

THIS LEASE is made the day of
2011

BETWEEN:

Reedspace Ltd of 44 Kings Terrace London NW1 0JR ('the Landlord')

(2) ('the Tenant')

NOW THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

For all purposes of this Lease the terms defined in this clause have the meanings specified.

1.1.1 'The Building' means Unit X The Courtyard Eastern Road Bracknell Berkshire RG12 2XB excluding those parts of the Building that are included in the definition of the Premises

1.1.2 'The Conduits'

The Conduits' means the pipes, sewers, drains, mains, ducts, conduits, gutters, watercourses, wires, cables, laser optical fibres, data or impulse transmission, communication or reception systems, channels, flues and all other conducting media—including any fixings, louvres, cowls, covers and any other ancillary apparatus—that are in,
on, over or under the Premises.

1.2 'The Contractual Term'

The Contractual Term' means a term of five years commencing on and including ***
April 2011 and expiring on ***April 2016

1.3 'Development'

References to 'development' are references to development as defined by the Town and Country Planning Act 1990 Section 55.

1.4 ' the Retained Land' means the land edged blue on the Plan

1.5 Gender and number

Words importing one gender include all other genders; words importing the singular include the plural and vice versa.

1.6 Headings

The clause, paragraph and schedule headings do not form part of this document and are not to be taken into account in its construction or interpretation.

1.7 The Initial Rent'

The Initial Rent' means in year 1 the sum of £XX,000.00 per year, in year 2 the sum of £XX,000.00 and in year 3 the sum of £XX,000.00 and thereafter as required by the rent review provisions set out in Schedule 7 hereof

1.8 The Insurance Rent'

The Insurance Rent' means the gross sums including any commission sums paid net of any

commission received by the Landlord that the Landlord from time to time pays—

1.8.1 by way of premium for insuring the Premises, including insuring for loss of rent, in accordance with his obligations contained in this Lease,

by way of premium for insuring in such amount and on such terms as the

Landlord acting reasonably considers appropriate is reasonable against all

liability of the Landlord to third parties arising out of or in connection with any

matter including or relating to the Premises, and

1.9 The Insured Risks'

The Insured Risks' means the risks of loss or damage by fire, storm, tempest,

earthquake,
lightning, explosion, riot, civil commotion, malicious damage, terrorism, impact by vehicles
and by aircraft and articles dropped from aircraft—other than war risks, flood damage
and
bursting and overflowing of water pipes and tanks—and such other risks, whether or not
in
the nature of the foregoing, as the Landlord acting reasonably from time to time decides
to
insure against.

1.10 'Interest'

References to 'interest' are references to interest payable during the period from the date
on
which the payment is due to the date of payment, both before and after any judgment, at
the
Interest Rate then prevailing or, should the base rate referred to in clause 1.11 THE
INTEREST
RATE' cease to exist, at another rate of interest closely comparable with the Interest Rate
to
be agreed between the parties or in default of agreement to be determined by the
Surveyor,
acting as an expert and not as an arbitrator a chartered accountant appointed by
agreement
between the parties or in default of agreement nominated by the President of the Institute
of
Chartered Accountants in England and Wales, acting as an expert and not as an
arbitrator
decided on by the Landlord acting reasonably.

1.11 'The Interest Rate'

'The Interest Rate' means the rate of 5% per year above the base-lending rate of Barclays

Bank plc or such other bank being a member of the Committee of London and Scottish Bankers as the Landlord from time to time nominates in writing

1.12 Interpretation of 'consent' and 'approved'

1.12.1 Prior written consent or approval

References to 'consent of the Landlord' or words to similar effect are references to a prior

written consent signed by or on behalf of the Landlord and references to the need for anything to be 'approved by the Landlord' or words to similar effect are references to the need for a prior written approval by or on behalf of the Landlord.

1.12.2 Consent or approval of mortgagee or head landlord

Any provisions in this Lease referring to the consent or approval of the Landlord are to be construed as also requiring the consent or approval of any mortgagee of the Premises and

any head landlord, where that consent is required under a mortgage or head lease in existence at the date of this document. Nothing in this Lease is to be construed as imposing

any obligation on a mortgagee or head landlord not to refuse any such consent or approval unreasonably.

1.13 Interpretation of 'the Guarantor'

The expression 'the Guarantor' includes any person who enters into covenants with the Landlord pursuant to subclause 3.9.5.2 of clause 3.9.5 CONDITIONS or clause 3.23

REPLACEMENT GUARANTOR.

1.14 Interpretation of 'the Landlord'

The expression 'the Landlord' includes the person or persons from time to time entitled to possession of the Premises when this Lease comes to an end.

1.15 Interpretation of 'the last year of the Term' and 'the end of the Term'

References to 'the last year of the Term' are references to the actual last year of the Term

howsoever it determines, and references to the 'end of the Term' are references to the end

of the Term whensoever and howsoever it determines.

1.16 Interpretation of 'the Tenant'

The Tenant' includes any person who is for the time being bound by the tenant covenants of this Lease.

1.17 Interpretation of 'this Lease'

Unless expressly stated to the contrary, the expression 'this Lease' includes any document

supplemental to or collateral with this document or entered into in accordance with this document.

1.18 Joint and several liability

Where any party to this Lease for the time being comprises two or more persons, obligations expressed or implied to be made by or with that party are deemed to be made by

or with the persons comprising that party jointly and severally.

1.19 The Liability Period'

The Liability Period' means—

- 1.19.1 in the case of any guarantor required pursuant to subclause 3.9.5.2 of clause 3.9.5 CONDITIONS, the period during which the relevant assignee is bound by the tenant covenants of this Lease together with any additional period during which that assignee is liable under an authorised guarantee agreement,
- 1.19.2 in the case of any guarantor under an authorised guarantee agreement, the period during which the relevant assignee is bound by the tenant covenants of this Lease, and

1.20 'Losses'

References to 'losses' are references to liabilities, damages or losses, awards of damages or compensation, penalties, costs, disbursements and expenses arising from any claim, demand, legal action or proceedings.

1.21 The 1954 Act'

The 1954 Act' means the Landlord and Tenant Act 1954 and all statutes, regulations and orders included by virtue of clause 1.31 REFERENCES TO STATUTES.

1.22 The 1995 Act'

The 1995 Act' means the Landlord and Tenant (Covenants) Act 1995 and all statutes, regulations and orders included by virtue of clause 1.31 REFERENCES TO STATUTES.

1.23 Obligation not to permit or suffer

Any covenant by either party not to do anything includes an obligation to use reasonable endeavours not to permit or suffer that thing to be done by another person where the party is aware that the thing is being done.

1.24 The Office Covenants'

The Office Covenants' mean the covenants set out in Schedule 3 THE OFFICE COVENANTS.

1.25 The Permitted Use'

The Permitted Use' means use as offices.

1.26 The Plan'

The Plan' means the plan annexed to this Lease.

1.27 The Planning Acts'

The Planning Acts' means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning and Compensation Act

1991 and all statutes, regulations and orders included by virtue of clause 1.31

REFERENCES TO STATUTES.

The Premises'

1.28.1 Definition of 'the Premises'

'The Premises' means the land and building known as Unit XX The Courtyard Eastern Road

Bracknell Berkshire RG12 2XB shown for the purpose of identification only edged red on the Plan.

1.28.2 Interpretation of 'the Premises'

The expression 'the Premises' includes—

- 1.28.2.1 the floor and ceiling finishes, but not any other part of the floor slabs and ceiling slabs that bound the Premises,
- 1.28.2.2 the inner half severed medially of the internal non-loadbearing walls that divide the Premises from any other premises,
- 1.28.2.3 the interior plaster and decorative finishes of all walls bounding the

Premises,

1.28.2.4 the interior doors at the Premises,

1.28.2.5 all additions and improvements to the Premises,

1.28.2.6 all the landlord's fixtures and fittings and fixtures of every kind that are from time to time in or on the Premises, whether originally fixed or fastened to or on the Premises or otherwise, except any fixtures installed by the Tenant or any predecessors in title that can be removed from the Premises without defacing them,

the Conduits exclusively within and serving the Premises, but excludes the air space above the Premises the roof and the roof space the foundations all structural or loadbearing walls columns beams and supports and any of the Conduits that do not exclusively serve the Premises, all additions, alterations and improvements carried out during the Term, and twelve designated car parking spaces shown edged green on the Plan or in such similar number of positions from time to time allocated by the Landlord but excludes the air space above

1.29 References to clauses and schedules

Any reference in this document to a clause, subclause, paragraph, subparagraph or schedule without further designation is to be construed as a reference to the clause, subclause, paragraph, subparagraph or schedule of this document so numbered.

1.30 References to rights of access

References to any right of the Landlord to have access to the Premises are to be construed as extending to any head landlord and any mortgagee of the Premises —where the head lease or mortgage grants such rights of access to the head landlord or mortgagee— and to all persons authorised in writing by the Landlord and any head landlord or mortgagee, including agents, professional advisers, contractors, workmen and others

1.31 References to statutes

Unless expressly stated to the contrary, any reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that statute and any regulations or orders made under it, and any general reference to a statute includes any regulations or orders made under that statute.

1.32 'The Rent'

Until the Review Date 'the Rent' means the sum of the Initial Rent . Thereafter the 'the Rent' means the sums ascertained in accordance with Schedule 7 THE RENT AND RENT REVIEW The Rent' does not include the Insurance Rent and the Service Charge, but the term 'the Lease Rents' means the Rent the Insurance Rent and the Service Charge

1.33 'The Rent Commencement Date'

The ' Rent Commencement Date' means ** October 2011

'**The Review Date**' means ***^t April 2014 and any other date from time to time specified under clause 2.4 of Schedule 7 EFFECT OF COUNTER-INFLATION PROVISIONS

1.35 'The Service Charge' means

the reasonable and proper proportion of the cost to the Landlord of providing the Services set out in the Schedule 6 THE SERVICES hereto

1.36 'The Surveyor'

The Surveyor' means any person or firm appointed by the Landlord in his place. The Surveyor may be an employee of the Landlord or a company that is a member of the same group as the Landlord within the meaning of the 1954 Act section 42. The expression 'the Surveyor' includes the person or firm appointed by the Landlord to collect the Lease Rents.

1.37 Terms from the 1995 Act

Where the expressions 'landlord covenants', 'tenant covenants', or 'authorised guarantee agreement' are used in this Lease they are to have the same meaning as is given by the 1995 Act section 28(1).

1.38 'VAT'

'VAT' means value added tax or any other tax of a similar nature and, unless otherwise expressly stated, all references to rents or other sums payable by the Tenant are exclusive of VAT.

DEMISE

The Landlord demises the Premises to the Tenant with full title guarantee, excepting and reserving to the Landlord the rights specified in Schedule 1 THE RIGHTS RESERVED, to hold the Premises to the Tenant for the Contractual Term, subject to all rights, easements, privileges, restrictions, covenants and stipulations including any matters contained or referred to in Schedule 4 THE SUBJECTIONS, but together with the rights set out in Schedule 2 THE RIGHTS GRANTED yielding and paying to the Landlord—

The Rent, without any deduction or set off, except where lawfully made pursuant to statute by equal quarterly payments in advance on the usual quarter days in every year and proportionately for any period of less than a year, the first such payment, being a proportionate sum in respect of the period from and including the Rent Commencement Date to and including the day before the quarter day next after the Rent Commencement Date, to be paid on the Rent Commencement Date

By way of further rent, the Insurance Rent, payable within 14 days of written demand in accordance with clause 6.4 PAYMENT OF THE INSURANCE RENT.

2.3 By way of further rent the Service Charge payable annually in advance and in

accordance with Schedule 6

3 THE TENANT'S COVENANTS

The Tenant covenants with the Landlord to observe and perform the requirements of this clause 3.

3.1 Rent

3.1.1 Payment of the Lease Rents

The Tenant must pay the Lease Rents on the days and in the manner set out in this Lease,

and must not exercise or seek to exercise any right or claim to withhold rent, or any right or

claim to legal or equitable set-off

3.1.2 Payment by Electronic transfer

If so required in writing by the Landlord, the Tenant must pay the Lease Rents by electronic transfer to any bank and account in the United Kingdom that the Landlord nominates from time to time.

3.2 Outgoings and VAT

The Tenant must pay, and must indemnify the Landlord against—

- 3.2.1 all rates, taxes, assessments, duties, charges, impositions and outgoings that are now or may at any time during the Term be charged, assessed or imposed on the Premises or occupier of them, excluding any payable by the Landlord occasioned by receipt of the Lease Rents or by any disposition of or dealing with this Lease or ownership of any interest reversionary to the interest created by it—
- 3.2.2 all VAT that may from time to time be charged on the Lease Rents or other sums payable by the Tenant under this Lease, and
- 3.2.3 all VAT incurred in relation to any costs that the Tenant is obliged to pay or in respect of which he is required to indemnify the Landlord under the terms of this Lease, save where such VAT is recoverable or available for set-off by the Landlord as input tax

Provided that all VAT payable under clause 3.2.2 and 3.2.3 will be payable only on the production of a valid VAT invoice addressed to the Tenant

3.3 Cost of services consumed

The Tenant must pay to the suppliers, and indemnify the Landlord against, all proper charges for electricity, water, gas, telecommunications and other services consumed or used at or in

relation to the Premises, including meter rents and standing charges, and must comply with

the lawful requirements and regulations of their respective suppliers

3.4 Repair, cleaning and decoration

3.4.1 Repair of the Premises

The Tenant must keep them in good condition and repair, making good any damage caused except for damage caused by one or more of the Insured Risks (save to the extent

that the insurance money is irrecoverable due to any act or default of the Tenant or anyone

at the Premises expressly or by implication with the Tenant's authority and under his control)

3.4.2 Replacement of landlord's fixtures etc

The Tenant must:

(a) Replace any landlord's fixtures and fittings in the Premises that are beyond repair at any

time during or at the end of the Term Provided that the Tenant will not be required to replace the carpet at the Premises but shall pay to the Landlord within 14 days of written demand 50% of the costs of replacing the carpet with one of a similar quality at the end of the term.

- (b) Replace the coir doormat with a similar mat approved by the Landlord
- (c) Arrange for annual inspections and servicing of the central heating system by a registered Gas Safe Register engineer and to produce to the Landlord on request evidence of the annual inspections

3.4.3 Cleaning and tidying

The Tenant must keep the Premises clean and tidy and clear of all rubbish.

3.4.4 The Open Land

3.4.4.1 Storage on the Open Land

The Tenant must not store anything on the Open Land or bring anything onto it that is or might become untidy, unclean, and unsightly or in any way detrimental to the Premises or the area generally

3.4.4.2 Rubbish on the Open Land

The Tenant must not deposit any waste, rubbish or refuse on the Open Land, or place any receptacle for them, on it

3.4.4.3 Vehicles on the Open Land

The Tenant must not keep or store any caravan or movable dwelling on the Open Land

3.4.4.4 Care of abutting land

The Tenant must not deposit refuse or other materials on any land, roads or pavements abutting the Premises

3.4.4.5 Decoration

The Tenant must redecorate the inside of the Premises in the last year of the Term after the

Tenant has vacated the Premises in a good and workmanlike manner, with materials reasonably specified by the Landlord and to the reasonable satisfaction of the Surveyor

3.4.4.6 Shared facilities

Where the use of any of the Conduits or any boundary structures or other things is common

to the Premises and other property, the Tenant must be responsible for, and indemnify the

Landlord against, all sums due from the tenant or occupier of the Premises in relation to those Conduits, boundary structures or other things, and must undertake all work

in relation to them that is his responsibility.

Waste and alterations

3.5.1 Waste, additions and alterations

The Tenant must not commit any waste, make any addition to the Premises, unite the Premises with any adjoining premises, or make any alteration to the Premises except as permitted by the provisions of this clause 3.5.

3.5.2 Pre-conditions for alterations

The Tenant must not make any internal structural or non-structural alterations to the Premises unless he first—

- 3.5.2.1 obtains and complies with the necessary consents of the competent authorities and pays their charges for them

- 3.5.2.2 makes an application to the Landlord for consent, supported by plans and specifications
- 3.5.2.3 pays the reasonable and proper fees of the Landlord, any head landlord, any mortgagee and their respective professional advisers
- 3.5.2.4 if required to enter into a covenant to reinstate the Premises at the end of the term if the Landlord reasonable requires such reinstatement
- 3.5.2.5 obtains the consent of the Landlord (such consent not to be unreasonably withheld or delayed)
- 3.5.2.6 uses all reasonable endeavours to minimise the no disruption of the services in and to the Premises.

In the case of any works of a substantial nature, the Landlord may require the Tenant to provide, before starting the works, adequate security in the form of a deposit of money or the provision of a bond, as assurance to the Landlord that any works he permits from time to time will be fully completed.

3.5.3 Removal of alterations

At the end of the Term, if so requested by the Landlord, the Tenant must remove any additions, alterations or improvements made to the Premises, and must make good any part of the Premises damaged by their removal.

3.5.4 Connection to the Conduits

The Tenant must not make any connection with the Conduits except in accordance with plans and specifications approved by the Landlord, whose approval may not be unreasonably withheld or delayed and subject to consent to make the connection having previously been obtained from the competent authority, undertaker or supplier.

Aerials, signs and advertisements

3.6.1 Masts and wires

The Tenant must not erect any pole or mast or install any cable or wire on the Premises, whether in connection with telecommunications or otherwise.

3.6.2 Advertisements

The Tenant must not, without the consent of the Landlord, fix to or exhibit on the outside of the Premises, or fix to or exhibit through any window of the Premises, or display anywhere on the Premises, any placard, sign, notice, fascia board or advertisement

Statutory obligations

3.7.1 General provision

The Tenant must comply in all respects with the requirements of any statutes applicable to the Premises and the occupier of the Premises or the trade or business for the time being carried on there, and any other obligations so applicable imposed by law or by any byelaws.

3.7.2 Particular obligations

3.7.2.1 Works required by statute, department or authority

Without prejudice to the generality of clause 3.7.1, the Tenant must execute all works and provide and maintain all arrangements on or in respect of the Premises or the use to which they are being put that are required in order to comply with the requirements of any statute already or in the future to be passed, or the requirements of any government department, local authority or other public or competent authority or court of competent jurisdiction, regardless of where such requirements are imposed on the occupier, or any other person except where such compliance is within the ambit of the Landlord's objections contained in this Lease

3.7.2.2 Acts causing losses

Without prejudice to the generality of clause 3.7.1, the Tenant must not do in or near the Premises anything by reason of which the Landlord may incur any losses under any statute.

3.7.2.3 Construction (Design and Management) Regulations

Without prejudice to the generality of clause 3.7.1, the Tenant must comply with the provisions of the Construction (Design and Management) Regulations 2007 ('the CDM Regulations'), be the only client as defined in the provisions of the CDM Regulations, fulfil, in relation to all and any works, all the obligations of the client as set out in or reasonably to be inferred from the CDM Regulations, and make a declaration to that effect to the Health and Safety Executive in accordance with the Approved Code of Practice published from time to time by the Health and Safety Executive in relation to the CDM Regulations. The provisions of clause 6.7.3 FIRE-FIGHTING EQUIPMENT are to have effect in any circumstances to which these obligations apply.

Delivery of health and safety files

At the end of the Term, the Tenant must forthwith deliver to the Landlord any and all health and safety files relating to the Premises in accordance with the CDM Regulations.

3.8 Entry to inspect and notice to repair

3.8.1 Entry and notice

The Tenant must permit the Landlord on reasonable notice during normal business hours except in emergency—

3.8.1.1 to enter the Premises to ascertain whether or not the covenants and conditions of this Lease have been observed and performed

3.8.1.2 to view the state of repair and condition of the Premises, and to open up floors and other parts of the Premises where that is necessary in order to do so, and

3.8.1.3 to give to the Tenant, , a notice specifying the works required to remedy any breach of the Tenant's obligations in this Lease ('a notice to repair'), provided that any opening- up must be made good by and at the cost of the Landlord if it reveals no breach of the terms of this Lease PROVIDED THAT in exercising these rights the Landlord will cause as little interference and disturbance to the Tenant's business and make good any damage so caused

3.8.2 Works to be carried out

The Tenant must carry out the works specified in a notice to repair as soon as reasonably practicable including making good any opening up that revealed a breach of the terms of this Lease.

3.8.3 Landlord's power in default

If within 2 month of the service of a notice to repair the Tenant has not started to execute the work referred to in that notice or is not proceeding diligently with it, or if the Tenant fails

to finish the work within 4 months, or if in the Landlord's Surveyor's opinion the Tenant is unlikely to finish the work within that period, the Tenant must permit the Landlord to enter the Premises to execute the outstanding work, and must within 14 days of a written demand pay to the Landlord the reasonable and proper cost of so doing and all reasonable and proper expenses incurred by the Landlord, including legal costs and surveyor's fees.

3.9 Alienation

3.9.1 Alienation prohibited

The Tenant must not hold the Premises on trust for another. The Tenant must not part with possession of the Premises or any part of them or permit another to occupy them or any part of them except pursuant to a transaction permitted by and effected in accordance with the provisions of this Lease.

3.9.2 Assignment, subletting and charging of part

The Tenant must not assign, sublet or charge part only of the Premises nor part with possession or share occupation of the Premises save as hereinafter permitted

3.9.3 Assignment of the whole

Subject to clauses 3.9.4 CIRCUMSTANCES and 3.9.5 CONDITIONS, the Tenant must not assign the whole of the Premises without the consent of the Landlord, whose consent may not be unreasonably withheld or delayed

3.9.4 Circumstances

If any of the following circumstances—which are specified for the purposes of the Landlord and Tenant Act 1927 section 19(1 A)—applies either at the date when application for consent to assign is made to the Landlord, or after that date but before the Landlord's consent is given, the Landlord may withhold his consent and if, after the Landlord's consent has been given but before the assignment has taken place, any such circumstances apply, the Landlord may revoke his consent, if his consent is expressly subject to a

condition as referred to in subclause 3.9.5.3 of clause 3.9.5 CONDITIONS or not. The circumstances are—

3.9.4.1 that any rent due or sum demanded in writing from the Tenant under this Lease remains unpaid,

3.9.4.2 that in the Landlord's reasonable opinion the assignee is not a person who is

likely to be able to comply with the tenant covenants of this Lease and to continue to be able to comply with them following the assignment,

that without prejudice to subclause 3.9.4.2, in the case of an assignment to a company in the same group as the Tenant within the meaning of the 1954 Act section 42 in the Landlord's reasonable opinion the assignee is a person who is likely to be unable to comply with the tenant covenants of this Lease than the Tenant requesting consent to assign, which likelihood is adjudged by reference in particular to the financial strength of that Tenant aggregated with that of any guarantor of the obligations of that Tenant and the value of any other security for the performance of the tenant covenants of this Lease when assessed at the date of grant or—where that Tenant is not the Original Tenant—the date of the assignment of this Lease to that Tenant, or that the assignee or any guarantor for the assignee, other than any guarantor under an authorised guarantee agreement, is a corporation registered—or otherwise resident—in a jurisdiction in which the order of a court obtained in England and Wales will not necessarily be enforced against the assignee or guarantor without any consideration of the merits of the case.

3.9.5 Conditions

The Landlord may impose any or all of the following conditions—which are specified for the

purposes of the Landlord and Tenant Act 1927 section 19(1A)—on giving any consent for an assignment by the Tenant, and any such consent is to be treated as being subject to each of the following—

- 3.9.5.1 a condition that if reasonably so required by the Landlord on or before any assignment and before giving occupation to the assignee, the Tenant requesting consent to assign, together with any former tenant who by virtue of the 1995 Act section 11 was not released on an earlier assignment of this Lease, must enter into an authorised guarantee agreement in favour of the Landlord in the terms set out in Schedule 5 THE AUTHORISED GUARANTEE AGREEMENT,
- 3.9.5.2 a condition that if reasonably so required by the Landlord on an assignment to a limited company, the assignee must ensure guarantor or guarantors acceptable to the Landlord, enter into direct covenants with the Landlord in the form of the guarantor's covenants contained in clause 7 GUARANTEE PROVISIONS with 'the Assignee' substituted for 'the Tenant',
- 3.9.5.3 a condition that upon or before any assignment, the Tenant making the request for consent to assign must give to the Landlord a copy of the health and safety file required to be maintained under the Construction (Design and Management) Regulations 1994 containing full details of all works undertaken to the Premises by that Tenant, and
- 3.9.5.4 a condition that if, at any time before the assignment, the circumstances specified in clause 3.9.4, or any of them, apply, the Landlord may revoke the consent by written notice to the Tenant.]

3.9.6 Charging of the whole

The Tenant must not charge the whole of the Premises save no consent shall be required to a bona fide fixed or floating charge to a bank or other substantial financial institution.

3.9.7 Subletting

The Tenant must not sublet the whole of the Premises without the consent of the Landlord, whose consent may not be unreasonably withheld or delayed

3.9.8 Terms of a permitted sublease

Every permitted sublease must be granted, without a fine or premium, at a rent not less than the open market rent payable in respect of the Premises to be approved by the Landlord before grant of the sublease and to be determined by the Surveyor, acting as an expert and not as an arbitrator and the Rent, to be payable in advance on the days on which the Rent is payable under this Lease. Every permitted sublease must contain provisions approved by the Landlord—

3.9.8.1 for the upwards only review of the rent reserved by it, on the basis set out in schedule 7 THE RENT AND RENT REVIEW and on the Review Date,

3.9.8.2 prohibiting the subtenant from doing or allowing anything in relation to the Premises inconsistent with or in breach of the provisions of this Lease,

3.9.8.3 for re-entry by the sublandlord on breach of any covenant by the subtenant,

3.9.8.4 imposing an absolute prohibition against all dealings with the Premises

3.9.8.5 prohibiting the subtenant from holding on trust for another or permitting another to share or occupy the whole or any part of the Premises,

3.9.8.6 imposing in relation to any permitted subletting the same obligations as are contained in this clause 3.9.8 and in clauses 3.9.9 SUBTENANT'S DIRECT COVENANTS, 3.9.11 ENFORCEMENT WAIVER AND VARIATION OF SUBLEASES and 3.9.12 SUBLEASE RENT REVIEW, and

3.9.8.7 excluding the provisions of sections 24–28 of the 1954 Act from the letting created by the sublease.

3.9.9 Subtenant's direct covenants

Before any permitted subletting, the Tenant must ensure that the subtenant enters into a direct covenant with the Landlord that while the subtenant is bound by the tenant covenants of the sublease and while he is bound by an authorised guarantee agreement the subtenant will observe and perform the tenant covenants contained in this Lease—

except the covenant to pay the rent reserved by this Lease—and in that sublease.

3.9.10 Requirement for the exclusion of Sections 24 – 28 of the 1954 Act

The Tenant shall not sublet the Premises or permit a subtenant to occupy the Premises unless, before the sublease is granted, the Tenant has given the Landlord:

3.9.10.1 a certified copy of the notice served in the subtenant, as required by section 38A (3)(a) of the Landlord and Tenant Act 1954, applying to the tenancy to be created by the sublease; and

3.9.10.2 a certified copy of the declaration or statutory declaration made by the subtenant in accordance with the requirements of section 38A(3)(b) of the Landlord and Tenant Act 1954.

3.9.11 Enforcement, waiver and variation of subleases

In relation to any permitted sublease, the Tenant must enforce the performance and observance by every subtenant of the provisions of the sublease, and must not at any time either expressly or by implication waive any breach of the covenants or conditions on the part of any subtenant or assignee of any sublease, or—without the consent of the Landlord, whose consent may not be unreasonably withheld or delayed—vary the terms or accept a surrender of any permitted sublease.

3.9.12 Sublease rent review

In relation to any permitted sublease—

3.9.12.1 the Tenant must ensure that the rent is reviewed in accordance with the terms of the sublease

3.9.12.2 the Tenant must not agree the reviewed rent with the subtenant without the approval of the Landlord

3.9.12.3 where the sublease provides such an option, the Tenant must not, without the approval of the Landlord, agree whether the third party determining the

revised rent in default of agreement should act as an arbitrator or as an expert

3.9.12.4 the Tenant must not, without the approval of the Landlord, agree any appointment of a person to act as the third party determining the revised rent

3.9.12.5 the Tenant must incorporate as part of his representations to that third party representations reasonably required by the Landlord and

3.9.12.6 the Tenant must give notice to the Landlord of the details of the determination of every rent review within 28 days, provided that the Landlord's approvals specified above may not be unreasonably withheld or delayed

3.9.13 Registration of permitted dealings

Within 28 days of any assignment, charge, or any transmission or other devolution relating to the Premises, the Tenant must produce a certified copy of any relevant document for

registration with the Landlord's solicitor, and must pay the Landlord's solicitor's reasonable charges for registration of at least £ 30 plus vat

3.9.14 Sharing with a group company

Notwithstanding clause 3.9.1 ALIENATION PROHIBITED, the Tenant may share the occupation of the whole or any part of the Premises with a company that is a member of the same group as

the Tenant within the meaning of the 1954 Act section 42, for so long as both companies remain members of that group and otherwise than in a manner that transfers or creates a legal estate

3.10 Nuisance and residential restrictions

3.10.1 Nuisance

The Tenant must not do anything on the Premises, or allow anything to remain on them, that

may be or become or cause a nuisance, annoyance disturbance inconvenience, injury or damage to the Landlord or his tenants or the owners or occupiers of adjacent or neighbouring premises.

3.10.2 Auctions, trades and immoral purposes

The Tenant must not use the Premises for any auction sale, any dangerous, noxious, noisy

or offensive trade, business, manufacture or occupation, or any illegal or immoral act or purpose.

3.10.3 Residential use, sleeping and animals

The Tenant must not use the Premises as sleeping accommodation or for residential purposes, or keep any animal on them.

3.11 Costs of applications, notices and recovery of arrears

The Tenant must pay to the Landlord on an indemnity basis all reasonable and proper costs, fees, charges, disbursements and expenses—including, without prejudice to the generality of the above, those payable to counsel, solicitors, surveyors and bailiffs properly and reasonably incurred by the Landlord in relation to or incidental to—every application made by the Tenant for a consent or licence required by the provisions of this Lease, whether it is granted, refused or offered subject to any qualification or condition, or the application is withdrawn the preparation and service of a notice under the Law of Property Act 1925 section 146, or the taking of proceedings under sections 146 or 147 of that Act, even if forfeiture is avoided otherwise than by relief granted by the court,

3.11.3 the recovery or attempted recovery of arrears of rent or other sums due under this Lease, and

3.11.4 any steps taken in connection with the preparation and service of a schedule of dilapidations during or after the end of the Term but if after the expiration of the term only in respect of wants of repair occurring during the term and where served within 1 month after the expiration of the Term

3.12 Planning and development

3.12.1 Compliance with the Planning Acts

The Tenant must observe and comply with the provisions and requirements of the Planning

Acts affecting the Premises and their use, and must indemnify the Landlord, and keep him

indemnified, both during the Term and following the end of it, against all losses in respect of

any contravention of those Acts.

3.12.2 Consent for applications

The Tenant must not make any application for planning permission without the consent of the Landlord, and in any case where application for and implementation of the planning permission will not create or give rise to any tax liability for the Landlord save where the Tenant

indemnifies the Landlord against such liability.

3.12.3 Permissions and notices

The Tenant must obtain any planning permissions and serve any notices that may be required to carry out any development on or at the Premises.

3.12.4 Charges and levies

Subject only to any statutory direction to the contrary, the Tenant must pay and satisfy any

charge or levy that may subsequently be imposed under the Planning Acts in respect of the

carrying out or maintenance of any development on or at the Premises by the Tenant.

3.12.5 Pre-conditions for development

Notwithstanding any consent that may be granted by the Landlord under this Lease, the Tenant must not carry out any development on or at the Premises until all necessary notices

under the Planning Acts have been served and copies produced to the Landlord, all necessary permissions under the Planning Acts have been obtained and produced to the Landlord, and the Landlord has acknowledged that every necessary planning permission is

acceptable to him. The Landlord may refuse to acknowledge his acceptance of a planning permission on the grounds that any condition contained in it or anything omitted from it or the period referred to in it would, in the opinion of the Surveyor, be, or be likely to be, prejudicial to the Landlord or to his reversionary interest in the Premises whether during or following the end of the Term.

3.12.6 Completion of development

Where a condition of any planning permission granted for development begun before the end of the Term requires works to be carried out to the Premises by a date after the end of

the Term, the Tenant must, unless the Landlord directs otherwise, finish those works before the end of the Term.

3.12.7 Security for compliance with conditions

Where a planning permission is granted subject to conditions, and if the Landlord reasonably requires, the Tenant must provide sufficient security for his compliance with the conditions and must not implement the planning permission until the security has been provided.

3.12.8 Appeal against refusal or conditions

If reasonably required by the Landlord to do so, but at his own cost, the Tenant must

appeal against any refusal of planning permission or the imposition of any conditions on a planning permission relating to the Premises following an application for planning permission by the Tenant.

3.13 Plans, documents and information

3.13.1 Evidence of compliance with this Lease

If so requested, the Tenant must produce to the Landlord or the Surveyor any plans, documents and other evidence the Landlord reasonably requires to satisfy himself that the provisions of this Lease have been complied with.

3.14 Indemnities

The Tenant must keep the Landlord fully indemnified against all losses arising directly or indirectly out of any act, omission or negligence of the Tenant, or any persons at the Premises expressly or impliedly with his authority and under his control, or any breach or non-observance by the Tenant of the covenants, conditions or other provisions of this Lease or any of the matters to which this demise is subject

3.15 Reletting boards and viewing

The Tenant must permit the Landlord to enter the Premises at any time during the last 6 months of the Contractual Term and at any time thereafter unless the Tenant shall have made a valid Court application order S.24 of 1954 Act or otherwise be entitled in law to remain in occupation under a new tenancy of the Premises and whenever the Lease Rents or any part of them are in arrears and unpaid for longer than 14 days and the Tenant must permit viewing of them at reasonable times of the day on reasonable notice for the purpose of reletting them and the Tenant must not display any board advertising the Premises for sale or for let

3.16 Obstruction and encroachment

3.16.1 Obstruction of windows

The Tenant must not stop up, darken or obstruct any window or light belonging to the Premises except by blinds if specified and approved by the Landlord

3.16.2 Encroachments

The Tenant must take all reasonable steps to prevent the construction of any new window, light, opening, doorway, path, passage, pipe or the making of any encroachment or the acquisition of any easement in relation to the Premises and must notify the Landlord immediately if any such thing is constructed, encroachment is made or easement acquired, or if any attempt is made to encroach or acquire an easement. At the request and cost of the Landlord the Tenant must adopt such means as are required to prevent the making of any encroachment or the acquisition of any easement provided that such action does not materially interfere with the Tenant's beneficial use and occupation of the Premises.

Yielding up

At the end of the Term the Tenant must yield up the Premises with vacant possession, decorated and repaired in accordance with and in the condition required by the provisions of this Lease, (except for damage caused by any of the Insured Risks save to the extent that the insurance money is irrecoverable due to any act or default of the Tenant, Uninsured Risks and Historical Contamination) give up all keys of the Premises to the Landlord, remove tenant's fixtures and fittings if reasonably requested to do so by the Landlord, and remove any signs erected by the Tenant or any of his predecessors in title in, on or near the Premises, immediately making good any damage caused by their

removal.

3.18 Interest on arrears

The Tenant must pay interest on any of the Lease Rents or other sums due under this Lease that are not paid within 14 days of the date due, whether formally demanded or not, the interest to be recoverable as rent. Nothing in this clause entitles the Tenant to withhold

or delay any payment of the Rent or any other sum due under this Lease or affects the rights of the Landlord in relation to any non-payment.

3.19 Statutory notices

The Tenant must give to the Landlord full particulars of any notice, direction, order or proposal relating to the Premises made, given or issued to the Tenant by any government

department or local, public, regulatory or other authority or court within 7 days of receipt, and if so requested by the Landlord must produce it to the Landlord. The Tenant must without delay take all necessary steps to comply with the notice, direction or order applicable to the Tenant or occupier of the Premises only. At the request of the Landlord, but at the Landlord's cost, the Tenant must make or join with the Landlord in making any objection or representation the Landlord deems expedient against or in respect of any notice, direction, order or proposal provided that such action does not materially interfere with the Tenant's beneficial use and occupation of the Premises

3.20 Keyholders

The Tenant must ensure that at all times the Landlord and the local police force have written notice of the name, home address of at least 2 keyholders of the Premises.

3.21 Viewing on sale of reversion

The Tenant must, on reasonable notice at any time during the Term during normal working hours on working days, permit prospective purchasers of the Landlord's

reversion or any other interest superior to the Term, or agents instructed in connection with the sale of the reversion or such an interest, to view the Premises without interruption provided they have the prior written authority of the Landlord or his agents.

3.22 Defective premises

The Tenant must give notice to the Landlord upon becoming aware of any material defect in the Premises that might give rise to an obligation on the Landlord to do or refrain from doing anything in order to comply with the provisions of this Lease or the duty of care imposed on the Landlord, whether pursuant to the Defective Premises Act 1972 or otherwise, and must at all times display and maintain any notices the Landlord from time to time requires him to display at the Premises.

3.23 Replacement guarantor

3.23.1 Guarantor replacement events

In this clause 3.23 references to a 'guarantor replacement event' are references, in the case of an individual, to death, bankruptcy, having a receiving order made against him or having a receiver appointed under the Mental Health Act 1983, and, in the case of a company, to passing a resolution to wind up, entering into liquidation or having a receiver appointed (save for amalgamation or reconstruction of a solvent company)

3.23.2 Action on occurrence of a guarantor replacement event

Where during the relevant Liability Period a guarantor replacement event occurs to the Guarantor or any person who has entered into an authorised guarantee agreement, the Tenant must give notice of the event to the Landlord within 14 days of his becoming aware of it. If so required by the Landlord, the Tenant must within 42 days obtain some other person acceptable to the Landlord to execute a guarantee in the form of the Guarantor's

covenants in clause 7 GUARANTEE PROVISIONS or the authorised guarantee agreement in schedule 5 THE AUTHORISED GUARANTEE AGREEMENT, as the case may be, for the residue of the relevant Liability Period.

3.24 Exercise of the Landlord's rights

The Tenant must permit the Landlord to exercise any of the rights granted to him by virtue of the provisions of this Lease at all times during the Term without interruption or interference.

3.25 The Office Covenants

The Tenant must observe and perform the Office Covenants.

3.26 Consent to the Landlord's release

The Tenant must not unreasonably withhold consent to a request made by the Landlord under the 1995 Act section 8 for a release from all or any of the landlord covenants of this Lease.

4 QUIET ENJOYMENT

The Landlord covenants with the Tenant to permit the Tenant peaceably and quietly to hold and enjoy the Premises without any interruption or disturbance from or by the Landlord or any person claiming by through under or in trust for him.

5.The Services

5.1.1 Provision of the Services

If the Tenant pays the service charge and observes his obligations under this Lease, the Landlord covenants to use his best endeavours to provide the Services.

5.1.2 Relief from liability

The Landlord is not to be liable to the Tenant for any breach of his obligations under this clause

5.1.2.1 where the breach is caused by something beyond his control—provided he uses reasonable endeavours to remedy the breach—except to the extent that the breach—

5.1.2.2 could have been prevented, or

its consequences could have been lessened, or

the time during which its consequences were experienced could have been shortened, by the exercise of reasonable skill by the Landlord or those undertaking the obligation on his behalf.

5.1.3 Variation and withholding of the Services

The Landlord may add to, withhold or vary the Services if, acting reasonably, he considers

the addition, withholding or variation to be necessary or desirable even if it increases the Landlord's Expenses so long as the Tenant's enjoyment of the Premises is not materially impaired, or if he is required to do so by a competent authority.

6 INSURANCE

6.1 Warranty as to convictions

The Tenant warrants that before the execution of this document he has disclosed to the Landlord in writing any conviction, judgment or finding of any court or tribunal relating to the

Tenant, or any director, other officer or major shareholder of the Tenant of such a nature as

to be likely to affect the decision of any insurer or underwriter to grant or to continue insurance of any of the Insured Risks.

Covenant to insure

The Landlord covenants with the Tenant to insure the Premises unless the insurance is vitiated by any act of the Tenant or by anyone at the Premises expressly or by implication with his authority and under his control

6.3 Details of the insurance

6.3.1 Office, underwriters and agency

Insurance is to be effected in such insurance office, or with such underwriters of repute, and through such agency as the Landlord decides from time to time.

6.3.2 Insurance cover

Insurance must be effected for the following amounts—

- 6.3.2.1 the sum that the Landlord is from time to time advised by the Surveyor is the full cost of rebuilding and reinstating the Premises, including VAT, architects', surveyors', engineers', solicitors' and all other professional persons' fees, the fees payable on any applications for planning permission or other permits or consents that may be required in relation to rebuilding or reinstating the Premises, the cost of preparation of the site including shoring-up, debris removal, demolition, site clearance and any works that may be required by statute, and incidental expenses, and
- 6.3.2.2 loss of the Rent, for 3 years or such longer period not exceeding 5 years as the Landlord from time to time requires for planning and carrying out the rebuilding or reinstatement.

6.3.3 Risks insured

Insurance must be effected against damage or destruction by all of the Insured Risks to the extent that such insurance may ordinarily be arranged for properties such as the Premises, subject to such excesses, exclusions or limitations as the insurer requires and as are normal in the insurance market

6.4 Payment of the Insurance Rent

The Tenant covenants to pay the Insurance Rent for the period commencing on the Rent Commencement Date and ending on the day before the next policy renewal date on the date of this document, and subsequently to pay the Insurance Rent within 14 days of written demand and, if so demanded, in advance of the policy renewal date, but not more than 1 month in advance.

Suspension of the Rent

6.5.1 Events giving rise to suspension

If and whenever the Premises or any part of them or access to and from them are damaged or destroyed by one or more of the Insured Risks —except one against which insurance may not ordinarily be arranged for properties such as the Premises unless the Landlord has in fact insured against that risk— so that the Premises or any part of them are unfit for occupation or use or are inaccessible , and payment of the insurance money is not refused in whole or in part by reason of any act or default of the Tenant or anyone at the Premises expressly or by implication with his authority and under his control, then the provisions of clause 6.5.2 SUSPENDING THE RENT are to have effect.

6.5.2 Suspending the Rent

In the circumstances mentioned in clause 6.5.1 EVENTS GIVING RISE TO SUSPENSION the Rent, or a fair proportion of it according to the nature and the extent of the damage sustained, is to

cease to be payable until the Premises, or the affected part, or the access to them, have been rebuilt or reinstated

so as to render the Premises, or the affected part, fit for occupation and use or accessible, or until the end of 3 years from the destruction or damage, whichever period is the shorter the proportion of the Rent suspended and the period of the suspension to be determined by the Surveyor acting as an expert and not as an arbitrator any dispute

as to the proportion of the Rent suspended or the period of the suspension to be determined in accordance with the Arbitration Act 1996 by an arbitrator to be appointed by agreement between the Landlord and the Tenant or in default by the President or other proper officer for the time being of the Royal Institution of Chartered Surveyors on the application of either the Landlord or the Tenant.

6.6 Reinstatement and termination

6.6.1 Requirement to obtain permissions

If and whenever the Premises or any part of them are damaged or destroyed by one or more of the Insured Risks —except one against which insurance may not ordinarily be arranged with a substantial and reputable insurer for properties such as the Premises unless the Landlord has in fact insured against that risk—, and payment of the insurance money is not wholly or partly refused because of any act or default of the Tenant or anyone at the Premises expressly or by implication with his authority and under his control, the Landlord must use his best endeavours to obtain all the planning permissions or other permits and consents ('permissions') that are required under the Planning Acts or otherwise to enable him to rebuild and reinstate.

6.6.2 Obligation to reinstate

Subject to the provisions of clause 6.6.3 RELIEF FROM THE OBLIGATION TO REINSTATE, and, if any permissions are required, after they have been obtained, the Landlord must as soon as reasonably practicable apply all money received in respect of the insurance, except

sums in

respect of loss of the Rent, in rebuilding or reinstating the Premises

6.6.3 Relief from the obligation to reinstate

The Landlord need not rebuild or reinstate the Premises if and for so long as rebuilding or reinstatement is prevented because—

- 6.6.3.1 the Landlord, despite using his best endeavours, cannot obtain any necessary permission,
- 6.6.3.2 any permission is granted subject to a lawful condition with which it is impossible for the Landlord to comply,
- 6.6.3.3 there is some defect or deficiency in the site on which the rebuilding or reinstatement is to take place that renders it impossible or means it can only be undertaken at a cost that is unreasonable in all the circumstances,
- 6.6.3.4 the Landlord is unable to obtain access to the site to rebuild or reinstate,
- 6.6.3.5 the rebuilding or reinstating is prevented by war, act of God, government action, strike or lock-out, or because of the occurrence of any other circumstances beyond the Landlord's control.

6.6.4 Notice to terminate

If, at the end of the period of 1 years commencing on the date of the damage or destruction,

the Premises are still not fit for the Tenant's occupation and use, or are still inaccessible

the Landlord may implement the provisions of clause 6.6.5 TERMINATION FOLLOWING FAILURE TO REINSTATE by notice served at any time within 6 months of the end of that period ('a notice to terminate following failure to reinstate').

If, at the end of the period of 3 years commencing on the date of the damage or destruction,

the Premises are still not fit for the Tenant's occupation and use, or are still inaccessible

either the Landlord or the Tenant may implement the provisions of clause 6.6.5

TERMINATION FOLLOWING FAILURE TO REINSTATE by notice served at any time within 6

months of the end of that period ('a notice to terminate following failure to reinstate').

6.6.5 Termination following failure to reinstate

On service of a notice to terminate following failure to reinstate, the Term is to cease forthwith and absolutely—but without prejudice to any rights or remedies that may have accrued—and all money received in respect of the insurance effected by the Landlord pursuant to this Lease is to belong to the Landlord absolutely.

6.7 Tenant's further insurance covenants

The Tenant covenants with the Landlord to observe and perform the requirements contained in this clause 6.7.

6.7.1 Requirements of insurers

The Tenant must comply with all the requirements and recommendations of the insurers.

6.7.2 Policy avoidance and additional premiums

The Tenant must not do or omit anything that could cause any insurance policy on or in relation to the Premises to become wholly or partly void or voidable, or do or omit anything by which additional insurance premiums may become payable unless he has previously notified the Landlord and agrees to pay the increased premium.

6.7.3 Fire-fighting equipment

The Tenant must keep the Premises supplied with such fire fighting equipment as the insurers and the fire authority require and must maintain the equipment to their satisfaction as the Landlord reasonably requires and must maintain the equipment to the reasonable satisfaction of the insurers and the fire authority and in efficient working order. As often

as required by statute the Tenant must cause any sprinkler system and other fire fighting equipment to be inspected by a competent person.

6.7.4 Combustible materials

The Tenant must not store on the Premises or bring onto them anything of a specially combustible, inflammable or explosive nature, and must comply with the requirements and recommendations of the fire authority and the reasonable requirements of the Landlord as to fire precautions relating to the Premises.

6.7.5 Fire escapes, equipment and doors

The Tenant must not obstruct the access to any fire equipment or the means of escape from the Premises, or any other Premises or lock any fire door while the Premises are occupied.

6.7.6 Notice of events affecting the policy

The Tenant must give immediate notice to the Landlord of any event that might affect any insurance policy on or relating to the Premises, and any event against which the Landlord may have insured under this Lease.

6.7.7 Notice of convictions

The Tenant must give immediate notice to the Landlord of any conviction, judgment or finding of any court or tribunal relating to the Tenant, or any director other officer or major shareholder of the Tenant that it becomes aware of, of such a nature as to be likely to affect the decision of any insurer or underwriter to grant or to continue any insurance.

6.7.8 Other insurance

If at any time the Tenant is entitled to the benefit of any insurance of the Premises that is not effected or maintained in pursuance of any obligation contained in this Lease, the Tenant must apply all money received by virtue of that insurance in making good the loss or damage in respect of which the money is received.

6.7.9 Reinstatement on refusal of money through default

If at any time the Premises or any part of them are damaged or destroyed by one or more of the Insured Risks and the insurance money under the policy of insurance effected by the Landlord pursuant to his obligations contained in this Lease is wholly or partially irrecoverable because of any act or default of the Tenant or of anyone at the Premises expressly or by implication with his authority and under his control, the Tenant must immediately, at the option of the Landlord, either rebuild and reinstate the Premises or the part of them destroyed or damaged to the reasonable satisfaction and under the supervision of the Surveyor—in which case, when costs are incurred in the rebuilding and refurbishment, and the Landlord has received the insurance money under the policy of insurance the Landlord must pay to the Tenant the amount that the Landlord has actually received under the insurance policy in respect of the destruction or damage—or pay to the Landlord within 14 days of written demand with Interest the amount of the insurance money so irrecoverable—in which case the provisions of clauses 6.5 SUSPENSION OF THE RENT and 6.6 REINSTATEMENT AND TERMINATION are to apply.

6.8 Landlord's further insurance covenants

The Landlord covenants with the Tenant to observe and perform the requirements set out in this clause 6.8 in relation to the insurance policy he has effected pursuant to his

obligations
contained in this Lease.

GUARANTEE PROVISIONS

THE GUARANTOR'S COVENANTS

7.1.1 Nature and duration

The Guarantor's covenants with the Landlord are given as sole or principal debtor or covenantor, with the landlord for the time being and with all his successors in title without the need for any express assignment, and the Guarantor's obligations to the Landlord will last throughout the Liability Period.

7.1.2 The covenants

The Guarantor covenants with the Landlord to observe the requirements of this clause 7.1,2.

7.1.2.1 Payment of rent and performance of the Lease

The Tenant must pay the Lease Rents and VAT charged on them punctually and observe
and perform the covenants and other terms of this Lease, and if, at any time during the Liability Period while the Tenant is bound by the tenant covenants of this Lease, the Tenant
defaults in paying the Lease Rents or in observing or performing any of the covenants or other terms of this Lease, then the Guarantor must pay the Lease Rents and observe or perform the covenants or terms in respect of which the Tenant is in default and make good
to the Landlord on demand, and indemnify the Landlord against, all losses resulting from the
non-payment, non-performance or non-observance notwithstanding—
(a) any time or indulgence granted by the Landlord to the Tenant, any neglect or

- forbearance of the Landlord in enforcing the payment of the Lease Rents or the observance or performance of the covenants or other terms of this Lease, or any refusal by the Landlord to accept rent tendered by or on behalf of the Tenant at a time when the Landlord is entitled—or will after the service of a notice under the Law of Property Act 1925 section 146 be entitled—to re-enter the Premises,
- (b) that the terms of this Lease may have been varied by agreement between the Landlord and the Tenant, provided that no variation is to bind the Guarantor to the extent that it is materially prejudicial to him,
- (c) that the Tenant has surrendered part of the Premises—in which event the liability of the Guarantor under this Lease is to continue in respect of the part of the Premises not surrendered after making any necessary apportionments under the Law of Property Act 1925 section 140, and
- (d) anything else by which, but for this clause 7.1.2.1, the Guarantor would be released.

7.1.2.2 New lease following disclaimer

If, at any time during the Liability Period while the Tenant is bound by the tenant covenants of this Lease, any trustee in bankruptcy or liquidator of the Tenant disclaims this Lease, the Guarantor must, if so required by notice served by the Landlord within 60 days of the Landlord's becoming aware of the disclaimer, take from the Landlord forthwith a lease of the Premises for the residue of the Contractual Term as at the date of the disclaimer, at the Rent then payable under this Lease and subject to the same covenants and terms as in this Lease—except that the Guarantor need not ensure that any other person is made a party to

that lease as guarantor—the new lease to commence on the date of the disclaimer. The Guarantor must pay the costs of the new lease and VAT charged thereon, save where such

VAT is recoverable or available for set-off by the Landlord as input tax, and execute and deliver to the Landlord a counterpart of the new lease.

7.1.2.3 Payments following disclaimer

If this Lease is disclaimed and the Landlord does not require the Guarantor to accept a new

lease of the Premises in accordance with clause 7.1.2.2 NEW LEASE FOLLOWING DISCLAIMER, the Guarantor must pay to the Landlord on demand an amount equal to the difference between any money received by the Landlord for the use or occupation of the Premises and the Lease Rents in both cases for the period commencing with the date of the disclaimer and

ending on whichever is the earlier of the date 6 months after the disclaimer, the date, if any,

upon which the Premises are relet, and the end of the Contractual Term.

7.1.2.4 Guarantee of the Tenant's liabilities under an authorised guarantee agreement

If, at any time during the Liability Period while the Tenant is bound by an authorised guarantee agreement, the Tenant makes any default in his obligations under that agreement, the Guarantor must make good to the Landlord on demand, and indemnify the

Landlord against, all losses resulting from that default notwithstanding—

- (a) any time or indulgence granted by the Landlord to the Tenant, or neglect or forbearance of the Landlord in enforcing the payment of any sum or the observance or performance of the covenants of the authorised guarantee agreement,
- (b) that the terms of the authorised guarantee agreement may have been varied by

agreement between the Landlord and the Tenant provided that no variation is to bind the Guarantor to the extent that it is materially prejudicial to him, or anything else by which, but for this clause 7.1.2.4, the Guarantor would be released.

7.1.3 Severance

7.1.3.1 Severance of void provisions

Any provision of this clause 7 rendered void by virtue of the 1995 Act section 25 is to be severed from all remaining provisions, and the remaining provisions are to be preserved.

7.1.3.2 Limitation of provisions

If any provision in this clause 7 extends beyond the limits permitted by the 1995 Act section

25, that provision is to be varied so as not to extend beyond those limits.

8 FORFEITURE

If and whenever during the Term—

- 8.1 the Lease Rents, or any of them or any part of them, or any VAT payable on them, are outstanding for 28 days after becoming due, whether formally demanded or not, or
- 8.2 the Tenant or the Guarantor breaches any covenant or other term of this Lease, or
- 8.3 the Tenant or the Guarantor, being an individual, becomes bankrupt, or
- 8.4 the Tenant or the Guarantor, being a company, enters into liquidation whether compulsory or voluntary—but not if the liquidation is for amalgamation or reconstruction of a solvent company—or has a receiver appointed, or
- 8.5 the Tenant enters into an arrangement for the benefit of his creditors, where the Tenant or the Guarantor is more than one person, if and whenever any of the events referred to in this clause happens to any one or more of them, the Landlord may at any time re-enter the Premises or any part of them in the name

of the whole—even if any previous right of re-entry has been waived—and thereupon the Term is to cease absolutely but without prejudice to any rights or remedies that may have accrued to the Landlord against the Tenant or the Guarantor or to the Tenant against the Landlord in respect of any breach of covenant or other term of this Lease, including the breach in respect of which the re-entry is made.

9 MISCELLANEOUS

9.1.1 Exclusion of warranty as to use

Nothing in this Lease or in any consent granted by the Landlord under this Lease is to imply or warrant that the Premises may lawfully be used under the Planning Acts for the Permitted Use.

9.1.2 Exclusion of third party rights

Nothing in this Lease is intended to confer any benefit on any person who is not a party to it.

9.2 Representations

The Tenant acknowledges that this Lease has not been entered into in reliance wholly or partly on any statement or representation made by or on behalf of the Landlord except any such statement or representation expressly set out in this Lease or made by the Landlord's solicitors in any written correspondence to the Tenant's solicitors in connection with the grant of this Lease or on the web page <http://www.reedspace.com/>

9.3 Documents under hand

While the Landlord is a limited company or other corporation, any licence, consent, approval or notice required to be given by the Landlord is to be sufficiently given if given under the hand of a director, the secretary or other duly authorised officer of the Landlord or by the Surveyor on behalf of the Landlord

9.4 Tenant's property

If, after the Tenant has vacated the Premises at the end of the Term, any property of his remains in or on the Premises and he fails to remove it within 7 days after a written request

from the Landlord to do so, or, if the Landlord is unable to make such a request to the Tenant, within 14 days from the first attempt make it, then the Landlord may, as the agent of

the Tenant, sell that property. The Tenant must indemnify the Landlord against any liability

incurred by the Landlord to any third party whose property is sold by him in the mistaken belief held in good faith—that the

property belonged to the Tenant. If, having made reasonable efforts to do so, the Landlord

is unable to locate the Tenant, then the Landlord may retain the proceeds of sale absolutely

unless the Tenant claims them within 6 months of the date upon which he vacated the Premises. The Tenant must indemnify the Landlord against any material damage occasioned to the Premises and any material losses caused by or related to the presence of the property in or on the Premises provided that the Landlord use all reasonable endeavours to mitigate these losses

9.5 Compensation on vacating excluded

Any statutory right of the Tenant to claim compensation from the Landlord on vacating the

Premises is excluded to the extent that the law allows.

9.6 Notices

9.6.1 Form and service of notices

A notice under this Lease must be in writing and, unless the receiving party or his authorised

agent acknowledges receipt, is valid if, and only if—

9.6.1.1 it is given by hand, sent by registered post or recorded delivery

provided that a confirmatory copy is given by hand or sent by registered post

or

recorded delivery on the same day, and

it is served—

- (a) where the receiving party is a company incorporated within Great Britain, at the registered office,
 - (b) where the receiving party is the Tenant and the Tenant is not such a company, at the Premises, and
 - (c) where the receiving party is the Landlord or the Guarantor and the Landlord (or as required) that party is not such a company, at the Landlord's (or as required) that party's address shown in this Lease
- or
- at any address specified in a notice given by the Landlord to the Tenant (or as required) that party to the other parties.

Deemed delivery

9.6.2.1 By registered post or recorded delivery

Unless it is returned through the Royal Mail undelivered, a notice sent by registered post

or

recorded delivery is to be treated as served on the third working day after posting whenever and whether or not it is received.

9.6.2.3 'A working day'

References to 'a working day' are references to a day when the United Kingdom clearing banks are open for business in the City of London.

9.6.3 Joint recipients

If the receiving party consists of more than one person, a notice to one of them is notice to all.

9.7 New lease

This lease is a new tenancy for the purposes of the 1995 Act section 1.

9.9 Tenant break

9.9.1 If the Tenant wishes to terminate the term hereby granted on the ** 2014 and serves not less than 6 months written notice to that effect on the Landlord then upon the expiration of the notice and on payment of all rent due under this Lease, and any other monies due and properly demanded at least 14 days in advance of ** 2013, this Lease shall terminate without prejudice to the rights of either party against the other in respect of any antecedent breaches of the terms hereof.

Exclusion of the 1954 Act ss 24-28

"The parties confirm that:

(a) the Landlord served a notice dated 2011 on the Tenant, as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 (the 1954 Act) and which applies to the tenancy created by this lease, before this lease was entered into a

copy of which notice is annexed to this lease; and

(b) the Tenant made a statutory declaration dated 2011 in accordance with the requirements of section 38A(3)(b) of the 1954 Act a copy of which statutory declaration is annexed to this lease.

(c) There is no agreement for lease to which this lease gives effect.

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

Liability of Pension Fund

The liability of the Landlord shall at all times be limited to the assets of the JBR Pension Scheme

IN WITNESS whereof the parties hereto have executed this Deed the day and year first before written

SCHEDULE 1: THE RIGHTS RESERVED

1 -1 Right of entry to inspect

The right to enter, or in emergency to break into and enter, the Premises at any time during

the Term at reasonable times and upon reasonable notice except in emergency to inspect

them, to take schedules or inventories of fixtures and other items to be yielded up at the end

of the Term, and to exercise any of the rights granted to the Landlord elsewhere in this

Lease the Landlord ensuring that as little interference and disturbance is caused to the Tenant and its business and any damage caused is made good as soon as practicable to the Tenant's reasonable satisfaction

1-2 Passage and running through the Conduits

The right to the free and uninterrupted passage and running of all appropriate services or supplies from and to other parts of the adjoining property of the Landlord in and through the Conduits and through any structures of a similar use or nature that may at any time be in over or under the Premises.

1-3 Construction of Conduits

The right to construct and to maintain at any time any pipes, sewers, drains, mains, ducts, conduits, gutters, watercourses, wires, cables, laser optical fibres, data or impulse transmission, communication or reception systems, channels, flues and other necessary conducting media for the provision of services or supplies, including any fixings, louvres, cowls and any other ancillary apparatus in a location approved by the Tenant (such approval not to be unreasonably withheld or delayed) for the benefit of any of the adjoining property of the Landlord, making good any damage caused by the exercise of the right.

1 -4 Access

1-4.1 Access to inspect

The right at any reasonable times on reasonable notice except in emergency to enter, or in emergency to break into and enter, the Premises—

- 1-4.1.1 to inspect the condition and the state of repair of the Premises,
- 1-4.1.2 to inspect, clean, connect with, repair, remove, replace with others, alter or execute any works whatever to or in connection with the conduits, easements, supplies or services referred to in paragraphs 1-2 and 1-3,
- 1-4.1.3 to view the state and condition of and repair and maintain the Premises where such viewing or work would not otherwise be reasonably practicable,
- 1-4.1.4 to carry out work or do anything whatever that the Landlord is obliged to do under
this Lease,
- 1-4.1.5 to take schedules or inventories of fixtures and other items to be yielded up at the end of the Term, and
- 1-4.1.6 to exercise any of the rights granted to the Landlord by this Lease.

the Landlord ensuring that as little interference and disturbance is caused to the Tenant and its business and any damage caused is made good as soon as practicable to the Tenant's reasonable satisfaction

1-5.2 Access on renewal

The right with the Surveyor at any convenient hours and on reasonable prior notice to enter and to inspect and measure the Premises for all purposes connected with any renewal of this Lease

1-6 Scaffolding

The right to erect scaffolding for any purpose connected with or related to the Premises in repairing or cleaning the Building provided it does not materially adversely restrict access to or the use and enjoyment of the Premises

1-7 Right to erect new buildings

Without prejudice to clause 4 full right and liberty at any time after the date of this Lease — to erect any new buildings of any height on any adjoining property of the Landlord in such manner as the Landlord thinks fit even if they may temporarily obstruct, affect, or interfere with the amenity of or access to the Premises or the passage of light and air to the Premises,

SCHEDULE 2: THE RIGHTS GRANTED

Passage and running through the Adjoining Conduits

The right, subject to temporary interruption for repair, alteration or replacement, (such interruption to be kept to an absolute minimum) to the free passage and running of all services through the appropriate conduits in on or under the adjoining land of the Landlord, in common with the Landlord and all other persons having a like right together with the right with the Landlord's prior approval to enter upon the retained land for the purpose of carrying out repairs to the conduits exclusively serving the Premises

2-2 Access

The right of access to and egress from the Premises at all hours of the day and night with or without vehicles over the roadway coloured brown on the plan and on foot only over the Retained Land adjacent to the Premises

2.3 Refuse Area

The right to use the refuse area coloured green on the plan for the purpose of storage of Refuse as reasonably directed by the Landlord

Support and Protection

The right to support and protection for the Premises from the other building on the

Retained Land

2.5 Right of Entry

The right to enter the Retained Land to carry out any works or inspections to fulfil the Tenant's obligations under this lease of as required by statute

SCHEDULE 3: THE OFFICE COVENANTS

3-1 Use

3-1.1 Permitted Use

The Tenant must use the Premises for the Permitted Use only.

3-1.2 Cesser of business

The Tenant must not cease carrying on business in the Premises or leave the Premises continuously unoccupied for more than 1 month without notifying the Landlord and providing such caretaking or security arrangements for the protection of the Premises as the Landlord reasonably requires and the insurers or underwriters require

3-1.3 Noxious discharges

The Tenant must not discharge any oil, grease or other deleterious matter, or any substance that might be or become a source of danger or injury to the drainage system, into any of the Conduits.

3-1.4 Sound audible outside

The Tenant must not play or use in the Premises any musical instrument, audio or other equipment or apparatus that produces sound that may be heard outside the Premises if the

Landlord in his absolute discretion reasonably considers such sounds to be undesirable and gives notice to the Tenant to that effect.

3-2 Ceiling and floor loading

3-2.1 Heavy items

The Tenant must not bring onto or permit to remain on the Premises any safes, machinery, goods or other articles that will or may strain or damage the Premises or any part of them.

3-2.2 Protection of the roof

The Tenant must not without the consent of the Landlord suspend anything from any ceiling on the Premises or store any heavy items in the roof space.

3-2.3 Expert advice

If the Tenant applies for the Landlord's consent under paragraph 3-2.2 PROTECTION OF THE ROOF the Landlord may consult any engineer or other person in relation to the ceiling loading proposed by the Tenant, and the Tenant must repay the reasonable and proper fees of the engineer or other person to the Landlord on demand.

3-3 Machinery

3-3.1 Noisy machinery

The Tenant must not install or use in or upon the Premises any machinery or apparatus other than usual office machinery that will cause noise or vibration that can be heard or felt

in nearby premises or outside the Premises or that may cause structural damage.

3-3.2 Maintenance of machinery

In order to avoid damage to the Premises, the Tenant must keep all machinery and equipment upon the Premises ('the Machinery') properly maintained and in good working order and for that purpose must employ reputable contractors to be approved by the Landlord, whose approval may not be unreasonably refused or delayed ('the Contractors') to

carry out regular periodic inspection and maintenance of the Machinery.

3-3.3 Renewal of parts

The Tenant must renew all working and other parts of the Machinery as and when necessary or when recommended by the Contractors.

3-3.4 Operation

The Tenant must ensure by directions to his staff and otherwise that the Machinery is properly operated.

3-4 Signs

The Tenant must not display at any point on the outside of the Premises or on the inside so

as to be visible from the outside any signs other than first approved by the Landlord, showing the Tenant's trading name and business and not to place any sign on the

Premises

indicating that the Premise are to let,

3-5 Accessway

The Tenant must not permit any vehicles belonging to him or any persons calling on the Premises expressly or by implication with his authority to stand on the access way

except for

loading and unloading

3-6 Regulations

The Tenant must comply with all reasonable and proper regulations made by the Landlord from time to time for the management of the adjoining land of the Landlord provided that in the event that such regulations contradict the terms of this lease the terms of this lease shall always prevail

SCHEDULE 4: THE SUBJECTIONS

The entries on the Register of title number BK 370291

SCHEDULE 5: THE AUTHORISED GUARANTEE AGREEMENT

THIS GUARANTEE is made the day of..... BETWEEN:

- (1) (name of outgoing tenant) [of (address) (or as appropriate) the registered office of which is at (address)][Company Registration no ...]('the Guarantor') and
- (2) (name of landlord) [of (address) (or as appropriate) the registered office of which is at (address)][Company Registration no ...] ('the Landlord')

NOW THIS DEED WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATION

For all purposes of this guarantee the terms defined in this clause have the meanings specified.

1.1 The Assignee'

'The Assignee' means (insert name of incoming tenant) [Company Registration no ...].

1.2 'The Lease'

'The Lease' means the lease of (insert address or description of demised premises) dated (date) and made between (name of original landlord) and (name of original tenant) [and (name of original guarantor)] for a term of (number) years commencing on and including (commencement date) [and varied by a deed dated (date) and made between (names of parties)].

1.3 The Premises'

'The Premises' means the premises demised by the Lease.

1.4 Trigger Event'

'Trigger Event' means:-

- 1.4.1 disclaimer of the Lease;
- 1.4.2 forfeiture of the Lease; or
- 1.4.3 while the Lease is vested in the Assignee (being a corporation), the dissolution or ceasing to exist of the Assignee.

1.5 Terms from the Landlord and Tenant (Covenants) Act 1995

The expressions 'authorised guarantee agreement' and 'tenant covenants' have the same

meaning in this guarantee as in the Landlord and Tenant (Covenants) Act 1995 section 28(1).

1.6 Period of liability

Any reference in this deed to the period during which the Assignee is bound by the tenant covenants of the Lease includes any agreed or statutory continuation of the term granted by the Lease.

1.7 References to clauses

Any reference in this deed to a clause without further designation is to be construed as a reference to the clause of this deed so numbered.

2 RECITALS

2.1 Consent required

By clause 3.9.3 of the Lease, the Landlord's consent to an assignment of the Lease is required.

2.2 Agreement to consent

The Landlord has agreed to give consent to the assignment to the Assignee on condition that the Guarantor enters into this guarantee.

2.3 Effective time

This guarantee takes effect only when the Lease is assigned to the Assignee.

3 GUARANTOR'S COVENANTS

In consideration of the Landlord's consent to the assignment, the Guarantor covenants

(both as primary obligor and also by way of indemnity and guarantee) with the Landlord and without the need for any express assignment with all his successors in title as set out in this clause 3.

3.1 Payment and performance

While the Assignee is bound by the tenant covenants of the Lease (or would be so bound but for the happening of a Trigger Event) the Assignee will pay the rents and observe and perform the tenant covenants and other terms of the Lease, and if the Assignee should fail

to do so, the Guarantor must pay the rents and observe and perform the tenant covenants

or terms in respect of which the Assignee is (or would be but for the happening of a Trigger

Event) in default, and make good to the Landlord on demand, and indemnify the Landlord against, all losses, damages, costs and expenses resulting from such non-payment, non-

performance or non-observance notwithstanding

3.1.1 any time or indulgence granted by the Landlord to the Assignee, or any neglect or forbearance of the Landlord in enforcing the payment of the rents or the observance or performance of the covenants or other terms of the Lease, or any refusal by the Landlord to accept rents tendered by or on behalf of the Assignee at a time when the Landlord is entitled, or would after the service of a notice under the Law of Property Act 1925 section 146 be entitled, to re-enter the Premises,

3.1.2 that the terms of the Lease may have been varied by agreement between the parties provided that no variation is to bind the Guarantor to the extent that it is

materially prejudicial to him,

3.1.3 that the Assignee has surrendered part of the Premises, in which event the liability of

the Guarantor under the Lease is to continue in respect of the part of the Premises not surrendered after making any necessary apportionments under the Law of Property Act 1925 section 140, and

3.1.4 anything else by which, but for this clause 3.1, the Guarantor would have been released.

3.2 New lease following Trigger Event

The Guarantor must, if required by written notice served by the Landlord within 60 days of

the Landlord's receiving written notice of a Trigger Event occurring, take from the Landlord

forthwith a lease of the Premises for the residue of the contractual term of the Lease as at

the date of the Trigger Event, at the rent then payable under the Lease (or which would be

payable but for any abatement of rent in accordance with the Lease or any statutory restriction or modification) and subject to the same covenants and terms as in the Lease

—

except that the Guarantor need not ensure that any other person is made a party to that lease as guarantor—the new lease to commence on the date of the Trigger Event. The Guarantor must pay the costs of the new lease and execute and deliver to the Landlord a counterpart of it.

3.3 Payments following Trigger Event

3.3.1 The Guarantor must pay to the Landlord within 14 days of written demand an amount calculated in accordance with clause 3.3.2 if:-

a Trigger Event occurs; and

the Guarantor's obligations under clause 3.1 are determined; and

the Landlord does not require the Guarantor to accept a new lease in accordance with clause 3.2; and

3.3.1.4 either (in the case of disclaimer) no vesting order is made in respect of the Lease or
(in the case of forfeiture) relief from forfeiture has not been granted to any person.

3.3.2 The amount referred to in clause 3.3.1 shall be equal to the difference between any money received by the Landlord for the use or occupation of the Premises for the period commencing with the date of the Trigger Event and ending on whichever is the earlier of the
date 6 months after the Trigger Event, the date, if any, on which the Premises are relet, and
the end of the contractual term of the Lease.

4 LANDLORD'S COVENANT

The Landlord covenants with the Guarantor to notify the Guarantor in writing within 7 days
of being informed of the facts bringing the Guarantor's liability under this guarantee to an end.

5 SEVERANCE

5.1 Severance of void provisions

Any provision of this deed rendered void by virtue of the Landlord and Tenant
(Covenants)

Act 1995 section 25 is to be severed from all remaining provisions, and the remaining provisions are to be preserved.

5.2 Limitation of provisions

If any provision in this deed extends beyond the limits permitted by the Landlord and Tenant

(Covenants) Act 1995 section 25, that provision is to be varied so as not to extend beyond

those limits.

IN WITNESS etc

SCHEDULE 6: THE SERVICES

6-1 Definitions

In this schedule the terms defined below have the meanings given in this paragraph.

6-1.1 'A financial year'

References to 'a financial year' are references to the period commencing on 1 February in any year and ending on 31 January in the same year or such other annual period as the Landlord in his discretion determines as being that for which his accounts, either generally or in respect of the Retained Land, are to be made up.

6-1.2 'The Initial Provisional Service Charge'

'The Initial Provisional Service Charge means the sum of £X,X00.00 a year.

6-1.3 'The Management Premises'

'The Management Premises' means all the administrative and control offices, storage areas, staff rooms and other areas maintained by the Landlord for the purpose of managing the Retained Land and performing the Landlord's obligations under this Lease.

6-1.4 'Other lettable premises'

References to 'other lettable premises' are references to premises in the Retained Land that are let, or are from time to time allocated for letting, by the Landlord, other than the Premises, and respectively include and exclude, where applicable, the equivalent parts of

the Retained Land included in and excluded from the Premises as described in clause 1.28 'THE PREMISES'.

6-1.5 'The Plant'

'The Plant' means all the electrical, mechanical and other plant, machinery, equipment, furnishings, furniture, fixtures and fittings in use for common benefit from time to time on, in or at the Retained Land, including, without prejudice to the generality of the foregoing, closed circuit television, refuse compactors and all other such equipment, including stand-by and emergency systems.

6-1.6 'The Retained Parts'

'The Retained Parts' means the parts of the Retained Land that are not let or constructed or adapted for letting, including, without prejudice to the generality of the foregoing, and also including office accommodation for the Retained Land manager and any ancillary staff.

6-2 Service charge provisions

6-2.1 Certificate of the Landlord's Expenses

As soon as reasonably practicable after each financial year the Landlord must issue a summary of the Landlord's Expenses for that financial year, and a summary of any expenditure that formed part of the Landlord's Expenses in respect of a previous financial year but has not been taken into account in the summary for any previous financial year. A copy of the summary must be supplied by the Landlord to the Tenant.

6-2.2 Omissions from the certificate

Omission by the Landlord from a summary of the Landlord's Expenses of any expenditure incurred in the financial year to which the summary relates is not to preclude the inclusion of that expenditure in any subsequent summary.

6-2.3 Deemed Landlord's Expenses

In any financial year the Landlord's Expenses are to be deemed to include not only the costs and expenses actually paid or incurred by the Landlord during that year, but also —

6-2.3.1 such fair and reasonable part of all costs and expenditure in respect of or incidental to all or any of the recurring services and other matters referred to

in Schedule 6 THE SERVICES, whenever paid or incurred, whether before or during the Term — including reasonable provision for anticipated expenditure — as the Surveyor in his reasonable discretion allocates to that financial year as being fair and reasonable, and

6-2.3.2 an amount equal to the fair annual rental value of the Management Premises, as determined by the Surveyor acting reasonably, whose decision is to be conclusive,

and if the Landlord or a person connected with the Landlord or employed by the Landlord attends to (1) the supervision and management of the provision of services for the Retained Land, and/or (2) the preparation of statements or certificates of the Landlord's Expenses, and/or (3) the auditing of the Landlord's Expenses, and/or (4) the collection of rents from the Retained Land, then an expense is to be deemed to be paid or incurred by the Landlord, being a reasonable fee not exceeding that which independent agents might properly have charged for the same work.

6-2.4 Summaries conclusive

Any summary of the Landlord's Expenses, and any summary given by the Surveyor in connection with the Landlord's Expenses, is to be conclusive as to the matters it purports to summarise.

6-2.5 Payment

For each financial year the Tenant must pay the Service Charge Percentage of the Landlord's Expenses.

6-2.6 Variation of the Service Charge Percentage

The Service Charge Percentage may be varied to the extent that the Surveyor fairly and reasonably considers appropriate.

6-2.7 Payment on account

For each financial year the Tenant must pay to the Landlord on account of the Service Charge such a sum as the Surveyor deems to be fair and reasonable having regard to the likely amount of the Service Charge. That sum must be paid in advance, without deduction or set off, by one instalment on the 1st February in each year . During any

financial year the Surveyor may revise the contribution on account of the Service Charge for that financial year so as to take into account any actual or expected increase in expenditure, and as soon as reasonably practicable after such revision the Surveyor must summarise the amount of the revised contribution.

6-2.8 Service charge for the first financial year

The sum payable for the financial year current at the date of this document is to be the Initial Provisional Service Charge, of which the Tenant must on the date of this document pay to the Landlord a due proportion calculated from day to day in respect of the period from the Rent Commencement Date to 31st January 2011.

6-2.9 Final account and adjustments

As soon as reasonably practicable after the end of each financial year, the Landlord must furnish the Tenant with an account of the Service Charge payable by him for that financial year, credit being given for payments made on account. Within 7 days of the furnishing of such an account, the Tenant must pay the Service Charge, or any balance of it payable, to the Landlord. The Landlord must allow to the Tenant any amount overpaid by him against future payments of the Service Charge, whether on account or not.

Part 1

The services to be carried out by the Landlord for which the Tenant is responsible for paying 100% of the cost to the Landlord

6-1 repairing and whenever the Landlord acting reasonably considers it necessary in order to repair to replace or renew the Building (including the external doors the windows and the window frames) of which the Premises form part

Part 2

The services to be carried out by the Landlord for which all the Tenants on the Retained Land contribute a fair and reasonable proportion of the cost to the Landlord

cleaning both the inside and the outside of the windows of the Premises

placing and running maintenance contracts for the Premises and the Retained Land

providing suitable facilities for disposing of refuse, compacting it or removing it
from the Refuse Area

6-5 planting, tidying, tending and landscaping any appropriate part of the Retained Land
in such manner as the Landlord from time to time considers appropriate,

providing and performing all services of any kind whatsoever that the Landlord,
acting reasonably, from time to time provides, for the benefit of the Premises and
the Retained Land

policing the Retained land and providing such security staff as the Landlord, acting
reasonably, from time to time thinks fit and proper,

keeping any part of the Premises and Retained Land that is not built on adequately
surfaced and in good condition free from weeds

the cost to the Landlord of the Utilities consumed in the course of providing the Services.

a reasonable management fee

the provision of insurance of the Retained Land (excluding the Premises)

Provided that in this Schedule 6 all references to renew or replace shall only be in
instances where the item or service is beyond economic repair

SCHEDULE 7: THE RENT AND RENT REVIEW

7-1 Definitions

For all purposes of this schedule the terms defined in this paragraph 2-1 have the
meanings specified.

7-1.1 'An arbitrator'

References to 'an arbitrator' are references to a person appointed by agreement between the Landlord and the Tenant or, in the absence of agreement within 14 days of one of them giving notice to the other of his nomination, nominated by the President on the application of either made not earlier than 6 months before the Review Date or at any time thereafter to determine the rent under this schedule.

7-1.2 'The Assumptions'

'The Assumptions' means—

7-1.2.1 the assumption that no work has been carried out on the Premises during the Term by the Tenant, his subtenants or their predecessors in title that has diminished the rental value of the Premises except to the extent that it has been carried out pursuant to any statutory requirement or requirement of any local authority or other public body

7-1.2.2 the assumption that if the Premises have been destroyed or damaged they have been fully rebuilt or reinstated,

the assumption that the covenants contained in this Lease on the part of the Landlord and the Tenant have been fully performed and observed

7-1.2.4 the assumption that the Premises are available to let by a willing landlord to a willing tenant in the open market by one lease ('the Hypothetical Lease') without a premium being paid by either party and with vacant possession,

7-1.2.5 the assumption that the Premises are ready to receive the Tenant's fit out works but are capable of being used by the incoming tenant from the beginning of the Hypothetical Lease for all purposes required by the incoming tenant that would be permitted under this Lease,

7-1.2.6 the assumption that the term of the Hypothetical Lease is for five years with a rent review in the same terms as this Lease at the expiry of the third year of that term at the Review Date and that such term begins on the Review Date, that the rent commences to be payable on that date, and that the years during

which the tenant covenants to decorate the Premises are at the same intervals after the beginning of the term of the Hypothetical Lease as those specified in this Lease,

7-1.2.7 the assumption that every prospective willing landlord and willing tenant is able to recover VAT in full.

7-1.2.8 the assumption that the provisions of the Hypothetical Lease will be the same as the provisions of this Lease other than the amount of the Rent

7-1.3 'The Disregards'

'The Disregards' means—

7-1.3.1 disregard of any effect on rent of the fact that the Tenant, his subtenants, or their predecessors in title or other lawful occupiers have been in occupation of the Premises,

7-1.3.2 disregard of any goodwill attached to the Premises because the business of the Tenant, his subtenants, or their predecessors in title or other occupiers in their respective businesses is or was carried on there, and

7-1.3.3 disregard of any increase in rental value of the Premises attributable at the Review Date to any improvement to the Premises carried out, with consent where required, otherwise than in pursuance of an obligation to the Landlord or his predecessors in title either—

(a) by the Tenant, his subtenants, or their predecessors in title or other lawful occupiers during the Term or during any period of occupation before the Term, or

(b) by any tenant or subtenant of the Premises before the commencement of the Term provided that the Landlord or his predecessors in title have not since the improvement was carried out had vacant possession of the relevant part of the Premises, and

7-1.3.4 disregard of the taxable status of the Landlord or the Tenant for the purpose of VAT.

7-1.4 'The President'

'The President' means the President for the time being of the Royal Institution of Chartered Surveyors or any person authorised by him to make appointments on his behalf.

7-1.5 'A review period'

References to 'a review period' are references to the period beginning on the review date and ending on the day before the end of the Contractual Term.

7-2 Ascertaining the Rent

7-2.1 The Rent

Until the Review Date the Rent is to be the Initial Rent, and thereafter during the review period the Rent is to be a sum equal to the greater of the rent payable under this Lease immediately before the review date, or, if payment of rent has been suspended as provided for in this Lease, the rent that would have been payable had there been no such suspension, or the revised rent ascertained in accordance with this schedule.

7-2.2 Agreement of the Rent

Six months before each review date, time not being of the essence of the contract, the Landlord and the Tenant must open negotiations with a view to reaching a written agreement as to the Rent for the following review period and the Rent for that period may be agreed at any time or, in the absence of agreement, is to be determined by an arbitrator not earlier than the relevant review date. The Rent for the review period may

be agreed at any time or, in the absence of agreement, is to be determined by an arbitrator not earlier than the relevant review date.

7-2.3 Open market rent

The sum to be determined by an arbitrator must be the sum at which he decides the Premises might reasonably be expected to be let in the open market at the relevant review date making the Assumptions but disregarding the Disregards.

7-2.4 Conduct of the arbitration

The arbitration must be conducted in accordance with the Arbitration Act 1996, except that if the arbitrator dies or declines to act the President may, on the application of either the Landlord or the Tenant, appoint another in his place.

7-2.5 Memoranda of agreement

Whenever the Rent has been ascertained in accordance with this schedule, memoranda to that effect must be signed by or on behalf of the Landlord and the Tenant and annexed to this document and its counterpart, and the Landlord and the Tenant must bear their own costs in this respect.

7-2.6 Reimbursement of costs

If, on publication of the arbitrator's award, the Landlord or the Tenant pays all his fees and expenses, the paying party may, in default of payment within 21 days of a demand to that effect, recover such proportion of them, if any, as the arbitrator awards against the other in the case of the Landlord as rent arrears or in the case of the Tenant by deduction from the Rent.

7-3 Payment of the Rent as ascertained

7-3.1 Where the Rent is not ascertained by the review date

If the Rent payable during the review period has not been ascertained by the review date, then rent is to continue to be payable at the rate previously payable, such payments being on account of the Rent for the review period.

7-3.2 Where a review date is not a quarter day

If the Rent for the review period is ascertained on or before the review date but that date is not a quarter day, then the Tenant must pay to the Landlord on the review date the difference between the Rent due for that quarter and the Rent already paid for it.

7-3.3 Back-payment where review delayed

If the Rent payable during the review period has not been ascertained by the relevant review date, then the Tenant must pay to the Landlord, within 14 days of the date on which the Rent is agreed or the arbitrator's award is received by him, any shortfall between the Rent that would have been paid for that period had it been ascertained on or before the review date and the payments made by the Tenant on account and any VAT payable thereon, and interest, at the base lending rate from time to time of the bank referred to in or nominated pursuant to clause 1.11 'THE INTEREST RATE', in respect of each instalment of rent due on or after the review date on the amount by which the instalment of the Rent that would have been paid had it been ascertained exceeds the amount paid by the Tenant on account, the interest to be payable for the period from the date on which the instalment was due up to the date of payment of the shortfall.

7-4 Effect of counter-inflation provisions

If at the review date a statute prevents, restricts or modifies the Landlord's right either to review the Rent in accordance with this Lease or to recover any increase in the Rent,

then the Landlord may, when the restriction or modification is removed, relaxed or varied—without prejudice to his rights, if any, to recover any rent the payment of which has only been deferred by statute—on giving not less than 1 month nor more than 3 months notice to the Tenant at any time within 6 months of the restriction or modification being removed, relaxed or varied, time being of the essence, require the Tenant to proceed with any review of the Rent that has been prevented or to review the Rent further where the Landlord's right was restricted or modified. The date of expiry of the notice is to be treated as a review date—provided that nothing in this paragraph is to be construed as varying any subsequent review date. The Landlord may recover any increase in the Rent with effect from the earliest date permitted by law except that the revised rent shall nevertheless be calculated by reference to rental values at the Rent Review subject to the rent restriction and provided that there shall be no more than one such additional rent review between any two rent review dates.

SCHEDULE 8: THE RENT DEPOSIT

1-1 The Tenant shall deposit with the Landlord the sum of X Pounds (£XX,000.00) and the Landlord shall and the Landlord shall not close the Account before repayment of the deposit under para 1.3 unless another equivalent Account has been opened

1-2 The Landlord acknowledges that:

the balance is and remains beneficially the property of the Tenant subject to the Landlord's right of appropriation under paragraph 1.3; and

it will not make any withdrawals from the deposit from the Account except on the terms of this Schedule 8.

The Tenant acknowledges that the Landlord shall be entitled to withdraw sums from the Rent Deposit to make good to the Landlord for non payment of the Lease Rents or any

damage suffered or debt due to the Landlord in any way under the Lease.

The Landlord shall repay the Rent Deposit less any sums withdrawn as provided above at the end of the Term

If the Landlord makes any such withdrawals the Landlord may write to the Tenant requesting payment of such sum as has been withdrawn to restore the Rent Deposit to the original sum of £XX,000.00.

The Landlord shall supply to the Tenant a copy of the bank statement for the account on each anniversary of the date of this lease or at any time requested by the Tenant.

SIGNED AS A DEED

BY

In the presence of

SIGNED AS A DEED

BY

In the presence of

SIGNED AS A DEED

BY

acting by a Director and its Secretary