

DATED

9th April

1998

ST CHARLES PROPERTY INTERNATIONAL LTD (1)

A K TOOR ESQ (2)

counterpart/

LEASE

re: Ground Floor & Basement,
11 Kentish Town Road, London, NW1

Adler & Co.,
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REF: C0002.LEA

EDITION: 9 April 1998

THIS LEASE dated the

hundred and ninety-eight

QV

day of

June

One thousand nine



BETWEEN

(1) "The Landlords" : The person persons or Company whose names and addresses appear in Part 1 of the First Schedule to this Lease and whoever for the time being owns the interest in the property which gives the right to possession of it when this Lease ends

(2) "The Tenants" : The person persons or Company whose names and addresses appear in Part 2 of the First Schedule to this Lease and whoever for the time being is entitled to the property under this Lease

(3) "The Guarantors" : The person persons or Company (if any) whose names and addresses appear in Part 3 of the First Schedule to this Lease

1. IN this Lease:

1.1 WHENEVER there is more than one tenant or more than one guarantor all their obligations can be enforced against all of the tenants and against all of the guarantors jointly and against each individually

1.2 A REFERENCE to an Act of Parliament refers to that Act as it applies at the date of this Lease and any later amendment or re-enactment of it

1.3 "INTEREST" means a payment at four per cent above the published base rate of Barclays Bank Plc compounded on each quarter day and paid both before and after judgment or arbitration award. If another bank succeeds to the

business of that bank the name of the successor is to be substituted for it. If the named bank ceases to trade in other circumstances the Landlords may nominate any member of the Bankers' Clearing House to take the place of the named bank.

1.4 A RIGHT given to the Landlords or to any other persons to enter the Property extends to anyone the Landlords or such other persons authorise to enter and includes the right to bring workmen and appliances onto the Property for the stated purpose.

1.5 AUTHORITY given to a person to enter the Property after giving notice extends if the circumstances justify it to entry after giving less notice than specified or without giving any notice.

1.6 NO obligation to repair extends to rectifying any damage caused by an insured risk (defined below) unless or to the extent that because of anything done or not done by the person obliged to repair or anyone that person invites or allows to enter the Property the insurers do not pay all or part of the amount claimed under the policy.

1.7 ANY obligation to pay money refers to a sum exclusive of value added tax ("VAT") and any VAT charged on it is payable in addition.

1.8 "RENT" includes any payment due from the Tenants for occupation of the Property after the expiry of the Lease period (however it ends).

1.9 "THE service charge" means any payment the Tenants are obliged to pay in respect of the services under any provision of this Lease.

1.10 "THE common parts" are the parts of the Building intended for use by some or all of the tenants and other occupiers of the Building

1.11 "THE plan" is the plan (if any) annexed to this Lease

2. IN exchange for the obligations undertaken by the Tenants and (if any) the Guarantors:

2.1 THE Landlords let the property described below ("the Property") to the Tenants for the period of twenty years starting on the 9th day April of 1998 ("lease period") on the Tenants agreeing to pay Nineteen Thousand Pounds (£19,000.00) a year or whatever rent is later substituted for it ("basic rent") and as further rent ("insurance rent") forty per cent of the sums the Landlords spend each year during the lease period to insure the Building as required by this Lease and as further rent the service charge described below PROVIDED THAT for the period from the 9th day of July 1998 re to the 8th day of October 1998 the basic rent shall be reduced to a peppercorn (if demanded)

*7th Apr.
2003*

*viewed
5 yearly
upward
(Clause 5.1a)*

2.2 "THE Property" is that property of which full details are given in Part 1 of the Second Schedule to this Lease and which is part of that Building of which full details are given in Part 2 of the Second Schedule to this Lease ("the Building")

2.3 (a) THE Property is let with the benefit of any of those rights mentioned in the Third Schedule which until now have been enjoyed by the occupier of the Property and are needed in order to use it for the use allowed

(b) The letting is subject to the rights mentioned in the Fourth Schedule

3. THE Tenants agree with the Landlords:

3.1 TO pay the basic rent by equal quarterly instalments in advance on the usual quarter days (the first and last payments being proportionate sums if appropriate the first payment being made on the date of this Lease) all such payments to be made by Bankers' Standing Order so as to reach the Landlords' Bankers on the due date for payment

3.2 TO pay as further rent the insurance rent within fourteen days of the Tenant having been notified of the amount of it by the Landlord

3.3 NOT to reduce any payment of rent by making any deduction from it or by setting any sum off against it

3.4 TO pay interest on any rent paid more than fourteen days after it falls due

3.5 TO pay as further rent the service charge calculated in accordance with and as calculated in the Seventh Schedule to this Lease on the dates stated there

3.6 TO pay interest on any payment of service charge paid more than seven days after it falls due

3.7 (a) TO pay promptly to the authorities to whom they are due all rates taxes and outgoings relating to the Property including any which are imposed after the date of this Lease (even if of a novel nature) and to indemnify the Landlords against any loss or damage suffered by the

Landlords as a result of the Tenants failure to make such payments promptly

(b) IF the Property shall have been left unoccupied during the whole or part of the period of six months immediately preceding the expiration of the Lease period and there is in force in respect of the Property any legislation making payable any general void or other rates for unoccupied premises for any period and the Landlords shall be assessed thereto in respect of any period after such expiration the Tenants shall on demand pay to the Landlords a sum equal to the general or other rates for which the Landlords could not have been assessed if the Property had not been left unoccupied as aforesaid

3.8 TO pay promptly all accounts for the supply of all gas water and electricity to the Property and the use of the telephone there

3.9 TO keep the Property (including any additions after the date of this Lease) in good and substantial repair and condition irrespective of the condition of the Property at the start of the lease period The Tenants' obligations under this sub-clause extend (without in any way limiting the generality of the Tenants' obligation) to the doors plate glass and other windows fixtures fittings fastenings wires waste drains soil and all other pipes exclusively serving the Property (whether inside or outside the Property) and sanitary and water and heating apparatus in the Property and any roads areas yards paths passages and boundary walls and fences comprised in the Property If any of the Landlords' fixtures and fittings become damaged beyond repair at any time during or at the

end of the lease period (however it ends) the Tenants shall replace the same with items of similar quality

3.10 TO allow the Landlords, on giving at least seven days' notice to enter the Property to inspect the state of it

3.11 IF the Landlords give the Tenants notice of any failure to do repairs required by this Lease to start the work within one month or immediately in case of emergency and to proceed with it diligently In default the Landlords are entitled to enter the Property to do the work and the Tenants must pay the proper cost of it on demand together with interest

3.12 TO allow the Landlords and the owners and occupiers of any adjoining or neighbouring property or their respective agents and workmen at any reasonable time or times on giving at least seven days notice in writing (except in the case of an emergency) to enter the Property for executing repairs additions or alterations to or upon any adjoining or neighbouring premises or for building on land adjoining the Property or for laying constructing repairing maintaining renewing making connections with or cleansing or keeping in good order and conditions all pipes drains channels water courses sewers wires cables gutters ditches culverts fences or other conveniences which shall belong to or serve the Property in common with other premises or be in or upon the Property and also for the purpose of laying maintaining repairing renewing and testing drainage gas and water pipes and electric wires or cables or for other similar purposes the persons entering the Property making good all damage thereby occasioned to the Property as soon as reasonably practical

3.13 TO decorate the Property when specified below to the reasonable satisfaction of the Landlords on each occasion all painting to be with at least two coats of good quality paint and all wallpaper and wallcoverings to be of good quality:

- (i) the outside of the Property: during every third year of the lease period
- (ii) the inside of the Property: during every fifth year of the lease period
- (iii) in addition the whole of the Property: during the last year of the lease period (however it ends) On this occasion the colour of any paint and the pattern of any wallpaper or wallcovering must be approved in advance by the Landlords in writing

3.14 IF occupiers of the Property and occupiers of other property share the benefit of any of the following:

party walls party structures yards gardens roads paths gutters drains
sewers pipes conduits wires and cables

to contribute a fair proportion (conclusively fixed by a surveyor nominated by the Landlords) of the cost of their repair maintenance and cleaning on demand This obligation does not restrict any other obligation imposed by this Lease

3.15 TO allow anyone who reasonably needs access in order to inspect repair or clean neighbouring property or any sewers drains pipes wires or cables serving neighbouring property to enter the Property at any reasonable time The

person requiring access must give at least seven days' notice in writing and make good any damage to the Property promptly

3.16 NOT unless the Landlords give consent in writing to alter or add to the Property nor allow anyone else to do so This obligation does not restrict any duty to comply with other terms of this Lease nor with statutory requirements

3.17 (a) To prevent any person from using any part of the Property in such a way that he may acquire an indefeasible right to continue that use

(b) Not to stop up any window on the Property

3.18 NOT to insure any part of the Property including any addition to it or fixture except as required by this Lease

3.19 IF any use to which the Property is put increases the insurance premium payable for the Property or any adjoining property belonging to the Landlords to pay on demand the amount of that increase

3.20 NOT to light any fire on the Property nor allow anyone else to do so

3.21 TO allow the Landlords to enter the Property at any reasonable time after giving at least seven days' notice to inspect it and value it for insurance purposes

3.22 TO pay on demand (but not more than once every twelve months) the cost of an insurance valuation of the Property

3.23 NOT to act in a way which will or may result in the insurance of the Property being void or voidable or in the premium for it being increased nor to allow anyone else to do so

3.24 NOT to use the Property or any part of it except for the use described in the Fifth Schedule to this Lease ("use allowed") nor to allow anyone else to do

so The Landlords do not represent to the Tenants that the use allowed is the permitted use of the Property under the Planning Acts (as described below)

3.25 TO indemnify the Landlords and insure on terms approved by the Landlords against all injuries damage claims and demands arising from any works that may be authorised by this Lease or by any subsequent Licence

3.26 NOT to hold an auction sale on the Property nor allow anyone else to do so

3.27 NOT to allow any material manufactured or part manufactured goods tools machinery unroadworthy vehicles pallets packaging waste or rubbish to be stored in or left on any open land which is part of the Property

3.28 NOT to use the Property or any part of it for any of the following nor allow anyone else to do so:

activities which are dangerous offensive noxious noisome illegal or immoral or which are or may become a nuisance or annoyance to the Landlords or to the owner or occupier of any neighbouring property

3.29 NOT to display on the Property any advertisements other than normal trade signs

3.30 (a) IN this clause:

(i) "the Planning Acts" means the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990 and the rules regulations and orders which are either made under one of them or are continued by the Planning

(Consequential Provisions) Act 1990 as they apply from time to time

(ii) "permission" means permission given under the Planning Acts to carry out development

(b) To comply with the Planning Acts as they affect the Property

(c) Not unless the Landlords previously approve (such approval not to be unreasonably withheld) to make any application for planning permission

(d) Not unless the Landlords previously approve (such approval not to be unreasonably withheld) to carry out any development on the Property which requires permission

(e) If permission is granted for any development on the Property not to implement it unless the Landlords previously approve (such approval not to be unreasonably withheld)

(f) If development is undertaken in accordance with temporary permission granted subject to conditions to be complied with when it ends to comply with those conditions before the end of the lease period even if the permission could last longer unless the Landlords waive this requirement

(g) If the Landlords require and at the Landlords' expense to join the Landlords in making representations about any proposed development on the Property or neighbouring property

(h) To allow the Landlords to enter the Property to comply with any lawful requirement under the Planning Acts even if that temporarily restricts the enjoyment of the Property

(i) Not to object to any application for planning permission submitted by or on behalf of the Landlords unless the same adversely affects the business of the Tenants carried on at the Property

3.31 (a) NOT to damage or weaken any structural wall or cross beam in the Property nor allow anyone else to do so

(b) NOT to damage, break into, alter or add to the mains, electrical, gas, water and drainage systems in the Property nor allow anyone else to do so

(c) NOT to install or use in or upon the Property any machinery or apparatus which will cause noise or vibration which can be heard or felt in nearby premises or outside the Property or which may cause structural damage

3.32 (a) TO comply with the terms of any Act of Parliament regulation licence or registration authorising or regulating how the Property is used

(b) To do everything necessary to obtain continue and renew any licence or registration required by law for using the Property for the use allowed including paying all fees

3.33 IF any authority acting under an Act of Parliament requires that the Property be altered added to or modified or that any fixtures or equipment be installed or removed:

- (i) to give the Landlords within seven days of receiving it a copy of any notification received to that effect
- (ii) to do the work required to the complete satisfaction of the authority requiring it

3.34 TO give the Landlords within seven days of receiving it a copy of any notice received concerning the Property or any neighbouring property other than in respect of Uniform Business Rates

3.35 TO indemnify the Landlords against all claims and payments arising from the state and condition of the Property and from any lack of action taken to remedy any defect or deterioration in it and for which the Tenants are responsible hereunder

3.36 TO give the Landlords within seven days of receiving it a copy of any notice received concerning the use of the Property and any process carried on there or how or how many persons may be employed there

3.37 (a) IN this clause "to deal with" means to assign sublet mortgage charge part with possession of or share

(b) Unless the Landlords previously approve (and the Landlords are not entitled to withhold approval unreasonably) not to deal with the whole Property

(c) Not to deal with part of the Property separately from the rest of it

(d) Not to assign or sublet the Property unless the proposed assignee or subtenant first covenants directly with the Landlords to comply with the obligations the Tenants undertake in this Lease

(e) If the proposed assignee shall be a limited company the Landlords may require that at least two persons (whose financial status shall be acceptable to the Landlords) shall covenant directly with the Landlords:

(i) that the company will pay all rent and service charges payable under this Lease and will observe all the obligations the Tenants undertake in this Lease

(ii) to indemnify the Landlords against all losses incurred as a result of any failure by the company to comply with the terms of this Lease both during the lease period and any extension of it and so that even if the Landlords give the Tenants extra time to comply with any obligations in this Lease or does not insist upon its strict terms the indemnity shall remain fully effective

(iii) to accept a new lease (the expenses to be paid by the new tenants) from the Landlords if this lease ends prematurely and the Landlords so require by giving notice within six months (for which time is of the essence) of the date on which this lease ends ("termination date"), the new lease to be for the period from the termination date to the end of the lease period and on the same terms of this Lease as they apply at the termination date

(f) The Landlords may withhold approval to a proposed assignment of the whole Property if approval is withheld on the ground (and it is the case) that one or more of the circumstances mentioned below (whether

or not such withholding is solely on such ground or on that ground together with other grounds):

- (i) that in the reasonable opinion of the Landlords the effect of the proposed assignment upon the value of the Landlords' reversionary interest in the Property would be materially to diminish such value
 - (ii) that in the reasonable opinion of the Landlords the use to which the proposed assignee intends to put the Property and/or the trading profile of the proposed assignee is unsuitable for the Property on grounds of good estate management
 - (iii) that in the reasonable opinion of the Landlords the proposed assignee would not be able to meet the obligations under this Lease having regard to all relevant circumstances
- (g) On any assignment the Tenants shall enter into an Authorised Guarantee Agreement (as defined in Section 28(1) of the Landlord and Tenant (Covenants) Act 1995) which will be in such form as the Landlords may reasonable require and be prepared by or on behalf of the Landlords and at the cost of the Tenants provided that such cost is proper and reasonable
- (h) Paragraphs (f) and (g) shall operate without prejudice to the right of the Landlords to withhold such approval on any other ground or grounds or to impose further conditions where such withholding or such imposition would be reasonable

3.38 WITHIN one month of every change of ownership of this Lease or of every subletting to give notice of it to the Landlords or the Landlords' solicitors and to pay a reasonable registration fee (fixed at Thirty five pounds plus VAT for the first five years of the lease period) At the same time to produce for inspection a certified true copy of any document transferring the ownership or a certified true copy of the counterpart of the sublease

3.39 TO allow the Landlords and any person with written authority from the Landlords or the Landlords' agent at all times on prior written notice to enter the Property to view it as or for a prospective purchaser or mortgagee of the Landlords' interest

3.40 DURING the last six months of the lease period to allow the Landlords to fix a notice to the outside of the Property announcing that it is for sale or to let

3.41 WHEN the lease period ends to return possession of the Property to the Landlords leaving the Property in the state in which this Lease requires the Tenants to keep it

3.42 TO obtain the Landlords written consent to the size colouring lighting and position of any announcement of the Tenants' name trading name or trade on or visible from the outside of the Property and to remove the same at the end of the lease period making good all damage caused The Landlords are not entitled to withhold consent unreasonably

3.43 TO comply (at the Tenants' expense) with all the requirements from time to time of the insurers of the Property and of the local fire prevention officer, including but not limited to those as to:

- (i) installation maintenance and testing of a fire alarm
- (ii) placing maintenance and testing of fire extinguishers of specified types
- (iii) display and illumination of emergency exit signs and evacuation instructions
- (iv) instruction of staff in fire alarm and evacuation procedures

3.44 NOT to leave or deposit any material equipment repaired goods goods awaiting repair tools pallets packaging waste or rubbish outside the Property even if it is on property not belonging to the Landlords nor allow anyone else to do so nor to store anything there which causes danger inconvenience or offence to anyone else on or near the Property because it is explosive flammable infected radioactive or smelly

3.45 TO clean the inside and outside of the windows in the Property at least once in every month

3.46 NOT to allow to pass into the conduits serving the Property any trade or noxious effluent or other substance which might cause any obstruction in or damage to them

3.47 NOT to suspend any heavy load from the walls or ceilings of the Property or use the same for the storage of goods or have on the Property any safes machinery goods or other articles which may strain or damage the Property or the Building

3.48 TO keep the Property open for business during all usual business hours in the locality of the Property

3.49 TO insure throughout the Lease period the plate glass windows (if any) of the Property against damage or destruction in some insurance office of repute to be approved by the Landlords and whenever so required by the Landlords (but not more than once a year) to produce to the Landlords a certified true copy of the policy of such insurance

3.50 TO pay as further rent all sums the Landlords reasonably expend in recovering any payments due under this Lease including the fees of Solicitors and bailiffs instructed by the Landlords

3.51 TO comply with all proper and reasonable regulations which the Landlords may from time to time make for the management of the Building

3.52 TO pay all proper and reasonable expenses (including legal and surveyors' fees) which the Landlords incur in preparing and serving:

- (i) a notice under Section 146 of the Law of Property Act 1925 even if forfeiture is avoided without a court order

- (ii) a Schedule of Dilapidations recording failure to give up possession of the Property in the appropriate state of repair when this Lease ends within three months thereafter

3.53 TO pay the proper and reasonable legal and other professional fees which the Landlords incur (including stamp duty and disbursements) in respect of any application for consent made by the Tenants in respect of matters where the Landlords' consent is required under this Lease whether or not consent is given and whether or not the application is withdrawn except for consent to the

Works as defined in the Eighth Schedule hereto or the Tenants' signage to be installed on the signing hereof

3.54 TO carry out the works ("the Works") referred to in the Eighth Schedule to the reasonable satisfaction of the Landlords or the Landlords Surveyors within two months of today

4. THE Landlords agree with the Tenants:

4.1 SO Long as the Tenants do not contravene any term of this Lease to allow the Tenants to possess and use the Property without interference from the Landlords anyone who derives title from or trustee for the Landlords or anyone from whom the Landlords derive title

4.2 (a) TO insure the Property and all additions to it of which the Tenants notify the Landlords under a policy which satisfies the conditions set out below

- (b) The conditions with which an insurance policy must comply are:
- (i) the insured persons are the Landlords (with the interest of the Tenants and any mortgagees of the Tenants being noted on the policy if so requested by the Tenants)
 - (ii) cover is provided against the following risks ("insured risks") so far as that cover is generally available for the type of buildings on the Property

fire lightning explosion earthquake landslip subsidence

heave riot civil commotion aircraft aerial devices storm flood

impact by vehicles and damage by malicious persons and vandals

and other risks which the Landlords from time to time reasonably consider should be covered

(iii) the sum insured is at least the full rebuilding cost of the Property and any fixtures and fittings at the Property belonging to the Landlords and any additions to it which should be insured plus an appropriate percentage for professional fees and three years' loss of rent and demolition and clearance expenses

(iv) the policy is issued by a reputable insurance office or at Lloyd's

4.3 TO show the Tenants on demand a copy of the insurance policy covering the Property and a copy of the receipt for the last premium or evidence from the insurers of the terms of the policy and that it is in force This obligation need only be performed once in any year unless part of the Property suffers damage which may result in a claim under the policy In addition to give the Tenants on request a copy of every endorsement varying the terms of the policy

4.4 (a) UNLESS the next sub-clause applies to claim promptly all sums which are or may be payable under any insurance policy arranged by the Landlords as required by this Lease and to use all sums received (other than in respect of professional fees or demolition or clearance expenses) promptly in rebuilding the Property or repairing any damage to it

(b) If a start on rebuilding or repair is not possible within three years after damage caused by an insured risk all sums received by the Landlords shall belong to the Landlords absolutely

4.5 SO long as the Tenants do not contravene any terms of this Lease and provided that the Tenants pay all rent and service charges payable under this Lease TO PROVIDE the services listed in the Seventh Schedule to this Lease for all the occupiers of the Building and in doing so:-

(i) the Landlords may engage the services of whatever employees agents contractors consultants and advisors the Landlords acting reasonably consider necessary

(ii) the Landlords shall not be liable for any failure or delay caused by industrial disputes shortage of supplies inclement weather and other causes beyond the control of the Landlords

5. THE parties agree:

5.1 (a) IF the Landlords so require the basic rent shall be reviewed with effect from the end of every fifth year of the lease period (in each case: "review date")

(b) To exercise the option to review the basic rent the Landlords shall give notice ("review notice") to the Tenants no more than twelve months before the review date stating what annual amount the Landlords propose as the basic rent from the review date ("new basic rent")

(c) If the Tenants do not give Notice (counter-notice) to the Landlords within two months after the review notice is given (in respect of which

counter-notice time is of the essence) informing the Landlords that the Tenants do not accept the annual amount proposed by the Landlords the new basic rent shall apply from the review date and the remaining sub-clauses of this Clause 5.1 shall not apply in respect of that review date

(d) If the amount of the basic rent payable from the review date ("new basic rent") is not agreed within three months after the review notice was given it may be referred to arbitration by either the Landlords or the Tenants and if the parties cannot agree on who the arbitrator should be then either party may at any time after the matter has been referred to arbitration request the President of the Royal Institution of Chartered Surveyors (or some other officer of that body if the President is unable to act) to appoint an arbitrator ("the independent expert")

(e) The independent expert shall:-

- (i) not be an arbitrator
- (ii) take into account any written and (at the option of either party) verbal submissions to him within such reasonable time and other limits as he may prescribe but he shall not be bound thereby
- (iii) notify the Landlords and Tenants in writing of the sum he shall fix as the new basic rent from the review date
- (iv) decide by whom the costs of the arbitration shall be borne and may also provide for the payment of costs by one party to the other and in making such decision the independent expert may

take into account the contents of any offers by either party to the other (whether "without prejudice" or not) and the nature and content of any submission made to him by or on behalf of the parties

(f) The new basic rent is the higher of: either the basic rent payable immediately before the review date or the market rent as defined in sub-clause (g) below

(g) In this clause "the market rent" means the rent likely to be paid for the Property in good and substantial repair and condition let in its entirety without a premium being charged in the open market by a willing tenant to a willing landlord on the assumptions that:

(i) the Property is let on the review date for a period equal to what then remains of the lease period (but taking into account the likelihood of the Tenants being entitled to a new tenancy of the Property when this Lease ends)

(ii) it is let on the same terms as are in this Lease except the amount of the basic rent

(iii) it is vacant and ready and equipped for immediate use for the use allowed

(iv) all the terms and conditions of this Lease which should have been performed have been duly performed and that the Tenants have not failed to comply with any obligations the Tenants undertake in this Lease

BUT there shall be disregarded:

- (i) any effect on rent of the fact that the Tenants are in occupation of the Property or of any goodwill attaching to the Property as a result of the Tenants carrying on business at the Property
 - (ii) any effect on rent of any improvement to the Property carried out by the Tenants except under an obligation the Tenants undertake in this Lease
 - (iii) all matters which would have been disregarded under the Landlord and Tenant Act 1954 Section 34(1)(a) to (c) inclusive had the Tenants been applying for a new lease
 - (iv) the effect on rent of the Works
- (h) Until the new basic rent is agreed or decided the Tenants must continue to pay the basic rent at the rate applicable immediately before the review date ("former basic rent")
- (i) Any balance of the new basic rent over the former basic rent for the period from the review date must be paid with interest at the base rate of Barclays Bank Plc on the first day for payment of rent after the new basic rent is agreed or decided
- (j) A Memorandum in duplicate recording the new basic rent payable after each review date shall be signed by the Landlords and the Tenants respectively within one calendar month after the new basic rent is agreed or decided

5.2 THE Landlords are entitled to re-enter the Property and to forfeit this Lease by entering any part of the Property whenever the Tenants:

- (i) are twenty-one days late in paying any rent even if it was not formally demanded
- (ii) have not complied with any obligation in this Lease
- (iii) when one or more individuals: is are or one is adjudicated bankrupt or an interim receiver is appointed of the Property of the Tenant Tenants or one of them
- (iv) when a company: it or one of them goes into liquidation (unless that is solely for the purpose of amalgamation or reconstruction when solvent) an administrative receiver of it is appointed or any administration order is made in respect of it

and if the Guarantors are or one of them is adjudicated bankrupt or an interim receiver is appointed of the Property of the Guarantors or one of them

The forfeiture of this Lease does not cancel any outstanding obligation which the Tenants owe the Landlords

5.3 DURING any period (maximum: three years) when all or part of the Property cannot be put to its accustomed use because of damage from an insured risk the basic rent is cancelled or reduced as appropriate unless or to the extent that the insurers do not pay under the policy whether in whole or in part because of something done or not done by the Tenants Any dispute whether and how this clause applies is to be referred to arbitration

5.4 THE Landlords and all persons authorised by the Landlords shall at any time during the lease period be authorised to use erect rebuild or alter any land

or building adjoining or near to the Property for any purpose and in any manner even if any right of light or other right which the Property enjoys (except for any right expressly granted in this Lease) may as a result be obstructed or interfered with PROVIDED THAT there is no permanent inconvenience to the Tenants

5.5 THE Tenants are not entitled to any compensation under Section 37 of the Landlord and Tenant Act 1954 unless the conditions set out in Section 38(2) of that Act apply in relation to the Tenants

5.6 ANY disputed matter including any failure to agree on a new basic rent referred to arbitration under this Lease is to be decided by arbitration under the Arbitration Acts 1950-1979 by a single arbitrator appointed by the parties to the dispute If they do not agree on that appointment the then President of the Royal Institution of Chartered Surveyors may appoint the arbitrator at the request of any party

5.7 TO the extent and notwithstanding that any part of this Lease may be void by reason of the Landlord and Tenant (Covenants) Act 1995 each of the terms of this Lease are distinct and severable and the remaining terms of this Lease shall remain in full force and effect and shall not be invalidated or prejudiced thereby

5.8 ON any disposition of the reversion to this Lease the Landlords shall be released from and have no further liability to the Tenants in respect of the terms of this Lease

5.9 THE rules as to the service of notices in Section 196 of the Law of Property Act 1925 apply to any notice given under this Lease

6. THE Guarantors agree with the Landlords:

6.1 TO indemnify promptly the Landlords against all losses incurred as a result of any failure by the Tenants to comply with the terms of this Lease both during the lease period and any extension of it Even if the Landlords give the Tenants extra time to comply with any obligations in this Lease or do not insist upon its strict terms this covenant remains fully effective

6.2 (a) TO accept a new lease from the Landlords if:

- (i) this Lease ends prematurely and
- (ii) the Landlords so require by giving notice within six months (for which time is of the essence) of the date on which this Lease ends ("termination date")

(b) The new lease is:

- (i) for the period from the termination date to the end of the lease period
- (ii) on the terms of this Lease as they apply on the termination date omitting any provision for a guarantor of the tenant's obligations and any reference to any obligation which was completely performed before the termination date

IT IS HEREBY CERTIFIED that there is no Agreement for Lease to which this Lease gives effect

IN WITNESS whereof the parties hereto have executed this Deed the date first before written

THE FIRST SCHEDULE

Part 1**Names and addresses of the Landlords**

ST CHARLES PROPERTY INTERNATIONAL LIMITED of 12 Highcroft Gardens,
London, NW11

Part 2**Names and addresses of the Tenants**

AMARJIT KAUR TOOR of 22 Bertie Road, Willesden Green, London, NW10

Part 3**Names and addresses of the Guarantors**

None.

THE SECOND SCHEDULE**Part 1****The Property**

The Basement and Ground Floor of the Building including:-

1. The inner surface of and the paint, paper and other decorations finishes applied to the interior of the exterior walls of the Property but not any other part of the exterior walls
2. The floor and ceiling finishes (but not any other part) of the floor slabs and ceiling slabs that bound the Property

3. The inner half severed medially of the internal walls dividing the Property or any part thereof from the adjoining parts of the Building retained by the Landlords or demised by them
4. The doors and windows and window frames and all glass therein
5. All additions and improvements to the Property
6. All the Landlords' fixtures and fittings and fixtures of any kind now in or upon or which shall from time to time during the Lease period be on or upon the Property (whether originally affixed or fastened to or upon the same or otherwise) except any such fixtures installed by the Tenants which can be removed from the Property without defacing the same
7. Any pipes wires and conduits that exclusively serve the Property
8. Any equipment or apparatus (for air conditioning central heating or otherwise) that is in or on or exclusively serves the Property
9. The entire shopfront

Part 2

The Building

ALL THAT the freehold property situate at and known as 11 Kentish Town Road,
Camden Town, London, NW1

THE THIRD SCHEDULE

Rights in connection with the Property

1. The right of free passage and running (subject to temporary interruption for repair alteration or replacement) of water soil gas electricity and all

other services to and from the Property or any building now or in the future to be erected thereon through any sewers drains pipes wires and channels now or during the Lease period running under or through any adjoining or neighbouring premises of the Landlords

2. The right of support shelter and protection from the remainder of the Building of which the Property forms part

THE FOURTH SCHEDULE

Rights to which the Property is let subject

1. The free passage and running of water soil gas electricity and all other services from any adjoining or neighbouring premises or any building now or which may at any time during the period of eighty (80) years from the start of the Lease period be erected thereon through any sewers drains pipes wires and channels now or which at any time within such period as aforesaid shall run under or through the Property and to make connections with such sewers drains pipes wires and channels for the purpose of exercising the said free passage of water soil gas electricity and all other services as aforesaid
2. Full right and liberty at any time from time to time during the period aforesaid to execute or cause or suffer to be executed works and erections upon any of the adjoining or adjacent or neighbouring land premises or buildings and the right to alter repair redevelop and rebuild such adjoining adjacent or neighbouring land premises of buildings

notwithstanding that the passage of light or air to the Property or any part thereof may thereby be obstructed or interfered with or any other liberty easement right or advantage belonging to the Tenants is thereby diminished or prejudicially affected provided that the Landlords shall take reasonable measures to ensure that any disruption to the Tenants' business is minimised

3. All rights of light air and other easements and rights (but without prejudice to those hereinbefore granted to the Tenants) now or hereafter belonging to or enjoyed by all adjacent or neighbouring land or building over or against the Property
4. The right to support and shelter and all other easements and rights now or hereafter belonging to or enjoyed by all adjacent or neighbouring land or buildings an interest wherein possession or reversion is at any time during the term hereby granted vested in the Landlord
5. Full right and liberty at any time during the lease period for the Landlords and their duly authorised surveyors or agents with or without workmen and others at all reasonable times and upon reasonable notice except in emergency to enter (or in cases of emergency to break and enter) the Property in order to:-
 - (a) Inspect cleanse connect lay repair remove relay replace with others alter or execute any works whatever to or in connection with the sewers drains pipes wires easements or services referred to in the preceding paragraphs or this Schedule

- (b) View the state and condition of and repair and maintain the Building where such viewing or work would not otherwise be reasonably practicable
- 6. The right to erect scaffolding for the purpose of repairing or cleaning or altering adjoining or neighbouring premises notwithstanding that such scaffolding may temporarily interfere with the access to or the enjoyment and use of the Property and without being liable for any interference or interruption caused to the Tenants or the Property or the use of the Tenants' business carried on thereon provided such scaffolding is dismantled as soon as practicable

THE FIFTH SCHEDULE

Use allowed

Restaurant/Take Away or other use within Class A3 of the Town & Country Planning (Use Classes) Order 1987 as the Landlords shall approve such approval not to be unreasonably withheld

THE SIXTH SCHEDULE

The Services

- 1. All sums (including the proper fees of any Managing Agents appointed from time to time by the Landlords) properly and reasonably incurred by the Landlords in connection with the maintenance repair renewal

- rebuilding alteration cleaning and decorating of the exterior of the structure (including the roofs and foundations) of the Building
2. All sums properly and reasonably incurred by the Landlords in connection with the making rebuilding renewing repairing maintaining decorating lighting and cleaning all party walls fences and structures all service areas access ways and roads and all conduits pipes drains channels water course sewers wires and cables and other things used or capable of being used in common by the occupiers of the Building or any part thereof and the occupiers of any adjoining or neighbouring premises

THE SEVENTH SCHEDULE

The Service Charge

1. "cost of services" means the amounts the Landlords spend in providing the services referred to in the Sixth Schedule

"service charge" means 40% of the cost of services
2. The Landlords shall keep a detailed account of the cost of services and make it available to the Tenants on request
3. When the Landlords give the Tenants notice to pay the service charge in respect of the cost of services itemised in the notice the service charge shall be payable by the Tenants within 14 days of the notice

THE EIGHTH SCHEDULE

The Works

1. To extend the flue serving the Property to the roof of the Building
2. The Works referred to in the Schedule of Kern Contracts dated 1st April 1998 attached to this Lease

EXECUTED as a **DEED** by
ST CHARLES PROPERTY
INTERNATIONAL LIMITED
acting by a Director and its
Secretary:-

Director:

Secretary:

SIGNED and DELIVERED
as a **DEED** by **AMARJIT**
KAUR TOOR in the presence of:-

W Signature:

I

T Name:

N

E Address:

S

S Occupation: