

Dated

13th November

2015

CHRISTOPHER CHRISTOFOROU

and

JEFFREY EMYL KAHANE

LEASE

relating to

Ground Floor Shop and Basement Offices, 136 Royal College Street, London NW1 0TA

TABLE OF CONTENTS

1.	Interpretation	4
2.	Grant	9
3.	Ancillary rights	9
4.	Rights excepted and reserved	10
5.	Third party rights	12
6.	The Annual Rent	12
7.	Insurance	12
8.	Rates and taxes	14
9.	Utilities	14
10.	Common Items	14
11.	VAT	15
12.	Default interest and interest	15
13.	Costs	15
14.	Compensation on vacating	16
15.	No deduction, counterclaim or set-off	16
16.	Assignments	16
17.	Underlettings	17
18.	Sharing occupation	18
19.	Charging	18
20.	Prohibition of other dealings	18
21.	Registration and notification of dealings and occupation	19
22.	Closure of the registered title of this lease	19
23.	Tenant's covenant for repair	19
24.	Landlord's covenant for repair	20
25.	Decoration	20
26.	Alterations	21
27.	Signs	21
28.	Returning the Property to the Landlord	21
29.	Use	21
30.	Compliance with laws	22
31.	Energy Performance Certificate	23
32.	Encroachments, obstructions and acquisition of rights	23
33.	Breach of repair and maintenance obligations	24
34.	Indemnity	24
35.	Covenant for quiet enjoyment for the Landlord	24
36.	Guarantee and indemnity	25
37.	Re-entry and forfeiture	25
38.	Liability	25
39.	Entire agreement and exclusion of representations	26
40.	Notices, consents and approvals	26
41.	Governing law and jurisdiction	27
42.	Exclusion of sections 24-28 of the LTA 1954	28
43.	Contracts (Rights of Third Parties) Act 1999	28
	SCHEDULE 1 - Guarantee and indemnity	28

Prescribed Clauses

The following clauses are prescribed under rule 58A of the Land Registration Rules 2003.

LR1. Date of lease

13th November 2015

LR2. Title number(s)

LR2.1 Landlord's title number(s)

NGL312627

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

CHRISTOPHER CHRISTOFOROU

66-70 Parkway, London NW1 7AH

Tenant

JEFFREY EMYL KAHANE 46-47 Britton Street, London EC1M 5UJ

LR4. Property

In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.

See the definition of "Property" in clause 1.1 of this lease.

LR5. Prescribed statements etc.

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.

None.

LR5.2 This lease is made under, or by reference to, provisions of:

None.

LR6. Term for which the Property is leased

The term as specified in this lease at clause 1.1 in the definition of "Contractual Term".

LR7. Premium

None.

LR8. Prohibitions or restrictions on disposing of this lease

This lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land

None.

LR9.2 Tenant's covenant to (or offer to) surrender this lease

None.

LR9.3 Landlord's contractual rights to acquire this lease

None.

LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property

None.

LR11. Easements

LR11.1 Easements granted by this lease for the benefit of the Property

The easements as specified in clause 3 of this lease.

LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property

The easements as specified in clause 4 of this lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

The Parties to this lease apply to enter the following standard form of restriction [against the title of the Property] [against title number]

None.

LR14. Declaration of trust where there is more than one person comprising the Tenant

None.

THIS LEASE IS MADE ON THE DAY OF 2015

BETWEEN

- (1) **CHRISTOPHER CHRISTOFOROU** of 66-70 Parkway, London NW1 7AH (the Landlord);
- (2) **JEFFREY EMYL KAHANE** of 46-47 Britton Street, London EC1M 5UJ (the Tenant);

IT IS HEREBY AGREED

1. INTERPRETATION

1.1 The definitions and rules of interpretation set out in this clause apply to this lease.

Act of Insolvency:

- (a) the making of an application for an administration order or the making of an administration order in relation to the Tenant or any guarantor; or
- (b) the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant or any guarantor; or
- (c) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or any guarantor; or
- (d) the commencement of a voluntary winding-up in respect of the Tenant or any guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
- (e) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or any guarantor; or
- (f) the striking-off of the Tenant or any guarantor from the Register of Companies or the making of an application for the Tenant or any guarantor to be struck-off; or
- (g) the Tenant or any guarantor otherwise ceasing to exist (but excluding where the Tenant or any guarantor dies); or
- (h) the making of a bankruptcy order against the Tenant or any guarantor.

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (*SI 1994/2421*) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (*SI 2001/1090*) (as amended).

Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction.

Annual Rent: £33,000 exclusive of VAT.

Building: 136 Royal College Street, London NW1 0TA being part of the land and buildings comprised in title number NGL312627

CDM Regulations: the Construction (Design and Management) Regulations 2015.

Contractual Term: a term of 5 years beginning on, and including the date of this lease.

Default Interest Rate: 4% above the Interest Rate.

Energy Assessor: an individual who is a member of an accreditation scheme approved by the Secretary of State in accordance with regulation 22 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118) or regulation 30 of the Building Regulations 2010 (SI 2010/2214).

Energy Performance Certificate: a certificate as defined in regulation 2(1) of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

Insurance Rent: the aggregate in each year of:

- (a) a fair proportion of the gross cost of the premium after any discount or commission for insurance of the Building, other than any plate glass, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of those costs, fees and expenses;
- (b) the gross cost of the premium after any discount or commission for insurance for loss of Annual Rent from the Property for three years; and
- (c) a fair proportion of the gross cost of the premium after any discount or commission of public liability insurance in relation to the interest of the Landlord in the Building

and insurance premium tax payable on the above.

Insured Risks: means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Interest Rate: interest at the base lending rate from time to time of Barclays Bank PLC, or if that base lending rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord.

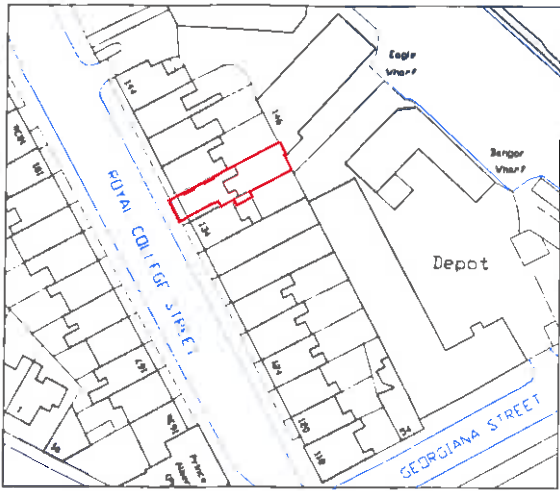
LTA 1954: Landlord and Tenant Act 1954.

Landlord's Neighbouring Property: each and every part of any adjoining or neighbouring property in which the Landlord has an interest.

Permitted Use: use within Use Class B1 of the Town and Country Planning (Use Classes) Order 1987.

Property: Ground Floor and Basement Offices at 136 Royal College Street, London NW1 0TA shown edged in red on the plan annexed hereto including:-

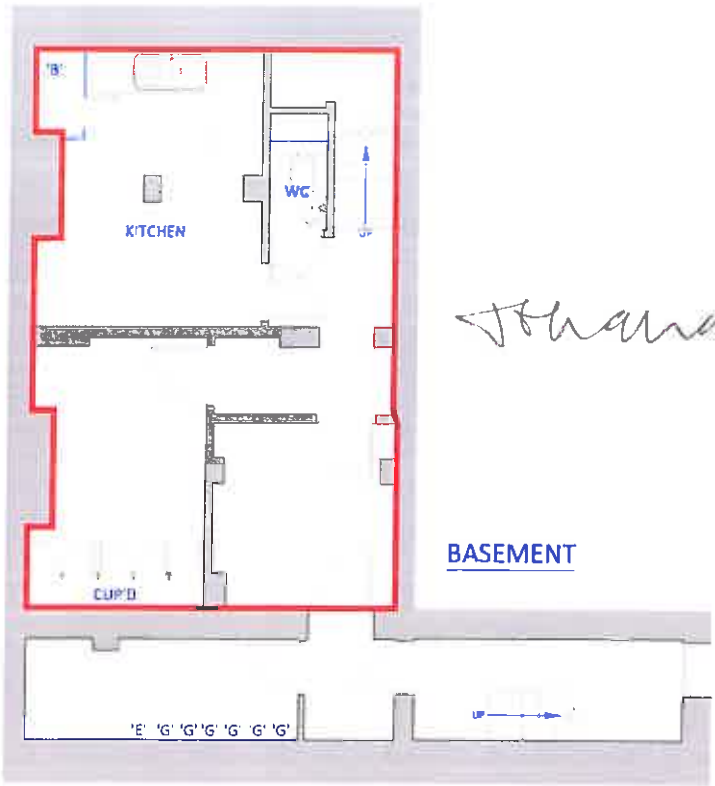
- 1.1:1 such of the non-structural walls and partitions lying within the Property
- 1.1:2 all the paint paper and other decorative finishes applied to the interior surface of interior and exterior walls and the internal plastered coverings and plaster work of the walls bounding and lying within the Property
- 1.1:3 the doors and door frames and windows and window frames fitted in the Property
- 1.1:4 the glass in the windows and in the doors referred to in 1.1:3 above
- 1.1:5 the floor boards screeds and other surfaces and coverings of the floors in the Property ("the Floor Coverings") so that the lower limit of the Property shall include such Floor Coverings but shall not extend to anything beneath them and the ceiling coverings and plaster works and all suspended ceilings and hangers ("the Ceiling Finishes") so that the upper limit of the Property shall include such Ceiling Finishes but shall not extend to anything above them
- 1.1:6 all pipes wires cables conduits trunking and drains which are laid in any part of the Building and serve exclusively the Property
- 1.1:7 all landlord's fixtures and fittings plant machinery apparatus and appurtenances and all additions thereto (other than tenant's and trade



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LOCATION PLAN
SCALE 1:1250
NORTH

PLEASE NOTE - A4 PLANS TO BE PRINTED "AS IN DOCUMENT" NOT ENLARGED OR SHRUNK TO FIT PAGE

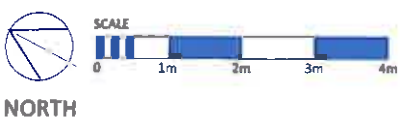


Johanna



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ROYAL COLLEGE STREET



client	address 136 ROYAL COLLEGE STREET LONDON NW1 0TA	location BASEMENT & GROUND FLOOR LEASE PLAN	date 15.02.2011	scale 1:100	sheet A4	 Plan London Tel 0845 2262776 www.plan-london.co.uk 29-35 Lardship Lane London SE22 8EW
			dwg no PL3590-01	revision	drawn DM	

fixtures and fittings) not hereinafter expressly excluded which exclusively serve the Property

1.1:8 one half in depth of any non-structural walls separating the Property vertically from any other part of the Building (if any)

but excluding

1.1:9 any pipes wires cables conduits trunking drains and other apparatus or conducting media in the Property which serve other parts of the Building

1.1:10 the roof and roof space (if any) and foundations of the Building

1.1:11 the load bearing or structural walls bounding or within the Building (save as to the extent mentioned in 1.1:2)

Recommendation Report: a report as defined in regulation 4 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

Rent Commencement Date: [2 weeks from the date of lease]

Rent Payment Dates: 25 March, 24 June, 29 September and 25 December.

Reservations: all of the rights excepted, reserved and granted to the Landlord by this lease.

Service Media: all media for the supply or removal of heat, electricity, gas, water, sewage, air conditioning, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

Third Party Rights: all rights, covenants and restrictions affecting the Building

VAT: value added tax chargeable under the VATA 1994.

VATA 1994: the Value Added Tax Act 1994.

1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.

1.3 A reference to **the Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to **the Tenant** includes a reference

- to its successors in title and assigns. A reference to a **guarantor** includes a reference to the Tenant's Guarantor and to any other guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law) by the Landlord acting reasonably.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, references to the **Building** and the **Property** are to the whole and any part of them or it.
- 1.7 The expression **neighbouring property** does not include the Building.
- 1.8 A reference to the **term** is to the Contractual Term.
- 1.9 A reference to the **end of the term** is to the end of the term however it ends.
- 1.10 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 40.5 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 40.6.
- 1.11 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in London.
- 1.12 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.13 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.14 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.15 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.16 A **person** includes a corporate or unincorporated body.
- 1.17 References to **writing** or **written** do not include faxes or e-mail.
- 1.18 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule.

1.19 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.

2. GRANT

2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Contractual Term.

2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.

2.3 The grant is made with the Tenant paying the following as rent to the Landlord:

- (a) the Annual Rent and all VAT in respect of it;
- (b) the Insurance Rent;
- (c) all interest payable under this lease; and
- (d) all other sums due under this lease.

3. ANCILLARY RIGHTS

3.1 The Landlord grants the Tenant the following rights (the **Rights**):

- (a) the right to all necessary support and protection from those parts of the Building that afford support and protection for the Property at the date of this lease and to the extent that such support and protection exists at date of this lease;
- (b) the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease or are installed or constructed during the Contractual Term;
- (c) the right to attach any item to the Building adjoining the Property so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease; and
- (d) the right to enter any part of the Building that adjoins the Property so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease.
- (e) the right to use the emergency exits serving the Building in an emergency.

3.2 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.

3.3 The Rights are granted subject to the Third Party Rights and the Tenant shall not exercise any of the Rights so as to interfere with any Third Party Right.

3.4 The Tenant shall exercise the Rights only in connection with its use of the Property for the Permitted Use.

- 3.5 The Tenant shall comply with all laws relating to its use of the Building pursuant to the Rights.
- 3.6 In relation to the Rights mentioned in clause 3.1(b), the Landlord may, at its reasonable discretion, re-route or replace within the Building any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced PROVIDED THAT at no point shall the Property be deprived of any of the Services during such re-routing or replacement.
- 3.7 In relation to the Right mentioned in clause 3.1(c), where the Tenant requires the consent of the Landlord to carry out the works to the Property, the Tenant may only exercise that Right when that consent has been granted and in accordance with the terms of that consent.
- 3.8 In exercising the Right mentioned in clause 3.1(d), the Tenant shall:
- (a) except in case of emergency, give reasonable notice to the Landlord and the occupier of that part of the Building of its intention to exercise that Right;
 - (b) where reasonably required by the Landlord or the occupier of the relevant Building, exercise that Right only if accompanied by a representative of the Landlord and/or the tenant and/or the occupier of the relevant part of that Building;
 - (c) cause as little damage as possible to the Building and to any property belonging to or used by the Landlord or the tenants or occupiers of the other part of the Building;
 - (d) cause as little inconvenience as possible to the Landlord and the tenants and occupiers of the relevant part of the Building as is reasonably practicable; and
 - (e) promptly make good (to the reasonable satisfaction of the Landlord) any damage caused to the Building (or to any property belonging to or used by the Landlord) by reason of the Tenant exercising that Right.
- 3.9 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over any other part of the Building or any neighbouring property nor is to be taken to show that the Tenant may have any right over any such part of the Building or any neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.

4. RIGHTS EXCEPTED AND RESERVED

- 4.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Building and the Landlord's Neighbouring Property and to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:
- (a) rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
 - (b) the right to use and to connect into Service Media at, but not forming part of, the Property which are in existence at the date of this lease or which are installed or constructed during the Contractual Term; the right to install and construct Service Media at the Property to serve any part of the Building

(whether or not such Service Media also serve the Property); and the right to re-route any Service Media mentioned in this clause;

- (c) at any time during the term, the full and free right to develop any part of the Building (other than the Property) and the Landlord's Neighbouring Property and any neighbouring or adjoining property in which the Landlord acquires an interest during the Contractual Term as the Landlord may think fit;
- (d) the right to erect scaffolding at the Property or the Building and attach it to any part of the Property or the Building in connection with any of the Reservations PROVIDED THAT access to the Property shall be maintained at all times and if the view of the Property from the street shall be obscured the tenant will be permitted to erect a sign on the scaffolding confirming his presence;
- (e) the right to attach any structure, fixture or fitting to the boundary of the Property in connection with any of the Reservations PROVIDED THAT any such will not adversely affect access to or the external appearance of the Property; and

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a temporary reduction in the flow of light or air to the Property or loss of amenity for the Property.

4.2 The Landlord reserves the right to enter the Property on reasonable notice:

- (a) to repair, maintain, install, construct re-route or replace any Service Media or structure relating to any of the Reservations;
- (b) to carry out any works to any other part of the Building required or permitted by this Lease; and
- (c) for any other purpose mentioned in or connected with:
 - (i) this lease;
 - (ii) the Reservations; and
 - (iii) the interest of the Landlord in the Property, the Building or the Landlord's Neighbouring Property.

4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.

4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after reasonable notice (which need not be in writing) has been given to the Tenant.

4.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of the Reservations except for:

- (a) physical damage to the Property; or
- (b) any loss, damage, injury or nuisance in relation to which the law prevents the Landlord from excluding liability.

5. THIRD PARTY RIGHTS

- 5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.
- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

6. THE ANNUAL RENT

- 6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord reasonable requires at any time by giving written notice to the Tenant.
- 6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the date of this lease and shall be the proportion, calculated on a daily basis, in respect of the period from the date of this lease until the day before the next Rent Payment Date.

7. INSURANCE

- 7.1 Subject to clause 7.2, the Landlord shall keep the Building (other than any plate glass) insured against loss or damage by the Insured Risks for the sum which the Landlord considers to be its full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure any part of the Property installed by the Tenant.
- 7.2 The obligation of the Landlord to insure is subject to:
 - (a) any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
 - (b) insurance being available in the London insurance market on reasonable terms reasonably acceptable to the Landlord.
- 7.3 The Tenant shall pay to the Landlord on demand and on production of a written statement from the insurers and the calculation showing how the Insurance Rent has been calculated:
 - (a) the Insurance Rent;
 - (b) any reasonable costs that the Landlord incurs in obtaining a valuation of the Property for insurance purposes and a fair proportion of any costs that the Landlord incurs in obtaining a valuation of the Building for insurance purposes but not more than once during the Contractual Term.
- 7.4 The Tenant shall:

- (a) give the Landlord notice immediately if any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property;
- (b) not do or omit anything as a result of which any policy of insurance of the Building or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased or additional insurance premium may become payable;
- (c) comply at all times with the requirements and recommendations of the insurers relating to the Property and exercise of the Rights by the Tenant;
- (d) give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;
- (e) not effect any insurance of the Property (except any plate glass) at the Property, but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property (other than in respect of plate glass) pay those proceeds or cause them to be paid to the Landlord; and
- (f) pay the Landlord an amount equal to any insurance money that the insurers of the Building refuse to pay by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Building with the actual or implied authority of any of them.

7.5 The Landlord shall, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) in connection with any damage to the Building to repair the damage for which the money has been received or (as the case may be) in rebuilding the Building. The Landlord shall not be obliged to:

- (a) provide accommodation or facilities identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property and its access, services and amenities is provided; or
- (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent; or
- (c) repair or rebuild the Building after a notice has been served pursuant to clause 7.7 or clause 7.8.

7.6 If the Building is damaged or destroyed by an Insured Risk so as to make the Property unfit for occupation and use, then, unless the policy of insurance in relation to the Building has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Building with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Building has been reinstated so as to make the Property fit for occupation and use, or until the end of three years from the date of damage or destruction, if sooner.

7.7 If, following damage to or destruction of the Building, the Landlord reasonably considers after using its best endeavours that it is impossible or impractical to

reinstate the Building within three years of such damage to or destruction, the Landlord may terminate this lease by giving not less than six months' notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

- 7.8 Provided that the Tenant has complied with its obligations in this clause 7, the Tenant may terminate this lease by giving notice to the Landlord if, following damage or destruction of the Building by an Insured Risk, the Building has not been reinstated so as to make the Property fit for occupation and use within three years after the date of damage or destruction. On giving this notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

8. RATES AND TAXES

- 8.1 The Tenant shall pay all present and future rates, taxes and other impositions and outgoings payable in respect of the Property, its use and any works carried out there, other than:

- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
- (b) any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

- 8.2 If any such rates, taxes or other impositions and outgoings are payable in respect of the Property together with other land (including any other part of the Building), the Tenant shall pay a fair proportion of the total.

- 8.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord such approval not to be unreasonably withheld or delayed..

- 8.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

9. UTILITIES

- 9.1 The Tenant shall pay all costs in connection with the supply and removal of heat, air conditioning, electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

- 9.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

10. COMMON ITEMS

- 10.1 The Tenant shall pay the Landlord on demand a fair and reasonable proportion of all costs payable by the Landlord for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items not on the Building but

used or capable of being used by the Property in common with the Building and other land.

10.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items.

11. VAT

11.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment on production of an appropriate written VAT demand.

11.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person except, to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

12. DEFAULT INTEREST AND INTEREST

12.1 If any Annual Rent or any other money payable under this lease has not been paid within 21 days of the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment.

12.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

13. COSTS

13.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with or in contemplation of any of the following:

- (a) the enforcement of the tenant covenants of this lease; or
- (b) serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court; or
- (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995; or
- (d) the preparation and service of a schedule of dilapidations in connection with this lease; or

- (e) any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it).
- 13.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those reasonable and proper costs and expenses assessed on a full indemnity basis.
- 14. COMPENSATION ON VACATING**

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the LTA 1954 is excluded, except to the extent that the legislation prevents that right being excluded.
- 15. NO DEDUCTION, COUNTERCLAIM OR SET-OFF**

The Annual Rent and all other money due under this lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off.
- 16. ASSIGNMENTS**
- 16.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 16.2 The Tenant shall not assign part only of this lease.
- 16.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to all or any of the following conditions:
 - (a) a condition that the assignor enters into an authorised guarantee agreement which:
 - (i) is in respect of all the tenant covenants of this lease;
 - (ii) is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
 - (iii) imposes principal debtor liability on the assignor;
 - (iv) requires (in the event of a disclaimer of liability of this lease) the assignor (or former tenant as the case may be) to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
 - (v) is otherwise in a form reasonably required by the Landlord; and
- 16.4 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an

assignment if any of the following circumstances exist at the date of the application of the Tenant for consent to assign the lease:

- (a) the Annual Rent or any other money due under this lease is outstanding; or
- (b) in the reasonable opinion of the Landlord the assignee is not of sufficient financial standing to enable it to comply with the covenants of the Tenant and conditions contained in this lease; or
- (c) the assignee and the Tenant are group companies within the meaning of section 42 of the LTA 1954.

16.5 Nothing in this clause 16 shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

17. UNDERLETTINGS

17.1 The Tenant shall not underlet the Property except in accordance with this clause 17 nor without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

17.2 The Tenant shall not underlet the Property:

- (a) together with any property or any right over property that is not included within this lease;
- (b) at a fine or premium or reverse premium; and
- (c) allowing any rent free period to the undertenant that exceeds the period as is then usual in the open market in respect of such a letting.

17.3 The Tenant shall not underlet the Property 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 LTA 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 LTA 1954.

17.4 Any underletting by the Tenant shall be by deed and shall include:

- (a) an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;
- (b) the reservation of a rent which is not less than the full open market rental value of the Property at the date the Property is underlet and which is payable at the same times as the Annual Rent under this lease (but this shall not prevent an underlease providing for a rent-free period of a length permitted by clause 17.2(c));

- (c) a covenant by the undertenant not to underlet the whole or part of the Property;
- (d) a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
- (e) provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease,

and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the Annual Rent) than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.

17.5 In relation to any underlease granted by the Tenant, the Tenant shall:

- (a) not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed;
- (b) enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease; and
- (c) ensure that in relation to any rent review the revised rent is not agreed without the approval of the Landlord, such approval not to be unreasonably withheld or delayed.

18. SHARING OCCUPATION

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement.

19. CHARGING

- 19.1 The Tenant shall not charge the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld.
- 19.2 The Tenant shall not charge part only of this lease.

20. PROHIBITION OF OTHER DEALINGS

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at HM Land Registry or by reason only of joint legal ownership).

21. REGISTRATION AND NOTIFICATION OF DEALINGS AND OCCUPATION

21.1 In this clause a **Transaction** is:

- (a) any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or
- (b) the creation of any underlease or other interest out of this lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or
- (c) the making of any other arrangement for the occupation of the Property.

21.2 In respect of every Transaction that is registrable at HM Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall (or shall procure that) any requisitions raised by HM Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title (and where applicable of the undertenant's title).

21.3 No later than one month after a Transaction the Tenant shall:

- (a) give the Landlord's solicitors notice of the Transaction;
- (b) deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors;
- (c) pay the Landlord's solicitors a registration fee of £50 (plus VAT); and
- (d) deliver to the Landlord's solicitors a copy of any Energy Performance Certificate and Recommendation Report issued as a result of the Transaction.

21.4 If the Landlord so requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

22. CLOSURE OF THE REGISTERED TITLE OF THIS LEASE

If the lease has been registered, immediately after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

23. TENANT'S COVENANT FOR REPAIR

23.1 The Tenant shall keep the Property clean and tidy and in good and substantial repair and condition.

23.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:

- (a) the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any

undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them;

23.3 The Tenant shall clean the inside and outside of all windows at the Property as often as is necessary.

23.4 The Tenant shall replace any plate glass or other window that becomes cracked or broken as soon as possible.

24. LANDLORD'S COVENANT FOR REPAIR

24.1 The Landlord shall use its reasonable endeavours to keep those parts of the Building that afford support and protection for the Property the structural and exterior parts of the Building (other than any parts of the Building that are part of the Property or have been let to another tenant) and those Service Media over which the Tenant is granted rights by this lease in a reasonable state of repair. Without prejudice to its obligations under clause 7, the Landlord shall not be obliged to carry out any repair where the need for any repair has arisen by reason of the occurrence of an Insured Risk.

24.2 The Tenant shall pay the Landlord on demand a fair and reasonable proportion of the costs incurred or properly estimated by the Landlord to be incurred by the Landlord in keeping the structure and exterior of the Building and the Service Media belonging to the Landlord at it (other than any parts of the Building or Service Media that are part of the Property or have been let to another tenant) in good repair and in redecorating the exterior of the Building as often as is reasonably necessary. When considering whether any payment is fair and reasonable due consideration shall be given to the nature and extent of the items charged, the length of the Contractual Term remaining and the long term benefit for both the Landlord and Tenant. Any dispute between the parties shall be resolved pursuant to clause 40.3. Without prejudice to its obligations under clause 7, the Tenant shall not be required to make any payment under this clause in respect of any work carried out by the Landlord by reason of the obligations of the Landlord in clause 7.

25. DECORATION

25.1 The Tenant shall decorate the outside and the inside of the Property as often as is reasonably necessary and also in the last three months before the end of the term.

25.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.

25.3 All decoration carried out in the last three months of the term shall also be carried out to the reasonable satisfaction of the Landlord and using materials, designs and colours approved by the Landlord.

25.4 The Tenant shall replace the floor coverings at the Property within the three months before the end of the term with new ones of good quality and appropriate to the Property and the Permitted Use.

26. ALTERATIONS

- 26.1 Except in accordance with clause 27, the Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property.
- 26.2 The Tenant shall not install any Service Media at the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 26.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 26.4 The Tenant may remove the partitioning at the rear of the ground floor area only without further permission and without obligation to reinstate at the end of the Contractual Term.
- 26.5 The Tenant shall not carry out any alteration to the Property which would, or may reasonably be expected to, have an adverse effect on the asset rating in any Energy Performance Certificate commissioned in respect of the Property.

27. SIGNS

- 27.1 the Tenant shall not attach any signs, fascia, awnings, placards, boards, posters and advertisements (**Signs**) to the exterior of the Property or display any inside the Property so as to be seen from the outside unless first approved by the Landlord such approval not to be unreasonably withheld or delayed.
- 27.2 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires.

28. RETURNING THE PROPERTY TO THE LANDLORD

- 28.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.
- 28.2 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it and all stock (whether or not belonging to it).
- 28.3 The Tenant irrevocably appoints the Landlord to be the agent for the Tenant to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than 10 working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

29. USE

- 29.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.
- 29.2 The Tenant shall not place or keep any items on any external part of the Property (whether or not such items are for sale).

- 29.3 The Tenant shall not leave any refuse outside the Property except at such times and in such manner as accord with the arrangements for the collection of refuse from the Property by the Landlord or the local authority.
- 29.4 The Tenant shall load and unload goods only at such times as accord with any by laws or parking restrictions imposed by the local authority.
- 29.5 The Tenant shall not allow any noise, music, flashing lights, fumes or smells to emanate from the Property so as to cause a nuisance or annoyance to any other owners, tenants or occupiers of any other part of the Building or the Property any neighbouring property.
- 29.6 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord or any other owners, tenants or occupiers of any other part of the Building or any neighbouring property.
- 29.7 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.
- 29.8 Nothing in this lease shall impose or be deemed to impose any restriction on the use of any other part of the Building or any neighbouring property.
- 30. COMPLIANCE WITH LAWS**
- 30.1 The Tenant shall comply with all laws relating to:
- (a) the Property and the occupation and use of the Property by the Tenant;
 - (b) the use of all Service Media and machinery and equipment at or serving the Property;
 - (c) any works carried out at the Property; and
 - (d) all materials kept at or disposed from the Property.
- 30.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.
- 30.3 Within five working days after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) the Tenant shall:
- (a) send a copy of the relevant document to the Landlord; and
 - (b) in so far as it relates to the Property, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.
- 30.4 The Tenant shall not apply for any planning permission for the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed..
- 30.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file.

- 30.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the obligations of the Landlord under the CDM Regulations.
- 30.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 30.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.
- 30.9 The Tenant shall pay on demand a fair proportion of the reasonable costs incurred or properly estimated by the Landlord to be incurred by the Landlord in complying with all laws relating to the Building and the Service Media belonging to the Landlord at it (other than any parts of the Building or Service Media that are part of the Property or have been let to another tenant). Without prejudice to its obligations under clause 7, the Tenant shall not be required to make any payment under this clause in respect of any work carried out by the Landlord by reason of obligations of the Landlord in clause 7.

31. ENERGY PERFORMANCE CERTIFICATE

31.1 The Tenant shall:

- (a) cooperate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate and Recommendation Report for the Property or the Building including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining an Energy Performance Certificate; and
- (b) allow such access to any Energy Assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing an Energy Performance Certificate and/or Recommendation Report for the Property or the Building.

31.2 The Tenant shall not commission an Energy Performance Certificate for the Property.

32. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS

32.1 The Tenant shall not grant any right or licence over the Property to any person.

32.2 If any person makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:

- (a) immediately give notice to the Landlord; and
- (b) take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.

- 32.3 The Tenant shall not obstruct the flow of light or air to the Property or any other part of the Building nor obstruct any means of access to the Property or any other part of the Building.
- 32.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or any other part of the Building or that the means of access to the Property or any other part of the Building is enjoyed with the consent of any third party.
- 32.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property the Tenant shall:
- (a) immediately notify the Landlord; and
 - (b) take all steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction.

33. BREACH OF REPAIR AND MAINTENANCE OBLIGATIONS

- 33.1 The Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.
- 33.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all reasonable speed, then the Landlord may enter the Property and carry out the works needed.
- 33.3 The reasonable and proper costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.
- 33.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the other rights of the Landlord, including those under clause 37.

34. INDEMNITY

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the interest of the Landlord in the Building and loss of amenity of the Building) arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or any other part of the Building with the actual or implied authority of any of them.

35. COVENANT FOR QUIET ENJOYMENT FOR THE LANDLORD

The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord

36. GUARANTEE AND INDEMNITY

36.1 The provisions of Schedule 1 shall apply if a guarantee by a Tenant's guarantor shall be given during the Contractual term.

36.2 If an Act of Insolvency occurs in relation to a guarantor or if any guarantor (being an individual) dies or becomes incapable of managing his affairs the Tenant shall, if the Landlord requests, procure that a person of standing acceptable to the Landlord enters into a replacement or additional guarantee and indemnity of the tenant covenants of this lease in the same form as that entered into by the former guarantor.

36.3 Clause 36.2 shall not apply in the case of a person who is guarantor by reason of having entered into an authorised guarantee agreement.

36.4 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

37. RE-ENTRY AND FORFEITURE

37.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

(a) any rent is unpaid 21 days after becoming payable whether it has been formally demanded or not;

(b) any breach of any condition of, or tenant covenant, in this lease;

(c) an Act of Insolvency.

37.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause 37, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor.

38. LIABILITY

38.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

38.2 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

38.3 The Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease, unless the Landlord knows it has failed to perform the covenant, or reasonably should know this, and has not remedied that failure within a reasonable time.

39. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

- 39.1 This lease and any documents annexed to it constitute the whole agreement between the parties and supersede all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to their subject matter.
- 39.2 Each party acknowledges that in entering into this lease and any documents annexed to it does not rely on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) other than those contained in any written replies that the Landlord's solicitor has given to any written enquiries raised by the Tenant's solicitor before the date of this lease.
- 39.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.
- 39.4 Nothing in this clause shall limit or exclude any liability for fraud.

40. NOTICES, CONSENTS AND APPROVALS

- 40.1 A notice given under or in connection with this lease shall be:
- (a) in writing unless this lease expressly states otherwise and for the purposes of this clause an e-mail is not in writing; or
 - (b) given:
 - (i) by hand or by pre-paid first-class post or other next working day delivery service at the party's registered office address (if the party is a company) or (in any other case) at the party's principal place of business; or
 - (ii) by fax to the party's main fax number.
- 40.2 If a notice is given in accordance with clause 40.1, it shall be deemed to have been received:
- (a) if delivered by hand, at the time the notice is left at the proper address; or
 - (b) if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting; or
 - (c) if sent by fax, at 9.00 am on the next working day after transmission.
- 40.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 40.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.
- 40.5 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:
- (a) it is given in writing and signed by a person duly authorised on behalf of the Landlord; and

- (b) it expressly states that the Landlord waives the requirement for a deed in that particular case,

If a waiver is given, it shall not affect the requirement for a deed for any other consent.

40.6 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

- (a) the approval is being given in a case of emergency; or
- (b) this lease expressly states that the approval need not be in writing.

40.7 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

41. GOVERNING LAW AND JURISDICTION

41.1 This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

41.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

41.3 In the event of any dispute or difference arising between the parties hereto as to the construction of this lease or as to the rights duties or obligations of the parties hereunder or as to any other matters in any way arising out of or connected with the subject matter thereof the same shall be referred to an arbitrator to be appointed either by agreement between the parties or in default of agreement by the president for the time being of the law society or the president for the time being of the royal institution of chartered surveyors as the case may be and it is hereby agreed and declared that:-

41.3.1 the references to the said presidents shall include the duly appointed deputy of the said presidents or any person authorised by either of the said presidents to make appointments on his behalf

41.3.2 if the parties cannot agree within fourteen days of either party giving notice to the other of its intention to make application for the appointment of an arbitrator such notice specifying the president who in the opinion of the party giving the notice shall make the appointment such appointment shall be made by the president specified in the notice

41.3.3 the arbitration shall be conducted in accordance with the Arbitration Act 1996 (and any statutory modification or re-enactment thereof) and the decision of the arbitrator shall be final and binding

42. EXCLUSION OF SECTIONS 24-28 OF THE LTA 1954

42.1 The parties confirm that:

- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, before it was entered into; and
- (b) a person who was duly authorised by the Tenant to do so made a statutory declaration in accordance with the requirements of section 38A(3)(b) of the LTA 1954.

42.2 The parties agree that the provisions of sections 24 to 28 of the LTA 1954 are excluded in relation to the tenancy created by this lease.

43. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not party to this lease shall not have any rights under or in connection with this lease by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1 Guarantee and indemnity

1. GUARANTEE AND INDEMNITY

1.1 The Tenant's Guarantor guarantees to the Landlord that the Tenant shall:

- (a) pay the rents reserved by this lease and observe and perform the tenant covenants of this lease and that if the Tenant fails to pay any of those rents or to observe or perform any of those tenant covenants, the Tenant's Guarantor shall pay or observe and perform them; and
- (b) observe and perform any obligations the Tenant enters into in an authorised guarantee agreement made in respect of this lease (the **Authorised Guarantee Agreement**) and that if the Tenant fails to do so, the Tenant's Guarantor shall observe and perform those obligations.

1.2 The Tenant's Guarantor covenants with the Landlord as a separate and independent primary obligation to indemnify the Landlord against any failure by the Tenant:

- (a) to pay any of the rents reserved by this lease or any failure to observe or perform any of the tenant covenants of this lease; and
- (b) to observe or perform any of the obligations the Tenant enters into in the Authorised Guarantee Agreement.

2. LIABILITY OF THE TENANT'S GUARANTOR

2.1 The liability of the Tenant's Guarantor under paragraph (a) and paragraph (a) shall continue until the end of the term, or until the Tenant is released from the tenant covenants of this lease by virtue of the Landlord and Tenant (Covenants) Act 1995, if earlier.

2.2 The liability of the Tenant's Guarantor shall not be affected by:

- (a) any time or indulgence granted by the Landlord to the Tenant; or
- (b) any delay or forbearance by the Landlord in enforcing the payment of any of the rents or the observance or performance of any of the tenant covenants of this lease (or the obligations of the Tenant under the Authorised Guarantee Agreement) or in making any demand in respect of any of them; or
- (c) any refusal by the Landlord to accept any rent or other payment due under this lease where the Landlord reasonably believes that the acceptance of such rent or payment may prejudice its ability to re-enter the Property; or
- (d) the Landlord exercising any right or remedy against the Tenant for any failure to pay the rents reserved by this lease or to observe or perform the tenant covenants of this lease (or the obligations of the Tenant under the Authorised Guarantee Agreement); or
- (e) the Landlord taking any action or refraining from taking any action in connection with any other security held by the Landlord in respect of the liability of the Tenant to pay the rents reserved by this lease or observe and perform the tenant covenants of the lease (or the obligations of the Tenant under the Authorised Guarantee Agreement) including the release of any such security; or
- (f) a release or compromise of the liability of any one of the persons who is the Tenant's Guarantor, or the grant of any time or concession to any one of them; or
- (g) any legal limitation or disability on the Tenant or any invalidity or irregularity of any of the tenant covenants of the lease (or the obligations of the Tenant under the Authorised Guarantee Agreement) or any unenforceability of any of them against the Tenant; or
- (h) the Tenant being dissolved, or being struck off the register of companies or otherwise ceasing to exist; or
- (i) without prejudice to paragraph 4, the disclaimer of the liability of the Tenant under this lease or the forfeiture of this lease; or
- (j) the surrender of part of the Property, except that the Tenant's Guarantor shall not be under any liability in relation to the surrendered part in respect of any period after the surrender, or

by any other act or omission except an express written release by deed of the Tenant's Guarantor by the Landlord.

2.3 The liability of each of the persons making up the Tenant's Guarantor is joint and several.

2.4 Any sum payable by the Tenant's Guarantor shall be paid without any deduction, set-off or counter-claim against the Landlord or the Tenant.

3. VARIATIONS AND SUPPLEMENTAL DOCUMENTS

3.1 The Tenant's Guarantor shall, at the request of the Landlord, join in and give its consent to the terms of any consent, approval, variation or other document that may be entered into by the Tenant in connection with this lease (or the Authorised Guarantee Agreement).

3.2 The Tenant's Guarantor shall not be released by any variation of the tenant covenants in, this lease (or the obligation of the Tenant obligations under the Authorised Guarantee Agreement) unless the variation is prejudicial to the guarantor and it has no notice thereof unless:

(a) the variation is made in any document; or

(b) the Tenant's Guarantor has consented, in writing or otherwise, to the variation.

3.3 The liability of the Tenant's Guarantor shall apply to the rents reserved by and the tenant covenants in this lease (and the obligations of the Tenant under the Authorised Guarantee Agreement) as varied except to the extent that the liability of the Tenant's Guarantor is affected by section 18 of the Landlord and Tenant (Covenants) Act 1995.

4. THE TENANT'S GUARANTOR TO TAKE A NEW LEASE OR MAKE PAYMENT

4.1 If this lease is forfeited or the liability of the Tenant under this lease is disclaimed and the Landlord gives the Tenant's Guarantor notice not later than six months after the forfeiture (time to be of the essence in this respect) or the Landlord having received notice of the disclaimer, the Tenant's Guarantor shall enter into a new lease of the Property on the terms set out in paragraph 4.2.

4.2 The rights and obligations under the new lease shall take effect from the date of the forfeiture or disclaimer and the new lease shall:

(a) be granted subject to the right of any person to have this lease vested in them by the court and to the terms on which any such order may be made and subject to the rights of any third party existing at the date of the grant;

(b) be for a term that expires at the same date as the end of the Contractual Term of this lease had there been no forfeiture or disclaimer;

(c) reserve as an initial annual rent an amount equal to the Annual Rent payable under this lease at the date of the forfeiture or disclaimer or which would be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it (subject to paragraph **Error! Reference source not found.**) and which is subject to review on the same terms and dates provided by this lease;

(d) be excluded from sections 24 to 28 of the LTA 1954; and

(e) otherwise be on the same terms as this lease (as varied if there has been any variation).

4.3 The Tenant's Guarantor shall pay the Landlord solicitors' reasonable and proper costs and disbursements (on a full indemnity basis) and any VAT in respect of them in relation to the new lease and shall execute and deliver to the Landlord a counterpart of the new lease within one month after service of the notice of the Landlord.

4.4 The grant of a new lease and its acceptance by the Tenant's Guarantor shall be without prejudice to any other rights which the Landlord may have against the Tenant's Guarantor or against any other person or in respect of any other security that the Landlord may have in connection with this lease.

4.5 The Landlord may, instead of giving the Tenant's Guarantor notice pursuant to paragraph 4.1 but in the same circumstances and within the same time limit, require the Tenant's Guarantor to pay an amount equal to six months' Annual Rent and the Tenant's Guarantor shall pay that amount on demand.

5. PAYMENTS IN GROSS AND RESTRICTIONS ON THE TENANT'S GUARANTOR

5.1 Any payment or dividend that the Landlord receives from the Tenant (or its estate) or any other person in connection with any insolvency proceedings or arrangement involving the Tenant shall be taken and applied as a payment in gross and shall not prejudice the right of the Landlord to recover from the Tenant's Guarantor to the full extent of the obligations that are the subject of this guarantee and indemnity.

5.2 The Tenant's Guarantor shall not claim in competition with the Landlord in any insolvency proceedings or arrangement of the Tenant in respect of any payment made by the Tenant's Guarantor pursuant to this guarantee and indemnity. If it otherwise receives any money in such proceedings or arrangement, it shall hold that money on trust for the Landlord to the extent of its liability to the Landlord.

5.3 The Tenant's Guarantor shall not, without the consent of the Landlord, exercise any right or remedy that it may have (whether against the Tenant or any other person) in respect of any amount paid or other obligation performed by the Tenant's Guarantor under this guarantee and indemnity unless and until all the obligations of the Tenant's Guarantor under this guarantee and indemnity have been fully performed.

6. OTHER SECURITIES

6.1 The Tenant's Guarantor warrants that it has not taken and covenants that it shall not take any security from or over the assets of the Tenant in respect of any liability of the Tenant to the Tenant's Guarantor. If it does take or hold any such security it shall hold it for the benefit of the Landlord.

6.2 This guarantee and indemnity is in addition to any other security that the Landlord may at any time hold from the Tenant's Guarantor or the Tenant or any other person in respect of the liability of the Tenant to pay the rents reserved by this lease and to observe and perform the tenant covenants of this lease. It shall not merge in or be affected by any other security.

6.3 The Tenant's Guarantor shall not be entitled to claim or participate in any other security held by the Landlord in respect of the liability of the Tenant to pay the rents reserved by this lease or to observe and perform the tenant covenants of this lease.

Signed as a deed by the **LANDLORD**

.....

in the presence of:

.....

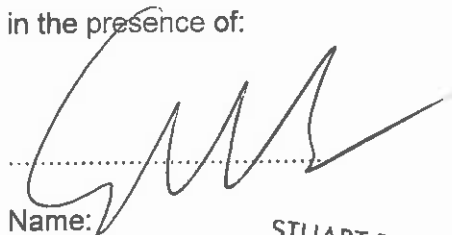
Name:

Address:

Signed as a deed by the **TENANT**



in the presence of:



Name:

Address:

STUART PEARSON
SOLICITOR
GROWER FREEMAN SOLICITORS
IVOR HOUSE 25/26 IVOR PLACE
LONDON NW1 6HR