Neither of the Parties has the power or authority to bind the other Party or the JV without in both cases the prior written consent of the other Party.

2. EXECUTIVE COMMITTEE

- 2.1 The management and control of the affairs of the JV shall be vested in a committee consisting of two persons (the "**Executive Committee**"), which may delegate any of its powers and authority to any one or more of its members or to a bid director (the "**Bid Director**") appointed by the Executive Committee. The Executive Committee may also appoint a spokesman to represent the JV in respect of its external communication. The Executive Committee shall at all times keep the Parties informed on all matters arising out of the preparation of, and other matters relating to, the Tender. The Executive Committee shall also be responsible for co-ordinating the compilation of the Tender, for ensuring that the Tender is complete before the date required by the Promoter, for approving the Tender prior to submission to the Promoter, for approving any change to the Tender once submitted and for recording the approval of the Parties to any Accepted Tender.
- 2.2 Each Party shall be entitled and obliged to appoint one representative to the Executive Committee by notice to the other parties. At the date hereof, such representative are Werner Lübberink for DB and Kees Arends for ARRIVA.
- 2.3 Each Party or its representative shall by notice to the other Party appoint an alternate to act in place of an absent representative. At the date hereof, such alternates are Martin Lange for DB and Keith J. Bastow for ARRIVA.

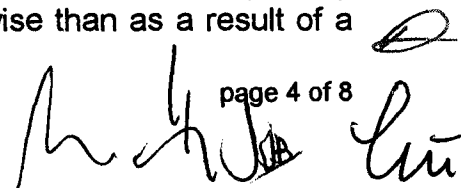
- 2.4 Each Party may upon approval by the other Party, such approval not to be withheld unreasonably, replace its representative or the alternate for that representative at any time.
- 2.5 Either representative may call a meeting of the Executive Committee by serving reasonable notice thereof on the other representative.
- 2.6 All decisions of the Executive Committee whether in relation to the Tender or otherwise must be made with the unanimous support of all members of the Executive Committee. Where representatives of the Parties on the Executive Committee are, after full consultation with each other, not in unanimous agreement concerning any matter of the Project, the provisions of Clause 5 apply.

3. COSTS AND EXPENSES

- 3.1 It is recognised that the Parties shall undertake, in good faith, to contribute costs or work-in-kind to the JV for the purpose of preparing the Tender. Each Party agrees to bear, and be solely responsible, for its own internal costs in relation to the Project, unless it is agreed by the Executive Committee to compensate a Party for work and expenses carried out for the JV.
- 3.2 Any costs for works and/or expenses which are not internal costs (according to Clause 3.1) shall be borne by the Parties on a pro rata basis in accordance with their Shares as specified in Clause 1.4 herein (notwithstanding the provisions of Clause 1.7).
- 3.3 The Parties through the Executive Committee shall prepare as soon as possible a budget for the JV (the "**Budget**") in order to prepare and submit the Tender. The Bid Director shall be responsible for the expenditures to be in strict compliance with the Budget.

4. CONFIDENTIALITY

- 4.1 Each Party hereby agrees that it shall at all times keep confidential (and shall use its best endeavours to ensure that its officers, employees, agents, associated companies and professional advisers shall keep confidential) any information which it may have or acquire (whether before or after the date of this MOU) concerning the business, accounts, finance, contractual arrangements or other dealings, transactions or affairs of the other Party and shall not use, divulge or communicate such information otherwise than for the purposes of this MOU without the prior written consent of the other Party provided always:
 - 4.1.1 that nothing shall prevent or inhibit such disclosure as is required to be made by law (including any order of a court of competent jurisdiction or of a duly constituted arbitration panel) or the rules of any stock exchange or governmental or other regulatory authority, whether or not having the force of law; and
 - 4.1.2 that such undertaking shall not extend to information which is publicly available or becomes publicly available otherwise than as a result of a

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breach of this Clause 4; or (in the case of information not relating to the Project) already in the possession of the recipient party free of any restriction or at any time received from any third party in good faith and without restriction.

- 4.2 No press release or other communication intended for publication may be issued or made without the prior agreement of both Parties, notwithstanding the content of written external communication will be agreed between the Parties.
- 4.3 In the event of breach of any obligation under this Clause 4 the party in violation shall pay to the other party a penalty in the amount of 10.000 EURO (in words: ten thousand EURO) for each individual case of violation, regardless of the actual damage suffered by the other party. If, however, the other party can prove any damage in excess thereof, its right to claim such damage in addition to the penalty shall remain unaffected.

5. DISPUTES

- 5.1 Any dispute between the Parties regarding the rights and obligations of either Party hereunder or in connection with the provisions of this MOU shall be brought before the Executive Committee for resolution.
- 5.2 If the dispute cannot be resolved by the unanimous vote of the Parties' representatives on the Executive Committee then such dispute shall be referred for resolution to the most senior executives of the Parties who are immediately available.
- 5.3 Failing such resolution, the dispute shall, after seven days of review, be referred to arbitration by the Netherlands Arbitration Institute (the "NAI"). Costs arising from the engagement of the NAI will be borne in equal parts by the Parties.
- 5.4 Failing resolution by the NAI, the Parties may all disputes arising in connection with this MOU refer to ordinary court in the Netherlands and subject to the exclusive jurisdiction of the Netherlands.

6. DURATION

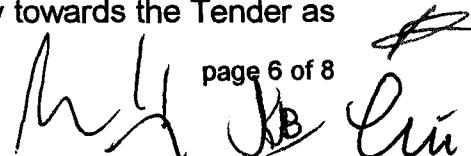
- 6.1 This MOU shall continue in full force and effect (unless extended by agreement between the Parties) until the earliest of the following:
- 6.1.1 the date of receipt by the JV of notification from the Promoter that the award of the Project has been abandoned or has been made to a person or persons other than the JV;
 - 6.1.2 the day following the day on which the validity of the Tender expires, such Tender not having been accepted by the Promoter;
 - 6.1.3 mutual written agreement of the Parties to terminate this MOU;
 - 6.1.4 withdrawal or exclusion of one Party according to Clause 7; or
 - 6.1.5 signing of the shareholder agreement as contemplated in Clause 1.3.2.
- 6.2 The provisions of Clauses 4, 5 and 9.6 shall continue to have effect notwithstanding the termination of this MOU in relation to the Project.

7. WITHDRAWAL AND DEFAULT

- 7.1 At any time prior to the submission of the Tender, one Party may by thirty days written notice to the other Party withdraw from its participation in the Project if there are fundamental disagreements, including but not limited to the expected economic performance, between the parties regarding the proposal to be submitted. The remaining Party, but not the withdrawing Party, shall have the right to join with any third party for the purposes of tendering for or entering into an agreement in respect of the Project.
- 7.2 The withdrawing Party shall be responsible for its costs as defined in Clauses 3.1 and 3.2 to the extent incurred or committed prior to the effective date of withdrawal. Commitments in respect of work-in-kind, however, shall be excluded. Any other claims shall be excluded.
- 7.3 A material breach by a Party of its obligations under this MOU which either is irremediable or is not remedied within thirty days of written notice being given by the other Party, specifying the breach in question and requiring that it remedy such breach, the other party shall be entitled by notice in writing to the defaulting Party to exclude the defaulting Party from further participation in the JV and in the management and control of the JV but such exclusion shall be without prejudice to the defaulting Party's obligations under this MOU. The remaining Party, but not the defaulting Party, shall have the right to join with any third party for the purposes of tendering for or entering into an agreement in respect of the Project.
- 7.4 Notwithstanding its exclusion, the defaulting Party shall be responsible for its costs as defined in Clauses 3.1 and 3.2 to the extent incurred or committed prior to the effective date of its exclusion. Commitments in respect of work-in-kind, however, shall be excluded.
- 7.5 The withdrawing/defaulting Party shall use reasonable efforts to ensure that its withdrawal/exclusion does not have a material adverse effect on the remaining Party proceeding with the Tender and to provide the remaining Party with all non-proprietary information which it may hold which the remaining Party may reasonably require to continue with the Tender.
- 7.6 Notwithstanding its withdrawal/exclusion, the withdrawing/defaulting Party agrees to be bound by Clauses 4, 5 and 9.6 for a period of three years from the date of their withdrawal/exclusion, or any other obligation which by its nature should survive withdrawal/exclusion.

8. CHANGE IN CONTROL OF A PARTY

- 8.1 "**Change in control**" means any sale, charge or other disposal of, or in the voting rights of, shares in any Party after the date hereof such that whether by means of the exercise of voting rights or otherwise, that party is effectively directed or managed by a different party.
- 8.2 Each Party shall be obliged to notify the other Party of any Change in Control of such Party within 7 days of the occurrence of such Change in Control, together with notification of any change in the policy of such party towards the Tender as

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a result of such Change in Control. The other Party shall promptly, upon receipt of such notice of any Change in Control of a Party, notify the Promoter to that effect.

- 8.3 Upon receipt of any directions by the Promoter in response to the notice given in accordance with Clause 8.2, the Parties shall carry out the Promoter's directions, subject to the Parties agreeing, in accordance with the provisions of this MOU, to any additional terms imposed on the Parties by the Promoter or as a necessary consequence thereof.

9. GENERAL PROVISIONS

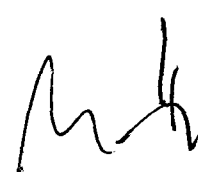

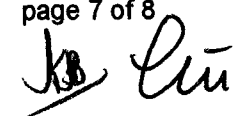
- 9.1 Any notices, consents and other communications to be given or made by either Party under this MOU (a "Notice") shall be valid if given in writing and delivered by hand or sent by prepaid first class mail or facsimile to the following address in respect of each Party and marked for the attention of the following person in the case of each Party:

9.1.1 DB: DB Reise&Touristik
attn. Werner Lübberink
Stephensonstr. 1
D-60326 Frankfurt
Phone: +49 69 265 7293
Fax: +49 69 265 14314

9.1.2 ARRIVA: Arriva Nederland
attn. Kees Arends
PO Box 626
NL-8440 AP Heerenveen
Phone: +31 513 65 59 72
Fax: +31 513 65 58 73

Either Party may by notice to the other Party change its address and the name of the person for whose attention Notices are to be given or made for the purposes of this MOU.

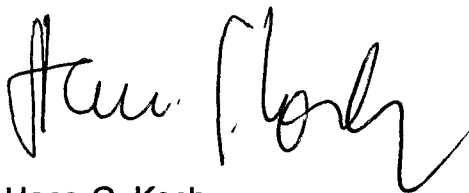
- 9.2 This MOU shall not be amended except in writing signed by both Parties.
- 9.3 If any provision or part of this MOU is or becomes invalid, illegal or unenforceable the remainder of this MOU shall not be affected but shall continue in full force and effect and the invalid, illegal or unenforceable provision or part shall be replaced or amended so far as is necessary to maintain the purpose and continuity of the JV.
- 9.4 This MOU constitutes the entire agreement relating to the JV between the Parties pertaining to the Tender and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties and there are no warranties, representations or other agreements between the Parties in connection with the Tender except as specifically set forth herein.



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- 9.5 Each of the Parties hereby acknowledges that in entering into this MOU it has not relied on any representation or warranty save as expressly set out herein or in any document referred to herein.
- 9.6 This MOU shall be interpreted and governed in all respects in accordance with the laws of the State of the Netherlands.

AS WITNESS whereof the Parties have caused this MOU to be signed the day and year first above written.

Signed by and on behalf of



Hans-G. Koch

DB Reise&Touristik AG



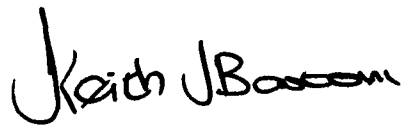
Kees Arends*)

ARRIVA Personenvervoer Nederland B.V.



Ulrich Homburg

DB Reise&Touristik AG



Keith J. Bastow

ARRIVA Personenvervoer Nederland B.V.



Werner Lübberink

DB Reise&Touristik AG

*) as chairman, duly authorized by P.N. van Wageningen and A. Hettinga as directors for ARRIVA Personenvervoer B.V.



VOLMACHT

De ondergetekenden,

drs. P. N. Van Wageningen, en A.B. Hettinga R.A., respectievelijk algemeen directeur en financieel directeur van Arriva Personenvervoer Nederland B.V., gevestigd te Heerenveen, en op grond van artikel 25 lid 1 van de statuten gerechtigd Arriva Personenvervoer Nederland B.V. gezamenlijk te vertegenwoordigen,

verklaren hierbij

volmacht te geven aan de heer C. D. Arends, president commissaris Arriva Personenvervoer Nederland B.V., om Arriva Personenvervoer Nederland B.V. te vertegenwoordigen in het overleg en de onderhandelingen in het kader van de aanbestedingsprocedure ten behoeve van de exploitatie van de Hoge Snelheidslijn Zuid en om namens Arriva Personenvervoer Nederland B.V. hieromtrent rechtsgeldige overeenkomsten aan te gaan. Deze volmacht geldt totdat deze door de directie van Arriva Personenvervoer Nederland B.V. schriftelijk wordt herroepen.

Heerenveen, 4 september 2000,

drs. P.N. Van Wageningen

algemeen directeur

A.B. Hettinga R.A.

financieel directeur

Frankfurt, 05.09.2000

Vollmacht

Hiermit bevollmächtigen wir Herrn Ulrich Homburg, im Namen der DB Reise&Touristik AG den MoU anlässlich der Gründung des joint ventures zwischen der DB Reise&Touristik AG und ARRIVA Personenvervoer B.V. zu unterzeichnen.



Karl-Dietrich Reemtsema

DB Reise&Touristik AG



Jens-Uwe Bruysten

DB Reise&Touristik AG

Frankfurt, 05.09.2000

Translation

Power of attorney

We herewith declare on behalf of DB Reise&Touristik AG Mr. Ulrich Homburg is duly authorized to sign the MoU in respect of the establishment of a joint venture between DB Reise&Touristik AG and ARRIVA Personenvervoer Nederland B.V.

Karl-Dietrich Reemtsema

Jens-Uwe Bruysten

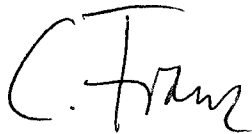
DB Reise&Touristik AG

DB Reise&Touristik AG

Frankfurt, 13.09.2000

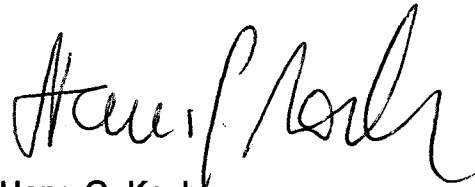
Power of attorney

We herewith declare on behalf of DB Reise&Touristik AG Mr. Werner Lübberink is duly authorized to sign the MoU in respect of the establishment of a joint venture between DB Reise&Touristik AG and ARRIVA Personenvervoer Nederland B.V.



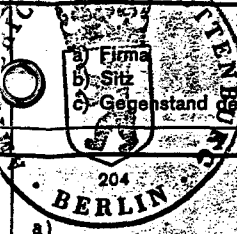

Dr. Christoph Franz

DB Reise&Touristik AG



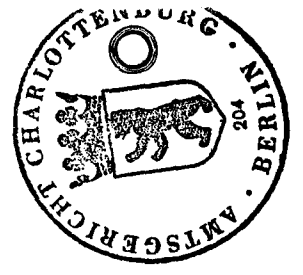
Hans-G. Koch

DB Reise&Touristik AG

 <p>a) Firma b) Sitz c) Gegenstand des Unternehmens</p>	<p>Grund- oder Stammkapital DM</p>	<p>Vorstand Persönlich haftende Gesellschafter Geschäftsführer Abwickler</p>	<p>Beglaubigte Ablichtung Prokura</p>	<p>Achtung! Die schwarz unterstrichenen Werte gelten als gerundet und sind somit gerundet</p>	<p>a) Tag der Eintragung und Unterschrift b) Bemerkungen</p>
	3	4	5	6	7
<p>a) DB Reise&Touristik Aktiengesellschaft</p> <p>b) Berlin</p> <p>c) Erbringen, Vermarkten und Koordinieren von Verkehrsleistungen, insbesondere Eisenbahnverkehrsleistungen des Personenfernverkehrs und die damit im Zusammenhang stehenden Dienstleistungen;</p> <p>Betrieb, Instandhaltung, Beschaffung und Herstellung von Fahrzeugen aller Art, insbesondere von Triebwagen, Lokomotiven und Eisenbahnwagen; Veranstaltung, Vertrieb und Vermittlung von touristischen Dienstleistungen aller Art;</p> <p>Führen von Betrieben verwandter Unternehmen für deren Rechnung sowie Erbringen von Beratungsleistungen für Dritte.</p> <p>Die Gesellschaft ist zu allen Geschäften und Maßnahmen berechtigt, die geeignet erscheinen, dem vorbezeichneten Unternehmensgegenstand zu dienen und damit in Zusammenhang stehen. Dies gilt auch für das Erbringen von Dienstleistungen für Dritte.</p>	<p>1.000.000.000 DM</p>	<p>Dr. Axel Nawrocki geb. 05.10.1944 Aachen - Vorsitzender -</p> <p>Dr. Ingo Bretthauer geb. 09.11.1955 Oberursel</p> <p>Karl-Dietrich Reemtsema geb. 14.04.1942 Frankfurt am Main</p> <p>Dr. Rolf Kranöche geb. 22.01.1957 Köln</p> <p>Jens-Uwe Bruysten geb. 11.11.1939 Glashütten</p>	<p>Prokura gemeinsam mit einem Vorstandsmitglied oder einem anderen Prokuristen:</p> <p>1. Dr. Hans-Georg Lilge geb. 21.03.1950 Taunusstein</p> <p>2. Hans-Hugo Schnöring geb. 09.11.1948 Königsfeld-Burgberg</p> <p>3. Dr. Wolfgang Zoller geb. 26.04.1944 Frankfurt am Main</p>	<p>Aktiengesellschaft, entstanden durch Ausgliederung aus dem Vermögen der Deutsche Bahn Aktiengesellschaft.</p> <p>Die Satzung ist am 24. November 1998 festgestellt.</p> <p>Die Ausgliederung ist mit der am 1. Juni 1999 erfolgten Eintragung im Handelsregister der übertragenden Gesellschaft wirksam geworden.</p> <p>Der Vorstand der Gesellschaft besteht aus mindestens zwei Personen. Die Gesellschaft wird durch zwei Vorstandsmitglieder oder durch ein Vorstandsmitglied gemeinsam mit einem Prokuristen vertreten.</p>	<p>a) 1.6.1999 Hrymon <i>[Signature]</i></p> <p>b) Ausglied.-plan Bl. 23 ff, Bl. 24 ff Satzung Bl. 23 a ff vgl. AG Charlottenbg. HRB 50 000</p>
			<p>Prokura gemeinsam mit einem Vorstandsmitglied oder einem anderen Prokuristen:</p> <p>4. Gerhard Bauer geb. 21.12.1942 Oberursel</p>		<p>a) 31.8.1999 Hrymon <i>[Signature]</i></p> <p>b) Bl. 61</p>

a) Firma b) Sitz c) Gegenstand des Unternehmens	Grund- oder Stammkapital DM	Vorstand Persönlich hafter Gesellschafter Geschäftsführer Abwickler	Prokura	Rechtsverhältnisse	
2	3	4	5	6	
				Zwischen der Gesellschaft und der Deutsche Bahn Aktiengesellschaft mit dem Sitz in Berlin als herrschendem Unternehmen ist am 1. Juni 1999 ein Beherrschungs- und Gewinnabführungsvertrag abgeschlossen worden, dem die Hauptversammlung der Gesellschaft durch Beschluss vom 1. Juni 1999 und die Hauptversammlung der Deutsche Bahn Aktiengesellschaft durch Beschluss vom 2. Dezember 1998 zugestimmt haben.	a) 29.9.1999 Schonk <i>Stark</i> b) Beschlüsse Bl. 42, 63 Beherrschungs- und Gewinnabführungsvertrag Bl. 48 f.
		Dr. Christoph Franz geb. 02.05.1960 Darmstadt - Vorstandsvorsitzender -	<u>Löschung der Prokura für:</u> Dr. Hans-Georg Lilge (Nr. 1)	<u>Dr. Axel Nawrocki ist nicht mehr Vorstandsmitglied.</u> Dr. Christoph Franz ist zum Vorstandsmitglied bestellt.	a) 18.1.2000 <i>Bartel</i> Bartel b) Bl. 92, 88
			Prokura gemeinsam mit einem Vorstandsmitglied oder einem anderen Prokuristen: 5. Dr. Hans-Jürgen Witschke geb. 08.05.1958 Düsseldorf 6. Stefan Schwehm geb. 09.03.1965 Frankfurt am Main		a) 28.2.2000 <i>Bartel</i> Bartel b) Bl. 107, 111
		Hans Gustav Koch geb. 06.03.1951 Mörfelden-Walldorf		<u>Dr. Ingo Bretthauer ist nicht mehr Vorstandsmitglied.</u> Hans Gustav Koch ist zum Vorstandsmitglied bestellt.	a) 5.4.2000 Hrym <i>Hrym</i> b) Bl. 121 ff
			Prokura gemeinsam mit einem Vorstandsmitglied oder einem anderen Prokuristen: 7. Dr. Bettina Volkens geb. 15.06.1963 Berlin		a) 28.6.2000 Schonk <i>Stark</i> b) Bl. 126

204
AMTSGERICHT
CHARLOTTENBURG · NITTE
BERLIN



Die wörtliche Übereinstimmung vorstehen-
der Fotokopie mit der mir vorliegenden
Quill. begl. Abl. beglaubige ich.
Berlin, **25. Juli 2000**

B. Brand
Dr. Gerhard Brand
Notar



Vorstehende Fotokopie stimmt mit
den Registereintragungen überein.
Berlin 19, den **24. Juli 2000**

Ausgangsstelle
Domag





KAMER VAN KOOPHANDEL
FRIESLAND

Dossiernummer: 30124575 Blad 00001

Uittreksel uit het handelsregister van de Kamer van Koophandel en Fabrieken voor Friesland

Rechtspersoon:

Rechtsvorm : Besloten vennootschap

Naam : Arriva Personenvervoer Nederland B.V.

Statutaire zetel : Heerenveen

Akte van oprichting : 14-09-1994

Akte laatste statuten-
wijziging : 10-04-2000

Maatschappelijk kapitaal : EUR 100.000,00

(NLG 220.371,00)

Geplaatst kapitaal : EUR 20.000,50

(NLG 44.075,30)

Gestort kapitaal : EUR 20.000,50

(NLG 44.075,30)

Onderneming:

Handelsna (a) m (en) : Arriva Nederland

Adres : Trambaan 3, 8441BH Heerenveen

Correspondentieadres : Postbus 626, 8440AP Heerenveen

Datum vestiging : 14-09-1994

Bedrijfsomschrijving : Het verlenen van alle soorten

transportdiensten, waaronder begrepen het

bezitten en beheren van

massa-transportdiensten,

prive-transportdiensten en

charter-transportdiensten over land, door de ..

lucht en over water en het verlenen van

consultancy diensten op dit gebied.

Holding en financiering.

Werkzame personen : 42

Enig aandeelhouder:

Naam : Arriva International Ltd. / 17

Adres : Admiral Way, Doxford Int. BUS. PART,

Sunderland sr3 3xp, Verenigd Koninkrijk

Enig aandeelhouder sedert : 23-12-1998

Bestuurder(s):

Inhoud bevoegdheid : De directie vertegenwoordigt de vennootschap. .
Indien de directie uit twee of meer personen ..

24,26 20-07-2000

Blad 00002 volgt.



Dossiernummer: 30124575

Blad 00002

bestaat, zijn daarnaast twee directeuren
gezamenlijk bevoegd tot vertegenwoordiging. ...

Naam :Hettinga, Anne Bonifatius / 25
Geboortedatum en -plaats :06-12-1962, Wymbritseradeel
Adres :Het Volland 16, 8607KN Sneek
Infunctietreding :01-05-2000
Bevoegdheid :Gezamenlijk bevoegd (met andere bestuurders, ..
zie statuten)

Naam :van Wageningen, Peter Nicolaas / 20
Geboortedatum en -plaats :26-04-1961, Groningen
Adres :Venetiehof 22, 1019NA Amsterdam
Infunctietreding :11-04-2000
Bevoegdheid :Gezamenlijk bevoegd (met andere bestuurders, ..
zie statuten)

Aanvang (huidige) vertegenwoordigingsbevoegdheid :01-05-2000

Commissaris(sen) :

Naam :Arends, Cornelis David / 21
Geboortedatum en -plaats :14-04-1960, Leerdam
Adres :Taxuslaan 6, 3735LV BOSCH EN DUIN
Infunctietreding :11-04-2000
Bevoegdheid :Niet bevoegd

Naam :Wiegel, Hans / 23
Geboortedatum en -plaats :16-07-1941, Amsterdam
Adres :Holtenweg 2, 7981NB Diever
Infunctietreding :11-04-2000
Bevoegdheid :Niet bevoegd

Naam :Martin, David Robert / 12
Geboortedatum en -plaats :13-12-1951, Southampton, Verenigd Koninkrijk ..
Adres :Bondewood, Repton Shrubs BRETBY, BURTON
On-trent, staffordshire, Verenigd Koninkrijk ..
Infunctietreding :06-01-1998
Bevoegdheid :Niet bevoegd

Naam :Koopmans, Lense / 22
Geboortedatum en -plaats :17-06-1943, Ooststellingwerf
Adres :Delbuursterweg 21, 8565GK Sondel

25,32 20-07-2000 Blad 00003 volgt.



KAMER VAN KOOPHANDEL
FRISLAND

Dossiernummer: 30124575

Blad 00003

Infunctietreding	:11-04-2000
Bevoegdheid	:Niet bevoegd
Naam	:Saxton, Arthur Mark / 24
Geboortedatum en -plaats	:18-12-1952, Moreton in March, Verenigd Koninkrijk
Adres	:Higher Marsh, Taunton Somerset TA2 8HH, Verenigd Koninkrijk
Infunctietreding	:11-04-2000
bevoegdheid	:Niet bevoegd

Er kunnen functionarissen zijn die een uitsluitend tot nevenvestigingen beperkte bevoegdheid hebben; deze worden alsdan vermeld op het uittreksel van de betreffende nevenvestiging(en).

Nevenvestiging(en):

Handelsna(a)m(en)	:Arriva Zuid-Limburg
Adres	:Stationsplein 27, 6221BT Maastricht

Alleen geldig indien door de kamer voorzien van een ondertekening.

55,58

Leeuwarden, 20-07-2000

Voor uittreksel

Mw S. Kooiker

KAMER VAN KOOPHANDEL
FRISLAND

Part B: Information about each consortium partner (as identified at question A 1).

Each consortium partner should complete questions B 1 to B 3 (on separate copies) and provide the information relevant to their roles as set out in parts C and D.

B 1 Details of the company

Registered name	DB ReisesTouristik AG
Current trading name	./.
(if different) Previous trading name	./.
Registered address	Stephensonstraße 1, 60326 Frankfurt
Authorised Officer	Werner Lübbertink
Telephone	0049 69 - 265 - 7293
Facsimile	0049 69 - 265 - 14314
E-mail	Werner.Luebbertink@bku.db.de

Type of organisation

stock corporation under the laws of Germany

Country of registration Germany

Registered number	HR B 70950	Year of registration	1999
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I/We confirm that the authorised officer named in A 3 is authorised to act as the principal contact person on behalf of this/these companies in dealings with the State related to the tender of the HSL-Zuid transport contracts, as set out in this Qualification Document.

B 2 Parent of consortium partner company

Is the company in B 1 a subsidiary of another organisation? Yes - No

If yes, please provide:

Name of parent company	Deutsche Bahn AG
What interest does the parent company have in the company in B 1	100 % interest

For each parent of the consortium partner please supply details specified in B 1.

B 3 Describe the nature of the business and the services which the company at B 1 provides.

The core business is the railborne movement of passengers over long distances

The focus lies on travel between urban centers both in Germany and abroad,

journeys between 50 and 900 km.

Part B: Information about each consortium partner (as identified at question A 1).

Each consortium partner should complete questions B 1 to B 3 (on separate copies) and provide the information relevant to their roles as set out in parts C and D.

B 1 Details of the company

Registered name	Deutsche Bahn AG
Current trading name	./.
(if different) Previous trading name	Deutsche Bundesbahn
Registered address	Potsdamer Platz 2, 10785 Berlin
Authorised Officer	Dr. Christoph Franz
Telephone	0049 69 - 265 - 61060
Facsimile	0049 69 - 265 - 61065
E-mail	Christoph.Franz@bku.db.de

Type of organisation

stock corporation under the laws of Germany

Country of registration Germany

Registered number	HRB 50 000	Year of registration	1994
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I/We confirm that the authorised officer named in A 3 is authorised to act as the principal contact person on behalf of this/these companies in dealings with the State related to the tender of the HSL-Zuid transport contracts, as set out in this Qualification Document.

Part B: Information about each consortium partner (as identified at question A 1).

Each consortium partner should complete questions B 1 to B 3 (on separate copies) and provide the information relevant to their roles as set out in parts C and D.

B 1 Details of the company

Registered name	Arriva Personenvervoer Nederland B.V.
Current trading name	Arriva Nederland
(if different) Previous trading name	Vancom Nederland B.V., VEONN Group, Hanze Group
Registered address	PO Box 626, NL-8440 AP Heerenveen
Authorised Officer	Kees Arends
Telephone	030 - 69 74 000
Facsimile	030 - 69 30 508
E-mail	Keesarends@planet.nl

Type of organisation

Besloten vennootschap naar Nederlands Recht

Country of registration Nederland

Registered number	30124575	Year of registration	1994
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I/We confirm that the authorised officer named in A 3 is authorised to act as the principal contact person on behalf of this/these companies in dealings with the State related to the tender of the HSL-Zuid transport contracts, as set out in this Qualification Document.

B 2 Parent of consortium partner company

Is the company in B 1 a subsidiary of another organisation? Yes - No

If yes, please provide:

Name of parent company	Arriva International Ltd.
What interest does the parent company have in the company in B 1	Holding Company owning 100 % of Arriva Personenvervoer B.V.

For each parent of the consortium partner please supply details specified in B 1.

B 3 Describe the nature of the business and the services which the company at B 1 provides.

The objects of the company are:

- to provide transport services of any nature including but not limited to the management and possession of mass transport services, private transport services, by air, sea or via land and to provide consultancy services connected with this branch;
- to incorporate, acquire, participate in, manage and to have any other interest in other companies or enterprises of any nature;
- to render administrative, technical, financial, commercial or management services to other companies, persons and other business enterprises;
- to acquire, dispose of, manage, possess real estate moveable property or other goods, including but not limited to patents, trademarks, licences, royalties or any other intellectual property rights;
- to lend, borrow and in any way to provide security or undertake the obligations of third parties; and
- finally all activities which are incidental to or which may be conducive of the forgoing.

Part B: Information about each consortium partner (as identified at question A 1).

Each consortium partner should complete questions B 1 to B 3 (on separate copies) and provide the information relevant to their roles as set out in parts C and D.

B 1 Details of the company

Registered name	Arriva International Limited
Current trading name	./.
(if different) Previous trading name	Barglobe Limited Cowies International Limited
Registered address	Admiral Way, Doxford International Business Park GB-Sunderland SR3 3XP
Authorised Officer	B. Davies
Telephone	0044 191 - 520 - 4000
Facsimile	0044 191 - 520 - 4001
E-mail	Daviesb@arriva.co.uk

Type of organisation

Limited liability company under the laws of Great Britain

Country of registration Great Britain

Registered number	1737852	Year of registration	1983
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I/We confirm that the authorised officer named in A 3 is authorised to act as the principal contact person on behalf of this/these companies in dealings with the State related to the tender of the HSL-Zuid transport contracts, as set out in this Qualification Document.

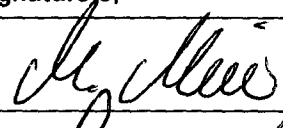


Part C: Pre-qualification criteria

C 1 Exclusion

The Applicant and each consortium partner should respond accordingly to the following questions regarding its corporate activities.

I declare that I am not a:

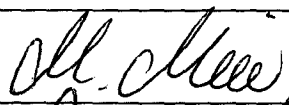
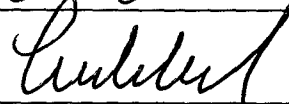
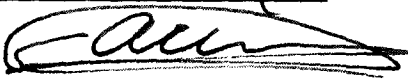
- a) person or legal entity in a state of bankruptcy or liquidation, which has ceased its business activities, or which is the subject of a moratorium or a settlement or in a similar situation as a result of a similar procedure under national laws or regulations;
- b) person or legal entity which is subject to a bankruptcy application or forms the subject of a procedure for a moratorium or settlement, or a similar procedure under national laws or regulations;
- c) person or legal entity which, by virtue of a judgement which has become final and conclusive, has been found guilty of an offence which raises doubts about the professional integrity of the Applicant, its shareholders, or member(s);
- d) person or legal entity which has committed a grave error in the performance of their profession, determined on any grounds for which the State can make a reasonable case;
- e) person or legal entity which has not met its obligations with regard to the payment of social security contributions, in accordance with the legal requirements in the country in which it is established or those of the Netherlands;
- f) person or legal entity which has not met its obligations with regard to the payment of taxes, in accordance with the legal requirements in the country in which it is established or those of the Netherlands; or
- g) person or legal entity which has been guilty of making false statements in the provision of information, including statements made for the purpose of an Application and the information submitted on the basis thereof.

Authorised officer(s)	Company name	Signature(s)
Dr. Matthias Meier	Consortium DB Reises& Touristik AG/Arriva Personenvervoer Nederland B.V.	
Werner Lübberink	DB Reises&Touristik AG	
Kees Arends	Arriva Personenvervoer Nederland B.V.	

C 2 The Applicant and, in the case of a consortium, each of the consortium partners should complete the following declaration.

I declare that:

- a) I have applied in this qualification procedure only once and I am not an Applicant in my own right or consortium partner of another Applicant;
- b) I do not and will not have a conflict of interest that gives rise, or will give rise, to an unfair advantage against another Applicant;
- c) I have not and/or will not collude with any other Applicant at any point during the tender process;
- d) I will co-operate with any integrity study carried out by or on behalf of the State.

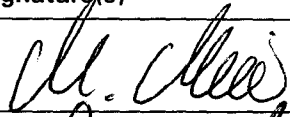
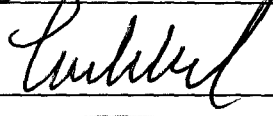

Authorised officer(s)	Company name	Signature(s)
Dr. Matthias Meier	Consortium DB Reises Touristik AG/ Arriva Personenvervoer Nederland B.V.	
Werner Lübberink	DB Reises/Touristik AG	
Kees Arends	Arriva Personenvervoer Nederland B.V.	

C 3 Minimum requirements

The Applicant and each consortium partner should respond accordingly to the following questions.

I declare that the Applicant:

- a) contains at least one Registered Party (see Appendix A, *Important Definitions*);
- b) is a consortium of which each of its members have committed to at least 5% of the consortium's future equity base;
- c) does not include a rolling stock manufacturer nor that any member is part of an industrial group containing a rolling stock manufacturer⁴;
- d) does not contain more than one of the Thalys Partners (see Appendix A, *Important Definitions*), either directly or indirectly (through companies belonging to the same Industrial Group (see Appendix A, *Important Definitions*) as one of the Thalys Partners);
- e) does not include more than two of the transport companies along the HSL-Zuid Corridor (see Appendix A, *Important Definitions*);
- f) does not contain a member that is – directly or indirectly⁵ – a member of another Applicant⁶.

Authorised officer(s)	Company name	Signature(s)
Dr. Matthias Meier	Consortium DB Reises& Touristik AG/Arriva Personenvervoer Nederland B.V.	
Werner Lübberink	DB Reises&Touristik AG	
Kees Arends	Arriva Personenvervoer Nederland B.V.	

⁴ In case an Applicant, or a member of a consortium applying for qualification, is part of an Industrial Group (see Appendix A, *Important Definitions*) that contains a rolling stock manufacturer, the Applicant must satisfy the State that there will be no conflict of interest in relation to rolling stock procurement;

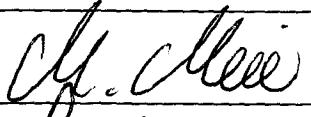


⁵ If shares are held in a company bidding with another consortium, compensation may be granted by the State provided less than 5% of the shares are held and the Applicant can demonstrate that the relationship is solely of a financial nature.

⁶ Notwithstanding the possibility that an Applicant may have a different consortium composition for each contract offered.

C 4 The Applicant and each consortium partner should respond accordingly to the following questions.

I declare that the Applicant⁷:

- a) has adequate experience in operation of train services, with a turnover from such activities of at least 100 million Euro in each of the last 3 accounting years;
- b) has adequate experience in operation of at least one other type of passenger transport services, with a turnover from such activities of at least 10 million Euro in each of the last 3 accounting years;
- c) has adequate insights in the Dutch passenger transport market;
- d) has the ability to raise finance adequate to cover an initial investment, other than for rolling stock, of 50 million Euro and to acquire a performance bond of another 100 million Euro, or a comparable security to the benefit of the State.

Authorised officer(s)	Company name	Signature(s)
Dr. Matthias Meier	Consortium DB Reises Touristik AG / Arriva Per- sonenvervoer Nederland B.V.	
Werner Lübberink	DB Reises/Touristik AG	
Kees Arends	Arriva Personenvervoer Nederland B.V.	

The Applicant is required to provide adequate proof of the declaration above, e.g. through written statements of a certified auditor (a, b and possibly c), CV's and commitments of managers for the start-up phase of the company (for c) and a letter of comfort of a financial institution (for d).

⁷ In case the Applicant is a consortium the combined experience and ability of the consortium partners.



Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Olof-Palme Straße 35
60439 Frankfurt a. M.
Postfach 50 03 64
60393 Frankfurt a. M.

Tel.: +49 69 9585-1316
Fax: +49 69 9585-1961

Mitglied von
PricewaterhouseCoopers International

DB Reise & Touristik AG
- PMI -
Herrn Lübberink
Stephensonstraße 1

60326 Frankfurt am Main

21. August 2000
11243

Attest on sales for the tender of HSL-Zuid

Dear Mr. Lübberink,

for the purpose of your application on the tender of HSL-Zuid (operation of the relation Amsterdam-Rotterdam) you asked us for an attest on those sales in the years 1997, 1998 and 1999 which resulted from passenger rail transport of DB Reise&Touristik AG and from other passenger transport services within the Deutsche Bahn AG group.

We, PwC Deutsche Revision AG, audited the annual accounts of Deutsche Bahn AG resp. its subsidiaries for the financial year 1999. The statutory audits of the mentioned companies' annual accounts for the financial years 1997 and 1998 were done by C&L Deutsche Revision AG whose business operations we continue. The audit opinions on all these annual accounts are unqualified. We hereby confirm, that the respective annual accounts contain the following sales resulting from passenger rail transport and from other passenger transport services (translated into € by 1.95583 DM per 1 €):

Passenger rail transport:

Sales of DB Reise&Touristik AG (1999) resp. of the business unit "DB Reise&Touristik" of Deutsche Bahn AG (1997 and 1998):

1999	1998	1997
€ million	€ million	€ million
2,939	2,712	2,784

Other passenger transport services:

Sales of important bus companies within the Deutsche Bahn AG group:

1999	1998	1997
€ million	€ million	€ million
1,138	1,107	1,231

Kind regards

PwC Deutsche Revision

Aktiengesellschaft

Wirtschaftsprüfungsgesellschaft



(Jäcker)
Wirtschaftsprüfer



(Theiß)
Wirtschaftsprüfer

Arriva Personenvervoer Nederland B.V.
Attn: Mr. A.B. Hettinga RA
P.O. Box 626
8440 AP HEERENVEEN

11 September 2000

Reference: A.M.P. van den Belt RA

Subject: Attest on sales for the tender HSL-Zuid

Dear Mr. Hettinga,

For the purpose of your tender for HSL-Zuid (section Amsterdam-Paris) we report the following on your request:

Sales referring to passenger transport services (excluding train services) of Arriva Personenvervoer Nederland B.V. for the year 1999 amount € 166.224 million (NLG 2,20371 per 1 €).

Sales referring to train services and other transport services of Noordned Personenvervoer B.V. for the year 1999 are € 8.287 million respectively € 35.148 million (NLG 2,20371 per 1 €). Noordned Personenvervoer B.V. is a fifty percent owned company of Arriva Nederland and is operational since 1 May 1999. Sales therefore refer to the period from 1 May 1999 up to and including 31 December 1999. Before 1 May 1999 sales of train services are nil.

The sales have been taken from the financial reports of Arriva Personenvervoer Nederland B.V. and Noordned Personenvervoer B.V. The financial reports for the year 1999 of Arriva Personenvervoer Nederland B.V. and Noordned Personenvervoer B.V. have been audited by PricewaterhouseCoopers N.V. for the sake of consolidation purposes in the financial accounts of Arriva Plc, the holding company of Arriva Personenvervoer Nederland B.V. The audit opinion on these reports, dated 10 February 2000, is added to this letter.

Sales referring to passenger transport services (excluding train services) for the years 1997 and 1998 are as follows (translated into € million by NLG 2,20371 per 1 €):

Arriva Personenvervoer Nederland B.V.
11 September 2000

1997	153.840
1998	160.039

The sales have been taken from the financial reports of VEONN Groep N.V. and Hanze Vervoer & Techniek Groep N.V. As at December 1, 1998 the total transport services of VEONN and Hanze have been acquired by Arriva Personenvervoer Nederland B.V. The statutory audit for the years 1997 and 1998 of both companies is done by Ernst & Young. The audit opinion on these reports is unqualified.

Yours truly,

PricewaterhouseCoopers N.V.

PricewaterhouseCoopers N.V.

Enclosure: Audit opinion dated 10 February 2000

PricewaterhouseCoopers N.V.
Attn. Mr. G. Leaske and R. Bunter
89 Sandyford Road
Newcastle
NE99 1PL

PricewaterhouseCoopers N.V.
Atrium
Strawinskylaan 3127
1077 ZX Amsterdam
P.O. Box 7067
1007 JB Amsterdam
The Netherlands
Telephone +31 (20) 301 15 00
Facsimile +31 (20) 301 17 50

Dear Sirs,

ARRIVA plc - [Arriva Nederland]

1. We have audited the accompanying group reporting packages of Arriva Nederland (consolidated, excluded Noordned) and Noordned (refer to reporting packages) as of 31 December 1999. These reporting packages are the responsibility of the Company's management. Our responsibility is to express an opinion on these reporting packages based on our audit.

Basis of opinion

2. Except as discussed in the following paragraph, we conducted our audit of these statements in accordance with auditing standards in the UK. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the reporting packages are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the reporting packages. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our opinion.

3. In accordance with your instructions dated 14 December 1999, the scope of our audit was restricted to that necessary to provide you with audit satisfaction that shareholders' funds do not require adjustment by more than £1 million in the aggregate, that net income for the year does not require adjustment by more than £1 million, in the aggregate, such limits of materiality also being applicable to matters of disclosure and classification.

Opinion

4. The accompanying reporting packages have been prepared solely to enable Arriva Plc to prepare consolidated financial statements and not to report on Arriva Personenvervoer Nederland BV and Noordned Personenvervoer BV as separate entities. Accordingly, the reporting packages do not necessarily present a true and fair view of the state of affairs of the entities as at December 31, 1999 or their profit and cash flows for the year then ended in conformity with accounting principles generally accepted in the United Kingdom.

5. However, subject to the uncertainty referred to below and within the limits of materiality referred to above, in our opinion the accompanying reporting packages at 31 December 1999 and for the year then ended:

- a have been properly prepared, in all material respects, to give the information required to be shown in accordance with the instructions issued by the finance department of Arriva Plc;
- b have been prepared in conformity with accounting principles generally accepted in the United Kingdom except for the matters described below;
- c do require adjustment for the items described in paragraph 6 Summary of Unadjusted errors of our Memorandum on Examination.

Uncertainty WROOV-income

We noted that a significant part (NLG 18 150 000) of WROOV income to Arriva Nederland excluding Noordned B.V. and NLG 11 million in respect of Noordned B.V. has been estimated, consistent with previous years. The actual level of income can depend on miscellaneous external factors and therefor could vary significantly.

We have discussed this matter with management who indicate that the amount recorded is the best possible estimate at this point in time.

This report is intended solely for the use of PricewaterhouseCoopers, Newcastle in connection with the audit of the consolidated financial statements of Arriva Plc and should not to be used for any other purposes.

Amsterdam, 10 February 2000

PricewaterhouseCoopers N.V.

PricewaterhouseCoopers N.V.



**BANK
GESELLSCHAFT
BERLIN**

Berlin, September 11th 2000

Ref.: Qualification document HSL-Zuid transport contracts

We hereby declare that the consortium partner, DB Reise&Touristik AG, and therefore also the Applicant has the ability to raise finance adequate to cover an initial investment, other than for rolling stock, of 50 million Euro and to acquire a performance bond of another 100 million Euro, or a comparable security to the benefit of the State.

BANKGESELLSCHAFT BERLIN
Aktiengesellschaft


(Jörg Buse)


(Jürgen Japke)

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N M ROTHSCHILD & SONS

STRICTLY PRIVATE AND CONFIDENTIAL

Our ref: FOD/ALG/48765

Project Organisation: HSL Zuid
PO Box 43
3500 AA
Utrecht
Netherlands

For the attention of: Mr Roel Testroote

8 September 2000

Dear Sirs,

RE: ARRIVA PLC
("Arriva")

We advise that as at today's date, we believe that Arriva, on behalf of a wholly owned subsidiary, Arriva Personenvervoer Nederland BV, has the ability to raise finance adequate to cover an initial investment, other than for rolling stock, of 50 million Euro and to acquire a performance bond of another 100 million Euro, or a comparable security for the benefit of the State of the Netherlands.

Yours very truly
for and on behalf of
N M Rothschild & Sons

Avi Goldberg
Director

Part D: Selection Criteria

a) Experience with yield management, electronic ticketing, internet-sales and customer loyalty programmes

Yield Management (Revenue Management (RMS) at DB)

As of April 1, 2000 DB is implementing a new Revenue Management System (RMS) based on already existing RMS used by airlines, however adapted to the specific requirements of modern railway business. The purpose of the RMS is to optimise the revenue and load factors of the long-haul-network-trains. The RMS operates on the basis of legwise inventory control.

Opportunities for yield management by Arriva's UK rail businesses are limited due to strict fares regulation incorporated in franchise agreements and other regulatory requirements. Nevertheless, a variety of well established yield management techniques ranging from simple peak/off peak price differentiation to more complex advance purchase and quota controlled products are used to effectively segment the market and optimise income generation.

Electronic Ticketing

DB is currently pursuing a short and medium-term strategy on e-ticketing. The company has drawn up a set of forward-looking ticketing concepts to this end. e-tickets are an element of DB's sales strategy specifically devoted to new sales systems. DB owns 3,000 new online-linked ticket vending machines (NTVM). An attractive Internet service is also in place that is being expanded continuously. DB's "e-ticket strategy" is geared amongst other things towards the requirements of new sales channels. The "e-ticket strategy" brackets three approaches that are to be put to effect by stages.

informal ticketing (FLOTT)

In the first phase, "informal ticketing" will be introduced as of 1 January 2001. The customer logs in once for the FLOTT procedure citing his credit card details. Bookings are then made via the Internet or a call centre. The customer receives a personal travel schedule via the Internet or by fax that is accepted as a ticket. Inspections are carried out on the basis of the schedule code and credit card details.

electronic ticketing (EFS)

Once EFS is introduced, ticket details will be entered on a chipcard. EFS stores tickets on the cashcard chip, e.g. on an ec-card. Payment is by cashcard, cash, ec-card or credit card. EFS is purchasable at vending machines, ticket offices and some travel agencies. All data plus the credit balance on the cashcard chip can be accessed at any time either by using a pocket card reader or via the vending machine. If the customer has a loading device on his PC, he can effortlessly load

tickets from the Internet without registering for the process. EFS will be piloted in North Rhine-Westphalia, with some federal-state funding, from 1 January 2002.

“travel now - pay later “ (OTNA)

The introduction of this scheme will be accompanied by a wide-ranging revamp of sales processes. OTNA delivers “ticketless travel” for the first time. Customers log on once, whereupon an eligibility data record is entered on their cashcard chip, e.g. on their ec-card. They also receive a smart card holder containing a transmission unit. OTNA enables customers to travel without buying any tickets through co-operation with transport associations. All travel by whatever public means of transport is automatically logged on the chipcard and invoiced monthly. With the OTNA scheme as the target scenario, existing processes will be fundamentally transformed with the aid of new technologies. There is on-going close co-operation with the EasyR!de project team from the Swiss railways SBB with a view to devising long-term solutions.

Arriva is the first public transportation company in the Netherlands to introduce contactless smart card technology in its ticketing systems. In a joint effort with the Chicago based multinational Motorola, both companies have secured a government grant that, in combination with partners' proper investments, will enable Arriva to be the first to introduce multi-modal smart cards to the public. As of fall 2000 the first part of the experiment will start.

The use of contactless smartcards has huge advantages over the currently used ticketing systems. For the public it will lower the barriers to enter public transportation in general. It will enable users to use one single card for their entire journey, including the usage of taxi's, parking garages and bus or train.

Operators will be able to collect valuable market information through the usage of smart cards. Thus enabling them to finally address their marketing approaches directly to the passengers.

Arriva's public transport operation in the UK has considerable experience in advance ticketing systems, including the application of magnetic stripe and smartcard technology in order to capture information about our passengers travel movements and to facilitate product differentiation and market segmentation. Currently, Arriva's rail companies are working with public transport authorities, other transport operators and the rail industry to develop common standards for smartcard application leading to the implementation of some trial projects.

Arriva's UK rail operations are all fully equipped with electronic ticket machines. From its significant number of station booking offices, Arriva can issue combined tickets for travel on all railway services within the UK regardless of the franchisee. Additionally, portable electronic machines are used by on board train staff.

Internet-sales

Since 1996 <http://www.bahn.de> is being offered by DB. Over the years <http://www.bahn.de> has become the leading Internet service for travelling and mobility. With 5,39 million visits and 14,3 million page impressions (July 2000) it has more hits than any other German travel site.

Ticket Sales Online

Since 1998 it has also been possible to buy tickets online based on the information given about the train connection. The amount of tickets sold online is raising rapidly and it is planned to extend the products offered online to international train tickets for the main routes and special offers. To offer the customer the highest standard of security a 128 bit SSL connection is used. The payment can be done by credit card or bank withdrawal.

One of the most successful launches is the Surf&Rail special offer (<http://www.surfandrail.de>). On certain trains and between a chosen number of cities special priced online tickets are offered. The user can print out the ticket on a printer at home and the printout is valid as his train ticket. This service was launched in October 1999 with 53 cities and only direct routes. In May 2000 already 38.000 Surf&Rail tickets have been sold and the number increases rapidly. Due to this success an extension of the number of cities and connections is being planned at the end of this year.

Customer Loyalty Programmes

DB introduced the BahnCard (railcard) in October 1992 as a customer loyalty scheme. The BahnCard allows the customer to travel half price for a year.

There are currently around 3.5 million customers with BahnCards, making the scheme one of the most popular of its kind in Germany. After almost 8 years, more than 94% of the public know of its existence, that is more than for any other DB product.

DB's objectives in introducing the BahnCard were:

- long-term customer loyalty
- acquisition of new customers
- simplification of fare structures
- new form of marketing



Around 50% of customers buy a new BahnCard as soon as their old one runs out. The subscription scheme in place since 1996 was made more attractive still as of 1 April 1999 by extending the validity from 12 to 13 months. This saw subscriptions treble within a year.

The BahnCard has generated new customers to rail travel for almost 8 years. 24% of new BahnCard customers surveyed in 1996 admitted to not having travelled by rail prior to purchasing the BahnCard. Roughly 40% of new customers would not have travelled by rail without the BahnCard.

The ZugBus companies also have efficient organisational structures:

- close co-operation with DB so as to tap synergies and hence attain the greatest possible cost-effectiveness
- use of the latest technical facilities, notably computerised planning, monitoring and information systems
- intensive co-operation with bus makers so vehicles are refined with the customer in mind
- effective planning, control and co-ordination of how resources are used (staff, vehicles, depots, financial resources)
- eager, qualified staff
- exchange of know-how between HQ and regional sales and customer offices as a means of developing and implementing innovative ideas and solutions
- nurturing of the internal suggestions scheme

The dovetailing of buses and trains is a proactive response to changing market conditions, producing local public transport that is coherent, customer-focused and in tune with people's needs. A combined product also allows more efficient use to be made of the strengths of both modes of transport so the latter are better placed to meet the demands facing local transport in the period ahead, i.e.:

- the steadily rising expectations of current and future passengers
- growing demands being made in respect of the price, quality, and flexibility of train and bus services by those commissioning them (federal states, districts, municipalities, communities)
- fiercer competition between transport operators.

Since 1999 Arriva operates a multi-modal transportation company in the two Northern provinces of The Netherlands: NoordNed. In a 50% - 49% partnership with NS (ABN Amro 1%), NoordNed provides with 40 trains and 170 busses integrated Rail, Bus and Taxi services to the public.

Within the UK, Arriva Passenger Services is also heavily involved with various train operating companies in the provision of bus feeder services and inter-modal ticketing. An example of this is within the Home Counties where it is possible for customers to acquire, on board the bus, a through ticket offering travel on the bus, the rail service and within the London Transport Travel Card region.

Arriva's rail operations in the UK are actively involved in the development and implementation of multi-modal and other public transport integration initiatives.

The companies participate in multi-modal ticketing schemes covering rail, bus, train and ferry services in the main regional centres of Newcastle, Leeds, Sheffield, Manchester and Liverpool. The scope and structure of these schemes vary but there are two distinct models with either the income being pooled and divided up with other operators in a way that broadly reflects usage or the revenue risk being borne by the sponsoring local transport authority. Usage of these tickets continues to grow rapidly and they now generate rail travel valued at some £20 million per annum on the two franchises while on the Merseyrail network about half of all journeys are made using such tickets.

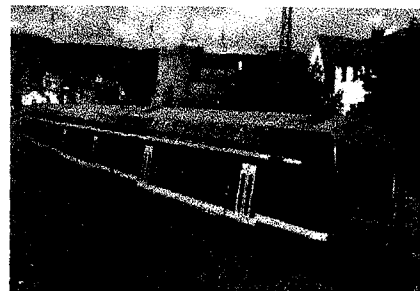
Arriva's UK bus experience, operating more than 9000 busses, also includes a significant number of multi-modal agreements with other transport operators. For example; within the home-counties (an area of up to 100km radius from the centre of London) it is possible to board a bus and buy a ticket inclusive of the return bus, return rail to London and London Transport's multi-modal travel card all from the bus-based ticket machine.

Within the UK the rail passenger activities have significant interchanges and links with other modes of transport. In addition to local and inter-urban bus services there are air ferry bus links at Kingston-upon-Hull (for North Sea ferries to the Netherlands and Belgium) and at Newcastle-upon-Tyne (for DFDS Ferry services to Scandinavia). In respect of Light Rapid Transit systems interchange facilities are available with the Sheffield Supertram, the Manchester Metro-link and the Tye and Wear Metro.

Airport rail links and/or air rail bus links exist in respect of Glasgow, Leeds/Bradford and Manchester airports. The most notable of these is in respect of Manchester where Arriva's rail service now carries over 1/2 million journeys a year on its 24 hour rail connections.

c) Experience with publicly tendered franchises/concessions for public transport services

DB Regio is the leading provider of integrated local transport services in Germany and is active in both local public transport segments, i.e. the passenger market and the ordered-service market. The ordered-service principle was introduced on 1 January 1996, when local passenger rail transport were regionalized in Germany. As a result of the Regionalization Act (Regionalisierungsgesetz), the federal states have at their disposal more than 6.1 billion Euro in public funds for ordering public passenger transport services. Orders are agreed by contract.



DB Regio is market-leader by a good margin in the ordered-service market. During the year 1999, DB Regio delivered services on contracts for 543 train kilometres with a volume of about 4.3 billion Euro.

The share of transport services awarded by the orders by public tenders is growing. The tender process provides for competition and transparency, both of which ensure a healthy price-performance ratio in transport services. Since the beginning of regionalization in the year 1996 until now, 37 tenders have been advertised in Germany, and DB Regio managed to secure the overwhelming majority of tenders awarded, with a share of 59% of the total of 39,2 million train km.

Enclosed you will find a survey of the invitations to tender in which DB Regio and its subsidiaries have taken part:

Year	Federal State	Line	Result
1996	Nordrhein-Westfalen	Dieselnetz Köln	won
1996	Baden-Württemberg	Pforzheim - Bietigheim	won
1996	Bayern	Oberlandbahn	lost
1996	Sachsen	Vogtlandbahn	lost
1996	Nordrhein-Westfalen	Dortmund - Lüdenscheid	lost
1996	Nordrhein-Westfalen	Kaarst - Mettmann	lost
1996	Nordrhein-Westfalen	Dortmund - Unna (S-Bahn)	cancelled
1997	Sachsen	Mittelsachsen, Erzgebirge, Region Görlitz	won
1997	Berlin und Brandenburg	2 networks	won
1997	Sachsen-Anhalt	Burgenlandbahn	won
1997	Rheinland-Pfalz	Trier - Perl	won
1997	Schleswig-Holstein	Region Kiel	won
1997	Niedersachsen	Network Weser Ems	lost
1997	Sachsen	Chemnitz - Stollberg	lost
1997	Rheinland-Pfalz	Betzdorf - Dillenburg	lost
1997	Baden-Württemberg	Elztalbahn	cancelled

Year	Federal State	Line	Result
1998	Baden-Württemberg	Regionalverkehr Ulm	won
1998	Rheinland-Pfalz	Bingen - Pirmasens	won
1998	Nordrhein-Westfalen	Bielefeld	lost
1998	Rheinland-Pfalz	Kusel - Kaiserslautern	lost
1998	Rheinland-Pfalz	Bullay - Traben-Trarbach	lost
1998	Rheinland-Pfalz	Andernach - Mayen	lost
1998	Mecklenburg-Vorpommern	Rehna - Schwerin - Parchim (Network 3)	lost
1998	Mecklenburg-Vorpommern	Südmecklenburg (Network 4)	cancelled
1998	Mecklenburg-Vorpommern	Wismar - Rostock - Tessin (Network 6)	won
1998	Baden-Württemberg	Rankbachbahn	cancelled
1998	Baden-Württemberg	Nördlicher Schwarzwald	cancelled
1998	Baden-Württemberg	Teckbahn	cancelled
1999	Thüringen	Südthüringen	lost
1999	Nordrhein-Westfalen	Netz Münster West	won
1999	Sachsen	Dresdner Norden	cancelled
1999	Baden-Württemberg	RINGZug	lost
1999	Baden-Württemberg	Elztalbahn	lost
1999	Schleswig-Holstein	Neumünster - Bad Oldesloe	lost
1999	Schleswig-Holstein	Heide - Büsum	lost
2000	Nordrhein-Westfalen	Duisburg - Ruhrort - Oberhausen, Oberhausen - Dorsten	not decided yet
2000	Sachsen	Chemnitz - Thalheim - Aue Zwickau - Glauchau - Rochlitz Zwickau - Aue - Johanngeorgenstadt	not decided yet

Arriva has considerable experience in tendering for franchises and concessions in respect of public transport. In respect of its bus operations this extends to Scandinavia where much of the £100 million of turnover generated by Arriva Danmark and Arriva Sverige are derived from tendered services which are procured in accordance with EU public procurement regulations.

Similarly, within the UK Arriva is the largest provider of tendered bus services to London Transport, the value of which amounts to £132 million per annum. In addition to this Arriva provides tendered services to a number of local authority and transportation authorities, all of which are procured through a competitive regime and subject to demand in performance criteria.

In respect of rail, the whole of Arriva's business has been secured through winning franchises. Within the UK provision of rail passenger services is totally from the private sector as a result of the former British Rail operations of them being restructured into 25 units which were then let as franchises through a competitive process. The initial franchises were typically let for a 7 year period although this is generally giving way to longer terms which are related to significant infrastructure and rolling stock investment programmes.

Franchisees are subject to demanding performance criteria.

Within the Netherlands Arriva rail operations are provided through a joint venture company with NS (Dutch railways) which trades under the name of Noordned.

Noordned provides both local and regional bus and train services within the provincie of Friesland which takes the form of a 6 year concession. Noordned also successfully won the concession to operate local and regional rail services throughout the provincie of Gronningen which commenced on the 1st June 2000.

Particularly, within the UK Arriva has developed a significant number of public/private partnerships to either deliver improved public transport services or provide related infrastructure. This can range from a simple enhancement of public transport services along a given corridor to the design, funding, build and operation of light rail systems such as that in the northern city of Leeds where Arriva as part of a consortium, is the preferred bidder.

d) Experience with the Dutch transport sector over and above the prequalification criterion (by Arriva)

Background

Zuid Limburg

In 1991 and 1992 the Dutch government started discussions about the introduction of competition and privatisation in the Public Transportation market. Inspired by the commercial opportunities, in 1994 a group of private entrepreneurs established the first privately held and operated public Transportation Company in the Country. Under the name of VANCOM, named after one of the American shareholders, the company started its activities in the south of the country: South Limburg. There Vancom won the first experimental tender in public transportation in the Netherlands and started operating with 45 drivers and 12 busses in 1995.

Both through its extreme customer oriented way of service provision, and by providing more services for the same lumpsum amount of state subsidies, Vancom managed to increase the ridership in the south by more than 30% in 3 years.

GVB Groningen

The next step into the Dutch transportation market came in 1995, when Vancom was the first to privatise a former Dutch City transportation company, GVB Groningen. In the solid service contract between the City and Vancom, the number of service hours as produced for the public has gone up by more than 20%. The former city-owned 350 Employees Company needed a commercial turn-around to get more focused on its passengers and the service delivery. The re-organisations that have taken place over the last five years have never lead to any forced lay-offs. On the other hand, the number of administrative staff positions has been reduced in favour of the growing number of drivers and service employees.

Six Flags-Express

As of 1996 business expanded into the Province of Flevoland. Yearly, from April until October, Arriva supplies transportation between Harderwijk railwaystation and the amusement park Six Flags (formerly known as Walibi Flevo).

From Vancom to Arriva

Following negotiations in the year 1997, Vancom's shareholders sold their interest in the company to Arriva International. It was believed that in the consolidating European transportation market, the position of the Dutch company would be much stronger as part of a large European operator.

- b) Vergunning Interlocaal Openbaar Vervoer Number 822857 as granted by the Minister of Transportation on September 1, 1998
- c) Vergunning Interlocaal Openbaar Vervoer Number DNN/CP-9516 as granted by the Minister of Transportation on December 27, 1995

Managing Director of Arriva Nederland is Mr. P.N. van Wageningen, fully qualified public transportation operator (as of May, 8, 1991), as described in article 28, 1st paragraph Passenger Transportation Regulation and fully recognised by the Minister of Transportation's decision as of December 18, 1987, Nr. DGV-WJZ-V 727295.

e) Experience with operating joint international railway services

Given Germany's location at the heart of Europe, international traffic represents a major plank of **DB** business with significant scope for future development. DB runs long-distance train services to all nine countries bordering Germany, plus a ferry link to Sweden. There are over 300 international services a day via 21 border crossings. DB counted approx. 12 million customers in international services last year. DB has been steadily growing international turnover since the mid-1990s with the aid of innovative marketing that is rigorously geared towards service provision and the customer.

DB sees opportunities for growth in international traffic over and above existing ventures with other railways, and new forms of alliance are being developed as a result. Cited below are five current examples of innovative train service concepts.

THALYS

DB is one of the partner railways involved in the Thalys cooperation beside SNCF, SNCB and NS. In December 1997 the route Paris-Brussels-Liège was extended to Germany with 7 daily return journeys and calling stations in Aachen and Cologne. In September 1998 the Cologne-Paris-Brussels route was further extended to Düsseldorf with a daily return journey without change of trains in Cologne.

The main assets of the Thalys offer are:

- the international networking within 4 significant economies of Northern Europe enabling further high speed train connections from/to London in Brussels, from/to Hamburg, Basel, Munich and Berlin in Cologne, respectively northwards, southwards and eastwards of Europe,
- a high train frequency on the major pairs of origin/destination, i.e. Paris-Brussels, Paris-Amsterdam and Paris-Cologne (in the near future Brussels-Frankfurt and Paris-Frankfurt),
- a significant travel time gain for business and leisure customers in comparison with conventional trains, subject to the completion of high speed railway infrastructure.

In June 1997, a year after the service launch, Thalys had registered 2.7 Mio. travellers. The opening of the HSL between Brussels and Paris mid-December 1997 leading to a travel time cut from 2h to 1h25 min and the launching of the route to Germany boosted traffic. 4.7 Mio. travellers were transported in 1998 there of 1 Mio. on the German route. For the year 1999 the number of travellers on the German route stabilised to nearly 1 Mio. For 2000 DB expects similar results. The satisfaction rate of customers is of 85% as annual surveys show.

Co-operative Venture Deutsche Bahn – Nederlandse Spoorwegen

On 13 June 2000, DB and NS signed a co-operation agreement entitled "ICE International DB-NS". The aim of the venture is to jointly run ICE business between Frankfurt, Cologne and Amsterdam so as to significantly raise the railways' share of the international transport market. Co-operating with NS yields the following benefits for the customers:

- modern, comfortable, high-speed train services (ICE 3 M)
- common, harmonised timetables
- high quality
- excellent service on and off the train
- attractive, transparent fares

The new ICE service commences on 5 November 2000 and supersedes today's EuroCity services. Trains run at two-hourly intervals. En route from Cologne to Amsterdam, trains will call at Düsseldorf, Duisburg, Oberhausen, Arnhem and Utrecht. The journey time will initially be cut by up to 10 minutes due to the non-changing of locomotives at the border. ICE 3 M will really come into its own on the international market when the new Cologne-Rhine/Main line is opened. Trains from Schiphol (Amsterdam airport) will then run to Frankfurt via Amsterdam and Cologne. The timing from Amsterdam to Frankfurt, for example, will then fall from the 5 hours required at present to around 3 hours and 45 minutes.

Besides the conventional activities of both railways, it is intended to more fully integrate the cities at which trains stop in Germany and the Netherlands into marketing in future. Under the "ICE International" brand name the Dutch and German railways will share a single advertising identity, thus ensuring that international users of the line recognise the brand in either country and readily feel at home on their travels.

Cooperation DB/PKP

The present EuroCity rail service via Frankfurt (Oder) links Berlin, the main hub for traffic between Germany and Poland, with Poznan and Warsaw. With Poland due to accede to the EU in 2003, cross-border mobility between Germany and Poland is expected to grow. The relevant train products will need to be tailored to the market if this increase in traffic is to be satisfied and the railways are to raise their share of the growth involved.

Where rail travel is concerned, a repositioning of train services in the German-Polish transport market, notably on the Berlin-Warsaw axis, is required. This objective can only be achieved by intensifying co-operation between DB and the Polish Railways (PKP). The two railways are accordingly moving to set up a joint operating company, which is to be mainly responsible for designing products, services and fares, marketing the new range of offers, and guaranteeing smooth operations.

This is intended to yield the following main benefits for our customers:

- customer-driven fares with an optimum price-performance ratio
- competitive range of products and services
- compliance with quality and safety requirements
- demand-driven interlinking with train services in domestic DB/PKP networks
- intensive information through communication.

TEE Rail Alliance

On 7 June 2000, DB, SBB and ÖBB set up a strategic alliance called TEE Rail Alliance. Within the framework of this alliance, the three railways will collaborate more intensively in international passenger services so as to strengthen the railway system's standing through a joint market presence. Benefits ensuing for the customer are as follows:

- modern trains
- co-ordinated timetabling
- high quality
- excellent service
- fares that are competitive and transparent

To this end, the three railways will primarily co-operate in the spheres of marketing, distribution, customer relationship management, the structuring of train services and the co-ordination of timetables. Overall, the TEE Rail Alliance is intent on growing twice as strongly as the relevant transport market as a whole and on tapping cost-cutting potential so as to significantly raise productivity over the next 10 years.

RHEALYS project company

The high-speed lines from Frankfurt and Stuttgart to Paris mooted since the early 1990s (1992: La Rochelle State Accord between France and Germany) are now moving into a concrete planning phase and are to enter service by 2006. The railways from Germany, France, Luxembourg and Switzerland involved in the project accordingly set up a joint project company entitled "Rhealys" on 9 May 2000.

The objective of the project company is to reduce journey times between Paris, eastern France, Germany, Luxembourg and Switzerland significantly. The aim is for roughly equal timings of under four hours for the Frankfurt-Paris and Stuttgart-Paris (via Strasbourg) routes, 2 hours 15 minutes for the Luxembourg-Paris route, and 4 hours 30 minutes for the journey from Zurich to Paris.

Besides market research activities, major aspects of the Rhealys remit relate to the design of travel products, associated services and fares, and preparations for operation and the marketing of future high-speed train services. The company is particularly intent on achieving technical harmonisation of international rolling stock and thus promoting interoperability. There are plans to convert Rhealys from a project to an operating company once lines have entered service in 2006.

f) Experience with operating rail services in a multi-operator setting, with an independent allocation of railway capacity over several passenger train operation companies

1994 saw the railway reform introduced in Germany. Since then it has theoretically been possible for any railway undertaking to provide rail transport services. **DB Netz** is responsible for the rail network of the DB Group and is therefore service provider for railway companies. Part of its core duties is to ensure the reliable and safe operation of the network comprising 37,5000 kilometres of railway lines. DB Netz accordingly has specialist experience in co-ordinating various railway undertakings on its infrastructure and organising competition on the railways.

It is crucial in everything relating to network access that the principle of non-discrimination is observed. Only so there can be effective competition in the railway sector. Equal treatment of all infrastructure users is a central theme in both German and European Union legislation. DB Netz respects the relevant rules in its operating practice and hence all railway undertakings can expect fair competitive conditions.

One service central to network access is timetable compilation. In Germany, the ordering procedure for train paths and the guidelines for resolving conflicts between applicants for paths are covered by the Railway Infrastructure Usage Regulations (EIBV). These require railway undertakings to notify DB Netz of their path requirements at least 8 months before timetable changeover. Later orders can only be considered if there is any spare capacity left. The timetable is then compiled on the basis of these notifications.

DB Netz has assumed an active role in this process. Intensive and early consultation with all customers enables an efficient timetable to be designed that guarantees smooth traffic flows and meets the needs of all ordering parties. Design priorities have been established to avoid, and if need be resolved, conflicts and deliver optimum utilisation of the infrastructure which have proved very successful in practice. Thus, regular traffic services are given preference over irregular ones and orders extending over several years are preferred to applications for shorter periods.

Should any conflict arise over infrastructure utilisation, DB Netz will first endeavour to find a solution agreeable to all railway undertakings applying. Where this cannot be achieved, right of access will be granted to the company prepared to pay the highest user fee. Auctions of this sort have yet to occur, however, since it has invariably been possible to find viable solutions for all customers.

Underpinning the economics of infrastructure utilisation are train path prices that facilitate non-discriminatory access to the network for all customers. DB Netz has developed a two-tier tariff for this purpose along the lines of the price-setting systems adopted by the power utilities and the telecommunications sector. The train path price is made up of a flat-rate and a variable component, specifically

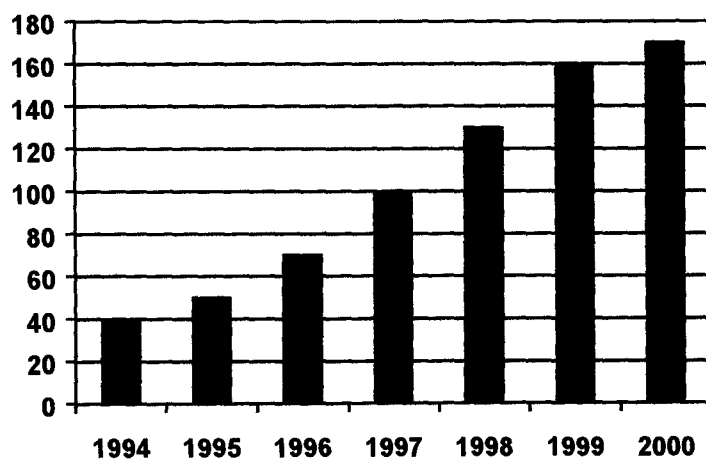
- a flat-rate charge - the InfraCard - irrespective of level of use, and
- a variable train path price reflecting actual usage of the infrastructure.

The advantages of this approach are that, on the one hand, the cost structures of infrastructure management (high fixed costs) are adequately taken into account and, on the other - and this is the decisive point - low variable train path prices are made possible. This provides a powerful incentive for increases in railway traffic volumes and hence high rates of track utilisation. The InfraCard delivers customer loyalty over several years, moreover, and as such gives railway undertakings some responsibility for levels of utilisation of infrastructure.

For some customers, the purchase of an InfraCard does not make financial sense (comparatively low number of movements on the lines used). They can still access the network at favourable rates, however, by availing themselves of the Variopreis scheme, which entails paying exclusively for the number of train-kilometres ordered. This is intended to prevent the InfraCard acting as an artificial barrier to the market for, and hence discriminating against, businesses with lower output schedules.

There are numerous legal and technical preconditions attached to network access, e.g. approval as a railway undertaking, staff expertise, a company's dependability and financial credentials, plus a multitude of technical stipulations. In view of the great number of standards and regulations, DB Netz helps newcomers in particular with in-depth advice and brochures designed to provide them with intelligible information and ease the process of gaining access to the network.

All in all, it is demonstrable that DB Netz has organised railway services with a variety of operators in an effective and non-discriminatory manner. This is clearly underlined by the steady and marked rise in the number of non-DB railway undertakings over recent years (cf. graph).



Number of non-DB customers with DB Netz AG

Through its UK rail franchises **Arriva** has extensive experience of operating rail services in a multi-operator environment. Whilst the Merseyrail Electric network is largely dedicated, more than half of the 1,300 miles Northern Spirit network is shared with other passenger train operators providing complementary or, in some cases, competing services. Freight trains run by several operators also operate over much of the Northern Spirit network.

Within the UK the rail infrastructure is owned and controlled by a private sector company, Railtrack, which is responsible for the national network. A track access agreement sets out the entitlements for hours of operation, frequency of service and journey time. A real time train monitoring system is linked through a delay-fault attribution process into a performance incentive/penalty regime.

ARRIVA participates in multi-operator arrangements with Railtrack to improve performance, exchange best practice and deal with common problems. The production of annual timetable is managed by Railtrack to give effect to each operator's contractual rights and aspirations through a collaborative process.

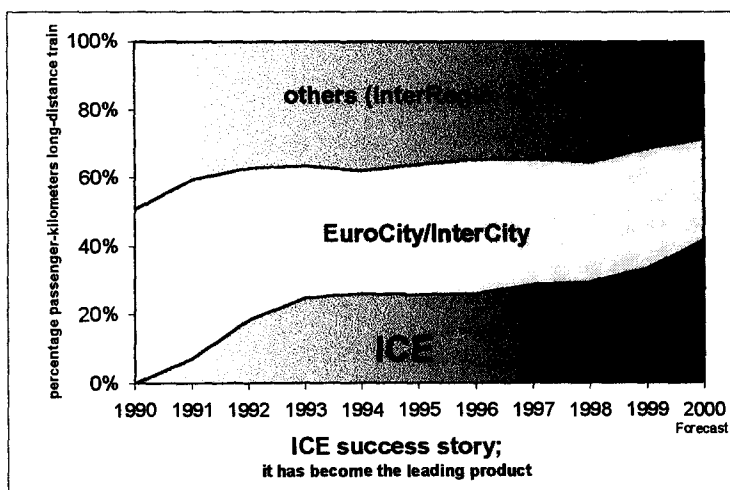
g) Experience with operating high-speed rail services, including the procurement of high-speed (over 200 kph) rolling stock

High-speed rail travel in Germany dates back to June 1991, when the first InterCity Express (ICE) trains commenced running at speeds of up to 250 kph on new lines. ICE 1 trainsets comprise an average of 12 coaches with accommodation for around 685 people in all, including 36 seats in the dining car. Driving power is provided by 2 power cars with an overall output of 9.6 MW and a top speed of 280 kph. Average occupancy of approx. 260 passengers per train (p/t) puts these trains well ahead of 200kph locomotive-hauled IC trains (approx. 227 p/t) and even further ahead of Interregio trains (approx. 140 p/t; 1999 figures).

ICE trains are fully integrated into the IC/EC network, which comprises several lines with hourly services. The mean distance between IC stopping points is about 95 km. At some interchange stations such as Cologne and Mannheim, IC and ICE trains stop across the platform from one another to facilitate changes of service.

ICE trains operate on a network of new, upgraded and older lines. The core ICE network with hourly or two-hourly services is currently 2,740 km in length. A further 2,000 km of line on the DB, ÖBB and SBB networks is also worked by ICE trains. Of the latter, 650 km are new lines (NL: 250-280 kph) and 880 km upgraded lines (UL: 200 kph).

Demand for high-speed travel has been rising continuously. In 1999, 35.6 million persons travelled by ICE, completing 11.6 billion passenger-kilometres in the process. This is more than one third of the figure for all DB long-distance services. Train-kilometres rose to 44.6 million, seat-kilometres to 26.3 billion.



The new lines involved have enabled ICE services to significantly shorten journey times: by an hour and a half from Hanover to Würzburg or Stuttgart on the north-south axis, and by one hour from west to east (Cologne-Berlin). In comparative terms, this means that, given a journey of about 400 km in length, one's destination is reached around 30% more quickly.

The first generation of ICE trains have now been joined by the follow-up ICE 2 model. 44 ICE 2 half trainsets incorporating a power car, six trailer coaches and a non-powered driving trailer now work the Berlin-Hanover-Cologne route and the line from Bremen or Hamburg to Munich. They have 391 seats (including 23 in the dining car).

To complement its fleet of ICE high-speed trains, DB has ordered 43 InterCity tilting motor coaches (ICE-T) designed for max. speeds of 230 kph. These trains are ideal for lines with few, if any, high-speed stretches now or in the foreseeable future, like the one from Berlin to Munich. They form five-coach units with seating for 250 passengers; there is also a 7-coach trainset offering 381 seats.

The network of high-speed lines measured 425 km in 1991 (Hanover-Würzburg and Mannheim-Stuttgart NLs). It was significantly expanded with the commissioning of the Berlin-Hanover line in autumn 1998. This has a total length of 254 km, 170 km of which can be worked at over 200 kph.

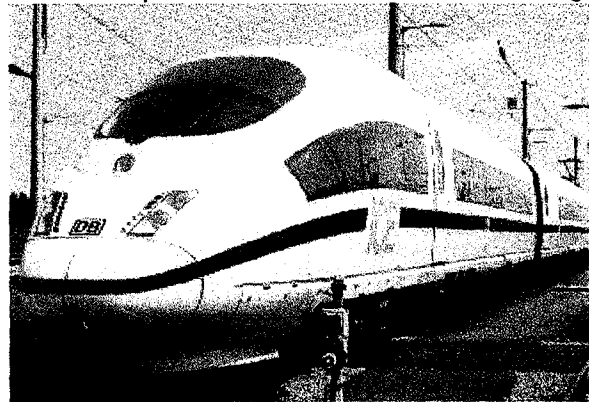
The DB railway network is being further developed in line with co-ordinated central government planning strategies set forth in the Federal Transport Infrastructure Plan (BVWP) and associated Acts relating to railway infrastructure development. The design speed for new lines has been set at 300 kph.

The most important new building project currently in progress is the Cologne-Frankfurt high-speed line. As well as forming the heart of the western section of the future German high-speed network, this is also a major European traffic corridor between London, Brussels and Amsterdam on the one hand and Nuremberg, Vienna, Munich, Basle and Zurich on the other.

This line is being exclusively built for high-speed trains, hence it has been possible to raise the longitudinal gradient to 40‰.

The distance between the central stations in Cologne and Frankfurt will be cut from 222 to 183 km and the journey time from 134 to approx. 60 minutes.

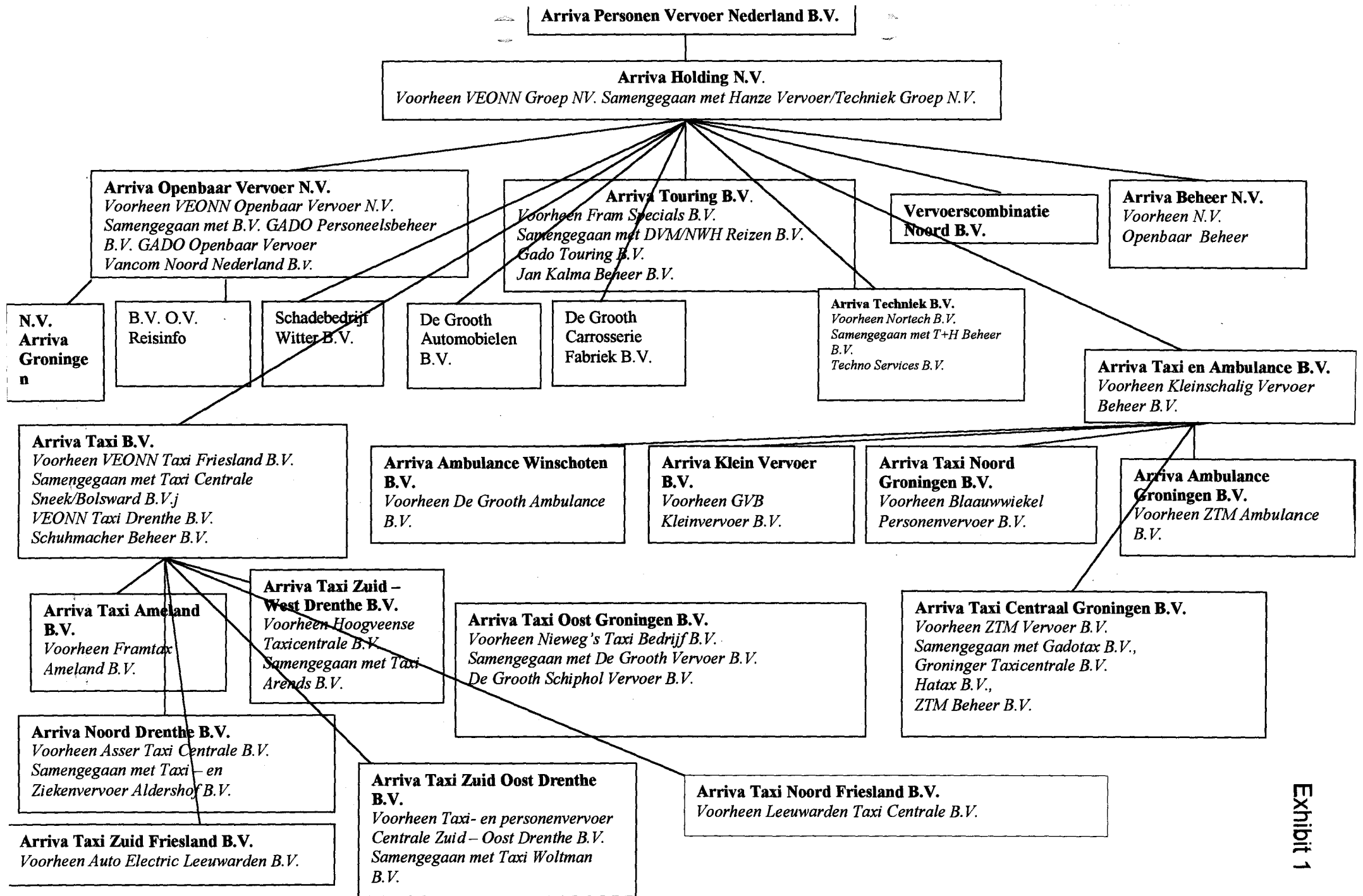
The line will be principally used by the ICE 3, an 8-coach multiple-unit trainset with an 8MW driving power output and on which half the axles are powered. The train has great accelerating power and returns around 7 MW of kinetic energy generated during braking to the overhead line. 13 ICE 3 trains are due to enter service on the international routes from Amsterdam or Brussels to Cologne and Frankfurt in the autumn of 2000. These trains are equipped with 4 power systems and several train-control systems. A further 37 single-system trains have been earmarked for working DB routes. Thus 50 ICE 3 trains are initially being built, with a further 13 set to follow.



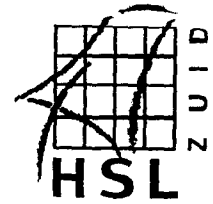
The Dutch railways (NS) operate 4 ICE 3 trains of their own, and these are currently running as EXPO traffic between Amsterdam and Hanover.

DB engaged in basic planning for cross-border high-speed systems with several European parties from an early stage. The company linked up with SNCF in 1986 to produce a set of joint

specifications dubbed "HGZ-E-TGV", following this up in 1990 with "Design-engineering parameters for high-speed trains operated by SNCF-DB-SNCB-NS". By signing the PBKA accords in January 1993, DB also became party to the Thalys project; the company has funded two Thalys multi-system trains and is involved in joint marketing of the service.

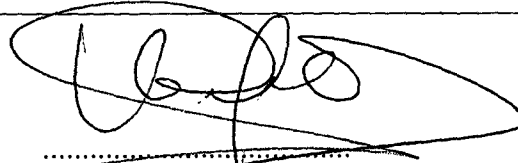


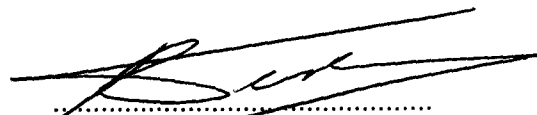
RECEIPT



Request for Qualification HSL Zuid Transport Contracts

Date	14 - 09 - 2000
Time	15.45 HRS.
Name Applicant	ARRIVA / DEUTSCHE BAHN Wilma Griffioen
Address Applicant	Pla ARRIVA Nederland Postbus 626 8440 AP Heerenveen. 0513 - 655855
Received by	PROJECT ORGANISATION HSL-Zuid ROEL TESTROOTE

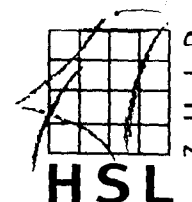

.....
Signature Applicant


.....
Signature representative HSL-Zuid

Projectorganisatie
Hogesnelheidslijn-Zuid
Postal address:
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Visiting address:
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3511 GC Utrecht
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Subject

Qualification HSL-Zuid Transport Contracts



Deutsche Bahn and Arriva Nederland
Attn. Matthias Meier
Potsdamer Platz 2
D-10785 Berlin
Germany

Dear Mr. Meier,

I am writing to inform you of the results of the qualification phase. I am pleased to inform you that your consortium qualifies for the bidding phase of the HSL-Zuid Transport contracts.

You will receive the general Process Agreement in the course of next week. After returning a duly signed agreement we will send you the Invitation to Tender (ITT). We expect to send the ITT towards the end of November.

Other Applicants that qualify are:

- NS Reizigers and KLM;
- Connexion, CGEA-Connex and SJ International;
- Stagecoach Holdings Plc.

Clarification of the results

During the evaluation of your Request for Qualification, strengths and weaknesses have been identified by the assessors. We will call you next week to agree on a suitable date and venue to discuss these matters with you.

Information meeting

We intend to hold an information meeting with all parties on December 15th. During this meeting we will explain the results of our market research and give you the opportunity to talk with the researchers, the representatives of the Infrastructure Manager and the Tender team Infraprovider. An invitation for this meeting will be sent to you early in November.

Should you have any questions do not hesitate to call Roel Testroote on +31 30 2728 751.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bas van Os', is written over a horizontal line.

Bas van Os
Project Manager HSL-Zuid Transport

Date
26 October 2000
Our reference
HSL-Zuid U-148707
Your reference
-
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