

DATED 27th July 1998

THE MASTER WARDENS AND COMMONALTY OF THE
MISTERY OF CORDWAINERS OF THE CITY OF LONDON

- and -

M I FOX

COUNTERPART/
SUPPLEMENTAL LEASE

Relating to

Third Floor (Back, North)
31 Hatton Garden
London EC1

Stones Porter

Tel: [REDACTED]

Ref: 10/CJRH/C0366 0005

THIS SUPPLEMENTAL LEASE is made the 27th day of July 1998



BETWEEN:-

- (1) **THE MASTER WARDENS AND COMMONALTY OF THE MISTERY OF CORDWAINERS OF THE CITY OF LONDON** whose present address is Eldon Chambers [REDACTED] ("the Landlord") and
- (2) **MICHAEL IAN FOX** of 31 Hatton Garden London EC1 ("the Tenant")

WHEREAS

- (A) By a lease dated 29 January 1993 and made between the Landlord (1) and the Tenant (2) ("the Lease") (a copy whereof is annexed hereto) the premises known as Third Floor (Back, North) 31 Hatton Garden London EC1 ("the Demised Premises") were demised to the Tenant for a term of five years from 24 June 1991 expiring on 23 June 1996 subject to the rents thereby reserved and to the lessee's covenants and the conditions therein contained
- (B) The Tenant has requested the Landlord to grant to the Tenant a further lease of the Demised Premises which the Landlord has agreed to do upon the terms hereinafter contained

WITNESSETH as follows:-

DEMISE

1. The Landlord HEREBY DEMISES unto the Tenant ALL THAT the Demised Premises TO HOLD the same unto the Tenant from and including the 24 June 1996 and expiring on and including the 23 June 2001 ("the Term") paying therefor:

1.1 FIRST during the Term yearly and proportionately for any part of a year the rent of ONE THOUSAND TWO HUNDRED AND SIXTY POUNDS (£1,260) per annum such rent to be paid by equal quarterly payments in advance on the Quarter days without any deduction whatsoever the first payment to be made on date hereof

1.2 SECONDLY with effect from the date hereof throughout the Term by way of further or additional rent the Service Charge reserved by clause 3 (2) and Part II of the Schedule of Services to the Lease

1.3 THIRDLY in respect of the Demised Premises by way of further or additional rent on demand a sum or sums of money equal to the amount or amounts from time to time paid by the Landlord in effecting or maintaining the insurance of the Demised Premises and the Additional Rents (as defined in the Lease) in accordance with the covenant in that behalf hereinafter contained by reference to the covenant contained in Clause 2(3) of the Lease

2. Except as to the Term hereby granted and as to the rent firstly reserved and as to the provisions of clauses 3(5) 3(18) 3(23) and 4(3) of the Lease this demise is made on the same terms and subject to the same reservations and to the same covenants on the part of the Landlord and of the Tenant respectively and to the same stipulations provisos and conditions as are expressed in the Lease as if the same were herein set forth at length with such modifications only as are necessary to make the same applicable to this present demise

TENANT'S COVENANTS

3. The Tenant HEREBY COVENANTS with the Landlord as follows:-

3.1 TO PAY RENT

To pay the rents reserved by these presents at the times and in the manner aforesaid

3.2 TO OBSERVE COVENANTS

To observe and perform the covenants set out in Clause 3 of the Lease in relation to this demise save for sub-clauses 3(5) 3(18) and 3(23)

3.3 TO DECORATE INTERIOR

In every third year of the Term (in colours and materials to be reasonably approved by the Landlord) and in the last year of the Term (howsoever determined) in a proper and workmanlike manner to the reasonable satisfaction of the Landlord to paint all the inside parts of the Demised Premises previously painted with two coats of quality interior paint and at the same time to oil varnish polish paper and treat all internal parts thereof previously or requiring to be so treated and to wash down all washable surfaces

3.4 PERMITTED USER

Not to use or occupy the Demised Premises otherwise than as offices and workrooms in connection with the Tenant's business of manufacturing and repairing jewellery

3.5 ALIENATION

3.5.1 Not to assign underlet or share the possession or occupation of the whole or any part of the Demised Premises nor to part with possession of the whole or any part of the Demised Premises except by an assignment or underlease of the whole of the Demised Premises or otherwise hereby expressly permitted

3.5.2 Not to permit any underlessee to sub-underlet or charge the whole or any part thereof

3.5.3 Not to permit any underlessee to assign the whole of the Demised Premises without the consent of the Landlord (such consent not to be unreasonably withheld)

3.5.4 Not to assign or underlet the whole of the Demised Premises provided

that if the provisions of the succeeding sub-clause hereof have first been complied with the Tenant may so assign or underlet the whole of the Demised Premises with the prior written consent of the Landlord by deed which shall not be unreasonably withheld

3.5.5 Without prejudice to the generality of the preceding sub-clause 3.5.4 and any other matter or circumstances which may render reasonable the Landlord withholding its licence or consent to an assignment of the Demised Premises or any other condition subject to which it may be reasonable to grant such licence or consent the Landlord may withhold its licence or consent to an assignment in the circumstances set out in sub-clause 3.5.6 below or such licence or consent may be granted subject to the conditions set out in sub-clause 3.5.7 below or to an underletting if the conditions set out in sub-clause 3.5.7 below are not satisfied

3.5.6 The circumstances referred to above are :-

- (i) Where any rents or other monies whatsoever due and payable hereunder by the Tenant remain unpaid
- (ii) Where neither the Landlord nor its solicitors has received an undertaking from the Tenant's solicitors to pay all the Landlord's proper costs arising in connection with the application for the licence to assign (including without limiting the foregoing those of solicitors and surveyors) and disbursements and VAT whether or not the licence proceeds to completion (save where it is not completed because the Landlord unlawfully withholds its consent)
- (iii) Where any licence or consent for which the Tenant has made application (the application not having been withdrawn) and which the Landlord has agreed to grant remains uncompleted for any reason other

than any omission or default by the Landlord

(iv) Where there subsists any material breach of any of the covenants by the Tenant herein contained which the Tenant has failed to remedy or the remedy of which has not been adequately secured in a manner or on terms reasonably acceptable to the Landlord

(vii) Where the assignee (or any assignee if more than one person) enjoys diplomatic or state immunity

3.5.7 The conditions referred to above are :-

(i) That the Tenant and the proposed assignee enter into an authorised guarantee agreement (as defined in Section 16 of the Landlord and Tenant (Covenants) Act 1995) and licence to assign in such form as the Landlord may reasonably require

(ii) That prior to completion of the proposed assignment any surety for the proposed assignee shall first (jointly and severally if more than one) covenant with the Landlord in the terms contained in the Schedule hereto as if references therein to the Tenant were references to the Assignee or otherwise in such terms as the Landlord shall reasonably require

(iii) That any guarantor of the Tenant's obligations under this lease shall have guaranteed to the Landlord that the Tenant will comply with the terms and conditions of the authorised guarantee agreement referred to in sub-clause 3.5.7 (i) on terms and in a form which the Landlord reasonably requires

3.5.8 Not to underlet the Demised Premises unless:-

(i) the proposed underlessee has first covenanted directly with the Landlord (jointly and severally if more than one) to pay the rents reserved by the underlease and to perform and observe the covenants by the

underlessee and the conditions to be contained in the underlease and (in so far as they relate to the premises to be underlet) the covenants by the Tenant and the conditions herein contained and not to grant any sub-underlease out of such proposed underlease

(ii) any proposed underlease is granted without any fine or premium at a rent equal to the then full rack rental value of the Demised Premises (such rent to be approved by the Landlord) (and in any event at a rent not less than the rent hereby first reserved) such rent being payable in advance on the days on which rent is payable under this lease

(iii) any proposed underlease of the Demised Premises which creates a tenancy to which Part II of the Landlord and Tenant Act 1954 applies contains an agreement authorised by the Court pursuant to section 38 (4) of that Act excluding the provisions of sections 24 to 28 thereof in relation to that underlease

LANDLORD'S COVENANTS

4. The Landlord HEREBY COVENANTS with the Tenant to observe and perform such of the covenants subject to which this demise is made as aforesaid as ought on its part to be observed and performed

RE-ENTRY

5. PROVIDED ALWAYS and it is hereby agreed as follows:-

5.1 If and whenever during the Term the said rents hereby reserved or made payable or any of them or any part thereof shall be in arrear or unpaid for twenty-one days next after becoming due and payable (whether formally demanded or not) and if and whenever there shall be any breach or non-performance or non-observance of any of the covenants or agreements on the part of the Tenant herein contained or

5.1.1 (where the Tenant is a company):-

- (i) an order is made or a resolution passed for the winding up of the Tenant or
- (ii) a provisional liquidator is appointed in respect of the Tenant or
- (iii) an administration order is made in respect of the Tenant or
- (iv) a receiver (including an administrative receiver) is appointed in respect of the Tenant or any of its assets or
- (v) the Tenant shall otherwise cease for any other reason to be or to remain liable under its provisions contained in this lease or cease for any reason to maintain its corporate existence or

5.1.2 (where the Tenant is an individual or if there be more than one individual then if any such individual):-

- (viii) the Tenant shall propose a voluntary arrangement under part VIII of the Insolvency Act 1986 or
- (ix) the Tenant suffers a bankruptcy order to be made under the said Act or

5.1.3 (whether the Tenant be an individual or a company) the Tenant shall enter into any arrangement or composition for the benefit of the Tenant's creditors or shall suffer any distress or execution to be levied on the Tenant's goods

AND in any of these cases it shall be lawful for the Landlord at any time thereafter and notwithstanding the waiver of any previous right of re-entry into and upon the Demised Premises or any part thereof to re-enter into and upon the Demised Premises or any part thereof and the Term shall absolutely cease and determine immediately by without prejudice to any rights or remedies which may then have accrued by one party against the other in respect of any antecedent

breach of any of the covenants herein contained

LANDLORD AND TENANT (COVENANTS) ACT 1995

6. The Landlord and the Tenant agree and declare that the tenancy hereby created is a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995

STAMP DUTY CERTIFICATE

7. The parties hereto certify that there is no agreement for lease to which the supplemental lease gives effect

IN WITNESS whereof this deed has been duly executed and unconditionally delivered the day and year first before written

THE SCHEDULE

Covenants by a Surety pursuant to Clause 3.5.7 of the Lease

1. The Tenant will pay the rents reserved and observe and perform the covenants conditions and agreements contained in this lease and on the part of the Tenant thereunder to be observed and performed as well after as before any disclaimer of this lease by any liquidator or trustee in bankruptcy or by the Crown
2. In case of default in such payment of rent or other monies or performance or observance of any of the covenants as aforesaid during the currency of the Term and also thereafter during such period as the Tenant remains in occupation of the Demised Premises the Surety will pay and make good to the Landlord on demand all loss damages costs and expenses thereby arising or incurred by the Landlord
3. If the Tenant (being an individual) shall die or become bankrupt or

(being a company) shall enter into liquidation and if a trustee in bankruptcy of the Tenant or a liquidator of the Tenant (as the case may be) shall disclaim this lease or it shall be forfeited or if it shall vest bona vacantia the Landlord may within six months after any such event by notice in writing require the Surety to take a lease of the Demised Premises for a term commencing on the date of such disclaimer forfeiture or vesting bona vacantia but equal to the residue of the Term remaining unexpired at the date of such event at the same rents as are hereinbefore reserved and subject to the like covenants and conditions as are contained in this lease and in any licence or deed supplemental or relating to this lease (but effective from the date of this lease insofar as any of such covenants and conditions shall not have been performed and observed by the Tenant) and on the execution of such new lease the Surety shall execute and deliver to the Landlord a counterpart thereof and pay the costs of the Landlord in granting the same

4. If the Landlord does not require the Surety to take a lease of the Demised Premises the Surety will nevertheless upon demand pay to the Landlord a sum equal to the rents and other payments that would have been payable under this lease but for the disclaimer or forfeiture until the expiration of the Term or until the earlier date upon which the Demised Premises shall be relet by the Landlord

5. The Surety acknowledges that anything done omitted or agreed by the Tenant is done omitted or agreed with the concurrence of the Surety

6. The Surety waives any rights the Tenant may have of first requiring the Landlord to proceed against or claim payment from the Tenant or any other person and the Surety agrees to subordinate and does hereby subordinate any and all claims the Surety may have against the Tenant existing now or arising

later (whether in respect of payment made under this clause or otherwise) to any and all claims by the Landlord under this lease and shall not be entitled to participate in any security held by the Landlord in respect of the Tenant's obligations to the Landlord under this lease until the obligations on the part of the Surety or of the Tenant under this lease shall have been performed or discharged

7. The Surety will be liable to the Landlord as sole or principal debtor or covenantor for all obligations on the part of the Tenant herein contained and will not be released or discharged in whole or part by :-

7.1 Any neglect or forbearance of the Landlord in endeavouring to obtain payment of the said rents or other monies when the same become payable or any refusal to accept payment thereof or in enforcing the performance or observance of the covenants herein on the Tenant's part contained or any time which may be given by the Landlord to the Tenant

7.2 Any variation waiver release or modification of any of the terms of this lease or the granting of any consent hereunder or the surrender of any part of or other change or modification of or to the Demised Premises or any part thereof and the Surety agrees to be a party to any document effecting or evidencing any of the foregoing for the purpose of being bound by the same and by the terms and conditions thereof

IN WITNESS etc

SIGNED as a deed by the said)
MICHAEL IAN FOX in the presence of:-)

Witness Signature: [REDACTED]

Witness Name: [REDACTED]

Witness Address: [REDACTED]

Witness Occupation: [REDACTED]