

Dated

2015

HINCKLEY & BOSWORTH BOROUGH COUNCIL

and

[REDACTED]

LEASE

[REDACTED] [REDACTED] [REDACTED]

LR1 Date of Lease	2015
LR2 Title Number(s)	LR 2.1 Landlord's Title Number(s) <div data-bbox="587 342 1106 380" style="background-color: black; height: 17px; width: 325px;"></div>
	LR 2.2 Other Title Numbers <div data-bbox="587 495 707 533" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 546 707 584" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 598 707 636" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 649 707 687" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 701 707 739" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 752 707 790" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 804 707 842" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 855 707 893" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 907 707 945" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 958 707 996" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1010 707 1048" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1061 707 1099" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1113 707 1151" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1164 707 1202" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1216 707 1254" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1267 707 1305" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1319 707 1357" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1370 707 1408" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1422 707 1460" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1473 707 1512" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1525 707 1563" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1576 707 1615" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1628 707 1666" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1680 707 1718" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1731 707 1769" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1783 707 1821" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1834 707 1872" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1886 707 1924" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1937 707 1975" style="background-color: black; height: 17px; width: 75px;"></div> <div data-bbox="587 1989 707 2027" style="background-color: black; height: 17px; width: 75px;"></div>

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LR3 Parties to this Lease	Landlord HINCKLEY & BOSWORTH BOROUGH COUNCIL of Hinckley Hub, Rugby Road, Hinckley, Leicestershire LE10 0FR.
	Tenant <div></div> <div></div> <div></div>
LR4 Property	In the case of a conflict between this Clause and the remainder of this Lease then, for the purposes of registration, this Clause shall prevail The property defined as Premises in this Lease.
LR5 Prescribed statements etc	LR5.1 None LR5.2 None
LR6 Term for which the Property is leased	The term as specified in this Lease at Clause 1
LR7 Premium	None
LR8 Prohibitions or restrictions on disposing of this lease	This Lease contains a provision that prohibits or restricts dispositions
LR9 Rights of acquisition etc	LR9.1 Tenant's contractual rights to renew this Lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land None
	LR9.2 Tenant's covenant to (or offer to) surrender this Lease See Clause 3.19
	LR9.3 Landlord's contractual rights to acquire this Lease See Clause 3.19
LR10 Restrictive covenants given in this lease by the Landlord in respect of land	None

other than the Property	
LR11 Easements	<p>LR11.1 Easements granted by this lease for the benefit of the Property</p> <p>Part I of the First Schedule</p>
	<p>LR11.2 Easements granted or reserved by this Lease over the Property for the benefit of other property</p> <p>Part II of the First Schedule</p>
LR12 Centre rent charge burdening the Property	None
LR13 Application for standard form of restriction	<p>The Parties to this Lease apply to enter the following standard form of restriction</p> <p>No transfer of the registered estate is to be registered without a certificate signed by a Conveyancer that the provisions of the Fifth Schedule (right of pre-emption) of the lease</p> <p>Dated [] 2016 and made between (1) Hinckley and Bosworth Borough Council and [REDACTED] [REDACTED] have been complied with.</p>
LR14 Declaration of trust where there is more than one person comprising the Tenant	None

LEASE PARTICULARS

1	Date	:	2016
2	Parties		
2.1	Landlord	:	HINCKLEY & BOSWORTH BOROUGH COUNCIL of Hinckley Hub, Rugby Road, Hinckley, Leicestershire LE10 0FR
2.2	Tenant		
2.3	Guarantor	:	
3	Centre	:	The Centre on the land and premises at Hinckley Retail and Leisure Scheme, Brunel Crescent, Hinckley shown edged blue on the attached plan at Appendix 1 for identification and each and every part thereof together with any building or buildings from time to time thereon
4	Premises	:	within the Centre and the Building and known as shown edged red on plans annexed to Appendix 2
5	Contractual Term	:	(date of occupation)
6	Principal Rent	:	annum subject to increase in accordance with the Second Schedule
7	Rent Commencement Date	:	
8	Review Dates	:	The date five years from the commencement of the Contractual Term and every fifth anniversary of it
9	Permitted Use	:	Or the sale of such other items as the landlord (acting reasonably) may in writing approve subject to the landlord's reasonable requirements for trading use and mix within the Building and the Centre having regard to good estate management practice.

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This Lease made on the date and between the parties specified in the Particulars **Witnesses** as follows:

1 Definitions and Interpretation

In this Lease unless the context otherwise requires:

1.1 Definitions

Arbitration means arbitration in accordance with Clause 7.4;

Base Rate means the base rate from time to time of Barclays Bank PLC, or (if not available) such comparable rate of interest as the Landlord shall reasonably require;

[REDACTED]

Building means the building forming part of the Centre shown edged blue on plan [REDACTED] attached for identification only and includes any part of it and any alteration or addition to it or replacement of it;

Centre means the Centre described in the Particulars, and includes any part of it and any alteration or addition to it or replacement of it;

Common Areas means any service yard any pedestrian ways circulation areas forecourts car park and other ways and areas in the Centre which are from time to time during the Term provided by the Landlord for common use by customers frequenting the Centre or by the tenants and for the occupiers of the Centre or persons expressly or by implication authorised by them.

Conduit means any existing or future cabling or other media for the passage of substances energy or information and any ancillary apparatus attached to them and any enclosures for them and which shall include any flue.;

Contractual Term means the term specified in the Particulars;

Encumbrances means the obligations and encumbrances contained or referred to in the documents specified in Part III of the First Schedule;

Gross Internal Area means an area measured in square metres (or feet) in conformity with the Codes of Measuring Practice issued jointly by the Royal Institution of Chartered Surveyors and the Incorporated Society of Valuers and Auctioneers (6th Edition);

Group Company means a company which is a member of the same group of companies within the meaning of Section 42 of the Landlord and Tenant Act 1954;

Insured Risks means fire, lightning, earthquake, explosion, aircraft (other than hostile aircraft) and other aerial devices or articles dropped therefrom, riot, civil commotion, malicious damage, storm or tempest, subsidence, heave, landslip, bursting or overflowing of water tanks apparatus or pipes, flood and impact by road vehicles terrorist activity (to the extent that insurance against such risks may ordinarily be arranged with an insurer of good repute) and such other risks or insurance as may from time to time be required by the Landlord (acting reasonably) (subject in all cases to such exclusions and limitations as may be imposed by the insurers provided such are not abnormal in the UK insurance marketplace at the time of renewal), and **Insured Risk** means any one of them;

Landlord means the person so named in the Particulars and includes any other person entitled to the immediate reversion to this Lease;

Landlord's Surveyor means the Landlord's surveyor or managing agent (who may be an employee of the Landlord) and who is suitably qualified for that role;

this Lease means this lease and any document supplemental to it or entered into pursuant to it;

Lettable Unit means a unit in the Centre which is let, or constructed or adapted for letting, from time to time;

Owner of the Common Areas: means any freehold or leasehold owner of the Common Areas for the time being.

Particulars means the descriptions and terms on the page headed **Lease Particulars** which form part of this Lease;

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

Premises means the premises described in the Particulars and any part of them and includes:

- (i) the internal faces of the walls, floors and columns which enclose the said premises including the plaster paint paper and other decorative finishes thereof;
- (ii) the entirety of all walls, floors (but not floor slabs) and columns within the said premises (other than those which are structural or load bearing) and one half of the thickness of any non structural walls dividing the said premises from other parts of the Centre and the internal faces of all structural or load bearing walls and columns within the said premises including the plaster paint paper and other decorative finishes thereof;
- (iii) the screed and finish of the floors within the said premises and all carpets therein;
- (iv) the internal faces of the ceilings of the said premises including the plaster paint paper and other decorative finishes thereof and all suspended ceilings and light fittings therein;
- (v) all windows frames and window furniture and sash cords (if any) and all glass in the windows within the said premises;
- (vi) all doors door furniture door frames and glass in such doors of or within the said premises;
- (vii) all sanitary and hot and cold water apparatus and the radiators within the said premises;
- (viii) all such Conduits in upon over or under which exclusively serve the said premises) (save those of statutory undertakers) and any Conduits running between the Premises and any plant and equipment on the roof of the Centre which exclusively serve the said premises;
- (ix) all landlord's fixtures and fittings which may at any time be in or upon the said premises;
- (x) all additions alterations and improvements within the said premises which may be made during the Term.
- (xi) the fascia of the said premises.

but excludes all structural parts of the Building and Conduits, plant and machinery serving other parts of the Centre;

Principal Rent means the rent stated in the Particulars;

Quarter Days means 25 March, 24 June, 29 September and 25 December in every year and **Quarter Day** means any of them;

Service Charge means the service charge as specified in the Fourth Schedule;

Service Charge Percentage means;

- (i) in relation to the Centre Services, a fair and weighted proportion (or proportions) to be determined from time to time by the Landlord (acting reasonably) and which takes account of the Gross Internal Area of the Premises in relation to the aggregate Gross Internal Area of all the Buildings constructed for letting on the Centre as well as other material factors (the initial indicative calculations of which are given on the model service charge budget dated 20th January 2015 and which is appended hereto).
- (ii) in relation to the Building Services, the proportion (expressed as a percentage) that the Gross Internal Area of the Premises bears to the aggregate Gross Internal Area of the premises comprised in the Building (the initial calculation of which is 1.6%),

Services has the meaning given to it in paragraph 1 of Part 1 of the Fourth Schedule;

Tenant means the person so named in the Particulars, and includes its successors in title;

Term means the Contractual Term together with any continuation of the term or the tenancy (whether by statute, common law, holding over or otherwise);

Uninsured Risk means a risk in respect of which insurance is not available in the UK insurance market on reasonable commercial terms or an Insured Risk against which insurance ceases to be available in the UK insurance market place on reasonable commercial terms;

VAT means Value Added Tax and any similar tax substituted for it or levied in addition to it;

1987 Order means the Town and Country Planning (Use Classes) Order 1987 (as originally made);

1995 Act means the Landlord and Tenant (Covenants) Act 1995.

1.2 Interpretation

- 1.2.1 If the Landlord or the Tenant is more than one person then their covenants are joint and several;
- 1.2.2 Unless otherwise stated in this Lease, any reference to a statute includes any modification, extension or re-enactment of it and any orders, regulations, directions, schemes and rules made under it;
- 1.2.3 Any covenant by the Tenant not to do any act or thing includes an obligation not knowingly to permit or suffer such act or thing to be done;
- 1.2.4 If the Landlord reserves rights of access or other rights over or in relation to the Premises then those rights extend to persons authorised by it in connection with the proper exercise of the Landlord's obligations in this Lease or in connection with the proper grant of rights to other owners and occupiers of units in the Centre;
- 1.2.5 References to the **act or default of the Tenant** include acts or default of any undertenant, or of anyone at the Premises with the Tenant's or any undertenant's permission or sufferance;
- 1.2.6 The index and Clause headings in this Lease are for ease of reference only;

- 1.2.7 References to the **last year of the Term** shall mean the twelve months ending on the expiration or earlier termination of the Term;
- 1.2.8 References to **Costs** include all reasonably and properly incurred liabilities, claims, demands, proceedings, damages, losses, and reasonable costs and expenses.
- 1.2.9 References to the **Centre, Car Park** and **Common Parts** shall be construed as a reference to the same as extended or reduced from time to time subject to the provisions of this Lease.
- 1.2.10 Such of the division walls as divide the Premises from any adjacent premises shall be deemed to be party walls within the meaning of s.38 of the Law of Property Act 1925 and shall be maintained accordingly.

2 Demise

The Landlord demises with full title guarantee the Premises to the Tenant for the Contractual Term, together with the rights set out in Part I of the First Schedule, except and reserving as mentioned in Part II of the First Schedule, and subject to the Encumbrances.

3 Rent

The Tenant shall pay by way of rent during the Term without any deduction, counterclaim or set off:

3.1 Principal Rent

The Principal Rent and any VAT by equal quarterly payments in advance on the Quarter Days, to be paid by Banker's Standing Order if the Landlord so requires, the first payment for the period from and including the Rent Commencement Date to (but excluding) the next Quarter Day to be made on the Rent Commencement Date.

3.2 Service Charge

The Service Charge and any VAT at the times and in the manner set out in the Fourth Schedule;

3.3 Additional Rent

The following amounts and any VAT:

- 3.3.1 the sums specified in Clauses 4.2 [interest];
- 3.3.2 the sums specified in Clause 6.2.1 [insurance];

4 Tenant's covenants

The Tenant covenants with the Landlord throughout the Term, or until released pursuant to the 1995 Act, as follows:

4.1 Rents

To pay the rents reserved by this Lease on the due dates;

4.2 Interest

If the Landlord does not receive any sum due to it by the due date, to pay on demand interest on such sum at 3 per cent above Base Rate (compounded on the Quarter Days) from the due date

until payment (both before and after any judgment), provided this Clause shall not prejudice any other right or remedy for the recovery of such sum;

4.3 Outgoings

To pay all existing and future rates, taxes, charges, assessments and outgoings in respect of the Premises (whether assessed or imposed on the owner or the occupier), except any tax (other than VAT) arising as a result of the receipt by the Landlord of the rents reserved by this Lease and any tax arising on any dealing by the Landlord with its reversion to this Lease;

4.4 VAT

- 4.4.1 Any payment or other consideration to be provided to the Landlord is exclusive of VAT, and the Tenant shall in addition pay any VAT chargeable on the date the payment or other consideration is due subject to production by the Landlord of a valid VAT invoice;
- 4.4.2 Any obligation to reimburse or pay the Landlord's expenditure extends to irrecoverable VAT on that expenditure, and the Tenant shall also reimburse or pay such VAT;

4.5 Utilities

To pay for all gas, electricity, water, telephone and other utilities used on the Premises, and all charges for meters and all standing charges, and a fair proportion of any joint charges as reasonably determined by the Landlord's Surveyor;

4.6 Repair

- 4.6.1 To keep and maintain the Premises and all tenant's signage in good and substantial repair and condition (damage by the Insured Risks excepted save to the extent that insurance moneys are irrecoverable as a result of the act or default of the Tenant and damage by any Uninsured Risk excepted);
- 4.6.2 To make good any disrepair for which the Tenant is liable within a reasonable period taking into account the nature and extent of the disrepair (and in any event within 3 months) after the date of written notice from the Landlord (or sooner if reasonably necessary);
- 4.6.3 If the Tenant fails to comply with any such notice the Landlord may enter and carry out the work, and the cost shall be reimbursed by the Tenant on demand as a debt;

4.7 Decoration

- 4.7.1 To clean, prepare and paint or treat and generally redecorate all parts of the Premises usually to be cleaned, painted or treated in every fifth year and in the last year of the Term (but not more often than once in any consecutive period of 12 months);
- 4.7.2 The work described in Clause 4.7.1 is to be carried out:
 - (i) in a good and workmanlike manner to the Landlord's reasonable satisfaction; and
 - (ii) in relation to the exterior, in colours which (if different from the existing colour) are first approved in writing by the Landlord (approval not to be unreasonably withheld or delayed);

4.8 Cleaning and Refuse Removal

- 4.8.1 To keep the Premises clean, tidy and free from rubbish;

- 4.8.2 To clean the inside and outside of the windows and any washable surfaces at the Premises as often as reasonably necessary;
- 4.8.3 To comply with the Landlord's reasonable requirements as to storage and transfer of refuse and not to allow the Tenant's refuse to cause any obstruction outside the Premises

4.9 Overloading

Not to overload the floors or ceilings of the Premises, or any plant, machinery or electrical installation serving the Premises or the Centre, nor to do anything which interferes with the heating, air conditioning or ventilation of the Common Areas;

4.10 Conduits

To keep the Conduits in or exclusively serving the Premises clear and free from any noxious, harmful or deleterious substance, and to remove any obstruction and repair any damage to the Conduits caused by it or any person in occupation of the Premises with the consent of the Tenant as soon as reasonably practicable to the Landlord's reasonable satisfaction;

4.11 Prohibited Uses

Not to use the Premises:

- 4.11.1 for any purpose which is unduly noisy (having regard to the Permitted Use), dangerous, illegal, immoral or a nuisance or causes damage or disturbance to the Landlord or its other tenants of the Centre, or to owners or occupiers of any neighbouring property, or which involves any substance which may be harmful, polluting or contaminating to the Centre;
- 4.11.2 for residential purposes;
- 4.11.3 for any auction, public or political meeting, public exhibition, or as a betting office or for gaming, or as a sex shop (as defined in the Local Government (Miscellaneous Provisions) Act 1982), or for the business of an undertaker, or for the business of a staff agency, employment agency or Government Department at which the general public call without appointment;

4.12 Permitted Use

4.12.1 Not to use the Premises otherwise than for the Permitted Use specified in the Particulars

4.12.2 To maintain active trade for the Permitted Use except insofar as:

- (i) the Tenant may be prevented from so doing by reason of destruction or damage to the Premises or the Centre by an Insured Risk or an Uninsured Risk or some other cause wholly beyond the Tenant's control;
- (ii) may be necessary for the carrying out with all due speed of any repairs or permitted alterations or additions to the Premises;
- (iii) may be necessary for the removal with all due speed of any contents fixtures and fittings prior to a permitted assignment and for the Tenant to vacate the same a reasonable time prior to a proposed assignment permitted under this Lease such period not to exceed 14 days;
- (iv) to do so would be contrary to any regulation or requirement of any competent statutory or local authority or any licence obtained for the Permitted Use.

4.12.3 Throughout the term to provide the Landlord (at the Tenant's own expense) with monthly turnover statements containing such information as the Landlord may reasonably require it being agreed that such information shall be regarded as confidential to the Landlord the Tenant and the Owner of the Common Areas and only used in relation to the management of the Centre.

4.13 Signs

Subject to the Tenant's rights in paragraph 3 of Part I of the First Schedule, not to erect any temporary sign, notice or advertisement whatsoever which is visible outside the Premises nor to erect any other permanent sign notice or advertisement which is visible from outside the Premises without the Landlord's prior written consent (such consent not to be unreasonably withheld or delayed) provided that the Tenant may display signs on not more than 15% of the total surface area of the shop front of the Premises without the consent of the Landlord ;

4.14 Alterations

4.14.1 The Tenant shall make no alteration, addition or improvement to the Premises whether structural or otherwise except as expressly permitted under this clause 4.14.

4.14.2 The Tenant may carry out internal non-structural alterations, additions or improvements to the Premises and non-structural alterations to the shop front subject (in either case) to the prior written consent of the Landlord (which shall be given by Deed) and so long the Tenant has previously

- (i) submitted to the Landlord detailed plans and specifications showing the proposed works;
- (ii) obtained and supplied copies to the Landlord of all necessary consents to carry out the proposed works;
- (iii) notified the Landlord of the valuation of the proposed works for insurance purposes;
- (iv) given to the Landlord such covenants relating to the carrying out of the proposed works as the Landlord may reasonably require.

4.14.3 In carrying out any work under paragraph 4.14.2 and any work for which the Landlord has given consent under paragraph 4.14.3, the Tenant shall:

- (i) comply in all respects with all necessary consents relating to those works;
- (ii) comply with the requirements of the insurers;
- (iii) comply with the reasonable requirements of the Landlord and permit it to enter the Premises for the purpose of inspecting the progress of those works;
- (iv) not overload the service media or plant; and
- (v) carry out the same in a good and workmanlike manner with good quality materials.
- (vi) If the Landlord so requires at the end or sooner determination of this Lease (and at the Tenant's own expense) to reinstate the Premises to their original condition,

4.14.4 To the extent that any works undertaken by or on behalf of the Tenant fall within the scope of the CDM Regulations, the Tenant shall:

- (i) warrant to the Landlord that it is the only client for such works; and

- (ii) supply to the Landlord a copy of the Health and Safety manual prepared for the purposes of the CDM Regulations within one month of the relevant works being completed.

4.15 Preservation of Easements

- 4.15.1** Not to prejudice the acquisition of any right of light for the benefit of the Premises by obstructing any window or opening, or giving any acknowledgement that the right is enjoyed by consent or any other act or default of the Tenant;
- 4.15.2** To use reasonable endeavours to preserve all rights of light and other easements enjoyed by the Premises, and not to grant or purport to grant any right of light or other easement or right over the Premises;
- 4.15.3** To give the Landlord immediate notice upon the Tenant becoming aware that any easement enjoyed by the Premises is obstructed, or that any new easement affecting the Premises is made or attempted;

4.16 Alienation

- 4.16.1** Not to assign the Premises as a whole or enter into a binding agreement to do so without first complying with the provisions of the Fifth Schedule (*Offer back/pre-emption*);
- 4.16.2** Not to:
 - (i) assign, underlet, charge or part with possession of part only of the Premises nor enter into a binding agreement to do so;
 - (ii) part with the possession of the whole of the Premises except by an assignment or underletting permitted by this Clause 4.16;
 - (iii) share the possession or occupation of the whole or any part of the Premises except with a Group Company as permitted by clause 4.16.6;
 - (iv) Not to assign underlet or part with possession of the Premises at all within the first year of the term
- 4.16.3** Not to assign or agree to assign the whole of the Premises without the Landlord's written consent (not to be unreasonably withheld or delayed), provided that:
 - (i) the Landlord may withhold consent in circumstances where
 - in the reasonable opinion of the Landlord the proposed assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in this Lease;
 - (ii) the Landlord's consent shall be subject to such of the following conditions as are reasonable in the circumstances:
 - (a) the Tenant enters into an authorised guarantee agreement guaranteeing the performance of the Tenant's covenants in this Lease by the assignee including the provisions set out in the Third Schedule;
 - (b) such other person or persons as the Landlord reasonably requires act as guarantors for the assignee and enter into reasonable direct covenants with the Landlord including the provisions set out in the Third Schedule;

- (c) all rent and other payments due under this Lease (save those which are subject to a bona fide dispute) are paid before completion of the assignment;

4.16.4 The provisos to Clause 4.16.3 shall not prejudice the Landlord's right to withhold consent in other circumstances, or to impose other conditions, where it would be reasonable to do so;

4.16.5 If the Tenant wishes to underlet the whole of the Premises and procures:

- (i) that any intended underlessee covenants with the Landlord to observe and perform the tenant's covenants and the conditions in the underlease and not to underlet share or part with possession or occupation of the Premises and not without the prior consent of the Landlord which is not to be unreasonably withheld or delayed to assign the Premises; and
- (ii) that the intended underlease is not granted at a premium nor at a rent less than the open market rental value of the Premises nor on terms which permit the reduction of rent paid or payable by any underlessee;
- (iii) that in any such underlease the rent shall be payable at least quarterly in advance and shall where appropriate be subject to review in an upward direction only at such times and in such manner as to coincide with the rent review provided for under this Lease
- (iv) any underletting shall contain an agreement excluding Part II Landlord and Tenant Act 1954.

then (but subject to the restriction on subletting contained in Sub-Clause 4.16.2(iv) above) the Tenant may on obtaining the prior written consent of the Landlord (which shall not be unreasonably withheld or delayed) underlet the whole of the Premises to such intended underlessee.

4.16.6 Group Sharing

Notwithstanding the preceding provisions of this Clause 4.16 the Tenant may without the consent of the Landlord share occupation of the whole or any part of the Premises

with a Group Company;

Provided that

- (a) the relationship of landlord and tenant is not created;
- (b) the occupation by any such Group Company as aforesaid shall cease forthwith upon its ceasing to be a member of the same Group as the Tenant as aforesaid; and
- (c) the Landlord is informed in writing of the name of each occupier before it commences to occupy and is immediately notified in writing after it ceases to occupy; and
- (d) the overall impression of the trade or business carried on from the Premises is that of a single unit of occupation.

4.17 Registration

Within 21 days to give to the Landlord's solicitors (or as the Landlord may direct) written notice of any assignment, charge, or other devolution of the Premises together with a certified copy of the relevant document and a reasonable registration fee of not less than £50;

4.18 Statutory Requirements

To comply promptly with all notices served by any public, local or statutory authority, and with the requirements of any present or future statute or European Union law, regulation or directive (whether imposed on the owner or occupier), which affects the Premises or their use;

4.19 Planning

4.19.1 To comply with the Planning Acts;

4.19.2 Not to apply for or implement any planning permission affecting the Premises without first obtaining the Landlord's written consent (such consent not to be unreasonably withheld or delayed)

4.19.3 If a planning permission is implemented by the Tenant the Tenant shall complete all the works permitted and comply with all the conditions imposed by the permission before the determination of the Term;

4.19.4 If the Landlord reasonably so requires, to produce evidence to the Landlord that the provisions of this Clause 4.19 have been complied with;

4.20 Notices

To supply the Landlord with a copy of any notice, order or certificate or proposal for any notice, order or certificate affecting or capable of affecting the Premises as soon as it is received by or comes to the notice of the Tenant;

4.21 Contaminants and Defects

4.21.1 To give the Landlord immediate written notice of the existence of any contaminant, pollutant or harmful substance on or any defect in the Premises of which the Tenant becomes aware;

4.21.2 If so requested by the Landlord, to remove from the Premises or remedy to the Landlord's reasonable satisfaction any contaminant, pollutant or harmful substance on or caused to the Premises by the act or default of the Tenant;

4.22 Entry by Landlord

To permit the Landlord at all reasonable times and on reasonable notice (except in emergency) to enter the Premises (or authorise others to enter the Premises) in order to:

4.22.1 inspect and record the condition of the Premises or (where inspection cannot otherwise reasonably be carried out without access to the Premises) any other parts of the Centre or the adjoining or neighbouring premises;

4.22.2 remedy any material breach of the Tenant's obligations under this Lease;

4.22.3 repair, maintain, clean, alter or replace any Conduits which serve the Building or Centre or the adjoining or neighbouring premises pursuant to an obligation of the Landlord;

4.22.4 repair, maintain, alter or rebuild any part of the Building or the Centre or the adjoining or neighbouring premises but only in circumstances where such work cannot reasonably be carried out without entry into the Premises;

4.22.5 comply with any of its obligations under this Lease (where such obligations cannot reasonably be complied with without entry into the Premises);

Provided that the Landlord shall cause as little interference with the Tenant's business and inconvenience as reasonably practicable in the exercise of such rights, and shall make good all damage to the Premises caused by such entry to the reasonable satisfaction of the Tenant;

4.23 Landlord's Costs

To pay to the Landlord on demand amounts equal to such Costs as it may reasonably and properly incur:

4.23.1 in connection with any application for consent made necessary by this Lease (including where consent is lawfully refused or the application is withdrawn);

4.23.2 incidental to or in reasonable contemplation of the preparation and service of a schedule of dilapidations (whether before or after expiry of the Term) or a notice or proceedings under Section 146 or Section 147 of the Law of Property Act 1925 (even if forfeiture is avoided other than by relief granted by the Court);

4.23.3 in connection with the enforcement or remedying of any breach of the covenants in this Lease on the part of the Tenant;

4.23.4 incidental to or in reasonable contemplation of the preparation and service of any notice under Section 17 of the 1995 Act;

4.24 Indemnity

To indemnify the Landlord against all Costs arising directly or indirectly from the use or occupation or condition of the Premises, or any breach of the Tenant's obligations under this Lease, or any act or default of the Tenant in relation to the Premises, or the exercise of the rights set out in Part I of the First Schedule;

4.25 Reletting Notices

Within the last six months of the Term to allow a letting or sale board to be displayed on the Premises (but not so that it restricts or interferes unreasonably with the light enjoyed by the Premises or the Tenant's signage), and to allow prospective tenants or purchasers to view the Premises at reasonable times on reasonable notice;

4.26 Yielding up

4.26.1 Immediately before the end of the Term:

- (i) to give up the Premises repaired and decorated and otherwise in accordance with the Tenant's covenants in this Lease in all material respects;
- (ii) if the Landlord so requires, to remove such alterations made during the Term or any preceding period of occupation by the Tenant and reinstate the Premises as the Landlord shall reasonably direct and to its reasonable satisfaction;
- (iii) if the Landlord so requires, to remove all signs, tenant's fixtures and fittings and other goods from the Premises, and make good any damage caused thereby;

- (iv) if the Landlord so requires, to replace any damaged or missing Landlord's fixtures with ones of no less quality and value;

4.26.2 If the Tenant fails to comply with Clause 4.26.1 to pay to the Landlord on demand as liquidated damages any Costs incurred by the Landlord in remedying the breach together with interest on such costs at 3% above Base Rate from the date of expenditure until in each case the date they are paid by the Tenant;

4.27 Encumbrances

To perform and observe the Encumbrances so far as they relate to the Premises and are subsisting and capable of taking effect;

4.28 Regulations

4.28.1 To observe all reasonable rules and regulations relating to the Building and the Centre from time to time made or approved by the Landlord and notified to the Tenant PROVIDED THAT in the case of conflict between this Lease and such rules and regulations the terms of this Lease shall prevail;

4.28.2 Not to cause any obstruction to the Common Areas or Service Areas, nor to park, load or unload vehicles otherwise than in the areas designated for such purpose from time to time;

4.29 Loading and Unloading

Not to permit any vehicles belonging to the Tenant or any persons calling on the Premises expressly with the authority of the Tenant (but which shall not, for the purposes of this clause, include customers) to stand on the service roads or the pavements or circulation areas of the Common Areas and to use its reasonable endeavours to ensure that such persons calling on the Premises (including customers) do not permit any vehicle to stand on any such road pavement or circulation area.

4.30 Licences

To apply or cause application to be made at all proper times to the relevant licensing authorities for the time being and to use all reasonable endeavours to obtain any grant or renewal of any certificates and licences necessary for using and keeping open the Premises during the Term for the Permitted Use and to pay all fees and excise duties payable in respect thereof and upon the expiration or sooner determination of the Term to co-operate at the cost of the Landlord in seeking to obtain a transfer of any then current licences to the nominee or nominees of the Landlord and in the name of the Tenant to sign give make and do all proper notices consents applications and acts necessary or expedient for obtaining a renewal or transfer of any such licences and the production of this Lease or a counterpart thereof shall be conclusive evidence against the Tenant of his consent to any such renewal or transfer being made.

4.31 Keyholders

To ensure that at all times the Landlord and the local Police force have written notice of the name, home address and home telephone number of at least two keyholders of the Premises.

4.32 Landlord's Release

If the Tenant shall receive a request in writing from the Landlord for a release of the Landlord's covenants contained in this Lease as permitted by section 6 of the 1995 Act not to unreasonably withhold its consent to the release of such covenants.

5 Landlord's Covenants

The Landlord covenants with the Tenant as follows:

5.1 Quiet Enjoyment

That, subject to the Tenant paying the rents reserved by and complying with the terms of this Lease, the Tenant may peaceably enjoy the Premises during the Term without any interruption by the Landlord or any person lawfully claiming under or in trust for it;

5.2 Provision of Services

That, subject to the Tenant paying the Service Charge at the times and in the manner specified in this Lease, the Landlord will:

- a) In respect of the Centre Services use reasonable endeavours to procure such Services are delivered and to enforce its rights in relation to the delivery of such Services against the Owner from time to time of the Common Areas; and
- b) In relation to the Building Services use all reasonable endeavours to provide the Services, provided that the Landlord will not be in breach of this Clause as a result of any failure or interruption of any of the Services:

5.2.1 resulting from circumstances beyond the Landlord's reasonable control, so long as the Landlord uses its reasonable endeavours to remedy the same as soon as reasonably practicable after becoming aware of such circumstances; or

5.2.2 to the extent that the Services (or any of them) cannot reasonably be provided as a result of works of reasonably necessary maintenance and repair or other reasonably necessary works being carried out at the Centre.

6 Insurance

6.1 Landlord's insurance covenants

The Landlord covenants with the Tenant as follows:

6.1.1 To insure the Building and procure the insurance of the Centre (other than tenant's and trade fixtures and fittings) save to the extent that the insurance is invalidated in whole or in part by any act or default of the Tenant:

- (i) with an insurance office or underwriters of repute;
- (ii) against loss or damage by the Insured Risks;
- (iii) in the full cost of reinstatement of the Building and the Centre;

6.1.2 (If the Landlord so elects at its absolute discretion) to insure against loss of the Principal Rent and the Service Charge and VAT thereon payable or reasonably estimated by the Landlord to be payable under this Lease arising from damage to the Premises by the Insured Risks for such period as the Landlord may reasonably require having regard to the likely period for reinstating the Premises ;

6.1.3 At the request of the Tenant, to produce evidence of the terms of the insurance under this Clause 6.1 and of payment of the current premium;

- 6.1.4** If any part of the Centre is destroyed or damaged by an Insured Risk, then, save to the extent that payment of the insurance moneys is refused in whole or part because of the act or default of the Tenant or any undertenant or other person under the Tenant's control, and subject to obtaining all necessary planning and other consents (which the Landlord shall use all reasonable endeavours to obtain), to use the insurance proceeds (except those relating to loss of rent Service Charge and VAT thereon and fees) and any uninsured excess paid by the Tenant under Clause 6.2.4(ii) in reinstating the same (other than tenant's and trade fixtures and fittings) as quickly as reasonably practicable;

6.2 Tenant's insurance covenants

The Tenant covenants with the Landlord throughout the Term or until released pursuant to the 1995 Act as follows:

- 6.2.1** To pay to the Landlord within 7 days of demand sums equal to:
- (i) a fair proportion (reasonably determined by the Landlord's Surveyor) of the amount which the Landlord spends on insurance pursuant to Clause 6.1.1 and which shall be deemed to include a fair proportion of all contributions made by the Landlord towards the insurance of the Centre under the Block C Service Charge Deed.;
 - (ii) the whole of the amount which the Landlord spends on insurance pursuant to Clause 6.1.2 (if demanded);
- 6.2.2** To give the Landlord immediate written notice on becoming aware of any event or circumstance which might affect or lead to an insurance claim;
- 6.2.3** Not to do anything at the Premises which would or might prejudice or invalidate the insurance of the Centre or cause any premium for their insurance to be increased;
- 6.2.4** To pay to the Landlord within 7 days of demand:
- (i) any increased premium and any Costs incurred by the Landlord as a result of a breach of Clause 6.2.3;
 - (ii) the whole of the irrecoverable proportion of the insurance moneys if the Centre or any part is destroyed or damaged by an Insured Risk but the insurance moneys are irrecoverable in whole or part due to the act or default of the Tenant;
- 6.2.5** To comply with the requirements and reasonable recommendations of the insurers notified to the Tenant;
- 6.2.6** To notify the Landlord of the full reinstatement cost of any fixtures and fittings installed at the Premises at the cost of the Tenant which become Landlord's fixtures and fittings;
- 6.2.7** Not to effect any insurance of the Premises against an Insured Risk, but if the Tenant effects or has the benefit of any such insurance the Tenant shall hold any insurance moneys upon trust for the Landlord and pay the same to the Landlord as soon as practicable;

6.3 Suspension of Rent

- 6.3.1** If the Premises are unfit for occupation and use or access to the Premises is not possible because of damage by an Insured Risk then (save to the extent that payment of the loss of rent insurance moneys is refused due to the act or default of the Tenant) the Principal Rent (or a fair

proportion according to the nature and extent of the damage) shall be suspended until the earlier of:

- (i) the date on which the Premises are again fit for occupation and use and accessible or the access to the Premises is again possible (as the case may be); and
- (ii) the expiry of any loss of rent insurance period;

6.3.2 Any dispute relating to this Clause 6.3 shall be referred to Arbitration.

6.4 Termination

If the Premises are unfit for occupation and use or access to the Premises is not possible because of damage by an Insured Risk (and the insurance has not been vitiated or avoided or the insurance monies withheld due to the act or default of the Tenant) and reinstatement shall not have taken place to the extent required to allow the Tenant again to commence to fit out and then occupy and trade from the Premises before the expiry of one month less than four years or such longer period as the Landlord may have insured against from the date of such destruction or damage then either party may determine this Lease by giving to the other at any time following the expiry of such rent suspension period not less than one months' notice in writing and upon the expiry of such notice the Term will immediately cease and determine but without prejudice to any antecedent claim of the parties arising under this Lease and still subsisting at the date of such expiry and any obligation on the Landlord to reinstate the Premises shall cease and all money payable under any insurance effected pursuant to clause 6.1.1 shall belong and be paid to the Landlord absolutely.

6.5 Uninsured Risks

6.5.1 For the purposes of this Clause 6.5:

- (i) these provisions shall apply in relation to an Uninsured Risk but only in relation to the Uninsured Risk;
- (ii) an Uninsured Risk may apply without limitation as a result of the application by insurers of an exclusion condition or limitation to an Insured Risk to the extent which such risk thereby is or becomes an Uninsured Risk;
- (iii) the Landlord shall notify the Tenant in writing as soon as reasonably practicable after an Insured Risk becomes an Uninsured Risk.

6.5.2 If during the Term the Premises or a substantial part of it shall be damaged or destroyed by an Uninsured Risk so as to make the Premises or a substantial part of it unfit for occupation or use or inaccessible the Principal Rent and the Service Charge (or a fair proportion according to the nature and extent of the damage) shall be suspended until the earlier of:

- (i) the date on which the Premises are again fit for occupation and use and accessible or the access to the Premises is again possible (as the case may be); and
- (ii) the end or sooner determination of the Term.

6.5.3 If during the Term the Premises or a substantial part of them shall be damaged or destroyed by an Uninsured Risk so as to make the Premises or a substantial part of it unfit for occupation or use or inaccessible the Landlord may within one year of the date of such damage or destruction serve notice on the Tenant confirming that it will reinstate the Premises (a "**Reinstatement**

Notice") so that the Premises shall be fit for occupation or use or made accessible and if the Landlord fails to serve a Reinstatement Notice this Lease will automatically end on the date one year after the date of such damage or destruction.

- 6.5.4** If the Landlord serves a Reinstatement Notice pursuant to Clause 6.5.3 then for the purposes of this Lease the Premises shall be deemed to have been damaged or destroyed by an Insured Risk in accordance with the provisions of this Clause.
- 6.5.5** Clauses 6.5.3 and 6.5.4 shall not apply if an Insured Risk shall have become an Uninsured Risk owing to the act or default of the Tenant or any person deriving title under the Tenant or their respective agents employees licensees or contractors.
- 6.5.6** If the Landlord shall have served a Reinstatement Notice and the Premises and any access leading thereto are not made fit for occupation and use or capable of reasonable access five years after the date of such damage or destruction occurring then at any time after that date the Landlord or the Tenant may determine this Lease by serving written notice on the other stating that the Lease determines but this shall be without prejudice to any antecedent breach of covenant.

7 Provisos

7.1 Forfeiture

If any of the following events occurs:

- 7.1.1** the Tenant fails to pay any of the rents payable under this Lease within 21 days of the due date (in the case of the Principal Rent only, whether or not formally demanded); or
- 7.1.2** the Tenant breaches any of its obligations in this Lease which is not remedied within 21 days of notice by the Landlord to the Tenant (save in case of emergency); or
- 7.1.3** execution or distress is levied on the Tenant's goods in the Premises which is not settled within 21 days; or
- 7.1.4** the Tenant being a company incorporated within the United Kingdom:
 - (i) has an Administration Order made in respect of it; or
 - (ii) passes a resolution, or the Court makes an Order, for the winding up of the Tenant otherwise than a member's voluntary winding up of a solvent company for the purpose of amalgamation or reconstruction previously consented to by the Landlord (consent not to be unreasonably withheld); or
 - (iii) has a receiver or administrative receiver or receiver and manager appointed over the whole or any part of its assets or undertaking; or
 - (iv) is struck off the Register of Companies; or
 - (v) is deemed unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or
- 7.1.5** proceedings or events analogous to those described in Clause 7.1.4 shall be instituted or shall occur where the Tenant is a company incorporated outside the United Kingdom; or
- 7.1.6** the Tenant being an individual:
 - (i) has a bankruptcy order made against him; or

- (ii) is unable to pay his debts within the meaning of Section 268 of the Insolvency Act 1986;

then the Landlord may re-enter the Premises or any part of the Premises in the name of the whole and forfeit this Lease and the Term created by this Lease shall immediately end, but without prejudice to the rights of the Landlord in respect of any breach of the obligations contained in this Lease;

7.2 Mortgagee Protection

The Landlord may not exercise any right to forfeit this Lease unless it gives 14 days' notice of its intention of doing so to the proprietor of any subsisting charge over the Premises of which identity and address for service it has been given notice by the Tenant before the date on which the events giving rise to the right to forfeit occur. This provision is not to affect in any way:

- 7.2.1 the Landlord's right to re-enter in respect of the relevant event on or at any time after the expiry of the notice to the proprietor of the charge without further notice to such proprietor; or
- 7.2.2 the exercise by the Landlord of any other right or remedy at any time and without notice to the proprietor of the charge; and
- 7.2.3 any right of the proprietor of the charge.

7.3 Notices

Section 196 of the Law of Property Act 1925 shall apply to any notice which may be served under this Lease and as if the final words of Section 196(4) "and that service... be delivered" were deleted and replaced by "and that service shall be deemed to be made on the third working day after posting";

7.4 Arbitration

- 7.4.1 Where this Lease provides for reference to Arbitration then reference shall be made in accordance with the Arbitration Act 1996 to a single arbitrator agreed between the Landlord and the Tenant, or in the absence of agreement nominated on the application of either party by the President for the time being of the Royal Institution of Chartered Surveyors;
- 7.4.2 In the absence of a determination by the arbitrator as to his fees they shall be borne equally by the Landlord and the Tenant;
- 7.4.3 If the arbitrator is ready to make his award, but is unwilling to do so due to the Tenant's failure to pay its share of the costs in connection with the award, the Landlord may serve on the Tenant a notice requiring the Tenant to pay such costs within 14 days, and if the Tenant fails to comply with such notice the Landlord may pay to the arbitrator the Tenant's costs and any amount so paid shall be a debt due forthwith from the Tenant to the Landlord;

7.5 No Implied Easements

The grant of this Lease does not confer any rights over the Centre or the adjoining or neighbouring premises or any other property except those mentioned in Part I of the First Schedule, and Section 62 of the Law of Property Act 1925 is excluded from this Lease, nor shall this Lease impose any restriction on the use of any property not comprised in this Lease;

7.6 Planning Acts

The Landlord does not warrant that the Permitted Use complies with the Planning Acts.

7.7 Co-operation re energy and water saving and recycling

The Landlord and Tenant acting in good faith shall use reasonable endeavours to work together to improve the energy efficiency of the Premises to the extent reasonably practicable without entailing cost that is disproportionate to the cost benefits to be made and so as to reduce any charges payable under any relevant climate change legislation or regulations from time to time in force.

7.8 Contracting out

The Landlord and the Tenant agree to exclude the provisions of sections 24 and 28 Landlord and Tenant Act 1954 in relation to the tenancy created by this Lease. The Tenant confirms that before it became contractually bound to enter into the tenancy created by this Lease:

- 7.8.1** the Landlord served on the Tenant a notice ("the Notice") dated 2015 in relation to the tenancy created by this Lease in a form complying with the requirements of Schedule 1 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003;
- 7.8.2** the Tenant, or a person duly authorised by the Tenant, in relation to the Notice made [a statutory declaration] ("the Declaration") dated 2016 in a form complying with the requirements of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003; [and]
- 7.8.3** where the Declaration was made by a person other than the Tenant, the declarant was duly authorised by the Tenant to make the Declaration on the Tenant's behalf.

7.9 Third party rights

A person who is not a party to this Lease has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Lease but this does not affect any right or remedy of any third party which exists or is available apart from that Act.

Executed by the parties as a **Deed** the day and year first before written.

The First Schedule
Part I - Easements and Other Rights granted

1 Common Areas

The right for the Tenant and all persons expressly or by implication authorised by the Tenant (in common with the Landlord and all other persons having a like right) to use the Common Areas for all proper purposes in connection with the use and enjoyment of the Premises (including for access to and from the adjacent public highway).

2 Conduits

The right to the free passage and running (subject to temporary interruption for repair alteration or replacement) (which shall be kept to the minimum reasonably practicable) of water sewage gas electricity telephone and other services or supplies to and from the Premises in and through the Conduits that now serve the Premises or may from time to time during the Term serve the Premises now laid or to be laid in on under or over other parts of the Centre (until adoption) in common with the Landlord and all other persons having a like right.

3 Sign Boards

The right to the display of a sign (to the Landlord's reasonable specification) advertising the Tenant's business carried on at the Premises on the directory boards maintained in the Centre.

4 Support

The right of support and protection for such part or parts of the Premises from the adjoining or adjacent premises within the Building and on the Centre.

5 Refuse

The right to dispose of refuse and rubbish in that part of the Building (or the Centre) reasonably designated by the Landlord from time to time for such purpose.

Part II - Exceptions and Reservations

There are excepted and reserved to the Landlord and the Owner of the Common Areas and all others from time to time authorised by the Landlord:

1 The right to erect or to consent hereafter to any person building rebuilding or altering any parts of the Building or the Centre in such manner as the Landlord or the person or persons exercising such right may think fit and notwithstanding that such alteration or erection may diminish the access of light and air enjoyed by the Premises but no derogation of grant from the rights in Part 1 above is thereby caused;

2 So far as may be necessary with or without workmen the right on giving not less than 48 hours' notice (except in emergency) to the Tenant to enter (and to authorise others to enter) and to the extent necessary remain upon the Premises with all necessary tools appliances and materials for the purpose of inspecting maintaining repairing or rebuilding any part of the Building or the Centre PROVIDED THAT such entry, inspection and works shall be carried out on days and at times so as to cause as little disruption as reasonably practicable to the use and enjoyment of the Premises by the Tenant for the Permitted Use (except in the case of emergency) the Landlord

making good as soon as reasonably practicable any damage caused to the Premises by such entry;

3 The right to erect scaffolding (for the purpose of repairing or cleaning the Centre notwithstanding that such scaffolding may temporarily restrict the access to or enjoyment and use of the Premises; Subject to the Landlord:

- (i) ensuring that the scaffolding does not materially prevent access to the Centre or the Premises nor, so far as reasonably practicable having regard to the nature of scaffolding, interfere with the Tenant's use and enjoyment of the Premises or obscure the Tenant's Signage;
- (ii) giving not less than two weeks' prior written notice to the Tenant, except in case of emergency; and
- (iii) permitting the Tenant, at the Tenant's expense, to affix temporary signs to the scaffolding indicating the name and nature of the Tenant's business and that the business remains open in such form, shape and size as the Landlord may permit, such permission not to be unreasonably withheld or delayed. This right will be subject to the consent of the scaffolding contractor which the Landlord will use all reasonable endeavours to obtain.
- (iv) making good as soon as reasonably practicable any damage caused to the Premises by the erection retention and dismantling of the scaffolding.

4 The right of support and protection for other parts of the Centre.

Part III - Encumbrances

The matters referred to on the Charges Register of Title Numbers: [REDACTED]
as at [REDACTED], [REDACTED] and [REDACTED] (respectively but excluding financial charges) so far as they are subsisting and enforceable and affect or relate to the Premises.

The Second Schedule Rent Review

1. Interpretation

Annual Rent: rent at an initial rate of [REDACTED] per annum and then as revised pursuant to this lease.

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

Rent Payment Dates: [REDACTED].

Review Date: each date of the [RENT REVIEW DATES].

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

2. Mechanism

2.1 In this clause 2 the President is the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf (**President**), and the Surveyor is the independent valuer appointed pursuant to paragraph 2.7 of this Schedule (**Surveyor**).

2.2 The Annual Rent shall be reviewed on each Review Date to equal: the Annual Rent payable immediately before the relevant Review Date (or which would then be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) or, if greater the open market rent agreed or determined pursuant to this paragraph 2.

2.3 The open market rent may be agreed between the Landlord and the Tenant at any time before the relevant Review Date after which either party may refer it to be determined by a Surveyor.

2.4 If the open market rent is determined by the Surveyor, it shall be the amount that the Surveyor determines is the annual rent (exclusive of VAT) at which the Premises could reasonably be expected to be let:

- (a) in the open market;
- (b) at the relevant Review Date;
- (c) on the assumptions listed in paragraph 2.5;
- (d) disregarding the matters listed in paragraph 2.6.

2.5 The assumptions are:

2.5.1 the property has 3,500sq feet of useable floor space and;

2.5.2 the Property is available to let in the open market:

- (i) by a willing lessor to a willing lessee;

- (ii) as a whole;
- (iii) with vacant possession;
- (iv) without a fine or a premium;

2.5.3 for a term equal to the unexpired residue of the Contractual Term at the relevant Review Date or a term of twenty five years commencing on the relevant Review Date, if longer; and otherwise on the terms of this lease other than as to the amount of the Annual Rent but including the provisions for review of the Annual Rent;

2.5.4 the willing lessee has had the benefit of any rent-free or other concession or contribution which would be offered in the open market at the relevant Review Date in relation to fitting out works at the Property;

2.5.5 the Property may lawfully be used, and is in a physical state to enable it to be lawfully used, by the willing lessee (or any potential undertenant or assignee of the willing lessee) for any purpose permitted by this lease;

2.5.7 the Landlord and the Tenant have fully complied with their obligations in this lease;

2.5.8 if the Property, or any means of access to it or any Service Media serving the Property, has been destroyed or damaged, it has been fully restored;

2.5.9 no work has been carried out on the Property that has diminished its rental value other than work carried out in compliance with clause the tenant has complied with all statutory obligations relating to its occupation and use;

2.5.10 any fixtures, fittings, machinery or equipment supplied to the Property by the Landlord that have been removed by or at the request of the Tenant, or any undertenant or their respective predecessors in title (otherwise than to comply with any law) remain at the Property;

2.5.11 the willing lessee and its potential assignees and undertenants shall not be disadvantaged by any actual or potential exercise of an option to tax under Part 1 of Schedule 10 to the VATA 1994 in relation to the Property; and

2.5.12 that the Premises have been constructed at the Landlord's cost to a partly fitted condition to include live capped and metered services in accordance with the attached shell specification.

2.6 The matters to be disregarded are:

2.6.1 any effect on rent of the fact that the Tenant or any authorised undertenant has been in occupation of the Property;

2.6.2 any goodwill attached to the Property by reason of any business carried out there by the Tenant or by any authorised undertenant or by any of their predecessors in business;

2.6.3 any effect on rent attributable to any physical improvement to the Property and Service Media within or exclusively serving the Property carried out before the date of this lease, by or at the expense of the Tenant or any authorised undertenant with all necessary consents, approvals and authorisations and not pursuant to an obligation to the Landlord (other than an obligation to comply with any law);

- 2.6.4 any effect on rent of any obligation on the Tenant to fit out the Property or to reinstate the Property to the condition or design it was in before any alterations or improvements were carried out; and
- 2.6.5 any statutory restriction on rents or the right to recover them.
- 2.7 The Surveyor shall be an independent valuer who is a Member or Fellow of the Royal Institution of Chartered Surveyors. The Landlord and the Tenant may, by agreement, appoint the Surveyor at any time before either of them applies to the President for the Surveyor to be appointed. Any application to the President may not be made earlier than three months before the relevant Review Date.
- 2.8 The Surveyor shall act as an expert and not as an arbitrator. The Surveyor shall determine the open market rent and shall have power to determine any issue involving the interpretation of any provision of this lease, his jurisdiction to determine the matters and issues referred to him or his terms of reference. The decision of the Surveyor shall be given in writing, and the Surveyor shall provide reasons for any determination. The written decision of the Surveyor on the matters referred to him shall be final and binding in the absence of manifest error or fraud.
- 2.9 The Surveyor shall give the Landlord and the Tenant an opportunity to make written representations to the Surveyor and to make written counter-representations commenting on the representations of the other party to the Surveyor. The parties will provide (or procure that others provide) the Surveyor with such assistance and documents as the Surveyor reasonably requires for the purpose of reaching a decision.
- 2.10 Either the Landlord or the Tenant may apply to the President to discharge the Surveyor if the Surveyor:
- (i) dies; or
 - (ii) becomes unwilling or incapable of acting; or
 - (iii) unreasonably delays in making any determination,

Paragraph 2.7 shall then apply in relation to the appointment of a replacement.

- 2.11 The fees and expenses of the Surveyor and the cost of the appointment of the Surveyor and any counsel's fees, or other fees, reasonably incurred by the Surveyor shall be payable by the Landlord and the Tenant in the proportions that the Surveyor directs (or if the Surveyor makes no direction, then equally). If the Tenant does not pay its part of the fees and expenses of the Surveyor within ten working days after demand by the Surveyor, the Landlord may pay that part and the amount it pays shall be a debt of the Tenant due and payable on demand to the Landlord. The Landlord and the Tenant shall otherwise each bear their own costs in connection with the rent review.

- 2.12 If the revised Annual Rent has not been agreed by the Landlord and the Tenant or determined by the Surveyor on or before the relevant Review Date, the Annual Rent payable from (and including) that Review Date shall continue at the rate payable immediately before that Review Date. On the date the revised Annual Rent is agreed or the determination of the Surveyor is notified to the Landlord and the Tenant, the Tenant shall pay:
- 2.12.1 the shortfall (if any) between the amount that it has paid for the period from the Review Date until the Rent Payment Date following the date of agreement or notification of the revised Annual Rent and the amount that would have been payable had the revised Annual Rent been agreed or determined on or before that Review Date; and
- 2.12.2 interest at the Interest Rate on that shortfall calculated on a daily basis by reference to the Rent Payment Dates on which parts of the shortfall would have been payable if the revised Annual Rent had been agreed or determined on or before that Review Date and the date payment is received by the Landlord.
- 2.13 Time shall not be of the essence for the purposes of this clause.
- 2.14 If at any time there is a guarantor, the guarantor shall not have any right to participate in the review of the Annual Rent.
- 2.15 As soon as practicable after the amount of the revised Annual Rent has been agreed or determined, a memorandum recording the amount shall be signed by or on behalf of the Landlord and the Tenant and endorsed on or attached to this lease and its counterpart. The Landlord and the Tenant shall each bear their own costs in connection with the memorandum.

The Third Schedule Guarantee

- 1** The Guarantor covenants with the Landlord as principal debtor that:
 - 1.1** throughout the Contractual Term or until the Tenant is released from its covenants pursuant to the 1995 Act:
 - 1.1.1** the Tenant will pay the rents reserved by and perform its obligations contained in this Lease;
 - 1.1.2** the Guarantor will indemnify the Landlord on demand against all Costs arising from any default of the Tenant in paying the rents and performing its obligations under this Lease;
- 2** The liability of the Guarantor shall not be affected by:
 - 2.1** any time given to the Tenant or any failure by the Landlord to enforce compliance with the Tenant's covenants and obligations;
 - 2.2** the Landlord's refusal to accept rent at a time when it would or might have been entitled to re-enter the Premises;
 - 2.3** any variation of the terms of this Lease with the consent of the Guarantor;
 - 2.4** any change in the constitution, structure or powers of the Guarantor the Tenant or the Landlord or the administration, liquidation or bankruptcy of the Tenant or Guarantor;
 - 2.5** any act which is beyond the powers of the Tenant;
 - 2.6** the transfer of the reversion expectant on the Term;
- 3** Where two or more persons have guaranteed obligations of the Tenant the release of one or more of them shall not release the others.
- 4** The Guarantor shall not be entitled to participate in any security held by the Landlord in respect of the Tenant's obligations or stand in the Landlord's place in respect of such security.
- 5** If this Lease is disclaimed, and if the Landlord within 6 months of the disclaimer requires in writing, the Guarantor will enter into a new lease of the Premises at the cost of the Guarantor on the terms of this Lease (but as if this Lease had continued and so that any outstanding matters relating to rent review or otherwise shall be determined as between the Landlord and the Guarantor) for the residue of the Contractual Term from and with effect from the date of the disclaimer.
- 6** If this Lease is forfeited and if the Landlord within 6 months of the forfeiture requires in writing the Guarantor will (at the option of the Landlord):
 - 6.1** enter into a new lease as in paragraph 5 above with effect from the date of the forfeiture; or
 - 6.2** pay to the Landlord on demand an amount equal to the moneys which would otherwise have been payable under this Lease until the earlier of 6 months after the forfeiture and the date on which the Premises are fully relet.

The Fourth Schedule Service Charge

Part I Definitions

- 1** **Services** means the services facilities and amenities specified in Part III and Part V of this schedule.
- 2** **Annual Expenditure** means:
 - 2.1** all reasonable and proper costs expenses and outgoings whatever reasonably and properly incurred during a Financial Year in providing all or any of the Services in accordance with the principles of good estate management (and any bona fide expenditure incurred in the immediately preceding Financial Year and which (for the avoidance of doubt) include all expenditure incurred by the Landlord in the exercise of its rights and in compliance of its obligations under the Block C Service Charge Deed (other than prior to the commencement date of the Contractual Term) may be included in the next subsequent assessment if not already recovered);
 - 2.2** all sums reasonably and properly incurred during a Financial Year in relation to the matters specified in Part IV of this Schedule (the **Additional Items**)
and any VAT payable on such items but:
 - 2.3** excluding any expenditure in respect of any part of the Building or the Centre for which the Tenant or any other tenant shall be responsible and excluding any expenditure that the Landlord recovers or which is met under any policy of insurance maintained by the Landlord pursuant to its obligations in this Lease; and
 - 2.4** including (when any expenditure is incurred in relation to the Building or the Centre and other premises) the proportion of such expenditure that is reasonably attributable to the Building or the Centre to be determined from time to time by the Surveyor (acting as an expert and not as an arbitrator).
- 3** **Building Services** means the services, facilities and amenities and expenses referred to in Part V of this Schedule.
- 4** **Centre Services** means the services, facilities, amenities and expenses referred to in Part III and Part IV of this Schedule.
- 5** **Computing Date** means [31 January] in every year of the Term or such other date as the Landlord may from time to time nominate and notify in writing to the Tenant and **Computing Dates** shall be construed accordingly.
- 6** **Financial Year** means the period:
 - 6.1** from the commencement of the Term to and including the first Computing Date and subsequently;
 - 6.2** between two consecutive Computing Dates (excluding the first Computing Date from but including the second Computing Date in the period).
- 7** **Service Charge** means the Service Charge Percentage of the Annual Expenditure.

Part II

Payment of the Service Charge

1 Performance of the Services

The Landlord shall not be liable to the Tenant in respect of:

- 1.1** any failure or interruption in any of the Services by reason of necessary repair replacement maintenance of any installations or apparatus or their damage or destruction or by reason of mechanical or other defect or breakdown or frost or other inclement conditions or shortage of fuel materials water or labour or any other cause beyond the Landlord's control provided and to the extent that:
 - 1.1.1** any such failure or interruption could not reasonably have been prevented or shortened by the exercise of proper care attention diligence maintenance repair and skill by the Landlord or those undertaking the Services on behalf of the Landlord; and
 - 1.1.2** the Landlord uses and continues to use its reasonable endeavours to restore the Services in question within the minimum time possible; or
 - 1.1.3** any act omission or negligence of any staff attendant or other person undertaking the Services or any of them on behalf of the Landlord provided that this paragraph shall not be construed as relieving the Landlord from liability for breach by the Landlord of any covenants on the part of the Landlord contained in this Lease.

2 Payment of the Service Charge

- 2.1** The Landlord shall as soon as reasonably practicable after each Computing Date prepare an account showing the Annual Expenditure for the Financial Year ending on that Computing Date and containing a fair summary of the Annual Expenditure referred to in it and upon such account being properly audited in accordance with current practice by a suitably qualified person, it shall be conclusive evidence for the purposes of this Lease of all matters of fact referred to in the account except in the case of manifest error. The Landlord shall promptly following the account being audited by the accountant supply a copy of such account to the Tenant and shall, within a reasonable time of demand, make available to the Tenant for inspection all receipts and vouchers for all the Building Services and Centre Services incurred by the Landlord.
- 2.2** The Tenant shall pay for the period from the date hereof to the Computing Date next following the date of this Lease the initial provisional Service Charge the first payment being the Service Charge Percentage of the reasonably and properly estimated Annual Expenditure likely for the Financial Year current as at the date of this Lease in respect of the period from the date hereof to and including the day before the next quarter day to be paid on the date of this Lease the subsequent payments to be made in advance on the relevant quarter days in respect of the relevant quarters.
- 2.3** The Tenant shall pay for the next and each subsequent Financial Year a provisional sum being the Service Charge Percentage of the reasonable and proper estimate by the Landlord's Surveyor acting as an expert and not as an arbitrator of what the Annual Expenditure is likely to be for that Financial Year by four equal quarterly payments on the usual quarter days.
- 2.4** If the Service Charge for any Financial Year shall:
 - 2.4.1** exceed the provisional sum for that Financial Year the excess shall be due to the Landlord within 14 days of demand; or

- 2.4.2 be less than such provisional sum the overpayment shall be credited to the Tenant against the next quarterly payment of the Service Charge or (in the case of over payment relating to the last year of the Term) repaid to the Tenant on the expiration of the Term.

3 Variations

- 3.1 The Landlord may add to extend vary or make any alteration in the rendering of the Services or any of them from time to time if the Landlord at its reasonable and proper discretion deems necessary to do so provided that the same complies with the principles of good estate management and is reasonable in all the circumstances and provided that in the case of variation or alteration the Landlord provides a reasonably suitable alternative service.
- 3.2 If at any time during the Term the total property enjoying or capable of enjoying the benefit of any of the Services or the Additional Items is increased or decreased or the benefit of any of the Services or the Additional Items is extended on a like basis to any adjoining or neighbouring property (or if some other event occurs a result of which is that the Service Charge Percentage is no longer appropriate to the Premises including any extension of the Premises or other units within the Centre) the Service Charge Percentage shall be varied forthwith following such event by agreement between the Landlord and the Tenant to such other percentage as is fair and reasonable in all the circumstances and provided that the leases of any Lettable Unit within any additional land contains provisions requiring the payment of service charge in terms substantially the same as set out in this Lease or in default of agreement within one month of the first proposal for variation made by the Landlord the matter shall be referred to an independent surveyor (acting as an expert and not an arbitrator) for determination to be agreed by the Landlord and the Tenant and in default of agreement either party may apply to the President for the time being of the Royal Institution of Chartered Surveyors to nominate a substantive firm or company of chartered surveyors to act as the expert except that nothing contained in this Lease shall imply an obligation on the part of the Landlord to provide the Services or the Additional Items to any adjoining or neighbouring property and for the avoidance of doubt different percentages may be determined for different items of the Services and/or the Additional Items if it is reasonable in the circumstances to do so.
- 3.3 If at any time the Landlord supplies or provides services which are attributable to any particular tenant or tenants including where the Landlord keeps the Centre or provides services outside the usual opening hours of the Centre (the “**Extra Services**”) the Landlord may exclude the cost of the Extra Services from the service charge costs and charge them to particular tenants or a particular tenant according to user and where the Extra Services are charged to the Tenant, the Tenant shall pay to the Landlord within 14 days of written demand the costs reasonably properly and economically incurred by the Landlord in respect of such Extra Services (or a fair and reasonable proportion of such costs of the Extra Services provided to the Tenant and other tenants of the Centre).

4 Exclusions

The Landlord is not to include in the Service Expenditure:

- 4.1.1 the costs of maintaining repairing marketing and letting any unlet units;
- 4.1.2 any items (including inherent or latent defects) where the Landlord has recovered the costs of the relevant item (the Landlord using all reasonable and prudent endeavours to recover the same) including under any insurance policy;
- 4.1.3 the cost of remedying inherent defects arising from original construction of the Premises and any expenditure incurred in relation thereto;

- 4.1.4 (where and to the extent the Landlord has incurred expenditure in or incidental to providing any of the Services which are recoverable (in whole or in part) from any person other than the Tenant or any other tenant of the Centre) any sums which the Landlord recovers from any such person (less any irrecoverable costs in securing that payment);
- 4.1.5 the initial provision of any of the equipment or other items listed as part of the Services;
- 4.1.6 any expenditure in respect of the maintenance or repair of any part of the Centre (or anything within it) which is the exclusive responsibility of any tenant of any Lettable Unit.

Part III

The Centre Services

1 Maintaining etc Common Areas

Maintaining repairing amending altering and where reasonably necessary rebuilding renewing and reinstating and where reasonably appropriate treating washing down painting and decorating to such standard as the Landlord may from time to time reasonably consider adequate those parts of the Centre not demised to any tenant the Common Areas the Access Road and any boundary walls fences and hedges of the Centre.

2 Maintaining etc apparatus plant machinery etc

Inspecting servicing maintaining repairing amending overhauling replacing and (save insofar as insured under other provisions of this Lease) insuring all apparatus plant machinery and equipment within the Common Areas where reasonably necessary from time to time.

3 Maintaining etc Conduits

Maintaining repairing cleansing emptying draining amending and renewing all Conduits within the Common Areas and all other Conduits which serve the Centre.

4 Cleaning etc Common Areas

Cleaning and lighting the Common Areas to such standard as the Landlord may from time to time (acting reasonably) consider adequate.

5 Features etc

Providing and maintaining (at the Landlord's reasonable discretion) any architectural or ornamental features and any plants shrubs trees or garden or grassed area in the Common Areas and keeping the same planted and free from weeds and the grass cut.

6 Fixtures fittings etc

Supplying providing purchasing hiring maintaining renewing replacing repairing servicing overhauling and keeping in good and serviceable order and condition all fixtures and fittings bins receptacles tools appliances materials equipment and other things which the Landlord may acting reasonably and properly deem necessary for the maintenance appearance upkeep or cleanliness of the Centre or any part of the Centre.

7 Refuse

The provision of a refuse area or compactor for the storage of refuse, and associated surface drainage from such equipment in a position reasonably convenient to the Premises and collecting and disposing of refuse from the Centre and the repair maintenance and renewal of plant and equipment for the collection treatment packaging or disposal of the same.

8 Traffic

Controlling traffic within the Common Areas.

9 Security

Maintaining and operating security barriers gates closed circuit television system and appropriate security patrols and other such equipment and the provision of such other security measures and personnel as the Landlord may from time to time reasonably consider necessary or appropriate for the security of the Centre.

10 Signs etc

Providing maintaining operating and replacing any signs and notice boards indicating the existence of the Centre and the names and businesses of the tenants of the Centre and any directional signs.

11 Block C Service Charge Deed

All expenditure incurred by the Landlord in the exercise of its rights or in complying with its financial and other obligations under the Block C Service Charge Deed (as varied from time to time).

12 Other services

Any other reasonable and proper acts or services relating to the Centre or any part of the Centre provided from time to time and not expressly mentioned which shall at any time during the Term be:

- 12.1** capable of being enjoyed by the occupier of the Premises;
- 12.2** reasonably calculated to be for the benefit of the Tenant and other tenants of the Centre;
- 12.3** in keeping with the principles of good estate management.

Part IV The Additional Items

1 Fees

1.1 The proper and reasonable fees and disbursements (and any VAT payable on them) of:

1.1.1 the fees of management and administration (including managing agents fees) subject to a maximum of 10% of the Service Charge for or in connection with:

- (i) the management of the Centre or of the Building;
- (ii) the performance of the Services and any other duties in and about the Centre or Building or any part of it relating to (without prejudice to the generality of the above) the general management administration security maintenance protection and cleanliness of the Centre;

1.1.2 any individual firm or company valuing the Centre or the Building for the purposes of assessing the full cost of rebuilding and reinstatement;

1.2 The reasonable fees of the Landlord or a Group Company for any of the Services or the other functions and duties referred to in paragraph 1.1 above that shall be undertaken by the Landlord or a Group Company and not by a third party Provided that together with the fees payable

pursuant to paragraph 3 of Part V of this Fourth Schedule such fees shall not exceed 10% of the Service Charge.

2 Staff etc

The reasonable and proper cost of employing (whether by the Landlord a Group Company the managing agents or any other individual firm or company) such staff as the Landlord may in its reasonable discretion deem may be necessary for the performance of the Services and the other functions and duties referred to in paragraph 1.1 above and all other incidental expenditure in relation to such employment including but without prejudice to the generality of the above.

2.1 The provision of uniforms and working clothing;

2.2 the provision of vehicles tools appliances cleaning and other materials fixtures fittings and other equipment necessary for the proper performance of their duties except that where the services or the functions and duties referred to in paragraph 1.1 above (or any of them) are undertaken by the Landlord or a Group Company rather than by a third party nothing in this schedule shall permit the Landlord to include in the Annual Expenditure both a fee by virtue of paragraph 1.2 above for the performance of the same and also by virtue of this paragraph the cost of employing staff to perform them and in such circumstances the Landlord shall in its reasonable discretion in respect of each Financial Year elect to include in the Annual Expenditure either a fee for any such items or the cost of employing staff to perform them.

3 Contracts for services

The reasonable and proper cost of entering into any necessary contracts for the carrying out of all or any of the Services and other functions and duties that the Landlord may in its reasonable discretion deem necessary.

4 Outgoings

All rates taxes assessments duties charges impositions and outgoings which are now or during the Term shall be charged assessed or imposed on:

4.1 the whole of the Centre where there is no separate charge assessment or imposition on or in respect of an individual unit;

4.2 the whole of the Common Areas or any part.

5 Electricity, gas etc

The reasonable and proper cost of the supply of electricity gas oil or other fuel for the provision of the Services and for all purposes in connection with the Common Parts.

6 Road etc charges

The amount which the Landlord shall be called upon to pay as a reasonable and proper contribution towards the expense of repairing maintaining where necessary rebuilding and cleansing any ways roads pavements (including the Access Road) or Conduits but excluding any costs relating to their proper initial construction connection or adoption charges (where appropriate) or anything which may belong to or be used for the Centre or any part of exclusively or in common with other neighbouring or adjoining premises and/or other parts of the Centre.

7 Statutory etc requirements

The cost of taking all steps deemed expedient by the Landlord acting reasonably for complying with making representations against or otherwise contesting the incidence of the provisions of

any statute byelaw or notice concerning town planning public health highways streets drainage or other matters relating to or alleged to relate to the Centre or any part of its for which any tenant is not directly and exclusively liable and PROVIDED THAT such steps may not be taken if they are not within the bona fide interests of the Tenant.

8 Nuisance

The cost to the Landlord of abating a nuisance in respect of the Centre or any part of it insofar as the same is not the liability of any individual tenant Provided that there shall be excluded from this paragraph 8 those matters which are not within the bona fide interests of the Tenant or any of the tenants of the Centre.

9 Interest

Any interest and fees in respect of money borrowed to finance the provision of the Services or the Additional Items where it is reasonable and proper to borrow money for such purpose and provided that the Tenant shall not be required to make any payments pursuant to this clause in respect of any unlet units or failure by other tenants of the Centre to make service charge payments pursuant to the terms of their leases or in respect of any failure by the Landlord to demand service charge payments from those other tenants.

10 Anticipated expenditure

Such provision (if any) for reasonable and proper anticipated expenditure in respect of any of the Services or the Additional Items as the Landlord shall in its reasonable discretion consider appropriate.

**Part V
Building Services**

- 1** Reasonable and proper repair, renewal, decoration, cleaning and maintenance of the foundations, roof, exterior and structure of the Building and any Conduits serving the Building (in each case to the extent that no other tenants and occupiers of the Building are responsible for such work).
- 2** Reasonable and proper repair, renewal, decoration, cleaning, maintenance and lighting of any Common Areas of the Building.
- 3** Fees and costs reasonably and properly incurred in the management and provision of services referred to in this Part of this Schedule provided that together with the fees payable pursuant to paragraph 1.2 of Part IV of this Fourth Schedule, such fees shall not exceed 10% of the Service Charge.

The Fifth Schedule Offer back/Pre-emption Provision

Part I Terms of the offer-back

1 Defined terms

In this Schedule 5, the following words and expressions have the following meanings:

Acceptance Period	the period of 30 days from and including the date on which the Landlord receives a Dealing Notice
Acceptance Notice	any notice served in writing by the Landlord on the Tenant accepting the Tenant's offer to surrender the Premises to the Landlord on the terms set out in the Dealing Notice
Completion Date	the date 30 Working Days after the date of an Acceptance Notice
Dealing	the proposed assignment of this Lease on terms no less favourable to the Tenant than those set out in the Dealing Notice
Dealing Notice	any notice of a proposed Dealing, in the form set out in Part 2 of this Schedule, served in writing by the Tenant on the Landlord in accordance with paragraph 2
Dealing Period	the period of 6 months from and including the last day of the Acceptance Period
Declaration	a statutory declaration made by the Tenant in accordance with paragraph 4 of Schedule 4 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 following the service by the Landlord on the Tenant of a Warning Notice.
Rejection Notice	any notice served in writing by the Landlord on the Tenant rejecting the Tenant's offer to surrender the Premises to the Landlord on the terms set out in the Dealing Notice
Surrender Premium	the VAT exclusive sum to be paid by the Landlord to the Tenant as consideration for the surrender of the Lease
Warning Notice	A notice served by the Landlord on the Tenant in accordance with section 38A(4)(a) Landlord and Tenant Act 1954 in relation to the agreement to surrender to be created by the service of an Acceptance Notice

2 Dealing Notice

2.1 Before any Dealing, the Tenant is to serve a Dealing Notice on the Landlord.

- 2.2** No Dealing Notice may be served unless and until the Tenant has agreed heads of terms for the proposed Dealing with a potential assignee.
- 2.3** The Surrender Premium to be included in the Dealing Notice is to be the amount, if any, agreed between the Tenant and its proposed assignee for the Dealing.
- 2.4** The Dealing Notice is to constitute an irrevocable offer by the Tenant, which is to remain open for acceptance at any time during the Acceptance Period, to surrender the Lease to the Landlord on the terms set out in the Dealing Notice.
- 2.5** Following the service of a Dealing Notice, the Tenant is to provide to the Landlord any additional information about the Dealing that the Landlord properly and reasonably requires within five working days of a written request by the Landlord for that information.
- 2.6** Following the service of a Dealing Notice, the Landlord may serve a Warning Notice on the Tenant. If the Landlord does so, the Tenant is to serve a Declaration on the Landlord within 5 Working Days after the date of service of the Warning Notice and the Landlord shall not be entitled to serve an Acceptance Notice until such Declaration is received and the Acceptance Period will be extended by a day for each day (or part thereof) of any period of delay in service of the Declaration by the Tenant from the expiry of the said 5 Working Day period.

3 Acceptance Notice

- 3.1** At any time during the Acceptance Period, the Landlord may serve an Acceptance Notice accepting the Tenant's offer to surrender the Premises. If the Landlord does so:
- 3.1.1** the Tenant is to surrender and the Landlord is to accept the surrender of the Lease on the Completion Date;
- 3.1.2** the terms set out in paragraph 6 will apply.

4 Failure to accept surrender

- 4.1** The provisions of paragraph 4.2 will apply if:
- 4.1.1** the Landlord does not serve a Warning Notice on the Tenant within a period of 30 days beginning on the date of service of the Dealing Notice; or
- 4.1.2** the Landlord does not serve an Acceptance Notice on the Tenant during the Acceptance Period unless the reason for the Landlord not serving an Acceptance Notice is the failure by the Tenant to serve a Declaration on the Landlord following the service of a Warning Notice on the Tenant by the Landlord; or
- 4.1.3** the Landlord serves a Rejection Notice on the Tenant.
- 4.2** Subject to paragraph 4.1, during the Dealing Period the Tenant may, subject to obtaining the prior written consent of the Landlord on the terms set out in this Lease, enter into the Dealing on terms no less beneficial to the Tenant than the terms set out in the Dealing Notice.

5 Time of the essence

Time is of the essence for the service of any notice under this Schedule 5.

6 Terms of the surrender

- 6.1** The terms for the surrender of the Lease will be:

- 6.1.1 Payment by the Landlord to the Tenant of the Surrender Premium plus any applicable Value Added Tax
- 6.1.2 conditions 1, 2.1, 3.1, 3.2, 3.3, 6 and 7 of the Standard Commercial Property Conditions (Second Edition) will apply so far as they are applicable to the surrender of the Lease and are consistent with the express terms of this Fifth Schedule;
- 6.1.3 the surrender is to be made subject to and with the benefit of any underleases that the Tenant has entered into with the prior written consent of the Landlord and otherwise with vacant possession;
- 6.1.4 the Landlord is not entitled to raise any requisition or objection to the title except in respect of any matters registered against the Tenant's title to this Lease after the date of this Lease;
- 6.1.5 until the surrender is completed all the terms and conditions of the Lease will remain in full force and effect including the provisions relating to the payment by the Tenant of the rent and all other sums payable under the Lease;
- 6.1.6 on completion of the surrender the Landlord is to repay to the Tenant any part of the yearly rent service charge and insurance rent which has been paid by the Tenant under the Lease which relates to the period after the date of actual completion; and
- 6.1.7 completion of the surrender will not prejudice the rights of the Landlord in respect of any arrears of the Rents but otherwise any breaches of the Tenant's obligations in this Lease occurring before the completion of the surrender shall be released and the transfer or surrender deed shall contain a declaration to that effect unless the agreement reached with the proposed assignee or lessee required any other such breach to be remedied by or at the cost of the Tenant.

6.2 Following the service of the Warning Notice and the Declaration:

- 6.2.1 the agreement to surrender will be one authorised in accordance with section 38A(4) Landlord and Tenant Act 1954;
- 6.2.2 will be deemed to recite the service of the Warning Notice in accordance with Schedule 3 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003; and
- 6.2.3 will be deemed to recite the making of the Declaration in accordance with Schedule 4 to The Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.

7 Multiple Dealings

The provisions of this Schedule 5 shall not apply to

- 7.1 any assignment where the Premises form part of a larger transaction relating to two or more properties of the Tenant or Group Companies of the Tenant or where the same does not involve the giving up of occupation by the Tenant (e.g. an assignment and the grant back of an underlease of whole).
- 7.2 Disposals required to be made under or pursuant to Acts of Parliament or to discharge any condition imposed by any statutory authority on any other transaction entered into or to be entered into by the Tenant or a Group Company of the Tenant or any disposals which the Tenant agrees with any statutory authority to enter into in order to obtain (or remove the need to obtain) consent to any other such transaction.
- 7.3 Disposals to a Group Company of the Tenant.

- 7.4** Disposals where the Tenant or a Group Company of the Tenant is acquiring one or more properties in consideration or partial consideration of the disposal of the Premises.

Part II Dealing Notice

DEALING NOTICE

To: [Name of Landlord] (the **Landlord**) of [Address of Landlord]
From: [Name of Tenant] (the **Tenant**) of [Address of Tenant]
Lease: A [lease][underlease] of the Premises dated [date] made between [original parties to the Lease]
Premises: [Address of Premises]
Dealing: A dealing with the Premises on the terms set out in the Schedule to this Dealing Notice
Surrender Premium: [Amount in figures]
Date: [Date]

This notice is served on you, the Landlord, pursuant to Clause [number] of the Lease.

- 8** Take notice that we, the Tenant, have agreed terms for the Dealing.
- 9** This notice constitutes an irrevocable offer by us, the Tenant, to surrender the Lease to you, the Landlord, for the Surrender Premium.
- 10** This offer remains open for acceptance by you during the Acceptance Period defined in the Fifth Schedule to the Lease.
- 11** Please sign and return one copy of this notice indicating whether you wish to accept or reject the offer to surrender the Lease on the terms set out in this Notice.

Schedule The proposed Dealing

[An assignment of the Lease at a premium of [amount in figures] [to [name of assignee] [with the obligations of the assignee to be guaranteed by [name of guarantor]].]

Signed: _____

For and on behalf of the Tenant

We, the Landlord, [accept][reject] the offer to surrender the Lease to us contained in this Dealing Notice.

Signed: _____

For and on behalf of the Landlord

Dated: _____

**THE COMMON SEAL of
THE BOROUGH COUNCIL OF
HINCKLEY & BOSWORTH**

was affixed to this Deed in pursuance
of an order of the said Borough Council

}

Authorised Signatory

EXECUTED AS A DEED by

[REDACTED]

in the presence

of;

}

Director

Director/ Secretary

[REDACTED]