



Basingstoke
and Deane

DATED
9 February 2017
LICENCE TO UNDERLET

relating to

UNIT 9 VICKERS BUSINESS CENTRE HOUNDMILLS

between

BASINGSTOKE AND DEANE BOROUGH COUNCIL (1)

AND

ALAN JAMES SAITCH and AVRIL JACQUELINE SAITCH (2)

AND

VICKERS METAL FINISHERS LIMITED (3)

Lisa Kirkman
Head of Law and Governance and Monitoring Officer
Basingstoke and Deane Borough Council
Civic Offices
London Road
Basingstoke
Hampshire RG21 4AH

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This licence is dated

9 February

2018

PARTIES

- (1) BASINGSTOKE AND DEANE BOROUGH COUNCIL, of Civic Offices, London Road, Basingstoke, Hampshire RG21 4AH (**Landlord**).
- (2) ALAN JAMES SAITCH and AVRIL JACQUELINE SAITCH of Vickers Business Centre, Priestly Road, Basingstoke, Hampshire RG24 9NP (**Tenant**).
- (3) VICKERS METAL FINISHERS LIMITED incorporated and registered in England and Wales with company number 06046526 whose registered office is at Units 3 & 4 Shelley Farm, Shelley Lane, Ower, Romsey, Hampshire SO51 6AS (**Undertenant**).

BACKGROUND

- (A) This licence is supplemental and collateral to the Lease and Underlease.
- (B) The Landlord is entitled to the immediate reversion to the Lease.
- (C) The residue of the term granted by the Lease is vested in the Tenant.
- (D) The Tenant intends to underlet part of the property demised by the Lease and, under the terms of the Lease, requires the consent of the Landlord to grant the Underlease.

AGREED TERMS

1. INTERPRETATION

- The following definitions and rules of interpretation apply in this licence.
- 1.1 Definitions:

Lease: a lease of land at Vickers Business Centre (formerly known as Merton Farm Industrial Estate and Houndmills Industrial Area) dated 08 November 1967 and made between THE MAYOR ALDERMEN AND BURGESSES OF THE BOROUGH OF BASINGSTOKE and VICKERS LIMITED, and all documents supplemental or collateral to that lease.

Underlease: an underlease of Unit 9 Site 4 Vickers Business Centre Priestly Road Basingstoke Hampshire RG24 9NP to be entered into between the Tenant (1) the Undertenant (2) and Alan James Saitch and Tim Hatchett (3) in the form annexed.

Underlet Property: Unit 9 Site 4 Vickers Business Centre Priestly Road Basingstoke Hampshire RG24 9NP, being part of the property demised by the Lease.

LTA 1954: Landlord and Tenant Act 1954.

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

- 1.2 References to the **Landlord** include a reference to the person entitled for the time being to the immediate reversion to the Lease. Except in the definition of **Underlease** and in clause 2 and clause 3.1 references to the **Tenant** and the **Undertenant** include a reference to their respective successors in title and assigns.
- 1.3 The expression **tenant covenants** has the meaning given to it by the 1995 Act.
- 1.4 Clause, Schedule and paragraph headings shall not affect the interpretation of this licence.
- 1.5 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 Unless otherwise specified, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.9 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.10 A reference to **writing** or **written** excludes fax and e-mail.
- 1.11 A reference to this licence or to any other agreement or document is a reference to this licence or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of this licence) from time to time.
- 1.12 Unless the context otherwise requires, references to clauses and Schedules are to the clauses and Schedules of this licence and references to paragraphs are to paragraphs of the relevant Schedule.

- 1.13 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. CONSENT TO UNDERLET

- 2.1 In consideration of the obligations of the Tenant and the Undertenant in this licence, the Landlord consents to the grant of the Underlease by the Tenant to the Undertenant.
- 2.2 This consent is valid for three months from (and including) the date of this licence. If the Underlease has not been granted within that time, the Landlord may give notice to the Tenant extending the period of validity. If this consent ceases to be valid and the Landlord has not given notice extending its validity, all the terms of this licence except clause 2.1 shall remain in force.
- 2.3 This consent does not obviate the need for the consent or licence of any person other than the Landlord that may be required for the grant of the Underlease.
- 2.4 The Underlease shall be in the form of the draft annexed to this licence

3. OBLIGATIONS RELATING TO THE UNDERLEASE

- 3.1 The Tenant shall not grant the Underlease until the Tenant has given the Landlord:
- (a) a certified copy of the notice served on the Undertenant and the guarantors under the Underlease, 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 and the guarantors under the Underlease in accordance with the requirements of section 38A(3)(b) of the LTA 1954.
- 3.2 The Undertenant shall not occupy, and the Tenant shall not allow the Undertenant to occupy, the Underlet Property or any part of it before the Underlease is granted.
- 3.3 Within one month after the grant of the Underlease, the Tenant shall:

- (a) notify the Landlord of the grant;
- (b) send a certified copy of the Underlease to the Landlord; and
- (c) pay the Landlord's registration fee of £35.00 plus value added tax.

3.4 The Tenant shall not release or waive any breach of the covenants of the Underlease where the same would constitute a breach of the Lease.

3.5 The Tenant shall notify the Landlord in writing and within 21 days of any variation or surrender of the Underlease.

4. COSTS

On completion of this licence the Tenant shall pay the reasonable costs and disbursements of the Landlord's solicitors and its managing agents (not exceeding £1308 plus VAT) in connection with this licence.

5. THE RIGHT OF RE-ENTRY IN THE LEASE

The right of re-entry in the Lease shall be exercisable if any covenant or condition of this licence is breached, as well as if any of the events stated in the provision for re-entry in the Lease occurs.

6. INDEMNITY

The Tenant and the Undertenant shall indemnify the Landlord against all liabilities, costs, expenses, damages and losses suffered or incurred by the Landlord arising out of or in connection with any breach of the terms of this licence.

7. NOTICES

Any notice given under or in connection with this licence shall be in writing and shall be delivered by hand, or sent by pre-paid first class post, or other next working day delivery service or by any other means permitted by the Lease. A correctly addressed notice delivered by hand shall be deemed to have been delivered at the time the notice is left at the proper address. A correctly addressed notice sent by pre-paid first class post or other next working day delivery service shall be deemed to have been delivered on the second working day after posting.

8. LIABILITY

8.1 The obligations of the Tenant and the Undertenant in this licence are owed to the Landlord and are made in consideration of the consent granted by clause 2.1.

- 8.2 At any time when the Tenant or the Undertenant is more than one person, then, in each case, those persons shall be jointly and severally liable for their respective obligations and liabilities arising by virtue of this licence or the Underlease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons, without affecting the liability of any other of those persons.

9. THIRD PARTY RIGHTS

A person who is not a party to this licence shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this licence.

10. REGISTRATION OF THIS LICENCE

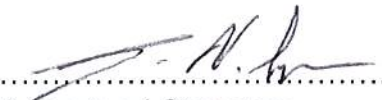
The Undertenant shall, within one month after the date of this licence, apply for a note of this underlease to be made on the registered title of the Lease.

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

29281

The COMMON SEAL of
BASINGSTOKE AND DEANE
BOROUGH COUNCIL was
hereunto affixed and this
Licence thereby executed as a
Deed in the presence of:-




.....
Authorised Signatory

Signed as a deed by ALAN
JAMES SAITCH

in the presence of NAME OF
WITNESS

.....
SIGNATURE OF TENANT

.....
SIGNATURE OF WITNESS

.....
NAME OF WITNESS

.....
.....
ADDRESS OF WITNESS

Signed as a deed by AVRIL
JACQUELINE SAITCH

in the presence of NAME OF
WITNESS

.....
SIGNATURE OF TENANT

.....
SIGNATURE OF WITNESS

.....
NAME OF WITNESS

.....
.....
ADDRESS OF WITNESS

Executed as a deed by
VICKERS METAL FINISHERS
LIMITED acting by a director
and its secretary or two directors
or one director in the presence
of a witness

.....
Director

.....
Director/Secretary/Witness
signature

.....
NAME OF WITNESS

.....
.....
ADDRESS OF WITNESS

.....
OCCUPATION OF WITNESS

SCHEDULE THE FORM OF THE UNDERLEASE

DATED

2016

(1) LANDLORD: ALAN JAMES SAITCH & AVRIL JACQUELINE SAITCH

(2) TENANT: VICKERS METAL FINISHERS LIMITED

(3) SURETY: ALAN JAMES SAITCH & TIM HATCHETT

LEASE

of

Unit 9, Vickers Business Centre, Priestley Road,
Basingstoke, Hants RG24 9RA

TERM COMMENCES:

YEARS: 15

EXPIRES:

INITIAL RENT: £8,352 pa exclusive

SECTIONS 24 TO 28 OF THE 1954 ACT: Excluded

LEASE REQUIRES REGISTRATION AT THE LAND REGISTRY

SHOOSMITHS

Apex Plaza
Forbury Road
Reading
Berkshire
RG1 1SH
Ref. M-00453152

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LR1. Date of lease	
LR2. Title number(s)	LR2.1 Landlord's title number(s) <i>Title number(s) out of which this lease is granted. Leave blank if not registered.</i> HP530444 LR2.2 Other title numbers <i>Existing title number(s) against which entries of matters referred to in LR9, LR10, LR11 and LR13 are to be made.</i> None
LR3. Parties to this lease <i>Give full names and addresses of each of the parties. For UK incorporated companies and limited liability partnerships, also give the registered number including any prefix. For overseas companies, also give the territory of incorporation and, if appropriate, the registered number in the United Kingdom including any prefix</i>	Landlord ALAN JAMES SAITCH & AVRIL JACQUELINE SAITCH of Vickers Business Centre, Priestley Road, Basingstoke, Hampshire RG24 9NP Tenant VICKERS METAL FINISHERS LIMITED a company incorporated in England and Wales (Company Number 06046526) whose registered office is at Units 3 & 4 Shelley farm, Shelley Lane, Ower, Romsey, Hampshire SO51 6AS Surety ALAN JAMES SAITCH of Vickers Business Centre, Priestley Road, Basingstoke, Hampshire RG24 9NP and TIM HATCHETT OF 21 Weyhill Gardens, Weyhill, Andover, Hampshire S11 0QT
LR4. Property <i>Insert a full description of the land being leased or Refer to the clause, schedule or paragraph of a schedule in this lease in which the land being leased is more fully described.</i> <i>Where there is a letting of part of a registered title, a plan must be attached to this lease and any floor levels must be specified.</i>	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. The property known as Unit 9, Vickers Business Centre being part of the Estate registered at HM Land Registry with title number HP5304444 and shown edged red on Plan 1, including: a) all additions alterations and improvements to the Property made during the Term but not tenant's fixtures; b) all Landlord's fixtures; and c) the inner half severed vertically of all party walls dividing the Property from other parts of the Estate;

	d) all Conduits now or at any time during the Term within and exclusively serving the Property; and e) all Landlord's plant, machinery and equipment now or at any time during the Term within and exclusively serving the Property.
LR5. Prescribed statements etc. <i>If this lease includes a statement falling within LR5.1, insert under that sub-clause the relevant statement or refer to the clause, schedule or paragraph of a schedule in this lease which contains the statement.</i> <i>In LR5.2, omit or delete those Acts which do not apply to this lease.</i>	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 <i>Include only the appropriate statement (duly completed) from the three options.</i> <i>NOTE: The information you provide, or refer to, here will be used as part of the particulars to identify the lease under rule 6 of the Land Registration Rules 2003.</i>	The term is as follows: FIFTEEN years from and including 2016
LR7. Premium <i>Specify the total premium, inclusive of any VAT where payable.</i>	None
LR8. Prohibitions or restrictions on disposing of this lease <i>Include whichever of the two statements is appropriate.</i> <i>Do not set out here the wording of the provision</i>	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisition etc. <i>Insert the relevant provisions in the sub-clauses or refer to the clause, schedule or paragraph of a schedule</i>	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

<i>in this lease which contains the provisions.</i>	LR9.2 Tenant's covenant to (or offer to) surrender this lease None LR9.3 Landlord's contractual rights to acquire this lease The Landlord's rights contained in clause 13
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property <i>Insert the relevant provisions or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i>	None
LR11. Easements <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements.</i>	LR11.1 Easements granted by this lease for the benefit of the Property The easements referred to in Schedule 1 LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property The easements referred to in Schedule 2
LR12. Estate rentcharge burdening the Property <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the rentcharge.</i>	None
LR13. Application for standard form of restriction <i>Set out the full text of the standard form of restriction and the title against which it is to be entered. If you wish to apply for more than one standard form of restriction use this clause to apply for each of them, tell us who is applying against which title and set out the full text of the restriction you are applying for.</i> <i>Standard forms of restriction are set</i>	None

out in Schedule 4 to the Land Registration Rules 2003.	
LR14. Declaration of trust where there is more than one person comprising the Tenant <i>If the Tenant is one person, omit or delete all the alternative statements.</i> <i>If the Tenant is more than one person, complete this clause by omitting or deleting all inapplicable alternative statements.</i>	None

1 DEFINITIONS

In this Lease the following definitions apply:

"1954 Act"		the Landlord and Tenant Act 1954;
"1987 Order"		the Town and Country Planning (Use Classes) Order 1987 as it applies in England at the date this Lease is granted, notwithstanding any amendment or revocation of that order;
"1990 Act"		the Environmental Protection Act 1990;
"1995 Act"		the Landlord and Tenant (Covenants) Act 1995;
"2002 Act"		the Land Registration Act 2002;
"2003 Order"		the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003;
"Authorised Agreement"	Guarantee	an authorised guarantee agreement within the meaning of section 16 of the 1995 Act;
"Break Date"		The date specified in any break notice served pursuant to clause 14;
"Common Parts"		those parts of the Estate from time to time available or provided by the Landlord for the common use or amenity of the tenants and other occupiers of or visitors to the Estate or more than one of any of them including (if any) the roads, paths, forecourts, landscaped areas, parking areas, service areas and refuse areas;
"Conduits"		conduits and other media used for or in connection with the supply of Utilities and apparatus ancillary to any of them;
"CRC Costs"		any expenditure of any nature incurred by the Landlord or a Group Undertaking of the Landlord pursuant to the CRC Scheme;
"CRC Scheme"		the trading scheme established by the CRC Energy Efficiency Scheme Order 2010 as amended and any scheme that replaces or supplements it;
"Dangerous Substances"		any natural or artificial substances (whether in solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any other substance) or organisms;

- a) capable of causing harm or which may be harmful to human health or the Environment; or
- b) capable of being, or usually regarded as, a pest or other invasive organism;

"EPC"	energy performance certificate and recommendation report, as defined in the Energy Performance of Buildings (England and Wales) Regulations 2012;
"Environment"	the air (including without limitation the air within buildings or other structures), water and land and any living organisms supported by those media;
"Environmental Contamination"	the presence in, on, under or over the Property of any Dangerous Substances or Waste and any migration or other escape of Dangerous Substances or Waste at or from the Property at any time;
"Estate"	the Landlord's estate known as The Vickers Business Centre, Priestly Road, Basingstoke registered at HM Land Registry with title number HP530444 and shown edged red on Plan 2, including all Landlord's fixtures and all additions alterations and improvements made to the Estate during the Term but not any tenant's fixtures and (for all purposes except for the rights granted or reserved by this Lease) including any other property which the Landlord adds to the Estate from time to time;
"Estate Services"	the works and services set out in clause 7.1;
"Expenditure"	expenditure properly incurred by or on behalf of the Landlord in providing the Estate Services and any expenditure properly incurred by or on behalf of the Landlord in connection with the Services and Costs;
"Group Company"	in relation to any company, any other company in the same group as that company within the meaning of section 42 of the 1954 Act;
"Group Undertaking"	a group undertaking as defined in section 1161(5) of the Companies Act 2006 or, if the Landlord is a public body as defined in the CRC Scheme, a member of a group of public bodies of which the Landlord forms part;
"Insured Damage"	any damage to or destruction of the Property by any of the Insured Risks which (at the date of the damage or destruction) is covered by a policy of insurance maintained by the Landlord under this Lease;

"Insurance Rent"	a fair and reasonable proportion of the cost to the Landlord of effecting and maintaining the insurance referred to in clause 5.1.1;
"Insured Risks"	fire, explosion, lightning, storm, impact, earthquake, riot, civil commotion, malicious damage, bursting or overflowing of water tanks or pipes, flood and any other risks which the Landlord from time to time insures against;
"Interest Rate"	the base lending rate for the time being of Barclays Bank plc or such other bank (being a member of the British Bankers' Association) nominated by the Landlord from time to time or if such base lending rate ceases to exist such reasonably comparable rate of interest as the Landlord may determine;
"Landlord"	the party named as "Landlord" in clause LR3 and includes the person for the time being entitled to the reversion immediately expectant on the determination of the Term;
"Lettable Areas"	any unit of accommodation on the Estate which is let or is capable of and intended by the Landlord to be the subject of a letting;
"this Lease"	this Lease and any document supplemental or ancillary to it or varying its terms;
"Outgoings"	all present and future rates, duties, taxes, assessments and other outgoings of any nature except those arising from any dealing with the Landlord's reversion in this Lease or any income or corporation tax payable by the Landlord as a result of rents received under this Lease;
"Plan"	a plan attached to this Lease and Plan 1 and Plan 2 shall be construed accordingly;
"Planning Acts"	all legislation relating to town and country planning for the time being in force;
"Principal Rent"	Eight Thousand Three Hundred and Fifty Two pounds (£8,352) per annum subject to review in accordance with Schedule 3;
"Property"	the property described in clause LR4;
"Retained Parts"	all parts of the Estate which do not comprise Lettable Areas including: a) the Common Parts; b) plant rooms, workshops, offices, staff rooms, store rooms, amenity areas and other parts of the Estate reserved for the operation or management of it by the Landlord or its

	staff including residential accommodation used for that purpose;
	c) all plant, machinery and equipment and Conduits (which are not within and exclusively serve any Lettable Area);
"Review Date"	every fifth anniversary of the date of this Lease;
"Service Charge"	a fair and reasonable proportion of the Expenditure;
"Service Charge Advance"	the amount which the Landlord reasonably estimates will be the Service Charge;
"Service Charge Balance"	the shortfall, if any, between the Service Charge Advance and the Service Charge;
"Service Charge Year"	each annual period commencing on or such other date as the Landlord may from time to time determine;
"Services and Costs"	the matters set out in Schedule 5;
"Superior Landlord"	such person or persons for the time being entitled to any estate or interest (whether mediate or immediate) which are from time to time estates or interests in reversion to the interests of the Landlord in the Property;
"Superior Lease"	the lease dated 08 November 1967 under which the Landlord holds the Property and any other lease in reversion to this Lease;
"Surety"	the party named as "Surety" in clause LR3 and includes any person who has guaranteed the Tenant's obligations and agreements under this Lease including any person who has entered into an Authorised Guarantee Agreement. In the case of an individual the expression Surety includes his personal representatives;
"Tenant"	the party named as "Tenant" in clause LR3 and includes its successors in title and, in the case of an individual, his personal representatives;
"Term"	the term specified in clause LR6;
"Terminating Event"	any of the following: a) in relation to an individual (i) the making of an application for the appointment of an interim receiver in respect of the individual's property under section 286 of the Insolvency Act 1986 (ii) the making of a bankruptcy order in respect of the individual (iii) the

making of an application for an interim order under Part VIII of the Insolvency Act 1986 in respect of the individual and (iv) the appointment of any person by the Court to prepare a report under section 273 of the Insolvency Act 1986 in respect of the individual;

- b) in relation to a company or a Limited Liability Partnership (LLP) (i) the appointment of an administrator in respect of the company or LLP or the filing at court of a notice of intention to appoint an administrator or the issue of an application for an administration order (ii) any person becoming entitled to exercise in relation to the company the powers conferred on an administrative receiver or any person being appointed as administrative receiver in respect of the company or LLP (iii) the making of an order or the passing of a resolution to wind up the company or LLP (iv) the appointment of a provisional liquidator in respect of the company or LLP (v) the making of a proposal under Part 1 of the Insolvency Act 1986 for a voluntary arrangement in respect of the company or LLP (vi) the making of a proposal for a compromise or arrangement under Part 26 of the Companies Act 2006 in respect of the company or LLP; and
- c) in relation to any person (whether an individual or a company or LLP) (i) the appointment of a receiver (including an administrative receiver) in respect of any of the person's assets (ii) the person entering into an arrangement for the benefit of creditors (iii) any distress, enforcement power or execution being levied on any of the person's assets (iv) the person ceasing for any reason to be or remain liable to perform its obligations and agreements under this Lease;

"Utilities"

electricity, gas, water, surface water, foul drainage, heating, air conditioning, ventilation, telecommunications, satellite and data communications and any other services or supplies;

"VAT"

value added tax as provided for in the Value Added Tax Act 1994 or any similar tax from time to time replacing or introduced in addition to it;

"Waste"

any discarded, unwanted or surplus substance irrespective of whether it is capable of being recycled or recovered or has any value;

"Working Day"

any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory bank holiday.

2 INTERPRETATION

2.1 Unless this Lease states otherwise:

- 2.1.1 references to clauses and Schedules are to the clauses and Schedules of this Lease;
- 2.1.2 reference to a paragraph is to the paragraph of the Schedule in which the reference is made;
- 2.1.3 reference to any legislation (whether specifically named or to legislation in general) includes:
 - a) any modification, extension, amendment or re-enactment of that legislation for the time being in force;
 - b) where applicable all instruments, orders, regulations or other subordinate legislation for the time being made, issued or given under that legislation or deriving validity from it; and
 - c) where applicable all local, national and directly applicable supra-national laws for the time being in force.

2.2 Words importing one gender include any other genders and words importing the singular include the plural and vice versa.

2.3 The clause, paragraph and Schedule headings in this Lease are for reference only and shall not affect its construction or interpretation.

2.4 The obligations and agreements of any party to this Lease shall be read and construed as covenants by that party, whether or not they are expressed to be so.

2.5 Any obligation on the Tenant not to do something includes an obligation not to allow that thing to be done.

2.6 Where any party to this Lease comprises more than one person, the obligations and liabilities of that party are joint and several obligations and liabilities of those persons.

2.7 The rights and remedies of the Landlord under any provision of this Lease are without prejudice to any other right or remedy which may also be available to the Landlord.

2.8 Where the consent of the Landlord is required for any assignment, underletting or charge that consent may only be given by the completion of a deed which contains the terms of the consent agreed between the parties unless the Landlord elects in writing to waive this requirement.

2.9 Where the consent or approval of the Landlord is required the Tenant must also obtain the consent or approval of any superior landlord and any mortgagee of the Property, but no obligation shall be implied on the part of any superior landlord or mortgagee that it will not unreasonably withhold or delay its consent or approval.

- 2.10 Reference to a person includes a firm, company, authority, board, department or other body and vice versa.
- 2.11 Reference to any act or omission of the Tenant includes any act or omission of any undertenant or other person in occupation of the Property and anyone else who is under its or their control.
- 2.12 Reference to the end of the Term includes the early determination of it however that may occur.
- 2.13 Reference to a fair and reasonable proportion of any sum include the whole or part of it where that is fair and reasonable and where there are different elements of it, a different proportion of each element may be determined. The determination of a fair and reasonable proportion shall be made by the Landlord whose decision shall be conclusive save in case of manifest error or questions of law.
- 2.14 The quarter days are 25 March, 24 June, 29 September and 25 December.
- 2.15 Unless the context requires otherwise the words "include" and "including" shall be deemed to be followed by the words "without limitation".
- 2.16 Unless the context requires otherwise reference to any physical area includes any part of that area.
- 2.17 If any provision or part of any provision of this Lease is held to be illegal, invalid or unenforceable such provision or part shall apply with such modification as may be necessary to make it legal, valid and enforceable. If such modification is not possible, that provision or part shall be deemed to be deleted. The legality, validity or enforceability of the remainder of this Lease shall not be affected.
- 2.18 Reference to any right exercisable by or notice served by the Landlord includes the exercise of the right or the service of the notice by:
- 2.18.1 any mortgagee of the Landlord's interest in the Property;
- 2.18.2 any Superior Landlord;
- 2.18.3 any mortgagee of the Superior Landlord's interest in the Property; and
- 2.18.4 any person authorised by the Landlord or any Superior Landlord or their mortgagees
- 2.19 Where the consent of the Landlord is required in this Lease it shall be deemed to be conditional upon the consent or approval of the Superior Landlord and any mortgagee of the Landlord's or Superior Landlord's interests in the Property (in so far as such consent or approval is required under the terms of the Superior Lease or the respective mortgage deed) but it is not to be implied that any of these consents or approvals will not be unreasonably withheld).

3 DEMISE AND RENTS

- 3.1 The Landlord lets the Property to the Tenant for the term specified in clause LR6 in return for the Tenant paying the following as rent:
- 3.1.1 the Principal Rent payable by equal quarterly payments in advance on the quarter days in every year;

- 3.1.2 the Service Charge, in accordance with clause 8
- 3.1.3 the Insurance Rent, payable on demand;
- 3.1.4 any sums payable by the Tenant under clause 4.2, on demand; and
- 3.1.5 VAT on any rent payable under this Lease, in accordance with clause 4.3.
- 3.2 The first payment of the Principal Rent shall be made on the date of this Lease which amount shall be apportioned and calculated on a daily basis for the period from and including the date of this Lease to the next quarter day.
- 3.3 The Property is let together with the rights set out in Schedule 1, which rights:
 - 3.3.1 are granted so far as the Landlord has power to do so;
 - 3.3.2 are exercisable in accordance with reasonable written regulations made by the Landlord from time to time for the use and operation of the Estate;
 - 3.3.3 are exercisable in common with the Landlord, any superior landlord, any mortgagee and all persons authorised by any of them or having a like right; and
 - 3.3.4 may be temporarily interrupted for the purpose of any works of repair, maintenance, alteration or replacement of any part of the Estate in respect of which the rights are granted.
- 3.4 The rights set out in paragraph 9 of Schedule 1 are exercisable subject to the Tenant, causing as little inconvenience as is reasonably practicable to the other tenants and occupiers of the Estate and making good any physical damage caused to the Estate in the exercise of those rights, as soon as reasonably practicable.
- 3.5 The rights set out in Schedule 2 are excepted and reserved from the letting for the benefit of the Landlord, any superior landlord, any mortgagee and all persons authorised by any of them or having a like right.
- 3.6 When exercising the rights of entry set out in paragraph 2 of Schedule 2, the Landlord or other person exercising those rights, shall cause as little inconvenience as is reasonably practicable to the Tenant and shall make good any physical damage caused to the Property in the exercise of those rights, as soon as reasonably practicable.
- 3.7 The Property is let subject to
 - 3.7.1 all rights over the Property which belong to or are enjoyed by any other property;
 - 3.7.2 all the matters contained or referred to in the Superior Lease; and
 - 3.7.3 the matters contained or referred to in Title Number HP530444.

4 TENANT'S OBLIGATIONS

4.1 Rent

4.1.1 The Tenant shall pay the rents and other sums payable under this Lease at the times and in the manner set out in this Lease without deduction, set off or counterclaim.

4.1.2 If required to do so by the Landlord, the Tenant shall pay the Principal Rent by direct debit or standing order to such bank account in the United Kingdom as the Landlord may nominate from time to time.

4.2 Interest

4.2.1 If:

- a) the Principal Rent is not paid to the Landlord on the due date for payment; or
- b) if any other rent or other sum payable under this lease is not paid within ten Working Days of the due date for payment;

the Tenant shall pay interest to the Landlord on such sum (both before and after any judgement) at 4% per year above the Interest Rate for the period from and including the due date for payment until and including the actual date of payment.

4.2.2 If the Landlord refuses to accept any rent from the Tenant because it reasonably believes that there is a material breach of any of the Tenant's obligations or agreements under this Lease the Tenant shall pay interest on that sum at 4% per year above the Interest Rate for the period from and including the due date for payment until the date that the Landlord accepts payment.

4.3 VAT

4.3.1 All rents and other sums payable under this Lease are exclusive of VAT. The Tenant shall pay any VAT chargeable in relation to any rent or other sum payable at the same time as payment of that rent or other sum is made to the Landlord. Where this Lease specifies the manner in which a payment is to be made, any VAT in relation to it shall be paid at the same time and in the same manner.

4.3.2 Where the Tenant is required to pay the Landlord for the cost of any supply made to the Landlord, the Tenant shall also pay the Landlord the amount of any VAT in relation to that supply to the extent that the Landlord is unable to recover it.

4.3.3 Where a taxable supply for VAT purposes is made by the Landlord under this Lease it shall issue a valid VAT invoice to the Tenant in respect of that supply.

4.4 Outgoings

4.4.1 The Tenant shall pay and indemnify the Landlord on demand against all Outgoings charged on or payable in respect of the Property or the owner or occupier of it and a fair and reasonable proportion of all Outgoings charged on or payable in respect of the

Estate whether or not together with any Adjoining Property or the owner or occupier of it or them.

- 4.4.2 The Tenant shall pay all charges in connection with the supply and consumption of Utilities at the Property or, as the case may be, indemnify the Landlord against the cost of such charges which are attributable to the Property.

4.5 CRC

- 4.5.1 The Tenant shall pay the Landlord on demand a fair and reasonable proportion of any CRC Costs for the Estate.

- 4.5.2 The Tenant shall comply with any request from the Landlord to provide information for the purpose of compliance with the CRC Scheme and calculation of any CRC costs.

4.6 Rates

- 4.6.1 The Tenant shall not agree or make any proposal to alter any rateable value of the Property nor appeal against any rateable value without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed).

- 4.6.2 If required by the Landlord, the Tenant shall at its own cost, co-operate with the Landlord in making any appeal against any rateable value assessed for the Property or in making representations for the setting of any rateable value.

- 4.6.3 The Tenant shall indemnify the Landlord against any loss of any rating or similar relief which would have been available to the Landlord at the end of the Term had it not already been claimed by or allowed to the Tenant.

4.7 Costs

The Tenant shall pay and indemnify the Landlord on demand against all proper costs, fees, disbursements and other expenses of the Landlord and its solicitors, surveyors, bailiffs and other advisors or agents incurred in connection with or in contemplation of:

- 4.7.1 the preparation and service of any notice and/or proceedings under section 146 or 147 of the Law of Property Act 1925 or the Leasehold Repairs Act 1938 (even if forfeiture is avoided other than relief granted by the Court);

- 4.7.2 the recovery of any arrears of rent;

- 4.7.3 the enforcement of or remedying any breach of the Tenant's obligations and agreements under this Lease;

- 4.7.4 the preparation and service of any schedule of dilapidations during or within 12 months of the end of the Term; or

- 4.7.5 any application for consent or approval whether or not consent or approval is given (save where the Landlord has unlawfully withheld or delayed its consent or approval) or the application is withdrawn.

4.8 Indemnity

The Tenant shall indemnify the Landlord against all claims, demands and proceedings made or brought against the Landlord and all costs, expenses, losses, damages and liability incurred by the Landlord arising (either directly or indirectly) from:

- 4.8.1 the state of repair or condition, the use of the Property or any works carried out by the Tenant;
- 4.8.2 any breach of the Tenant's obligations or agreements under this Lease; or
- 4.8.3 any other act or omission of the Tenant.

4.9 Repair and decoration

4.9.1 The Tenant shall:

- a) keep the Property in good and substantial repair and condition;
- b) keep the Conduits, plant, machinery and equipment forming part of the Property, properly serviced and maintained by reputable contractors; and
- c) replace any Conduits, plant, machinery and equipment and other fixtures forming part of the Property, which cease to be capable of repair or to function properly, with new items of equivalent modern specification and quality as those which they replace.

4.9.2 Clause 4.9.1 shall not apply in the case of Insured Damage except to the extent that any insurance money is withheld because of any act or omission of the Tenant.

4.9.3 The Tenant shall:

- a) keep the Property clean and tidy and it shall clean the windows in the Property at least once in every month;
- b) keep all Tenant's fixtures in good and substantial repair and condition;
- c) keep any parts of the Property that are not built upon free from weeds, any landscaped areas well planted and tended and any roads, paths, parking areas and service areas properly surfaced and adequately lit; and
- d) not store or leave any goods or other items out of doors.

4.9.4 The Tenant shall decorate the interior of the Property in every fifth year of the Term and the exterior in every third year of the Term and both in the six months before the end of the Term (but not more than once in any year), in all cases to the reasonable satisfaction of the Landlord.

4.9.5 Before decorating the interior of the Property for the final time and before any decoration of the exterior, the Tenant shall obtain the Landlord's prior approval to the colours and materials to be used, such approval not to be unreasonably withheld or delayed.

- 4.9.6 In the six months before the end of the Term, the Tenant shall replace the floor coverings with new floor coverings of a similar quality and of a colour and material first approved by the Landlord, such approval not to be unreasonably withheld or delayed.

4.10 Standard of decoration and repair

- 4.10.1 All decoration of the Property shall be carried out in a good and workmanlike manner with good quality and appropriate materials. Any obligation to decorate includes an obligation to prepare, paint (using 2 coats of paint in the case of interior decoration and 3 coats in the case of exterior decoration), clean, wash, paper, varnish, polish and treat all parts of the Property as appropriate.
- 4.10.2 All repairs to and maintenance of the Property shall be carried out in a good and workmanlike manner with good quality and appropriate materials and in accordance with good building practice.

4.11 Use

- 4.11.1 The Tenant shall not use the Property except as a business within class B1, B2 or B8 of the Schedule to the 1987 Order

- 4.11.2 The Tenant shall not:

- a) use the Property:
 - i for any illegal or immoral purpose or in any way that is not compliant with clause 2(xvi) of the Superior Lease;
 - ii for any auction, public meeting or entertainment;
 - iii for the sale, production or consumption of alcohol;
 - iv for any gambling or betting transaction;
 - v or any other part of the Estate in such a manner as to cause a nuisance, damage or annoyance to the Landlord or any other tenant or occupier of the Estate or the owners or occupiers of any Adjoining Property, or which may otherwise cause loss to the Landlord;
- b) allow anyone to reside or sleep at the Property;
- c) install or use anything which is audible outside the Property;
- d) impose any strain on the Property in excess of that it is designed to bear with due margin for safety;
- e) misuse, obstruct or overload any Conduits;
- f) carry out any acts which are noxious, dangerous or offensive;
- g) store or use any Dangerous Substances at the Property;
- h) burn rubbish or Waste or any other combustible matter on the;

- i) emit from the Property any vibration, smell, fumes, smoke, dust, soot, ash or grit
- j) manufacture, keep or use any Dangerous Substances at the Property;
- k) store or use anything which increases the risk of fire or explosion at the Property; or
- l) allow any Environmental Contamination on or from the Property.

4.11.3 The Tenant shall not leave the Property continuously unoccupied for more than twenty days without:

- a) notifying the Landlord and the Landlord's insurers that the Property will be vacant; and
- b) complying with all reasonable requirements of the Landlord or the requirements of its insurers to protect the Property from theft, vandalism or unlawful occupation.

4.12 Management of common parts

4.12.1 The Tenant shall not:

- a) use the service areas/loading bays at the Property other than for loading and unloading goods vehicles which are parked temporarily or load or unload vehicles except on those parts of the Estate if any permitted for that purpose in accordance with the rights granted by this Lease;
- b) park any vehicle on any part of the Estate except in marked bays in an area that is permitted for that purpose in accordance with the rights expressly granted by this Lease;
- c) keep, store or leave any rubbish or Waste on the Estate except non-toxic rubbish in skips or bins provided for that purpose; or
- d) do anything which damages any part of the Estate or obstructs or hinders anyone else from using any part of it.

4.12.2 The Tenant shall comply with all reasonable written regulations made by the Landlord from time to time for the use and operation of the Estate

4.13 Signage and exterior

The Tenant shall not place or display any sign on any exterior part of the Property or so as to be visible from outside the Property except as expressly permitted by and in accordance with the rights granted by clause 3.3 and the Tenant shall not attach or erect anything else or install any electronic communications apparatus on any exterior part of the Property.

4.14 Alterations

4.14.1 The Tenant shall not make any alterations or additions to the Property:

- a) which are structural or which would change the external appearance of the Property; or
 - b) which would or might reduce the energy rating for the Property from that which is current at the date of this Lease.
- 4.14.2 The Tenant shall not make any other alterations or additions to the Property except as expressly permitted by and in accordance with the remainder of this clause 4.14.
- 4.14.3 The Tenant may make
 - a) internal non-structural alterations or additions to the Property; and
 - b) alterations or additions to Utilities or Conduits forming part of the Propertywith the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 4.14.4 The Tenant shall enter into such covenants as the Landlord may reasonably require as a condition of its giving consent to any works under clause 4.14.3.
- 4.14.5 The Tenant shall not make any alterations or additions to the electrical wiring in the Property except in accordance with the recommendations and requirements of the Institute of Electrical Engineers and the relevant supply authority.
- 4.14.6 Where the Construction (Design and Management) Regulations 2015 apply to any alterations or additions the Tenant shall:
 - a) before starting any works make a written election that it is the only client in respect of those works for the purpose of those regulations;
 - b) comply in all respects with those regulations and procure that any person involved in carrying out the Tenant's works complies with them; and
 - c) ensure that the health and safety file required by those regulations is produced, kept up to date and retained and is made available in each case in accordance with those regulations and give the health and safety file to the Landlord at the end of the Term.
- 4.14.7 At the end of the Term, unless and to the extent that the Landlord asks the Tenant not to do so, the Tenant shall remove all alterations and additions made to the Property by or on behalf of the Tenant (either before or during the Term) and shall reinstate the Property to the Landlord's reasonable satisfaction.

4.15 EPC

- 4.15.1 The Tenant shall give the Landlord a copy of any EPC for the Property provided to or obtained by it after the date of this Lease.
- 4.15.2 The Tenant shall co-operate with the Landlord to facilitate the production of a new EPC for the Property from time to time and shall share any relevant information held by the Tenant which would assist the Landlord in that respect.

4.16 Landlord's right of entry

The Tenant shall allow the Landlord to exercise the rights of entry to the Property which are excepted and reserved from the letting by clause 3.5 and for all purposes in connection with any Superior Lease including to take any action or steps to remedy anything which shall or may or may tend to be a breach of non-observance thereof or to prevent any forfeiture or anticipated forfeiture thereof, freely and without obstruction.

4.17 Remedial notices

4.17.1 Whenever the Landlord gives written notice to the Tenant of any breach of its obligations or agreements under this Lease, the Tenant shall remedy that breach within two months (or sooner if requisite) of the Landlord's notice.

4.17.2 If the Tenant fails to remedy any breach in accordance with clause 4.17.1, and the Landlord enters the Property to remedy it, the Landlord may recover the cost of doing so as a debt due from the Tenant on demand.

4.18 Dealings

4.18.1 The Tenant shall not assign, underlet, part with or share possession of the whole or any part of the Property and shall not allow any other person to occupy the whole or any part of the Property except as expressly permitted by and in accordance with the provisions of clauses 4.19, 4.20 and 4.21.

4.18.2 The Tenant shall not hold the whole or any part of the Property on trust for any other person.

4.19 Assignment

4.19.1 The Tenant shall not assign the whole of the Property without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed).

4.19.2 It is agreed for the purposes of Section 19(1A) of the Landlord and Tenant Act 1927 that the Landlord may withhold its consent to assignment in any of the following circumstances:

- a) in the reasonable opinion of the Landlord the proposed assignee is not of sufficient financial standing to enable it to comply with the obligations of the Tenant under this Lease;
- b) the proposed assignee enjoys diplomatic or state immunity;
- c) the proposed assignee or any proposed surety for the assignee is incorporated in or an individual resident in a country outside the United Kingdom and there is no treaty for the mutual enforcement of judgements between the United Kingdom and that country;
- d) the proposed assignee is a Group Company of the Tenant

4.19.3 It is agreed for the purposes of Section 19 (1A) of the Landlord and Tenant Act 1927 that the Landlord may give its consent to assignment subject to all or any of the following conditions:

- a) the execution and delivery to the Landlord prior to or contemporaneously with the assignment of:
 - i an Authorised Guarantee Agreement by the Tenant and any former tenant who has not been released from the tenant covenants of this Lease by virtue of an excluded assignment, within the meaning of the 1995 Act; and
 - ii a guarantee of the obligations and agreements of the Tenant contained in any Authorised Guarantee Agreement entered into under clause 4.19.3a)i by any Surety for the Tenant who is not a Surety pursuant to an Authorised Guarantee Agreement;
- b) the payment to the Landlord of all rents and other sums due to the Landlord under this Lease and the remedying of any subsisting material breach of any of the obligations or agreements on the part of the Tenant under this Lease, in each case up to and including the date of assignment;
- c) the obtaining (and compliance with any conditions) of any requisite consent of any superior landlord, any mortgagee of the Landlord and any mortgagee of any superior landlord;
- d) where the Landlord reasonably so requires, the provision of a guarantor or guarantors acceptable to the Landlord (acting reasonably) for the proposed assignee such guarantor(s) to enter into a direct deed of covenant with the Landlord in the terms set out in Schedule 4 (with any necessary changes); and
- e) there is provided such other security as the Landlord reasonably requires for the observance and performance by the assignee of the obligations and agreements on the part of the Tenant under this Lease, such security and any related documentation to be provided at the expense of the Tenant.

4.19.4 The provisions of clauses 4.19.2 and 4.19.3 shall not prevent the Landlord from withholding its consent to assignment on any other ground if it would be reasonable to do so or from granting its consent subject to any other condition it may be reasonable to impose.

4.20 Underletting

4.20.1 The Tenant shall not underlet the whole of the Property unless:

- a) all of the requirements of clause 4.20.3 are satisfied; and
- b) the prior written consent of the Landlord is obtained (such consent not to be unreasonably withheld or delayed).

4.20.2 The Tenant shall not underlet part only of the Property

4.20.3 Before the grant of any underlease the Tenant shall procure that:

- a) the underlessee enters into a direct deed of covenant with the Landlord:
 - i to comply with the obligations and agreements on the part of the Tenant under this Lease (other than the payment of the rents hereby reserved) during the term of the underlease or until the underlessee is released by virtue of the 1995 Act;
 - ii to comply with the covenants and agreements on the part of the underlessee contained in the underlease during the term of the underlease or until the underlessee is released by virtue of the 1995 Act; and
 - iii to procure that any proposed assignee of the underlease enters into a direct deed of covenant with the Landlord in the terms of this clause 4.20.3a);
- b) (where the Landlord reasonably so requires) the underlessee provides a guarantor or guarantors acceptable to the Landlord (acting reasonably) which guarantor(s) shall enter into a direct deed of covenant with the Landlord in the terms set out in Schedule 4 (with any necessary changes to make it applicable to the underlease);
- c) the underlease contains a valid and enforceable agreement to exclude the provisions of sections 24-28 of the 1954 Act;
- d) any further underlease that may be granted to any guarantor(s) of the underlessee pursuant to the underlease or any deed of guarantee will exclude sections 24-28 of the 1954 Act;
- e) the terms of the underletting comply with the provisions of clause 4.20.4;
- f) if the Landlord so requires, the form of the underlease is first approved by the Landlord, such approval not to be unreasonably withheld or delayed where the provisions of clause 4.20.4 are satisfied.

4.20.4

- a) The Tenant shall not:
 - i grant any underlease for a fine or premium or a reverse premium;
 - ii underlet the whole of the Property at a rent less than the open market rent for the Property at the time of the grant of the underlease.
- b) Any underlease shall contain the following terms:
 - i (where the term of any underlease extends beyond a Review Date) provisions for the upward review of the rent reserved by the underlease in the same terms and on the same dates as this Lease;

- ii a provision prohibiting the underlessee from doing or allowing anything in relation to the underlet premises inconsistent with or which would be in breach of the terms of this Lease;
- iii 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 in the form, if any, required by this Lease;
- iv a covenant by the underlessee not to assign, underlet, mortgage, charge, part with or share possession of the whole or any part of the underlet premises and not to allow any person to occupy the whole or any part of the underlet premises save by way of an assignment of the whole;
- v a covenant not to assign the whole of the underlet premises without the prior written consent of the Landlord such consent not to be unreasonably withheld;
- vi a covenant by the underlessee not to hold the whole or any part of the underlet premises or the underlease on trust for any other person;

and shall otherwise be consistent with the provisions of this Lease.

4.20.5 In relation to any underlease the Tenant shall:

- a) enforce its terms and shall not waive any breach of its terms either expressly or by implication;
- b) not vary its terms without the prior written consent of the Landlord;
- c) not accept a surrender of it (or any part of the underlet premises) without the prior written consent of the Landlord;
- d) not to capitalise the rent reserved by it or accept any payment of such rent more than one quarter in advance;
- e) not to reduce the rent reserved by it;
- f) ensure that the rent reserved by it is reviewed in accordance with the terms of the underlease and in respect of each such rent review the Tenant shall:
 - i not agree the reviewed rent with an underlessee without the prior written consent of the Landlord;
 - ii not agree that the third party determining the rent in default of agreement shall act as an arbitrator or as an expert (where the underlease provides such an option) without the prior written consent of the Landlord;

- iii not agree upon the appointment of a person to act as a third party determining the rent in default of agreement without the prior written consent of the Landlord;
- iv incorporate as part of its submissions or representations to that third party such submissions or representations as the Landlord shall reasonably require;
- v give notice to the Landlord of the details of the determination of every rent review within one month of such determination;

the Landlord's consents specified in this clause 4.20.5 shall not be unreasonably withheld or delayed.

4.21 Group sharing

If the Tenant is a company it may share occupation of the Property with one or more company which is a Group Company of the Tenant on the following conditions:

- 4.21.1 no tenancy is created by the arrangement and no interest in or right in respect of the Property is conferred on any occupier;
- 4.21.2 immediately upon any company ceasing to be a Group Company of the Tenant, the Tenant shall procure that such company vacates the Property; and
- 4.21.3 the Tenant shall keep the Landlord informed of the name and registered office address of any Group Company with whom it shares occupation.

4.22 Charging

The Tenant shall not create any mortgage or charge over the whole or part only of the Property.

4.23 Registration of dealings

4.23.1 Within three days of every dealing with or devolution of the Property however remote, the Tenant shall give the Landlord or its solicitors:

- a) a certified copy of the document evidencing or effecting such dealing or devolution;
- b) in the case of an underlease in respect of which the provisions of sections 24 to 28 (inclusive) of the 1954 Act have been excluded, a certified copy of both the notice served by the landlord and of the declaration or statutory declaration in response given by the tenant and any guarantor pursuant to section 38A of the 1954 Act; and
- c) on each occasion to pay to the Landlord's reasonable registration fee being not less than seventy-five pounds (£75) and together with any registration fees payable to any Superior Landlord.

4.23.2 If this Lease is or should be registered at the Land Registry pursuant to the 2002 Act the Tenant shall:

- a) procure that a valid application for registration is made to the Land Registry for registration of every authorised assignment or other registrable disposition of this Lease within one month of the date of such assignment, underletting or disposition; and
- b) give the Landlord an official copy of both the title register and the title plan within ten Working Days of completion of such registration.

4.24 Legislation and compliance

- 4.24.1 The Tenant shall give the Landlord immediate notice of any defect in the Property which may impose an obligation on the Landlord to do or not to do something in order to comply with the duty of care imposed upon it by the Defective Premises Act 1972 and the Tenant shall display any notices at the Property which are needed to ensure that the Landlord complies with that Act.
- 4.24.2 The Tenant shall give the Landlord a copy of any notice, order, proposal, complaint or proceedings received by the Tenant in relation to the Property, its use or occupation as soon as it is received and the Tenant shall, at its own cost, take any steps in relation to it or them as the Landlord reasonably requires.
- 4.24.3 The Tenant shall comply with all legislation which affects the Property, its use or occupation, whether compliance is the responsibility of the owner, landlord, tenant or occupier and the Tenant shall at its own cost, carry out any works which may be required to ensure compliance.
- 4.24.4 The Tenant shall comply with any planning permission relating to the Property.
- 4.24.5 The Tenant shall not make any application under the Planning Acts, implement any planning permission or serve any notice on or enter into any agreement or undertaking with any planning authority in relation to the Property.
- 4.24.6 The Tenant shall pay any tax or levy charged under the Planning Acts in respect of the use of the Property or any alterations carried out to it.
- 4.24.7 At the end of the Term the Tenant shall pay the Landlord a fair and reasonable proportion of any compensation which has been received or is receivable by it because of any restriction placed on the use of the Property under the Planning Acts.
- 4.24.8 The Tenant shall comply with the requirements and recommendations of the Landlord and the fire or other enforcing authority relating to fire safety at the Property.

4.25 Encroachments

- 4.25.1 The Tenant shall not:
 - a) stop up or obstruct any window or opening at the Property;
 - b) do or omit to do something which would or might result in the loss of any right enjoyed by the Property or the Estate; or

- c) allow any right to be acquired over the Property and if any attempt is made to do so, to give immediate notice of it to the Landlord.

4.25.2 The Tenant shall, at its own cost, take any steps that the Landlord reasonably requires to prevent the acquisition of any right over the Property.

4.26 Letting and sale boards

The Tenant shall allow the Landlord to place a sign on the Property at any time for advertising the disposal of the Landlord's interest in the Property and in the last 6 months of the Term, for reletting the Property. Any such sign shall not be obscured or moved by the Tenant and the Landlord shall not position it in such a way as to materially interrupt the access of light and air to the Property.

4.27 Yield up

4.27.1 At the end of the Term the Tenant shall:

- a) remove all signage from the Property and the Estate and remove from the Property all Tenant's fixtures, chattels and other goods and make good any damage caused by doing so;
- b) return all keys to the Property to the Landlord; and
- c) yield up the Property to the Landlord with vacant possession, cleaned and in the state and condition required by this Lease.

4.27.2 If the Tenant leaves any fixtures, chattels or other goods in the Property at the end of the Term:

- a) the Landlord may dispose of them as agent for and at the cost of the Tenant;
- b) the Tenant shall indemnify the Landlord against any liability to any third party whose property has been disposed of by the Landlord in the mistaken but bona fide belief that those items belonged to the Tenant;
- c) the Landlord may deduct from any proceeds of sale any costs properly incurred in connection with the removal, storage or sale of such items and any other sums which are still due to the Landlord under the terms of this Lease and the Landlord shall account to the Tenant for any subsequent balance.

4.28 Registration at the Land Registry

4.28.1 The Tenant shall as soon as practicable after completion of this Lease (and in any event within two months), submit a valid application to the Land Registry for registration of this Lease.

4.28.2 The Tenant shall ensure that any requisitions raised by the Land Registry in connection with the application for registration are dealt with properly and within the prescribed time limit and shall provide the Landlord with either a certified copy or an official copy

of both the title register and the title plan immediately after completion of the registration.

4.28.3 At the end of the Term the Tenant shall as soon as practicable apply to the Land Registry to close the registers of title for this Lease and to remove any notice of this Lease and any easements granted by it from the registers of Title Number HP530444.

4.28.4 In the event that the Tenant fails to comply with any of its registration requirements in this clause 4.28, the Landlord may, as agent for the Tenant, make an application to the Land Registry of such nature as the Tenant has agreed but failed to make.

4.29 Covenants affecting reversion

The Tenant shall observe and perform the matters contained or referred to in

4.29.1 Title number HP530444 which affect the Property or any rights granted to the Tenant under this Lease; and

4.29.2 contained or referred to in any Superior Lease (except the covenants to pay rent); and

shall keep the Landlord indemnified against all actions claims demands costs expenses damages and liability in any way relating thereto

5 INSURANCE

5.1 Landlord's obligations

5.1.1 The Landlord shall insure:

- a) the Estate for its full reinstatement cost against loss or damage by the Insured Risks including the costs of shoring up, demolition, site clearance, professional fees and ancillary costs together in each case with VAT;
- b) loss of rental income for a period of not less than 3 years including any VAT payable on the rental income and taking into account the Landlord's reasonable estimate of any likely increase in the rental income during that period; and
- c) public and employer's liability in such amounts as the Landlord reasonably considers appropriate.

5.1.2 The Landlord's obligation to insure under clause 5.1.1 is subject to:

- a) cover being available on terms which are reasonably acceptable to the Landlord and at a reasonable cost;
- b) such excesses, exclusions, limitations and conditions as the insurers may impose or the Landlord may properly negotiate; and
- c) any insurance not being made void or voidable by any act or omission of the Tenant.

- 5.1.3 Any commission which the insurers may pay or allow to the Landlord shall belong to it absolutely and the Landlord will not be obliged to account for it to the Tenant.
- 5.1.4 At the request and cost of the Tenant but not more often than once a year, the Landlord shall give the Tenant reasonable evidence of its insurance for the Estate and evidence that it is subsisting in effect.
- 5.1.5 Subject to clause 5.1.7, following Insured Damage, the Landlord shall:
- a) use reasonable endeavours to obtain any planning consent and other consents or approvals required for reinstatement of the Insured Damage; and
 - b) subject to those being obtained and to all necessary labour and materials being and remaining available, apply the insurance money it receives pursuant to clause 5.1.1a) (attributable to the Property) in reinstating the Insured Damage.
- 5.1.6 In carrying out reinstatement works the Landlord may make variations to the layout, design and specification of the Property so long as the accommodation and facilities provided for the Tenant are reasonably comparable to those enjoyed by it before the damage or destruction.
- 5.1.7 The obligations of the Landlord under clause 5.1.5 will not apply if:
- a) any insurance money is irrecoverable because of any act or omission of the Tenant unless the Tenant has paid the amounts irrecoverable under clause 5.2.1a);
 - b) the Tenant fails to pay the amounts required from it under clause 5.2.1b)
 - c) the Landlord is prevented from reinstating the Insured Damage because:
 - i having used its reasonable endeavours to do so, it is unable to obtain any planning consent or other consent or approval required;
 - ii the necessary labour and materials are not or do not remain available; or
 - iii reinstatement is prevented for any reason beyond its control; or
 - d) notice to end this Lease has been given in accordance with clause 5.4.1.
- 5.1.8 If Insured Damage renders the whole or substantially the whole of the Property unfit for occupation and use or inaccessible and the obligations of the Landlord under clause 5.1.5 do not apply for any reason falling within clause 5.1.7 (except for 5.1.7d), the Landlord may give the Tenant written notice to end this Lease, which notice shall have immediate effect.
- 5.1.9 All insurance money payable will belong to the Landlord.

5.2 Tenant's obligations

- 5.2.1 The Tenant shall pay to the Landlord on demand:

made fit for occupation and use and accessible or, if earlier, until the end of the period for which the Landlord has insured against loss of rent.

5.3.2 Clause 5.3.1 will not apply if and to the extent that any loss of rent insurance has been made ineffective or payment of it has been refused by the insurers because of any act or omission of the Tenant.

5.3.3 The Property shall not be treated as unfit for occupation and use because Tenant's fixtures have not been reinstated.

5.3.4 Any dispute about the operation of clause 5.3.1 shall be referred to arbitration.

5.4 Termination

5.4.1 If:

- a) the Principal Rent is suspended under clause 5.3.1 by reason of the whole or substantially the whole of the Property being rendered unfit for occupation and use or inaccessible by Insured Damage; and
- b) the Landlord has not substantially reinstated the Property and the means of access to it by the date six months before the end of the period for which the Landlord has insured against loss of rent;

then, at any time on or after that date, either the Landlord or the Tenant may end this Lease by not less than six month's written notice to the other party. This Lease will then end on the expiry of that notice unless, by that date, the Property has been substantially reinstated and made accessible.

6 QUIET ENJOYMENT

The Tenant may occupy the Property during the Term without any interruption by the Landlord or any person lawfully claiming through under or in trust for it, except as permitted by this Lease.

7 ESTATE SERVICES

7.1 The Landlord shall use its reasonable endeavours to:

7.1.1 repair and maintain the Common Parts;

7.1.2 keep the Common Parts reasonably clean;

7.1.3 provide such security personnel at the Estate as the Landlord reasonably considers to be appropriate; and

7.1.4 keep the Common Parts adequately lit during such hours as the Landlord reasonably considers to be appropriate

7.2 The Landlord may but shall not be under any obligation to undertake, provide or incur any other of the other Services and Costs.

- 7.3 The Landlord may add to or change the way in which it provides the Estate Services or add to, withdraw or change the way in which it undertakes, provides or incurs any of the Services and Costs if it reasonably considers that to do so would be for the proper management or maintenance of the Estate.
- 7.4 The Landlord will not be liable for any failure or interruption in the provision of the Estate Services:
- 7.4.1 whilst the Tenant is in arrears with any rent or other sums due to the Landlord under this Lease;
 - 7.4.2 arising from any cause or circumstance beyond the reasonable control of the Landlord including damage or destruction, mechanical breakdown, malfunction, malicious damage, shortages or labour disputes; or
 - 7.4.3 during any proper inspection, servicing, maintenance, repair, replacement or other works.
- 7.5 In the circumstances mentioned in clause 7.4.3, the Landlord shall use its reasonable endeavours to reinstate the provision of the Estate Services as soon as is reasonably practicable.
- 7.6 In any event, the Landlord will not be liable for any failure or interruption in the provision of the Estate Services unless the Tenant has notified the Landlord in writing of the failure or interruption that has occurred and the Landlord has failed to remedy that failure or interruption within a reasonable time.
- 7.7 The Landlord may employ contractors, managing agents or other suitably qualified persons to provide or assist in the provision of any of the Estate Services.

8 SERVICE CHARGE

- 8.1 The Tenant shall pay the Landlord the Service Charge in respect of each Service Charge Year. The Service Charge shall be payable by way of Service Charge Advance and Service Charge Balance in accordance with the provisions of this clause 8.
- 8.2 Before or as soon as reasonably practicable after the start of each Service Charge Year the Landlord shall notify the Tenant of the Service Charge Advance in respect of that Service Charge Year.
- 8.3 The Tenant shall pay the Service Charge Advance in equal quarterly instalments in advance on the quarter days.
- 8.4 In respect of the Service Charge Year current at the date of this Lease the Tenant shall make the first payment in respect of the Service Charge Advance on the date of this Lease which amount shall be apportioned and calculated on a daily basis for the period from and including the date of this Lease to the next following quarter day.
- 8.5 If the Landlord has not notified the Tenant of the Service Charge Advance in respect of any Service Charge Year before the first quarterly instalment of that sum falls due the Tenant shall:

- 8.5.1 continue to pay the Service Charge Advance at the rate that was payable in respect of the previous Service Charge Year; and
 - 8.5.2 immediately on such notification being received, pay to the Landlord any additional amounts that would have been payable had the Service Charge Advance in respect of that Service Charge Year been notified to the Tenant before the first instalment of it fell due.
- 8.6 The Landlord may by notice revise the Service Charge Advance in respect of any Service Charge Year in order to take account of any material increase in the Expenditure for that Service Charge Year which is incurred or which it reasonably expects will be incurred and the Tenant shall adjust the remaining instalments of the Service Charge Advance for that Service Charge Year so that the revised Service Charge Advance is paid by the end of the Service Charge Year.
- 8.7 As soon as reasonably practicable after the end of each Service Charge Year the Landlord shall give the Tenant a statement showing in respect of that Service Charge Year:
 - 8.7.1 the total Expenditure;
 - 8.7.2 the Service Charge;
 - 8.7.3 the Service Charge Advance paid by the Tenant; and
 - 8.7.4 the Service Charge Balance.
- 8.8 In calculating the Expenditure in respect of any Service Charge Year, the Landlord may include:
 - 8.8.1 such sum as the Landlord shall reasonably require by way of provision for recurring Expenditure which for the avoidance of doubt may be incurred after the end of the Term and which sums shall be and remain the property of the Landlord;
 - 8.8.2 such sum as the Landlord in its absolute discretion requires by way of provision for anticipated Expenditure which for the avoidance of doubt may be incurred after the end of the Term and which sums shall be and remain the property of the Landlord;
 - 8.8.3 the Landlord's own reasonable management fee where the Landlord an employee or a Group Company of the Landlord undertakes any of the functions referred to in paragraph 22 of Schedule 5;
 - 8.8.4 any sum omitted from the calculation of the Expenditure in any previous Service Charge Year;
 - 8.8.5 Expenditure incurred in the Service Charge Year current at the date of this Lease notwithstanding that it may have been incurred before the date of this Lease;
 - 8.8.6 Expenditure incurred in the Service Charge Year current at the end of the Term, notwithstanding that it may have been incurred after the end of the Term;
- 8.9 The Landlord's statement shall be certified by the Landlord or the Landlord's managing agents, accountant or surveyor (who may be an employee or a Group Company of the Landlord) that it

gives a true and fair summary of the matters to which it relates and shall be conclusive evidence of those matters except in the case of manifest error or questions of law.

8.10 If, in respect of any Service Charge Year the Service Charge:

8.10.1 exceeds the Service Charge Advance paid by the Tenant, the Tenant shall pay the Service Charge Balance to the Landlord on demand;

8.10.2 is less than the Service Charge Advance paid by the Tenant, the overpayment shall be credited against future payments of Service Charge by the Tenant or, at the end of the Term set off against any other sums due to the Landlord from the Tenant and any balance shall then be repaid to the Tenant.

8.11 The provisions of this clause 8 shall continue to apply after the end of the Term.

9 SUPERIOR LEASE

The Landlord covenants with the Tenant to pay the rents reserved by the Superior Lease under which the Landlord holds the Property and by way of indemnity only to observe and perform the covenants and conditions on the part of the tenant therein contained save to the extent that the same are to be observed or performed by the Tenant under this Lease.

10 FORFEITURE

The Landlord may re-enter the Property or any part of it in the name of the whole and by doing so end this Lease if:

10.1.1 any rent or other sum payable under this Lease has not been paid 15 Working Days after the due date for payment, whether formally demanded or not;

10.1.2 the Tenant breaches any of its obligations or agreements under this Lease;

10.1.3 any Surety breaches any of its obligations or agreements under this Lease; or

10.1.4 a Terminating Event occurs in relation to the Tenant or any Surety or, where the Tenant or Surety comprise more than one person, a Terminating Event occurs in relation to any of them.

11 AGREEMENTS AND DECLARATIONS

11.1 The access of any light and air to the Property is enjoyed with the consent of the Landlord only and no rights are granted to or shall be acquired by the Tenant.

11.2 This Lease does not confer on the Tenant any rights other than those expressly granted and section 62 of the Law of Property Act 1925 and the rule in Wheeldon v Burrows do not apply to this Lease.

11.3 No liability shall attach to any person in respect of any breach of any of the obligations or agreements on the part of the Landlord under this Lease which occurs at any time after that person has parted with the whole of the reversion immediately expectant on the end of the Term.

- 11.4 The Landlord shall not be liable to the Tenant or any other person for any damage or loss to any person or property arising (either directly or indirectly) from any act or omission of its employees, agents or contractors or any tenant or occupier of the Estate or any Adjoining Property.
- 11.5 The Landlord does not warrant that the Property is fit for or may be lawfully used for the use permitted by this Lease or for any other use.
- 11.6 To the extent that the law allows, neither the Tenant nor any person deriving title from it shall be entitled to claim any compensation from the Landlord on quitting the Property.
- 11.7 The Tenant acknowledges that it has not entered into this Lease in reliance upon any representation or warranty made by or on behalf of the Landlord except those of the Landlord's solicitors written replies to the Tenant's solicitors enquiries which are not capable of verification by making all appropriate investigations, searches and enquiries of third parties, whether or not those investigations, searches and enquiries have actually been made.
- 11.8 The Tenant's obligations and agreements shall remain in full force at law and in equity despite any temporary waiver or release of any of them.
- 11.9 The Tenant shall not be entitled to benefit from or to enforce any obligation or agreement entered into by any other tenant or occupier of the Estate or any Adjoining Property. The Landlord shall be entitled to waive, release, modify, enforce or impose any such obligation or agreement as it thinks fit.
- 11.10 Any dispute between the Tenant and any other tenant or occupier of the Estate or any Adjoining Property belonging to the Landlord shall be determined by the Landlord who shall act fairly and reasonably and whose decision shall be final and binding.
- 11.11 Any dispute involving the Landlord may, at the Landlord's option, be referred to arbitration or to an independent expert.
- 11.12 When this Lease ends it shall be without prejudice to any right or remedy of the Landlord against the Tenant or any Surety in relation to any prior breach of their respective obligations or agreements under this Lease.
- 11.13 If any Surety suffers a Terminating Event or, in the case of an individual, dies the Tenant shall give the Landlord immediate notice of it. If required to do so by written notice of the Landlord the Tenant shall at its own cost and within 20 Working Days of the Landlord's notice procure that another person acceptable to the Landlord (acting reasonably) executes and delivers to the Landlord a deed of guarantee on the same terms and in substitution for the guarantee provided by the Surety in respect of whom the Terminating Event occurred.
- 11.14 This Lease and any claim or matter arising under or in connection with it shall be governed by and construed in accordance with the law of England and Wales.
- 11.15 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction over any claim or matter arising under or in connection with this Lease.
- 11.16 This Lease is a new tenancy for the purposes of the 1995 Act.

- 11.17 A person who is not a party to this Lease shall not have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Lease.

12 NOTICES

- 12.1 Any notice required to be given under this Lease shall be in writing and shall be:

12.1.1 delivered by hand; or

12.1.2 sent by first class post or first class recorded delivery or other next Working Day delivery service; or

12.1.3 delivered by commercial courier.

- 12.2 Any notice required to be given under this Lease shall be sent or delivered as specified in clause 12 to a party at its registered office if the party is a company or a limited liability partnership or, in any other case, to a party's last known address

- 12.3 Unless it is proved that the time of actual receipt is earlier, any notice given under this clause shall be deemed to have been received:

12.3.1 if delivered by hand, when left at the address referred to in this clause 12; or

12.3.2 if sent by first class post or first class recorded delivery or other next Working Day delivery service, at 10.00am on the second Working Day after posting; or

12.3.3 if delivered by commercial courier, on the date and at the time (if given) that the courier's delivery receipt is signed.

- 12.4 If the Tenant or any Surety comprises more than one person, the service of any notice on any one of those persons will constitute good service on all of them.

13 EXCLUSION OF THE 1954 ACT

- 13.1 The Tenant confirms that before the date of this Lease:

13.1.1 the Landlord served on the Tenant a notice dated 2016 in relation to the tenancy created by this Lease (the "Notice") in a form complying with the requirements of Schedule 1 to the 2003 Order;

13.1.2 the Tenant or a person duly authorised by the Tenant in relation to the Notice made a statutory declaration (the "Declaration") dated 2016 in a form complying with the requirements of Schedule 2 of the 2003 Order.

- 13.2 The Tenant further confirms that where the Declaration was made by a person other than the Tenant the declarant was duly authorised by the Tenant to make the Declaration on the Tenant's behalf.

- 13.3 The Landlord and the Tenant confirm that there is no agreement for lease to which this Lease gives effect.

13.4 The Landlord and Tenant agree to exclude the provisions of sections 24 to 28 (inclusive) of the 1954 Act in relation to the tenancy created by this Lease.

13.5 The parties confirm that:

13.5.1 the Landlord served a notice on the Surety in a form complying with the requirements of Schedule 1 to the 2003 Order applying to the tenancy to be entered into by the Surety pursuant to paragraph 10.1 of Schedule 4 before this lease was entered into; and

13.5.2 the Surety or a person duly authorised by the Surety made a statutory declaration dated in a form complying with the requirements of Schedule 2 of the 2003 Order.

14 BREAK OPTION

14.1 The Landlord may end this Lease at any time by giving written notice to the Tenant not less than twelve months before a date specified in such notice (the "**Break Date**") conditional upon the Landlord evidencing as at the Break Date an intention to commence demolition and/or reconstruction and/or refurbishment of the Building within twelve months of the Break Date.

14.2 If the Lease terminates on the Break Date in accordance with this clause 14 then, within 28 days of the Break Date, the Landlord shall refund to the Tenant the proportion of any Principal Rent paid by the Tenant as soon as reasonably practicable which relate to any period from (but not including) the Break Date.

15 THE SURETY'S COVENANTS

In consideration of the grant of this Lease to the Tenant at the request of the Surety, the Surety covenants with the Landlord in the terms of Schedule 4.

IN WITNESS of which this document has been duly executed as a deed and delivered on the date stated at the beginning of this document.

SCHEDULE 1

Rights granted

- 1 The right of access to and from the Property on foot only over those Common Parts designated by the Landlord from time to time for use by the Tenant.
- 2 The right to use each of the following within the Common Parts as are designated by the Landlord from time to time for use by the Tenant:
 - 2.1 any service area for loading and unloading and otherwise servicing the Property; and
 - 2.2 the service roads with or without vehicles to come and go to and from the Property and any designated service area.
- 3 The right to deposit non-toxic rubbish in any receptacles or waste compactors within the Common Parts provided by the Landlord from time to time and designated by it from time to time for use by the Tenant.
- 4 The right to display the name of the Tenant in such form and size as the Landlord (acting reasonably) may specify or permit on the exterior of the Property and on any appropriate Estate name board at the entrance to the Estate.
- 5 The right to use the Conduits at the Estate which currently serve the Property for the free passage and transmission of the Utilities to and from the Property.
- 6 The right of support and protection for the Property from the remainder of the Estate to the extent existing at the date of this Lease.
- 7 The right, on reasonable prior notice to the Landlord (except in an emergency when the Tenant may break and enter without notice), with or without plant, machinery and equipment, to enter so much as is necessary of the Common Parts in order to clean, decorate, maintain, repair or renew the Property in accordance with the obligations and agreements on the part of the Tenant under this Lease where such works cannot reasonably be carried out from inside the Property.

SCHEDULE 2

Rights excepted and reserved

- 1 The right to use the Conduits now or at any time at the Property for the free passage and transmission of the Utilities to and from the remainder of the Estate.
- 2 The right to enter the Property on reasonable prior notice to the Tenant (except in an emergency when the person exercising such right may break and enter without notice) with or without plant, machinery and equipment:
 - 2.1 to inspect, clean, repair, renew, replace, reroute and connect into any Conduits at the Property but which do not form part of it and to install new Conduits at the Property at any time during the Term;
 - 2.2 to comply with any of its obligations to the Tenant or any other persons;
 - 2.3 to exercise any of its rights excepted and reserved by this Lease;
 - 2.4 to view and examine the state and condition of the Property;
 - 2.5 to remedy any breach of the Tenant's obligations or agreements under this Lease;
 - 2.6 to inspect and measure the Property in connection with any valuation of the Estate, a review of the Principal Rent or the renewal of this Lease;
 - 2.7 to audit the environmental performance of the Property;
 - 2.8 to take schedules or inventories of the Landlord's fixtures;
 - 2.9 to fix a sale notice or in the last 6 months of the Term a letting notice to the exterior of the Property but not so as to materially obstruct or interfere with the access of light and air to the Property;
 - 2.10 to show the Property to a prospective buyer or, in the last 6 months of the Term, to prospective tenants;
 - 2.11 to carry out any works on or to any other part of the Estate; and
 - 2.12 for any other reasonable purpose in connection with this Lease, the management or maintenance of the Estate or the Landlord's interest in the Estate.
- 3 Rights of support and protection for the remainder of the Estate from the Property.
- 4 The right to alter, add to, build on, extend, demolish and redevelop the remainder of the Estate and any Adjoining Property and to build into any of the boundary walls, foundations or roofs of the Property or to permit any other person to do any such thing in such manner as the Landlord (or other person exercising this right), thinks fit even if such works obstruct or interfere with the access of light and air to the Property or causes nuisance, damage, annoyance or

inconvenience to the Tenant or any other occupier of the Property without any compensation being payable.

- 5 The right to erect scaffolding on the Property and to operate cranes oversailing the Property in connection with any work to be carried out at the Estate or on any Adjoining Property despite any temporary obstruction of or interference with the access to or use or enjoyment of the Property.
- 6 All rights excepted or reserved to any Superior Landlord under any Superior Lease.

SCHEDULE 3

Rent review

1 DEFINITIONS

In this Schedule the following definitions apply:

"Independent Surveyor"

an independent chartered surveyor of not less than ten years standing who is experienced in the valuation of lettings of property similar to and in the same locality as the Property;

"Open Market Rent"

the yearly rent at which the Property could reasonably be expected to be let as a whole in the open market on the relevant Review Date by a willing landlord to a willing tenant with vacant possession without a fine or premium for a term of ten years commencing on the relevant Review Date and otherwise on the same terms as this Lease except for:

- a) the amount of the Principal Rent reserved by this Lease; and
- b) any rent free period rent concession or other inducement received by the Tenant in relation to the grant of this Lease;
- c) the break provisions set out in clause 13 of this Lease;

but including the provisions for the review of rent and making the following assumptions:

- a) that the Property is fit and ready for immediate occupation and use;
- b) that the Property in its assumed state is suitable for and may lawfully be used by the willing tenant for any purpose permitted by this Lease and that the willing tenant has the benefit of any consent or licence that is or may be required to use it for that purpose;
- c) that no work has been carried out to the Property or any other part of the Estate by the Tenant, any undertenant or their respective predecessors in title or other occupier of the Property before or during the Term which has reduced the rental value of the Property;

- d) that the obligations and agreements on the part of the Landlord and the Tenant contained in this Lease have been fully observed and performed;
- e) that if the Property or any other part of the Estate have been destroyed or damaged they have been fully rebuilt and reinstated;
- f) any rent free period, rent concession or other inducement which might have been granted or paid in the open market for the purposes of fitting out has expired or been paid;
- g) that the rent commencement date in the hypothetical lease is on the same date as the relevant Review Date;

but disregarding the following matters:

- a) any effect on rent of:
 - i the fact that the Tenant, any authorised undertenant or their respective predecessors in title or other occupier have been in occupation of the Property;
 - ii any goodwill attached to the Property by reason of any business carried on at the Property by the Tenant, any authorised undertenant or their predecessors in title or other occupier;
 - iii any obligation to remove or reinstate any alteration or improvement made to the Property or any other part of the Estate;
- b) any increase in rental value attributable to the existence at the relevant Review Date of any physical improvement to the Property carried out with all requisite consents during the Term by or at the expense of the Tenant any authorised undertenant or their respective predecessors in title and otherwise than in pursuance of an obligation to the Landlord or its predecessors in title;

"President"

the President for the time being of the Royal Institution of Chartered Surveyors and includes any person duly authorised to make appointments on his behalf at the relevant time;

"Rent restrictions"

any statutory restriction for the control of rent in force on a Review Date or on the date on which any increased rent is ascertained in accordance with this Schedule and which operates to impose any limitation whether in time or amount

on the collection of an increase in the rent first reserved by this Lease or any part of it.

2 UPWARDS ONLY REVIEW

The Principal Rent first reserved by this Lease shall be reviewed on each Review Date in accordance with the provisions of this Schedule and from and including each Review Date such rent shall be equal to the higher of:

2.1.1 the Principal Rent payable immediately before the relevant Review Date (or which would then be payable but for any suspension of it or restriction on the right to collect it); and

2.1.2 the Open Market Rent at the relevant Review Date.

3 AGREEMENT OR DETERMINATION OF THE REVIEWED RENT

The Open Market Rent at each Review Date may be agreed in writing by the Landlord and the Tenant at any time before it is determined by an Independent Surveyor.

If for any reason the Open Market Rent has not been agreed three months before the relevant Review Date the Landlord or Tenant may require it to be determined by an Independent Surveyor.

The Independent Surveyor may be appointed by agreement between the Landlord and Tenant or by the President upon the application of either of them.

4 FUNCTION OF THE INDEPENDENT SURVEYOR

4.1 The Independent Surveyor shall:

4.1.1 at the option of the Landlord act either as an arbitrator in accordance with the Arbitration Act 1996 or as an expert;

4.1.2 if the Independent Surveyor is to act as an expert, he shall:

- a) invite the Landlord and Tenant to exchange and to copy to him written representations and supporting documents and to exchange and copy to him cross representations in respect of the other party's submissions;
- b) consider the submissions made to him by the Landlord and Tenant although he shall not be bound by them; and
- c) give his decision in writing with reasons for it.

4.2 If acting as an expert the decision of the Independent Surveyor shall be final and binding.

5 COSTS OF REFERENCE TO INDEPENDENT SURVEYOR

Responsibility for the costs of appointment and fees and costs of the Independent Surveyor (acting as an expert) shall be decided by him and in the absence of any decision by him shall be shared equally between the Landlord and Tenant.

6 APPOINTMENT OF A NEW INDEPENDENT SURVEYOR

If the Independent Surveyor dies, delays or becomes unwilling or unable to carry out and complete his duties the Landlord or the Tenant may apply to the President to discharge the Independent Surveyor and to appoint another in his place. This procedure may be repeated as many times as necessary.

7 INTERIM PAYMENTS

7.1 If the Open Market Rent has not been agreed or determined before the relevant Review Date the Tenant shall continue to pay the Landlord rent at the rate of the Principal Rent which was payable immediately before the relevant Review Date.

7.2 Immediately on the agreement or determination of the Open Market Rent, the Tenant shall pay the Landlord:

7.2.1 any shortfall between the amount of Principal Rent paid and the revised Principal Rent for the period starting with the relevant Review Date and ending on the day before the quarter day following that agreement or determination; and

7.2.2 interest on that shortfall at the Interest Rate for the periods from and including the date that each part of that shortfall would have been payable had the Open Market Rent been agreed or determined before the relevant Review Date until the date on which payment of the shortfall is made.

8 RENT RESTRICTIONS

If, at any time, Rent Restrictions prevent the operation of the provisions for review of the Principal Rent (in whole or in part) or the normal collection and retention by the Landlord of any increase in it or any instalment or part of it, then:

8.1.1 the operation of the provisions for review of the Principal Rent shall be postponed to take effect on the first date or dates thereafter on which such operation may occur;

8.1.2 the collection of any increase in the Principal Rent shall be postponed to take effect on the first date or dates thereafter that such increase may be collected and retained in whole or in part and on as many occasions as shall be required to ensure the collection of the whole increase;

and until the Rent Restrictions shall be relaxed either partially or wholly, the Principal Rent shall be the maximum sum for the time being permitted by the Rent Restrictions.

9 MEMORANDA OF REVISED RENT

After each review of the Principal Rent, the Landlord and Tenant shall sign and exchange memoranda recording the amount of the Principal Rent with effect from the relevant Review Date. Each party shall bear their own costs in this respect.

10 TIME NOT OF THE ESSENCE

For the purposes of this Schedule, time shall not be of the essence.

SCHEDULE 4

Covenants by the Surety

1 DEFINITIONS

In this Schedule the following definition applies:

- | | |
|----------------|---|
| "Right" | a) a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and |
| | b) any other right or benefit whether arising by set-off, counterclaim, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise. |

2 GUARANTEE AND INDEMNITY

2.1 The Surety irrevocably and unconditionally:

- 2.1.1 guarantees to the Landlord that the Tenant shall observe and perform its obligations and agreements under this Lease;
- 2.1.2 undertakes with the Landlord that whenever the Tenant fails to pay when due any of the rents or fails to observe or perform any of its obligations and agreements under this Lease, the Surety shall immediately on demand pay that amount or observe or perform that obligation (as the case may be) as if it was the Tenant; and
- 2.1.3 agrees with the Landlord, as an independent and primary obligation, to indemnify the Landlord immediately on demand against all costs, expenses, losses, damages and liability incurred by the Landlord arising (either directly or indirectly) from any failure by the Tenant to pay when due any of the rents or to observe or perform any of its obligations or agreements under this Lease.

2.2 The guarantee and indemnity contained in paragraph 2.1 apply for the whole of the Term subject to the provisions of the 1995 Act.

3 CONTINUING GUARANTEE

The guarantees and indemnities contained in paragraphs 2.1 and 11.1 are each continuing security and will extend to the ultimate balance from time to time owing to the Landlord in respect of the obligations expressed to be guaranteed or indemnified (as the case may be) by them, regardless of any intermediate payment or discharge in whole or in part.

4 REINSTATEMENT

If any discharge, release or arrangement (whether in respect of the obligations of the Tenant or the Surety or any security for those obligations or otherwise) is made by the Landlord in whole or in part on the basis of any payment, security or other disposition which is avoided or

must be restored in insolvency, liquidation, administration or otherwise, then the liability of the Surety under this Lease will continue or be reinstated as if the discharge, release or arrangement had not occurred.

5 WAIVER OF DEFENCES

Subject to the provisions of the 1995 Act, the obligations of the Surety under this Lease will not be affected by an act, omission, matter or thing which, but for this paragraph 5, would reduce, release or prejudice any of the Surety's obligations under this Lease (whether or not known to the Tenant, the Surety or the Landlord) including:

- 5.1.1 any neglect, delay or forbearance of the Landlord in enforcing payment of the rents or the amounts required to be paid by the Tenant or any other person who is liable for the performance or observance of any of the obligations of the Tenant or any other person under this Lease;
- 5.1.2 the release of the Tenant or any other person under the terms of any composition or arrangement with any creditor of the Tenant or any other person;
- 5.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of the Tenant, the Surety or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 5.1.4 any refusal by the Landlord to accept rent tendered by or on behalf of the Tenant, the Surety or any other person who is liable following a breach of covenant by the Tenant;
- 5.1.5 any time, waiver or consent given to, or composition with, the Tenant, the Surety or other person;
- 5.1.6 any amendment, novation, variation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of this Lease (including any reviews of the rent payable under this Lease) or any other document or security or the transfer of the Landlord's reversion or the assignment of this Lease;
- 5.1.7 any surrender of any part of the Property (in which event the liability of the Surety shall continue in respect of the part of the Property not so surrendered after making any necessary apportionments under section 140 of the Law of Property Act 1925);
- 5.1.8 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Tenant, the Surety or any other person;
- 5.1.9 any unenforceability, illegality, invalidity of any obligation of any person under this Lease or any other document or security; and
- 5.1.10 a Terminating Event occurring in relation to the Tenant, the Surety or any other person or the death or incapacity (whether mental or physical) of the Tenant, the Surety or any other person (if an individual).

6 IMMEDIATE RECOURSE

The Surety waives any right it may have of first requiring the Landlord (or any trustee or agent on its behalf) to proceed against or enforce any other Rights or claim payment from any person or file any proof or claim in any bankruptcy, insolvency, administration, winding-up or liquidation

proceedings relative to any other person before claiming from the Surety under the guarantees and indemnities contained in paragraphs 2.1 and 11.1. This waiver applies irrespective of any law or any provision in any agreement to the contrary.

7 APPROPRIATIONS

Until all amounts which may be or become payable by the Tenant or the Surety under or in connection with this Lease have been irrevocably paid in full, the Landlord (or any trustee or agent on its behalf) may:

- 7.1.1 refrain from applying or enforcing any other moneys or Rights held or received by the Landlord (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Surety shall not be entitled to the benefit of the same; and
- 7.1.2 hold in an interest-bearing suspense account any moneys received from the Surety or on account of the Surety's liability under this Lease.

8 DEFERRAL OF SURETY'S RIGHTS

The Surety warrants that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Tenant, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Surety under this Lease. If, in breach of this paragraph 8, any Right is taken, exercised or received by the Surety, it shall:

- 8.1.1 hold that Right and all monies at any time received or held in respect of that Right on trust for the Landlord for application in or towards the discharge of obligations of the Surety under this Lease; and
- 8.1.2 promptly transfer, assign or pay to the Landlord, on demand, all Rights and all monies held on trust by the Surety under this paragraph 8.

9 ADDITIONAL SECURITY

The guarantees and indemnities contained in paragraphs 2.1 and 11.1 are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by the Landlord. The Surety shall not be entitled to claim or participate in any other guarantee, indemnity or any other Right held by the Landlord.

10 DISCLAIMER OR FORFEITURE OF LEASE

10.1 If:

- 10.1.1 the Tenant (being an individual) becomes bankrupt or (being a company) enters into any insolvency, administration, winding-up or liquidation proceedings and the trustee in bankruptcy, administrator or liquidator disclaims or surrenders this Lease; or
- 10.1.2 this Lease is forfeited;

and, within 90 days of such disclaimer or other event, the Landlord gives written notice to the Surety, requiring it to do so, the Surety shall accept from, execute and deliver to the Landlord a counterpart of a new lease of the Property upon the terms set out in paragraph 10.2.

10.2 The new lease shall:

- 10.2.1 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;
- 10.2.2 be granted for a term commencing on the date of the disclaimer or other event and equal in length to the residue of the term specified in clause LR6 which would have remained had there been no disclaimer or other event;
- 10.2.3 reserve by way of principal rent;
 - a) an amount equal to the Principal Rent payable immediately prior to the date of the disclaimer or other event (or which would then be payable but for any suspension of it or restriction on the right to collect it); or if greater;
 - b) an amount equal to the Principal Rent which would then have been payable had any outstanding rent review under this Lease been agreed or determined in accordance with Schedule 3 before the date of the disclaimer or other event (but for any suspension of it or restriction on the right to collect it); and

with no provision for a rent free period;

- 10.2.4 impose on the Surety the same obligations as the Tenant was subject to immediately before the disclaimer or other event;
- 10.2.5 otherwise contain the same terms and provisions as this Lease including the provisions for rent review except that the Surety shall not be required to procure that any other person is made a party to the new lease as surety;
- 10.2.6 be excluded from sections 24-28 of the 1954 Act; and
- 10.2.7 be completed at the cost of the Surety.

- 10.3 If the Landlord does not require the Surety to take a new lease the Surety shall pay to the Landlord, on demand, a sum equal to the rents and other sums that would have been payable under this Lease but for the disclaimer or other event in respect of the period from and including the date of such disclaimer or other event for the period of 12 months thereafter or, if earlier, until the date on which the Landlord grants a lease of the whole of the Property to a third party.

11 AUTHORISED GUARANTEE AGREEMENTS

11.1 The Surety irrevocably and unconditionally:

- 11.1.1 guarantees to the Landlord that the Tenant shall observe and perform its obligations under any Authorised Guarantee Agreement entered into by it and undertakes that whenever the Tenant fails to do so, the Surety shall immediately on demand perform them as if it were the Tenant; and
- 11.1.2 undertakes with the Landlord that if pursuant to any Authorised Guarantee Agreement, either the Tenant is required following disclaimer to accept a new lease of the Property from the Landlord, or if it takes an overriding lease of the Property under section 19 of the 1995 Act, the Surety will join in such lease and will enter into the same or substantially the same obligations and agreements in relation to that Lease as are

contained in this Lease on its part, and shall accept from, execute and deliver to the Landlord a counterpart of such lease.

12 SUPPLEMENTAL DOCUMENTS

The Surety shall at the request of the Landlord enter into any document which is supplemental to this Lease for the purpose of consenting to the Tenant entering into that document and confirming that the obligations and agreements of the Surety contained in this Lease continue to apply in full force and effect and (subject to the provisions of the 1995 Act) extend and apply to this Lease as varied by that document.

13 PAYMENTS

- 13.1 All payments to be made by the Surety under this Lease shall be calculated and be made without deduction, set-off or counterclaim.
- 13.2 The Surety shall indemnify the Landlord on demand against all costs, expenses, losses, damages and liability incurred by the Landlord in connection with any failure by the Surety to comply with its obligations under this Lease.
- 13.3 If the Surety fails to pay any amount payable by it on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at 4 per cent per year above the Interest Rate. Any interest accruing under this paragraph 13.3 shall be immediately payable by the Surety on demand by the Landlord and (if unpaid) will be compounded with the overdue amount on the last day of each month but will remain immediately due and payable.
- 13.4 The Landlord may set off any matured obligation due from the Surety under this Lease against any matured obligation owed by the Landlord to the Surety.

SCHEDULE 5

Services and Costs

- 1 Inspecting, cleaning, decorating, treating, maintaining, repairing, altering, renewing, replacing and reinstating the Retained Parts.
- 2 Providing, operating, inspecting, cleaning, maintaining, servicing, repairing, altering, renewing, replacing and reinstating:
 - 2.1 plant, machinery and equipment for the time being in or comprising part of the Retained Parts;
 - 2.2 traffic barriers and parking or traffic control measures;
 - 2.3 signage, notices and name boards; and
 - 2.4 security and emergency measures for the Estate including alarm systems, closed circuit television, fire prevention and fire fighting equipment
- 3 Contracts for the repair, maintenance and insurance of any plant, machinery and equipment in or comprising part of the Retained Parts including any provision made for their periodic renewal.
- 4 Collecting, compacting, storing and disposing of refuse and recyclable material from the Estate.
- 5 Lighting the external parts of the Estate.
- 6 Planting, maintaining and replanting the landscaped and grassed areas of the Retained Parts.
- 7 Providing facilities for visitors to the Estate.
- 8 Employing and procuring all staff and contractors for the management, administration and security of the Estate and otherwise, in connection with the Estate Services or Services and Costs.
- 9 Providing accommodation for staff and contractors, facilities, furniture, plant, vehicles, equipment and supplies in connection with the provision of the Estate Services or the provision or undertaking of Services and Costs and all outgoings in relation to them.
- 10 Complying with legislation and the requirements, recommendations and proposals of any competent authority and the insurers of the Estate or (if the Landlord so determines) making representations against or otherwise contesting any such statutes, obligations, requirements, recommendations and proposals.
- 11 Gritting and clearing snow from the Retained Parts and removing any obstruction from them.
- 12 The control and removal of vermin from the Estate.
- 13 Abating any nuisance to the Estate.
- 14 The costs of improving the energy efficiency of the Retained Parts.

- 15 Any contribution the Landlord is required to make towards the costs of laying, repairing, maintaining, rebuilding, cleaning or lighting, any facility, structure or thing belonging to the Estate or capable of being used for the Estate in common with any Adjoining Property.
- 16 Fuel and Utilities used in connection with the Estate Services or Services and Costs, and any other supply costs in relation to them.
- 17 The costs of preparing and supplying to the tenants and other occupiers of the Estate copies of any written regulations made by the Landlord relating to the use and occupation of the Estate.
- 18 Promoting the Estate including advertising, sponsorship and holding or organising events designed to promote the Estate and providing facilities, amenities or attractions.
- 19 Interest and other charges in respect of any borrowing to finance the Estate Services or Services and Costs.
- 20 To the extent that they cannot be recovered from another party, the costs, fees and expenses incurred in contemplation of or of pursuing and enforcing any claim and taking or defending any proceedings in connection with:
 - 20.1 any warranty or obligation relating to the design, construction or repair of the Estate;
 - 20.2 any obligation or agreement entered into by any other tenant or occupier of the Estate;
 - 20.3 establishing, preserving or defending any rights, amenities or facilities used or enjoyed by any tenant or occupier of the Estate.
- 21 VAT payable by the Landlord in respect of the Estate Services or Services and Costs to the extent that the Landlord is unable to recover such VAT.
- 22 The costs fees and expenses of any person engaged or whose professional advice is sought in connection with:
 - 22.1 the management and administration of the Estate;
 - 22.2 auditing the performance of the Estate against any statutory, regulatory or advisory criteria; and
 - 22.3 the preparation and auditing of service charge accounts.
- 23 Any other work, service, amenity or facility which the Landlord from time to time reasonably considers to be for the proper management or maintenance of the Estate.

Signed as a deed by **ALAN JAMES**)
SAITCH in the presence of:)

.....

Signature of witness

.....

Name (in BLOCK CAPITALS)

.....

Address

.....

.....

.....

Signed as a deed by **AVRIL**)
JACQUELINE SAITCH in the presence)
of:)

.....

Signature of witness

.....

Name (in BLOCK CAPITALS)

.....

Address

.....

.....

.....

Executed as a deed by **VICKERS**)
METAL FINISHERS LIMITED acting by)
a director in the presence of:)

.....

Director

Signature of witness

.....

Name (in BLOCK CAPITALS)

.....

Address

.....

.....

.....

Signed as a deed by **ALAN JAMES**)
SAITCH in the presence of:)

.....

Signature of witness

.....

Name (in BLOCK CAPITALS)

.....

Address

.....

.....

.....

Signed as a deed by **TIM HATCHETT** in)
the presence of:)

.....

Signature of witness

.....

Name (in BLOCK CAPITALS)

.....

Address

.....

.....

.....



Client	WICKERS BUSINESS PARK
Drawn by	AK
Checked by	AK
Approved by	AK
Issue No.	1
Issue Date	10/01/01

Project
PRIESTLEY ROAD
BASINGSTOKE RG 24 9NP

Scale	1:250
Drawn by	AK
Checked by	AK
Approved by	AK
Issue No.	1
Issue Date	10/01/01

Project No.	GA-001
Revision	

SITE PLAN

