

7. INVENTORY AND SCHEDULE OF CONDITION

If the Landlord and Tenant have not signed the Inventory and Schedule of Condition prior to the start of the Tenancy Period the Landlord or his Agent will send it to the Tenant within seven days of receipt and the Tenant will sign and return it within seven days of receipt to the Landlord or Agent except where he has any objections to any of the Inventory in which case these should be sent to the Landlord's Agent within seven days of receipt.

If the Tenant does not return the Inventory or raise any objections within seven days of receipt he will be deemed to have accepted the Inventory as prepared.

8. VACANT POSSESSION

- 8.1 If at the end of the tenancy the Tenant vacates the Property but does not remove all of his goods or possessions or those belonging to members of the Tenant's household and or invitees the Landlord will be entitled to charge a sum equal to the amount of the Rent for the period from the end of the tenancy until the Tenant's goods have been removed from the Property.
- 8.2 If at the end of the tenancy the Tenant vacates the Property but does not remove all of his goods or possessions or those belonging to members of the Tenant's household and or invitees the Landlord or his Agent may remove them at the sole risk of the Tenant and place them in storage for a period not exceeding twenty eight days and the Tenant will be responsible for the cost of removal and storage. The Landlord or his Agent will use all reasonable efforts to notify the Tenant promptly that he has taken this step and the Tenant will provide a forwarding address for this purpose.
- 8.3 If the Tenant has failed to collect the items within twenty eight days the Landlord or his Agent may dispose of the goods in accordance with Sections 12 & 13 of 'The Torts (Interference with Goods) Act 1977' to cover any expense incurred and the balance (if any) will be paid to the Tenant provided all expenses and debts have been paid and the sum is claimed within twenty eight days of the date of sale.

SPECIAL LETTING TERMS

The following special letting terms have been specifically agreed between the Landlord and Tenant

1. CABLE/SATELLITE

The Landlord has given permission for the Tenant to install cable and satellite television. The Tenant must meet all costs for installation and removal of the installation and the making good of any resultant damage as may be reasonably required by the Landlord.

2. EARLY TERMINATION

2.1 By serving two months written notice the Landlord may end the tenancy at or at any time after the end of the first fifteen months and immediately at the end of the notice period the tenancy will end but it does not release either the Landlord or the Tenant from any outstanding obligation or claim.

2.2 By serving two months written notice the Tenant may terminate the tenancy at or at any time after the end of the first fifteen months and will until the end of the notice period and vacant possession is given up if later pay the Rent and observe and perform the agreements and obligations on the Tenants part contained in the Agreement then immediately at the end of the notice period the tenancy will end but it does not release either the Landlord or the Tenant from any outstanding obligation or claim.

3. SPECIAL PROVISIONS

(a) It is agreed between the parties that there will be a 2 per cent increase in rental for year two of the tenancy.

Signed by the Landlord:

Signed _____ Date _____
Full Name (Please Print) _____
In the presence of _____
Full Name (Please Print) _____ (Witness)
Signed _____ Date _____
Witness's Address _____
Witness's Occupation _____

Signed by the Tenant:

Signed _____ Date 28/05/05
Full Name (Please Print) BRUNO SCHERRE
In the presence of _____
Full Name (Please Print) CHARLOTTE LOUYER (Witness)
Signed _____ Date 28/05/05
Witness's Address 37 HAWTHORNE PLACE KITZ GAA
Witness's Occupation ASSISTANT

Signed by the Tenant:

Signed _____ Date 28/05/05
Full Name (Please Print) CAROLE SCHERRE
In the presence of _____
Full Name (Please Print) _____ (Witness)
Signed _____ Date _____
Witness's Address _____
Witness's Occupation _____

SIDE LETTER

WITH OUT PREJUDICE

Between:

- And
- Ms Galit Hershkovitz (hereby the "Landlord")
 - Mr. & Mrs. Bruno Scherrer, 10 Gayton Crescent London NW3 1TT (hereby the "Tenant")

Both parties agreed and signed a tenancy agreement for the property known as 10 Gayton Crescent London NW3 on May 25, 2005 for duration of two years only from May 29th 2005.

By this letter, the Landlord is granting the Tenant an option to renew the core agreement for an additional two years, subject to the Parties' approval.

The Landlord's consent for renewal of the Tenancy Agreement is hereby granted subject to the following conditions being met:

1. A full satisfaction and fulfillments of the Tenancy Agreement and its terms,
 2. A rent increase based on the annual price index capped at 2% per annum for the second year,
 3. An agreement for further payment of a total of GBP 53,040 per annum, payable quarterly in advance in equal installments of GBP 13,260.
 4. Termination Option in Year 2 - Break Clause for Mr. & Mrs. Scherrer with 3 Months Notice - NOTICE NOT TO BE GIVEN OVER THE CHRISTMAS PERIOD
- Landlord - 6 Months Notice - NOTICE NOT TO BE GIVEN OVER THE CHRISTMAS PERIOD

Any amendments to this Side Letter (including this paragraph) must be in written form.

Executed as a Deed by

[Redacted Signature]

on: Friday, 27 May 2005

in the presence of:

Nir Vitale

Witness to Sign and Print Name

[Redacted Signature]

Witness Address

40 Clifton Gardens

[Redacted Signature]

on: 28/05/05

in the presence of:

Witness to Sign and Print Name

[Redacted Signature]

Witness Address

37 HAWTHORNE PLACE
HT17 4AA

C. LOCKYER