

DATED 1 September 2016

LEASE

RELATING TO

THIRD FLOOR ^{REAR} (FRONT)
31 HATTON GARDEN
LONDON
EC1N 8DH

BETWEEN

(1) H COMPANY 2 LIMITED

AND

(2) GERALD GLICKSMAN


BLACK NORMAN



SUMMARY

Premises: Third floor ^{rear} (~~front~~) 31 Hatton Garden, London EC1N 8DH
as more particularly described in Schedule 1

Landlord: H Company 2 Limited

Tenant: 

Date of Lease: 1 September 2016

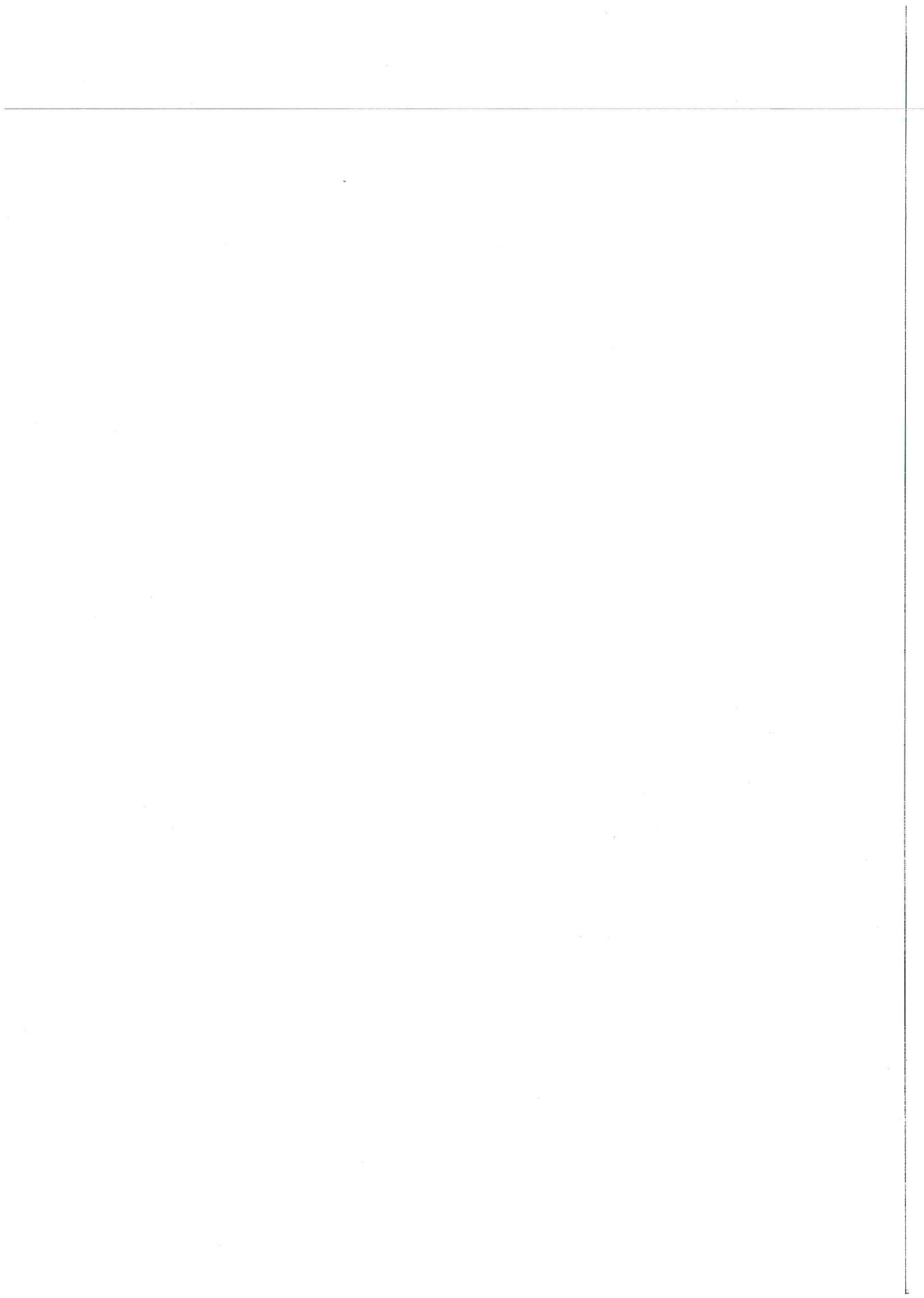
Term: Term of 3 years from and including the Term
Commencement Date and expiring at midnight on 23 June
2019

Term Commencement Date: 24 June 2016

Annual Rent: £5,265.00 per annum

Rent Deposit: The Initial Deposit payable pursuant to Schedule 5

Permitted Use: Within Class B1 of the Schedule to the Town and Country
Planning (Use Classes) Order 1987 (as enacted at the
date of this Lease)



Services: the services including those services referred to in Schedule 4 of this Lease that the Landlord deems necessary to provide in the interest of good estate management and for the proper use and enjoyment of the Premises by the Tenant

Utilities: the transmission of water, electricity, gas and telecommunications

VAT: Value Added Tax as referred to in the Value Added Tax Act 1994 (or any tax of a similar nature which may be substituted for or levied in addition to it)

1995 Act: the Landlord and Tenant (Covenants) Act 1995

2003 Order: the Regulatory Reforms (Business Tenancies) (England & Wales) Order 2003

1.2 The words and expressions used in the summary shall have effect on this Lease unless the context requires otherwise

1.3 References in this Lease to:

1.3.1 any right of (or covenant to permit) the Landlord to enter the Premises shall also be construed as entitling the Landlord to remain on the Premises with or without equipment and permitting such right to be exercised by all persons authorised by the Landlord; and

1.3.2 rent or other sums are references to such sums exclusive of VAT;

1.3.3 where a party consists of two or more persons the obligations of such persons shall be joint and several;

1.3.4 headings to clauses and titles to sub-clauses are for convenience only and do not affect the interpretation of this Lease;

1.3.5 the consent of the Landlord is to an unqualified consent in writing signed by or on behalf of the Landlord; and

1.3.6 the "Termination Date" is a reference to the end of the term (howsoever determined)

1.4 The Summary is the summary so headed at the beginning of this lease and such Summary forms part of this lease

2. DEMISE AND RENTS

2.1 In consideration of the rents reserved by this Lease and the covenants on the part of the Tenant contained herein the Landlord demises the Premises to the Tenant for the term of years as detailed in the Summary yielding and paying therefor by way of rent:

2.1.1 firstly the annual rent of £5,265.00 per annum payable by equal quarterly payments in advance on the usual quarter days the first such payment in respect of the period from and including the Term Commencement Date to and including the day before

- the next quarter day thereafter to be paid on the date of this Lease;
- 2.1.2 secondly on demand by way of further rent an amount equal to the proper costs and expenses which the Landlord from time to time incurs in effecting and maintaining insurance pursuant to clause 4.3 or (if the Premises are insured with other premises) a fair proportion of all costs and expenses which the Landlord from time to time incurs in effecting and maintaining such insurance (including without limitation the cost of valuations for insurance purposes)
- 2.1.3 thirdly from the Term Commencement Date the service cost charges of £468.00 plus VAT per annum payable in equal quarterly payments in advance on the usual quarter days each year (and proportionately for any period of less than a year) the first payment in respect of the period from the Term Commencement Date until and including the next quarter day thereafter);
- 2.1.4 fourthly on demand interest at 3% per year above the base rate of HSBC Bank plc on any sum which is overdue for 14 days after its due date calculated (both before and after any judgement) from the due date until payment;
- 2.1.5 fifthly all VAT payable in respect of any sum payable under this Lease to be payable contemporaneously with the sum to which it relates provided that the Tenant is provided with a valid VAT invoice in relation to any such sum within 10 working days of payment; and
- 2.1.6 sixthly any other sum due to the Landlord under the terms of this Lease
- 2.2 The rights set out in Schedule 2 are granted to the Tenant and the rights set out in Schedule 3 are excepted and reserved for the Landlord and all persons authorised by the Landlord
- 2.3 This Lease is granted subject to all easements quasi easements and rights affecting the Premises as at the date hereof

3. TENANT'S COVENANTS

The Tenant covenants with the Landlord throughout the term:

- 3.1 **Rent**
- 3.1.1 to pay the rents reserved by this Lease on the days and in the manner set out in Clause 2 (by standing order or BACS if requested) without deduction or set-off
- 3.1.2 to pay the yearly rent by equal calendar monthly payments in advance on the first day of each month
- 3.1.3 to pay all costs in connection with the supply and removal of utilities that exclusively serve the Premises
- 3.2 **Compliance with Enactments**
- 3.2.1 the Tenant shall pay and discharge all Outgoings payable at any time in respect of the Premises or any part of them
- 3.2.2 to comply with all Enactments and the requirements of any government department Local Authority or other competent Authority in respect of the Premises their use and occupation employment of personnel in them and any work being carried out to them

(whether the requirements are imposed upon the owner tenant or occupier)

3.3 Notices

Forthwith following receipt to give to the Landlord a certified copy of any communication from any government department local authority or other competent authority and without delay to comply in all respects at the Tenant's cost with the provisions thereof

3.4 Repair

3.4.1 to keep the Premises in good and substantial repair and condition throughout the term (damage by any of the Insured Risks excepted save to the extent that the insurance effected by the Landlord shall have been vitiated avoided or forfeited because of some act or default of the Tenant or of any person deriving title over under or through the Tenant or of its or their servants or agents)

3.4.2 to clean the inside and outside of the windows in the Premises as often as shall be deemed reasonably necessary by the Landlord

3.5 Decoration and general condition

3.5.1 to keep the Premises maintained in a good decorative order and clean and tidy

3.5.2 at the end or sooner determination of the term to yield up the Premises with vacant possession

3.5.3 to redecorate the Premises in the last three months of the term (howsoever determined) the colour and method of which shall be approved by the Landlord acting reasonably

3.6 To permit entry

To permit the Landlord at all reasonable times on reasonable prior notice (except in emergency) to enter the Premises in order to give effect to any proper purpose connected with the interest of the Landlord in the Premises or the Building provided always that in respect of any entry in accordance with this Clause 3.6 the Landlord shall make good all damage thereby caused to the Premises as soon as reasonably practicable

3.7 Compliance with notices relating to repair or condition

3.7.1 as soon as reasonably practicable to comply with any notice requiring the Tenant to remedy any breach of the Tenant's covenants and conditions contained in this Lease

3.7.2 if the Tenant shall not within three months comply with any such notice to permit the Landlord and any authorised person to enter the Premises to remedy the breach

3.7.3 to pay to the Landlord on demand any costs and expenses properly incurred by the Landlord pursuant to the provisions of this Clause 3.7

3.8 Alterations

3.8.1 not to make any improvements alterations or additions of any nature to the Premises or to their Conducting Media

3.8.2 notwithstanding Clause 3.8.1 the Tenant may with the consent of the Landlord (which will not be unreasonably withheld or delayed) make non-structural alterations to the interior of the Premises

3.8.3 the Tenant will (unless requested not to do so) at the end or sooner determination of

the Term and to the reasonable satisfaction of the Landlord:

3.8.3.1 reinstate all alterations and additions to the Premises; and

3.8.3.2 remove all wires and cables installed by or on behalf of the Tenant in any part of the Building

3.9 Use

3.9.1 not to use the Premises otherwise than for the Permitted Use

3.9.2 not to use the Premises for any dangerous noxious noisy illegal offensive or immoral trade business or activity or in such a way as to cause nuisance damage injury or annoyance to the Landlord or the occupiers of the Building and/or any adjacent or nearby properties

3.9.3 the Tenant acknowledges and admits that notwithstanding the foregoing provisions as to the user of the Premises the Landlord does not thereby or in any other way give or make nor has given or made at any other time any representation or warranty that any such use is or will be or will remain a permitted use within the provisions of the Planning Acts not shall any consent in writing which the Landlord may hereafter give to any change of use be taken as including any such representation or warranty and that notwithstanding that any such use as aforesaid is not a permitted use within such provisions as aforesaid the Tenant shall remain fully bound and liable to the Landlord in respect of the obligations undertaken by the Tenant by virtue of these presents without any compensation recompense or relief of any kind whatsoever

3.10 Insurance

3.10.1 to comply with the recommendations or requirements of the insurers of the Premises and the local fire officer

3.10.2 if the Premises are damaged or destroyed by any risk insured against by the Landlord and the policy of insurance in respect of it is vitiated avoided or forfeited or the payment of the policy monies or any part of them is refused or withheld by reason of the act of default of the Tenant or any person deriving title under the Tenant or their respective agents servants or licensees then and in every such case to pay to the Landlord on the date when the policy monies would otherwise have been paid an amount equal to the sum so refused or withheld

3.10.3 not to insure the Premises against any risks which are from time to time insured against by the Landlord

3.11 Assignments and underletting

3.11.1 Not to assign underlet or otherwise part with or share possession or occupation:

3.11.1.1 of any part of the Premises;

3.11.1.2 to any Group Company; or

3.11.1.3 of the whole of the Premises without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) and upon the following terms:

3.11.2 PROVIDED THAT:

- 3.11.2.1 upon any permitted assignment (if reasonably required by the Landlord) to obtain from the proposed assignee an undertaking in writing addressed to the Landlord to pay outstanding arrears properly due of rent of whatever kind and the insurance and service charge applicable to the Premises within fourteen days of the demand for such payment and to remedy breaches of the Tenant's covenants hereunder within a reasonable time specified by the Landlord having regard to the nature of the said breaches;
- 3.11.2.2 upon any permitted assignment or underletting one person acceptable to the Landlord as guarantor shall (if reasonably required to by the Landlord) join in the licence as surety for the assignee or undertenant and shall covenant with the Landlord to observe and perform the covenants and conditions of this Lease (subject to the provisions of the 1995 Act) for the remainder of the Term;
- 3.11.2.3 every assignee or undertenant shall join in a licence to covenant with the Landlord to observe and perform the covenants and conditions contained in this Lease (including a covenant not to further assign or underlet or part with or share possession or occupation of (i) any part of the Premises in any circumstances or (ii) the whole of the Premises except upon the terms and conditions of this Clause 3.11) and in the case of an assignment to pay the rents hereby reserved;
- 3.11.2.4 the Tenant together with any other person in whom the term created by his Lease shall previously have been vested and who has not been released from liability hereunder by virtue of Section 11 of the 1995 Act shall by deed enter into an authorised guarantee agreement with the Landlord in respect of the assignee which shall satisfy the reasonable requirements of the Landlord
- 3.11.2.5 the Tenant shall not underlet the premises unless before the underlease is granted the Tenant has given the Landlord:-
 - (a) a certified copy of the notice served on the undertenant as required by Section 38A (3)a of the Landlord and Tenant Act 1954 applying to the Tenancy to be created by the Underlease; and
 - (b) a certified copy of the Declaration or Statutory Declaration made by the undertenant in accordance with the requirements of Section 38A (3)b of the Landlord and Tenant Act 1954.
- 3.11.2.6 on the grant of any permitted underlease to obtain:
 - 3.11.2.6.1 an unqualified covenant on the part of the undertenant not to assign sub-let or part with or share possession or occupation of part only of the premises thereby demised;
 - 3.11.2.6.2 a covenant by the undertenant not to assign underlet or part with or share possession or occupation of the whole of the

premises thereby demised; and

- 3.11.2.6.3 such covenants by the undertenant which the Tenant hereby undertakes to enforce so as to prohibit the undertenant from doing or suffering any act or thing upon or in relation to the premises demised by the underlease which will contravene any of the Tenant's obligations in this Lease; and
- 3.11.2.6.4 a condition for re-entry on breach of any covenant on the part of the undertenant;
- 3.11.2.6.5 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954 are excluded from applying to the tenancy created by the underlease.

3.11.3 PROVIDED ALWAYS and it is hereby expressly agreed and declared that if the Landlord shall not be satisfied that:

- 3.11.3.1 the rent to be reserved by a proposed underlease is a full current market rack rent; and/or
- 3.11.3.2 such proposed underlease contains satisfactory provisions which comply with this Clause 3.11;
- 3.11.3.3 nothing in this Clause shall prevent the Landlord from giving consent subject to any other reasonable condition nor from refusing consent to any assignment or underletting in any other circumstances where it is reasonable to do so.

THEN the Landlord may refuse its consent to the grant of such proposed underlease and such refusal shall not be considered to be an unreasonable withholding of consent to an underletting under this Clause 3.11

3.11.4 Registration

Within one month following any dealing with or transmission of any interest under this Lease or derivative on it or the execution of any document dealing with that interest the Tenant will deliver to the Landlord a copy (certified by a firm of solicitors as a true copy of the original) of the document evidencing or effecting that dealing or transmission together with any reasonable registration fee which the Landlord may require and any fee which may be payable to any superior Landlord. The Tenant will ensure that every underlease of the Premises contains a similar covenant by the undertenant with the Tenant and the Landlord. However registration of any such document will be evidence of notification to the Landlord of that transaction but will not require the Landlord to consider the terms of that transaction and will not be evidence that the Landlord has done so

3.11.5 Payment of cost of notices consent etc

To pay on demand all proper costs (including counsels' solicitors' surveyors' and bailiffs' fees) incurred by the Landlord and incidental to:

3.11.5.1 the preparation and service of a notice under Section 146 of the Law of Property Act 1925 or in connection with any proceedings under Section 146 or 147 of that Act notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court; and

3.11.5.2 every application for consent licence or approval under this Lease whether or not the application is withdrawn or properly refused

3.12 Non-obstruction

Not to obstruct any of the Common Parts

4. LANDLORD'S COVENANTS

The Landlord covenants with the Tenant:

4.1 Quiet Enjoyment

The Tenant paying the rents reserved by this Lease and observing and performing the covenants on its part may peaceably hold and enjoy the Premises without any lawful interruption by the Landlord or any person claiming through under or in trust for it

4.2 Services

The Landlord shall use all reasonable endeavours to carry out or otherwise perform the Services so far as it is lawfully able to do so

4.3 Insurance

4.3.1 subject to any excesses exclusions or limitations imposed by the insurers the Landlord shall insure and keep insured with a reputable insurer in respect of (i) loss or damage to the Building by the Insured Risks for the full reinstatement cost making such allowances as the Landlord may properly require (ii) loss of the yearly rent for not less than two years and (iii) third party and public liability and any other proper risks relating to the management of the Building and provision of services to it

4.3.2 at the reasonable request of the Tenant the Landlord shall produce evidence of the insurances effected pursuant to Clause 4.3.1

4.3.3 the Landlord will use reasonable endeavours to note the Tenant's intent on the insurance policy.

5. FURTHER PROVISIONS

5.1 Forfeiture and re-entry

Without prejudice to any other remedies and powers contained in this Lease or otherwise available to the Landlord if:

5.1.1 the whole or part of the rents shall be unpaid for 21 days after becoming payable; or

5.1.2 any of the Tenant's covenants in this Lease are not performed or observed; or

5.1.3 any Tenant or guarantor in respect of the obligations of the Tenant (or if more than one person any one of them) being a company is the subject of a petition for its winding up or enters into liquidation whether voluntarily (except for reconstruction or amalgamation of a solvent company) or compulsorily or has a provisional liquidator or

a receiver (including an administrative receiver) appointed or is the subject of an administration order or a petition for one or of a voluntary arrangement or a proposal for one under Part 1 of the Insolvency Act 1986 or is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or is otherwise insolvent or having been registered with unlimited liability acquires limited liability or being a company incorporated outside of the United Kingdom is the subject of any proceedings or events analogous to those referred to in this Clause 5.1.3 in the country of its incorporation; or

5.1.4 the Tenant (or if more than one person any one of them) being an individual is the subject of a bankruptcy petition or a bankruptcy order or of any application or order or appointment under Section 253 or Section 273 or Section 286 of the Insolvency Act 1986 or otherwise becomes bankrupt or insolvent or dies or enters into or makes any proposal to enter into any arrangement or composition for the benefit of his creditors then the Landlord may at any time thereafter (and notwithstanding the waiver of any previous right of re-entry) re-enter the Premises whereupon this Lease shall absolutely determine but without prejudice to any Landlord's right of action in respect of any antecedent breach of the Tenant's covenants in this Lease

5.2 No implied warranty

Nothing contained or implied in this Lease or in any such licence consent or approval is to be taken to be a warranty or representation by the Landlord that the Premises are fit to be used for any purpose permitted by this Lease

5.3 Notices

In addition to any other mode of service any notices to be served under this Lease shall be validly served if served in accordance with Section 196 of the Law of Property Act 1925 (as amended by the Recorded Delivery Service Act 1962) or (in the case of any notice to be served on the Tenant) by sending it to the Tenant at the Premises

5.4 Rent Cesser

If and whenever during the Term:

5.4.1 the Premises (other than the Tenant's plant and equipment and trade fixtures) or the Common Parts necessary for the Tenant to exercise the rights set out in Schedule 2 are damaged or destroyed by any of the Insured Risks so that the Premises are incapable of occupation and use or are inaccessible; and

5.4.2 the insurance of the Premises or the payment of any insurance money has not been vitiated avoided or forfeited by the act neglect default or omission of the Tenant or of any persons deriving title under or through the Tenant or their respective servants agents and invitees

then the rents reserved by this Lease at Clause 2.1 or a fair proportion of them according to the nature and extent of the damage sustained shall be suspended and cease to be payable from the date of destruction or damage until the Premises are made fit for substantial occupation and use and are accessible and any dispute about such suspension shall be

referred to the award of a single arbitrator to be appointed in default of agreement on the application of the Landlord or the Tenant to the President for the time being of the Royal Institution of Chartered Surveyors in accordance with the Arbitration Act 1996

5.5 Determination

If at any time during the term the Premises shall be so destroyed or damaged as to be substantially unfit for occupation and use and are not reinstated within six months of the happening of the damage then either the Landlord or the Tenant may by one month's notice given to expire at any time determine this Lease and on the expiry of such notice this Lease shall determine without prejudice to any rights or remedies which may then have accrued in respect of any breach of any of the covenants or provisions contained in this Lease and the Landlord shall be entitled to retain in full the insurance money

5.6 Declaration

No term of this Lease may be enforced solely by virtue of Section 1 of the Contracts (Rights of Third Parties) Act 1999

5.7 Tenant's Break Right

5.7.1 In this clause the following definitions apply:

Break Date: the date stated in the Break Notice on which this Lease shall terminate.

Break Notice: notice to terminate this Lease.

5.7.2 Subject to clause 5.7.4, the Tenant may terminate this Lease at any time by serving a Break Notice on the Landlord at least six months before the Break Date.

5.7.3 The Break Notice shall specify the Break Date but shall not specify as the Break Date a date which is earlier than six months after the date on which the Break Notice is deemed to have been served on the Landlord (and for the avoidance of doubt, the day of deemed service shall not be taken into account in calculating the period of six months).

5.7.4 The Break Notice shall be of no effect if:

5.7.4.1 at the Break Date:

5.7.4.1.1 the Tenant has not paid any part of the Annual Rent, or any VAT in respect of it, which was due to have been paid; or

5.7.4.1.2 vacant possession of the whole of the Property is not given;
or

5.7.4.2 the Break Notice does not comply with the requirements of this clause.

5.7.5 The Break Notice shall be in writing, and for the purposes of this clause writing does not include facsimile transmission or e-mail.

5.7.6 The Break Notice shall be signed by the Tenant or by a person who is expressed to sign on behalf of and with the authority of the Tenant.

5.7.7 Subject to clause 5.7.4, following service of the Break Notice, this Lease shall terminate on the Break Date specified in the Break Notice.

5.7.8 Termination of this Lease pursuant to this clause shall be without prejudice to any right or remedy of the Landlord in respect of any antecedent breach of the tenant

covenants of this lease, including any covenants expressed to be complied with before the end of the Term.

IN WITNESS whereof the said parties have executed this Lease on the date first stated above

SCHEDULE 1

The Premises

That part of the Building known as Third floor (~~front~~^{rear}), 31 Hatton Garden, London EC1N 8DH including:

1. the internal faces of the walls and columns which enclose the Premises including the plaster paint paper and other decorative finishes thereof;
2. the entirety of all walls and columns within the Premises (other than those which are structural or load bearing) and one half of the thickness of any non-structural walls dividing the Premises from the other parts of the Building and the internal faces of all structural or load bearing walls or columns within the Premises including the plaster paint paper and other decorative finishes thereof;
3. the screed and finish of the floors within the Premises;
4. the internal faces of the ceilings of the Premises including the plaster paint paper and other decorative finishes thereof and light fittings therein;
5. all doors door furniture door frames and glass in such doors of or within the Premises;
6. all windows of or within the Premises;
7. all sanitary and hot and cold water apparatus (if any) within the Premises (other than such apparatus as forms part of the heating and cooling systems serving the Building as a whole);
8. all Landlord's fixtures and fittings (excluding any fire detection fire alarm fire precaution and sprinkler systems) which may at any time be in or upon the Premises; and
9. all additions alterations and improvements within the Premises which may be made during the term save for such as are Tenant's or trade fixtures

but excluding the main structure of the Building including the roof and its structural parts of the foundations the external walls and any internal structural walls the structural slabs and joists of the ceilings and floors and any boundary walls and the window frames fitted into the external elevations of the Building and the Common Parts

SCHEDULE 2

Rights granted

1. the right in common with the Landlord the Tenants and occupiers of the Building and all others so authorised by the Landlord of access to the Premises over the part of the Common Parts leading to the Premises designated by the Landlord from time to time for the purpose of access thereto and egress therefrom only
2. the right (subject to interruption for repair alteration or replacement) to Utilities to and from the Premises through the Conducting Media that serve the Premises and which are designated by the Landlord from time to time
3. the use of a refuse storage area in a position to be determined by the Landlord from time to time
4. as and when available the right to use such bicycle racks as are made available in a position to be determined by the Landlord from time to time
5. the right in common with the Landlord the other Tenants and occupiers of the Building and all others so authorised by the Landlord on prior written notice to the Landlord to use the loading bay in the Building

SCHEDULE 3

Exceptions and Reservations

1. the right to erect or alter or to consent to the erection or alteration of any building for the time being on any part of the Building other than the Premises or any adjoining building notwithstanding that such erection or alteration may diminish the access of light and air enjoyed by the Premises and the right to deal with any such property as it may think fit
2. the right of passage and running of Utilities through the Conducting Media as are now or may after the date of this Lease be installed in the Premises and which are serving or capable of serving other parts of the Building or adjoining or neighbouring property or any buildings now or after the date of this Lease erected on such property together with the right on reasonable prior notice save in emergency when no notice shall be required to enter upon the Premises to inspect repair or maintain any such Conducting Media
3. the right to enter upon the Premises on reasonable prior notice save an emergency when no notice shall be required in connection with the erection alteration improvement repair or maintenance of any such parts or property or building and for such purpose to tie into the structure of the Premises
4. the right to lay or construct new conduits in the Premises and to connect into such conduits as are now or may after the date of this Lease be installed in the Premises (other than Conducting Media capable of serving only the Premises)
5. the rights and liberty to enter upon the Premises in the circumstances in which the covenants by the Tenant contained in this Lease permit such entry
6. all easements quasi-easements privileges and rights including rights of light and air whatsoever now enjoyed by other parts of the Building or adjoining or neighbouring property in under over or in respect of the Premises as if such parts or such adjoining or neighbouring property and the Premises had at all times heretofore been in separate ownership and occupation and such matters had been acquired by prescription or formal grant

SCHEDULE 4

Services

1. all Outgoings payable by the Landlord in respect of the Building except insofar as the Tenant or any other occupier of the Building is liable for the same
2. taking all steps deemed desirable or expedient by the Landlord for complying with making representations against or otherwise contesting the incidence of the provisions of any legislation for which the Tenant is not directly liable under this Lease
3. enforcing or attempting to enforce against any owner or occupier of adjoining or neighbouring premises the payment of any contribution towards anything used in common with the Building
4. repairing renewing decorating cleaning lighting heating and maintaining the Common Parts nameboard or other conveniences (including the lifts) which may belong to or be used by the occupiers of the Building in common with other premises near or adjoining it and not forming part of the Premises
5. providing hot and cold water towels and other supplies in the lavatories in the Common Parts where applicable
6. providing fire alarm systems prevention and fighting equipment and any signs notices or equipment required by the fire authority for the Common Parts and maintaining repairing and when necessary replacing such items
7. all business rates payable by the Landlord in respect of the whole or any part of the Building except insofar as the Tenant or any other occupier of the Building is liable for the same
8. the proper and reasonable fees of the Landlord and/or the Landlord's agents in the respect of the general supervision and management of the Building
9. VAT payable in respect of any of the charges and expenses referred to in the other paragraphs of this Schedule 4
10. providing any other service or amenity or matter which the Landlord in its reasonable discretion shall think proper for the better and more efficient management and/or use of the Building and the Common Parts or for the comfort and convenience of the generality of the Tenants and their agents servants and invitees visiting the Building

SCHEDULE 5

Rent Deposit

1.1 DEFINITIONS AND INTERPRETATION

In this Schedule 5 the following words and expressions shall have the following meanings unless the context requires otherwise:

the Deposit Account: an interest bearing account for the benefit of the Tenant at such bank or other institution incorporated under the laws of England and Wales as the Landlord shall from time to time decide

the Deposit Balance: the amount from time to time held in the Deposit Account for the credit of the Tenant

Interest: all interest credited to or available to be credited to the Deposit Balance from time to time

Initial Deposit: £300.00 or such other sum reasonably required by the Landlord from an assignee following a lawful assignment of the Lease

Secured Sums: means:

- (a) the rents reserved by and all other sums payable under this Lease which have not been paid within the relevant grace period under the Lease after the due date for payment;
- (b) in the event of forfeiture or disclaimer if this Lease by way of liquidated damages the rents and other sums which would have been payable under this Lease (had it not been forfeited or disclaimed) for the period of six months from the date of disclaimer or forfeiture;
- (c) in the event of any breach or non-performance of the Tenant's obligations under this Lease such sums as would meet (or if the Deposit Balance is insufficient would go towards meeting) the loss suffered by the Landlord in respect of such breach (including all liabilities incurred all damage and loss suffered all claims demands actions and proceedings made or brought and all costs disbursements and expenses incurred); and
- (d) all legal costs and other fees and expenses properly incurred by the Landlord in enforcing the terms of the Lease or this Deed

together in each case with an amount equal to such VAT as is or would have been properly chargeable thereon

1.2 **LANDLORD'S COVENANTS**

The Landlord covenants with the Tenant:

- 1.2.1 to pay the Initial Deposit into the Deposit Account;
- 1.2.2 to act in connection with the Deposit Balance in accordance with this Schedule;
- 1.2.3 promptly to notify the Tenant upon each occasion that it draws monies from the Deposit Account in accordance with the terms of this Schedule 5; and
- 1.2.4 subject to the proviso contained in paragraph 1.7 of this Schedule 5 to repay the Deposit Balance together with all Interest (subject to deduction of such tax as may be required by law to be deducted and of any bank charges or other expenses payable in respect of the Deposit Account) to the Tenant on the date calculated pursuant to paragraph 1.7 of this Schedule 5

1.3 **WITHDRAWALS**

- 1.3.1 only the Landlord may withdraw monies from the Deposit Account
- 1.3.2 the Landlord shall be entitled to withdraw monies from the Deposit Account in order to indemnify the Landlord against all and any Secured Sums
- 1.3.3 the Landlord shall be entitled to withdraw the Rent Deposit plus any accrued Interest in the event that the Tenant is declared Bankrupt or enters Liquidation
- 1.3.4 any withdrawal by the Landlord from the Deposit Account shall be without prejudice to any other rights or remedies of the Landlord pursuant to this Lease under statute or at common law and (without prejudice to the generality of the foregoing) shall not be deemed to be payment of the rent so as to prejudice the Landlord's rights of re-entry contained in the Lease

1.4 **TENANT'S ACKNOWLEDGMENT**

The Tenant acknowledges the Landlord is authorised to deal with the Deposit Balance in accordance with the terms of this Schedule 5

1.5 **TENANT'S COVENANTS**

The Tenant covenants with the Landlord:

- 1.5.1 to pay the Initial Deposit on Demand;
- 1.5.2 without prejudice to its obligations under the Lease to pay the Secured Sums to the Landlord on demand; and
- 1.5.3 to make such payments (whether directly to the Deposit Account or to the Landlord for payment in the Deposit Account) on demand as are necessary to maintain the sum in the Deposit Account throughout the Term at a level equal to the Initial Deposit first reserved from time to time during the term;

1.6 **CHARGE OF THE RENT DEPOSIT**

- 1.6.1 the Tenant warrants to the Landlord that the Initial Deposit is free from any charge or incumbrance save as mentioned in paragraph 1.6.2 below
- 1.6.2 the Tenant charges and assigns to the Landlord with full title guarantee:
 - 1.6.2.1 the Initial Deposit; and
 - 1.6.2.2 the Deposit Balance
 as security for payment of the Secured Sums
- 1.6.3 the Initial Deposit and the Deposit Balance and all Interest shall (pending withdrawal by the Landlord in accordance with the terms of this Schedule 5) be the property of the Tenant but subject to the charge contained in paragraph 1.6.2 above
- 1.6.4 any monies withdrawn from the Deposit Account by the Landlord in accordance with this Schedule 5 shall by virtue of the withdrawal be freed from the said charge and become the absolute property of the Landlord
- 1.6.5 the security created by paragraph 1.6.2 above shall be a continuing security to the Landlord and shall be in addition to and shall not operate so as in any way to prejudice or affect the obligations of the Tenant or any other rights of the Landlord or any other security interest if the Landlord as regards the Tenant
- 1.6.6 the provisions of Sections 93 and 103 of the Law of Property Act 1925 will not apply to the security constituted by this Lease which shall immediately become enforceable and the power of sale and other powers conferred by Section 101 of the Law of Property Act 1925 (as varied or extended by this security) shall be immediately exercisable at any time after any amount forming part of the Secured Sums falls due for payment and is not paid

1.7 **DURATION OF THE DEPOSIT**

Provided that upon the relevant date none of the Secured Sums remains unpaid the Landlord shall release the Deposit Balance to the Tenant (less sums withdrawn by the Landlord pursuant to paragraph 1.3 above and tax and bank charges and expenses as referred to in paragraph 1.2.4 above) within one month after the happening of whichever of the following events first occurs:

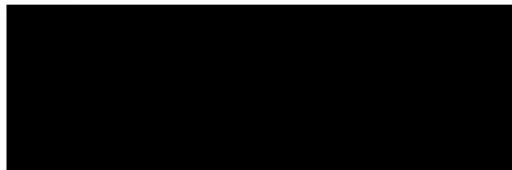
- 1.7.1 the date on which the Lease expires or determines (otherwise that in pursuance of the exercise of the Landlord's power of re-entry contained in the Lease or in pursuance of the disclaimer of the Lease by a trustee in bankruptcy or liquidator) and the Premises we yielded up in accordance with the obligation on the Tenant in the Lease; and
- 1.7.2 the date of completion of a lawful assignment of the Lease (in full compliance with the terms of Clause 3.11 of this Lease) to the Tenant's assignee in respect of whom a guarantee pursuant to Clause 3.11.2.4 has been given

SIGNED as a Deed on behalf of H COMPANY)
2 LIMITED, a company incorporated in Jersey,)
by [], being a person who, in)
accordance with the laws of that territory, is)
acting under the authority of the company)

.....
Authorised signatory

.....
Name

SIGNED as a Deed by GERALD
GLICKSMAN in the
presence of:-



Witness signature..

Witness name.....

Witness address...

