
Dated: 2022

(1) Winsford Devco LLP

(2) Valentte Limited

Lease

relating to premises known as Unit 9, Artis Park, Road One, Winsford, Cheshire CW7
3SE

Contents

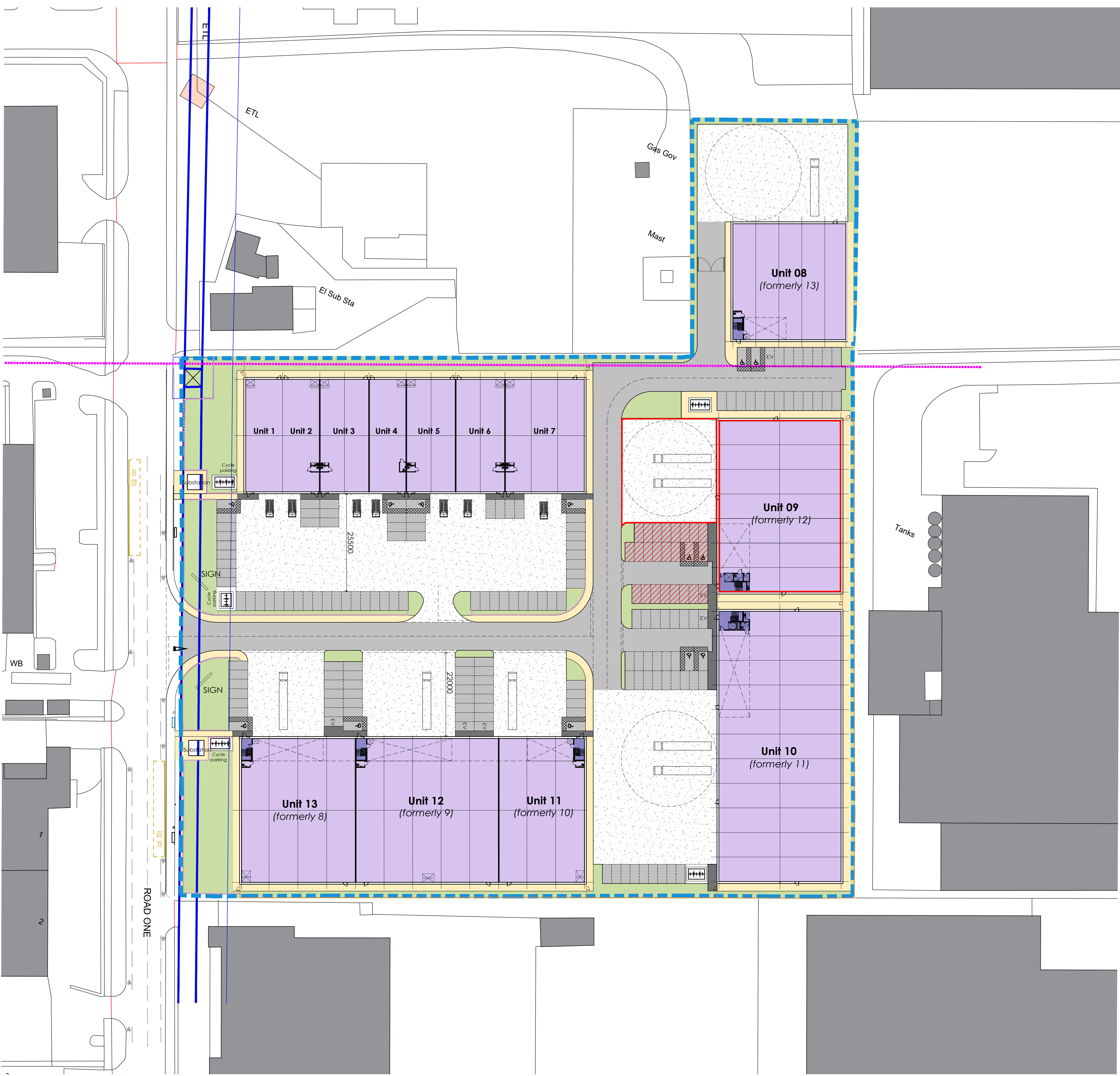
Clause	Page
1	DEFINITIONS AND INTERPRETATION.....1
2	DEMISE, TERM AND RENT8
3	TENANT’S OBLIGATIONS.....9
3.1	Main Rent.....9
3.2	Outgoings.....9
3.3	Service Charge.....9
3.4	VAT9
3.5	Interest on overdue payments 10
3.6	Reimburse costs incurred by the Landlord 10
3.7	Third party indemnity 10
3.8	Insurance..... 10
3.9	Repair and decoration 11
3.10	Allow entry 11
3.11	Alterations..... 11
3.12	Signs and advertisements 12
3.13	Obligations at the End Date 13
3.14	User 13
3.15	Dealings with the Premises 15
3.16	Registration of dealings..... 17
3.17	Marketing 17
3.18	Notifying the Landlord of notices or claims..... 17
3.19	Comply with Acts..... 17
3.20	Planning Acts 18
3.21	Rights and easements..... 18
3.22	Management of the Estate..... 18
3.23	Superior interest 19
3.24	Registration at the Land Registry..... 19
3.25	Applications for consent or approval 19
4	LANDLORD’S OBLIGATIONS 19
4.1	Quiet enjoyment 19
4.2	Insurance..... 19
4.3	Services 19
4.4	Repayment of rent..... 20
4.5	Entry Safeguards..... 20
4.6	Scaffolding 20
4.7	Change in the extent of the Estate..... 20
4.8	Designation of Common Parts and use of rights..... 21
5	AGREEMENTS 21
5.1	Landlord’s right to end this Lease 21
5.2	No acquisition of easements or rights..... 22

5.3	Party Walls	22
5.4	Service of Notices.....	23
5.5	Contracts (Rights of Third Parties) Act 1999	23
5.6	Energy Performance Certificates.....	23
5.7	Release of landlord	23
5.8	Superior landlord’s consent.....	24
5.9	Limitations on title guarantee.....	24
6	JURISDICTION.....	24
7	LEGAL EFFECT	24
Schedules		
1	Rights.....	25
	Part 1 Tenant’s Rights	25
	Part 2 Landlord’s Rights.....	26
2	Rent review	28
3	Services and Service Charge.....	33
	Part 1 Administrative provisions	33
	Part 2 Landlord’s obligations	34
	Part 3 Services and charges	35
	Part 4 Service Charge Exclusions	37
4	Insurance and Damage Provisions.....	38
5	Works.....	42
6	Underletting	45

LAND REGISTRY PRESCRIBED CLAUSES

LR1.	Date of lease	2022
LR2.	Title number(s)	
LR2.1	Landlord's title number(s)	CH450000 and CH512739.
LR2.2	Other title numbers	None.
LR3.	Parties to this lease	
	Landlord	WINSFORD DEVCO LLP registered in England and Wales under company number OC404141 whose registered office is at 2nd Floor, Optimum House, Clippers Quay, Salford M50 3XP.
	Tenant	VALENTTE LIMITED registered in England and Wales under company number 09771481 whose registered office is at 61 Stanifield Lane, Farington, Leyland PR25 4UD.
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 premises (referred to in this Lease as "the Premises") known as Unit 9, Artis Park, Road One, Winsford, Cheshire CW7 3SE more particularly defined in clause 1 .
LR5.	Prescribed statements etc	
LR5.1	Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003	None.
LR5.2	This lease is made under, or by reference to, provisions of:	Not applicable.
LR6.	Term for which the Property is leased	The term as specified in clause 2.1.1 ("the Contractual Term").
LR7.	Premium	None.
LR8.	Prohibitions or restrictions on disposing of this lease	This Lease contains a provision that prohibits or restricts dispositions.
LR9.	Rights of acquisition etc	
LR9.1	Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land	None.

LR9.2	Tenant's covenant to (or offer to) surrender this lease	None.
LR9.3	Landlord's contractual rights to acquire this lease	None.
LR10.	Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None.
LR11.	Easements	
LR11.1	Easements granted by this lease for the benefit of the Property	The rights specified in Part 1 of Schedule 1 .
LR11.2	Easements granted or reserved by this lease over the Property for the benefit of other property	The rights specified in Part 2 of Schedule 1 .
LR12.	Estate rentcharge burdening the Property	None.
LR13.	Application for standard form of restriction	None.
LR14.	Declaration of trust where there is more than one person comprising the Tenant	Not applicable.



General Notes

All site dimensions shall be verified by the Contractor on site prior to commencing any works.

Do not scale from this drawing.

Only work to written dimensions.

This drawing is the property of Fletcher-Rae (UK) Limited (t/a Fletcher-Rae) and copyright is reserved by them. The drawing is not to be copied or disclosed by or to any unauthorised persons without the prior written consent of Fletcher-Rae (UK) Limited.

INFORMATION

- - - - Development Boundary
- Existing Pylon and Power Lines
- - - - Existing Location of Electric Cables (Approximate)
- ▲ Visibility Envelope
- Demise
- Allocated Parking

Revision

Scale 1:500@A1

Status INFORMATION

Drawn by NP

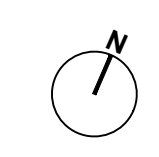
Date 14.01.22

Client Winsford DevCo LLP

Project
 Artis Park Road One, Winsford

Drawing Description
 Proposed Site Plan_ U09 Demise Plan

Drawing No. 18033_SK119 Rev. /



General Notes

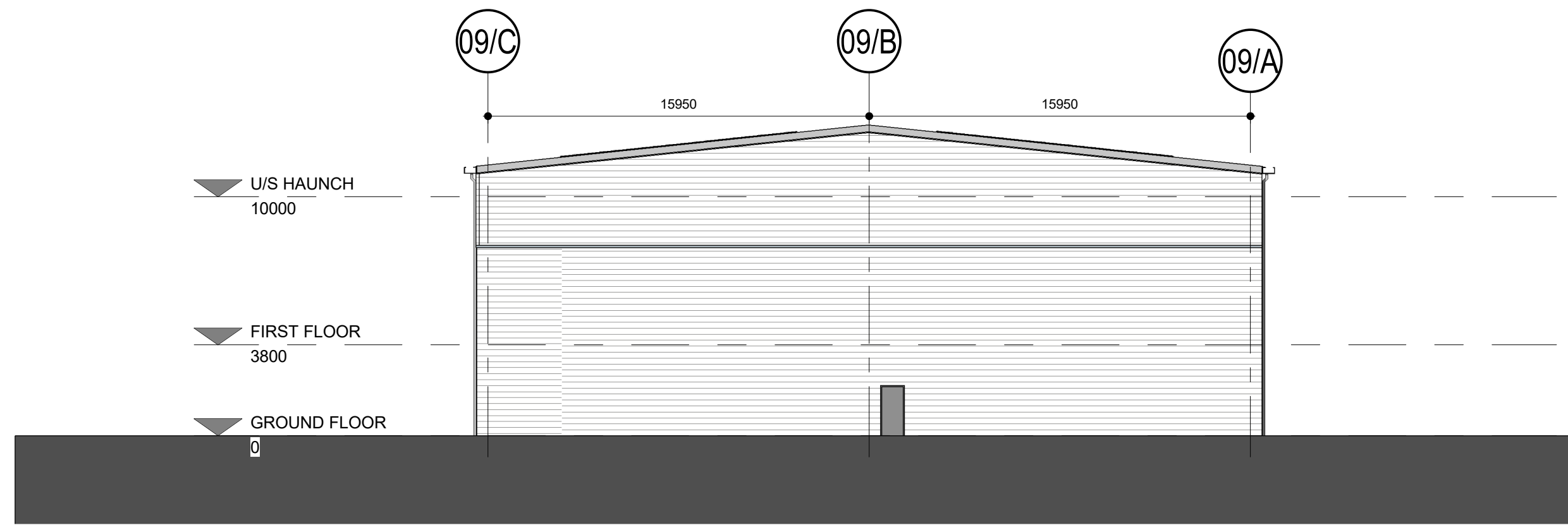
Do not scale from this drawing. Only work to written dimensions.
 All site dimensions shall be verified by the Contractor on site prior to commencing any works.

This drawing is the property of Fletcher-Rae (UK) Limited (t/a Fletcher-Rae) and copyright is reserved by them. The drawing is not to be copied or disclosed by or to any unauthorised persons without the prior written consent of Fletcher-Rae (UK) Limited.

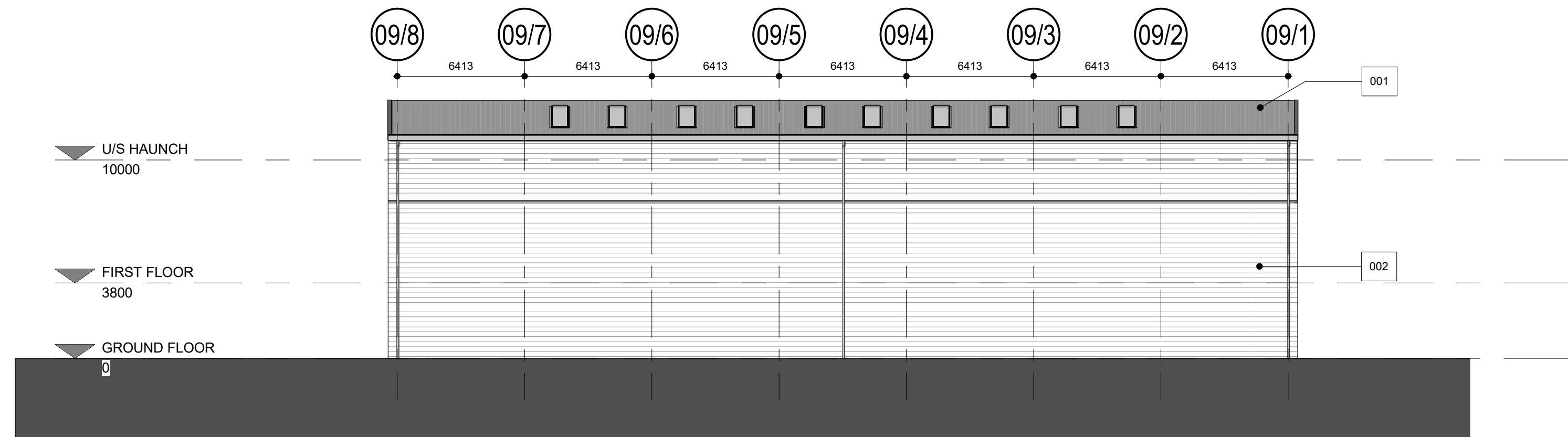
INFORMATION

Keynote Materials

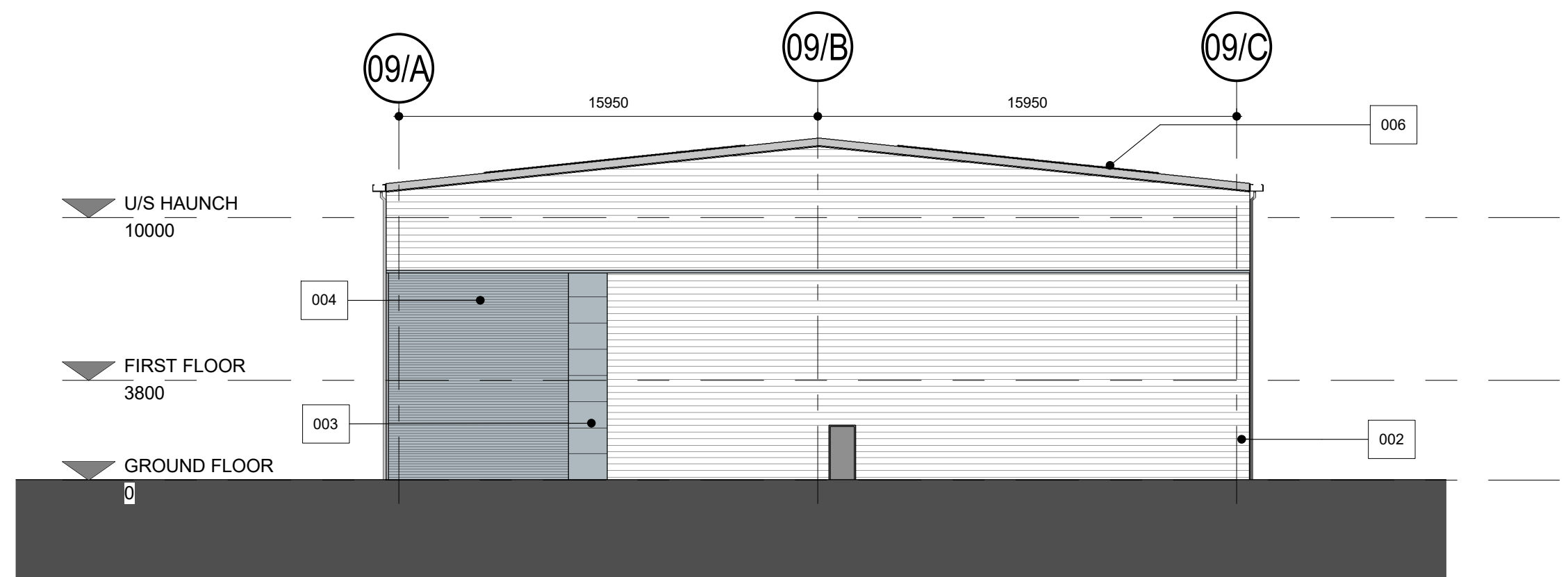
- 001 Built-up Joris IDE 32/1000 external roof sheet; 0.7mm thick coating in Leather Grain finish C200; Colour Goosewing Grey, RAL 080 70 05. Core thickness to achieve U-Value 0.18. Or similar approved
- 002 Built-up Joris IDE 32/1000 horizontal wall cladding 0.7mm thick Ultra 60 coated sheets. Colour metallic silver, RAL 9006. Core thickness to achieve U-Value 0.30. Or similar approved
- 003 Kingspan Architectural Wall Panel in 1000mm modules, laid horizontally. Flat profile in colour Merlin Grey. Core thickness to achieve U-Value 0.30. Or similar approved
- 004 Kingspan Architectural Wall Panel in 1000mm modules, laid horizontally. Micro Rib profile in colour Merlin Grey. Core thickness to achieve U-Value 0.30. Or similar approved
- 006 Joris IDE, Lexan Thermorof trapezoidal rooflights, U-Value min. 1.40. Or similar approved
- 012 Personnel Access Doors, metal frame and insulated door panel to achieve U-Value 1.70, frame and door panel finish RAL 180 40 05 Merlin Grey
- 013 Sectional Overhead Doors, Assa Abloy OH1042P, type: solid insulated panel to achieve U-Value 1.70, door panel in Merlin Grey RAL 180 40 05 frame finish RAL 7016 Anthracite Dark Grey



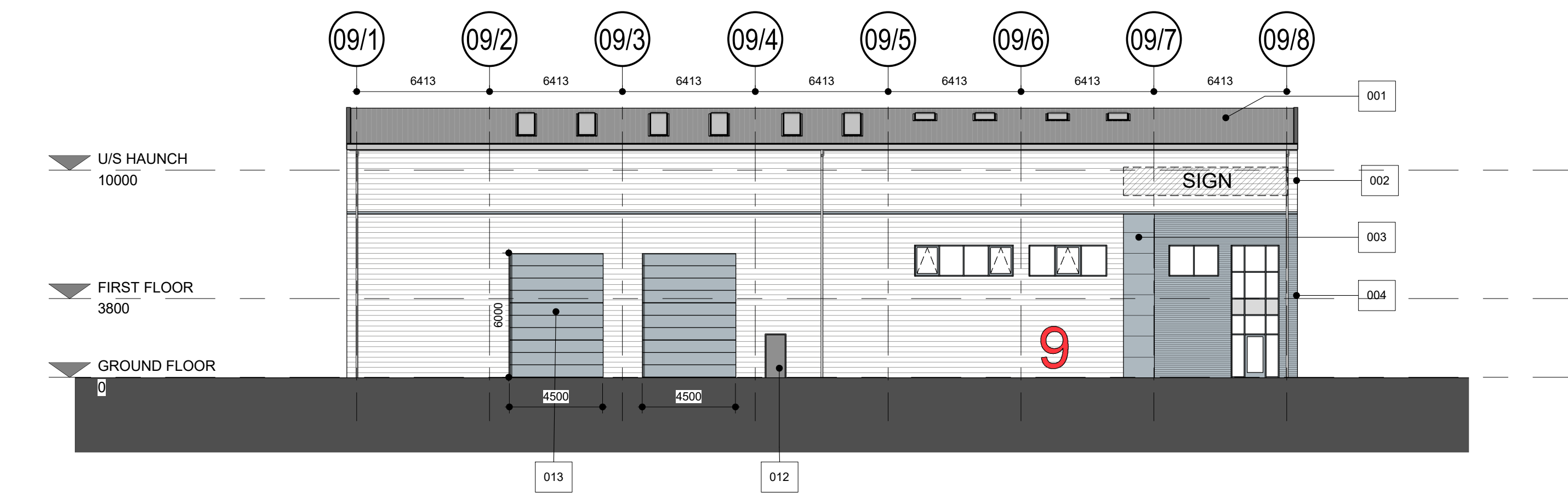
North Elevation



East Elevation



South Elevation



West Elevation

Rev.	Description	Date	ISS	APP
C5	Signage zone amended as per comments	09.03.22	NP	
C4	As Built Drawing Issue	02.02.22	MC	
C3	Construction Issue	16.07.21	MC	
C2	Construction 2nd Issue Updated	14.05.21	MC	
C1	Phase II 1st Construction Issue	16.03.21	MC	

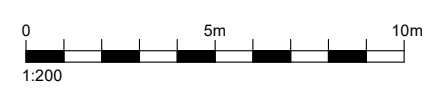
Scale: **1 : 200 @ A1**
 Status: **Information**
 Drawn By: **NP**
 Checked By: **BB**
 Date: **15.02.19**

Client: **Winsford DevCo LLP**
 Project: **Artis Park, Road One, Winsford Unit 9 (formerly 12)**
 Sheet Name: **Elevations**

Project No. Orig. Zone Level Type Role CIs Dwg No. Rev
18033-FRA-12-XX-DR-A-20-2004-C5

fletcher|rae
 Architects | Master Planners | Designers
 Hill Quays, 5 Jordan Street, Manchester, M15 4PY

t +44 (0) 161 242 1140
 f +44 (0) 161 242 1141
 w www.fletcher-rae.com
 e info@fletcher-rae.com



THIS LEASE is made on the date set out in **clause LR1** of the Land Registry Prescribed Clauses

BETWEEN

- (1) the Landlord named in **clause LR3** and any other person who becomes the immediate landlord of the Tenant (the "Landlord"); and
- (2) the Tenant named in **clause LR3** and its successors in title (the "Tenant").

OPERATIVE PROVISIONS

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Lease, the following words and expressions have the following meanings:

"1925 Act"	Law of Property Act 1925
"1954 Act"	Landlord and Tenant Act 1954
"1986 Act"	Insolvency Act 1986
"1994 Act"	Law of Property (Miscellaneous Provisions) Act 1994
"1995 Act"	Landlord and Tenant (Covenants) Act 1995
"Accounting Period"	the annual period ending on 31 December in each year or any other date as the Landlord may decide and notify to the Tenant
"Act"	any Act of Parliament and any delegated law made under it
"AGA"	an authorised guarantee agreement (as defined in section 16 of the 1995 Act)
"Ancillary Rent Commencement Date"	the Term Start Date
"Building Management Systems"	all or any of the following used within or serving the Premises excluding any exclusively serving any Lettable Unit and any tenant's fixtures and fittings: <ul style="list-style-type: none">(a) lighting systems;(b) security, CCTV and alarm systems;(c) access control systems;(d) wireless, phone, data transmission and other telecommunications systems;(e) air ventilation and filtration;(f) air conditioning, heating and climate control systems;(g) water heating, filtering and chilling systems;(h) fire detection, alarm and sprinkler systems

and all control systems, plant, machinery, equipment, Supplies and Conducting Media used in connection with them

"Business Day"

any day other than a Saturday, Sunday or a bank or public holiday in England and Wales

"Common Parts"

any part of, or anything in, the Estate that does not form part of a Lettable Unit and that is, in accordance with **clause 4.8**, used or available for use by:

- (a) the Tenant in common with others;
- (b) the Landlord in connection with the provision of the Services; or
- (c) visitors to the Estate

"Conducting Media"

any media for the transmission of Supplies

"CRC Costs"

the actual costs and charges incurred by or on behalf of any CRC Participant in purchasing carbon allowances in relation to the CRC Scheme

"CRC Participant"

the Landlord, any Participant (except for the Tenant) from time to time responsible for compliance with the CRC Scheme in respect of the Common Parts and any Group Undertaking of the Landlord or that Participant where **"Participant"** and **"Group Undertaking"** have the meanings given to them in the CRC Energy Efficiency Scheme Order 2013

"CRC Scheme"

the CRC Energy Efficiency Scheme administered in accordance with the CRC Energy Efficiency Scheme Order 2013 or any later order or any similar scheme amending or replacing it

"Current Guarantor"

someone who, immediately before a proposed assignment, is either a guarantor of the Tenant's obligations under this Lease or a guarantor of the obligations given by a former tenant of this Lease under an AGA

"Electronic Communications Apparatus"

"electronic communications apparatus" as defined in section 151 of the Communications Act 2003

"End Date"

the last day of the Term (however it arises)

"Environmental Performance"

all or any of the following:

- (a) the consumption of energy and associated generation of greenhouse gas emissions;
- (b) the consumption of water;
- (c) waste generation and management; and
- (d) any other environmental impact arising from the use or operation of the Premises or the Estate

"EPB Regulations"	the Energy Performance of Buildings (England and Wales) Regulations 2012
"EPC"	an Energy Performance Certificate and Recommendation Report (as defined in the EPB Regulations)
"Estate"	<p>(a) for the purposes of the rights granted and reserved by this Lease and their registration at HM Land Registry, the industrial estate known as Artis Park, Winsford registered at the Land Registry with the title numbers set out at clause LR2.1 and shown edged with a broken blue line on the Plan; and</p> <p>(b) for all other purposes connected with this Lease, that estate:</p> <p style="padding-left: 40px;">(i) including all alterations, additions and improvements and all landlord's fixtures forming part of it at any time during the Term;</p> <p style="padding-left: 40px;">(ii) including any adjoining land and buildings that the Landlord adds to it; and</p> <p style="padding-left: 40px;">(iii) excluding any land or buildings that the Landlord removes from it</p>
"Existing Contamination"	<p>(a) the presence, retention or accumulation in, on, under, at or over the Premises of any Hazardous Substances first present in, on, under, at or over the Premises at any time on or before the date of this Lease; or</p> <p>(b) any migration or other escape from the Premises at any time before, on or after the date of this Lease of any Hazardous Substances first present in, on, under, at or over the Premises before the date of this Lease, except where such migration or escape is caused by the Tenant after the date of this Lease</p>
"Group Company"	in relation to any company, any other company within the same group of companies as that company within the meaning of section 42 of the 1954 Act
"Hazardous Substances"	<p>any natural or artificial substances (whether in solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any other substance) or organisms:</p> <p>(a) capable of causing harm or which may be harmful to humans or any other living organism supported by the environment; or</p>

- (b) capable of damaging the environment (whether natural or man-made) or public health

"Insurance Rent"	the sums described in paragraph 1.1.1 of Schedule 4
"Insured Risks"	the risks of fire (including subterranean fire), lightning, explosion, storm, flood, subsidence, landslip, heave, earthquake, burst or overflowing water pipes, tanks or apparatus, impact by aircraft or other aerial devices and any articles dropped from them, impact by vehicles, terrorism, riot, civil commotion and malicious damage to the extent, in each case, that cover is generally available on normal commercial terms in the UK insurance market at the time the insurance is taken out, and any other risks against which the Landlord reasonably insures from time to time, subject in all cases to any excesses, limitations and exclusions imposed by the insurers
"Interest Rate"	4% above the base rate for the time being in force of Barclays Bank Plc (or any other UK clearing bank specified by the Landlord)
"Intermediate Lease"	any lease of the whole of the Premises (whether with other land) by any person who is not the freeholder of the Premises
"Lease"	this lease, which is a "new tenancy" for the purposes of section 1 of the 1995 Act, and any document supplemental to it
"Lettable Unit"	accommodation within the Estate from time to time let or occupied or intended for letting or occupation, but excluding accommodation let or occupied for the purposes of providing any of the Services
"Main Rent"	the yearly rent one hundred and thirty nine thousand seven hundred and forty five pounds (£139,745) subject to review on each Rent Review Date in accordance with Schedule 2
"Management Company"	such management company incorporated by the Landlord for the purposes of managing the Estate and providing the Services
"Notice"	any notice, notification or request given or made under this Lease
"Outgoings"	all or any of: <ul style="list-style-type: none">(a) all existing and future rates, taxes, duties, charges, and financial impositions charged on the Premises or any owner or occupier of them except for:<ul style="list-style-type: none">(i) tax (other than VAT) on the Rents payable; and

	(ii) any tax arising from the Landlord's dealing with its own interests;
	(b) Supply Costs for the Premises; and
	(c) a fair and reasonable proportion of the Outgoings referred to in paragraphs (a) and (b) charged in respect of the Premises and any other parts of the Estate to the extent that those amounts do not form part of the Service Costs
"Permitted Use"	use within Classes B2 and/or B8 of the Schedule to the Town and Country Planning (Use Classes) Order 1987 with ancillary trade counters and office
"Permitted Works"	any works or installations to which the Landlord has consented or for which, under clause 3.11 , the Landlord's consent is not required
"Plan 1"	the plan attached to this Lease and labelled Plan 1
"Plan 2"	the plan attached to this Lease and labelled Plan 2
"Planning Acts"	every Act for the time being in force relating to the use, development, design, control and occupation of land and buildings
"Planning Permission"	any permission, consent or approval given under the Planning Acts
"Premises"	the premises known as Unit 9, Artis Park, Road One, Winsford, Cheshire, CW7 3QE and shown edged red on the Plan including: <ul style="list-style-type: none"> (a) all buildings from time to time on the Premises and the load-bearing walls, structure, foundations and roofs of those buildings; (b) one half severed vertically of any walls separating the Premises from any adjoining premises; (c) all Conducting Media and landlord's plant, equipment and fixtures exclusively serving the Premises; (d) all tenant's fixtures; (e) the Building Management Systems within the Premises; and (f) any Permitted Works carried out to or at the Premises <p>excluding the airspace above the height of the topmost point of the building (or the tallest building if there is more than one) on the Premises</p>

"Rent Days"	25 March, 24 June, 29 September and 25 December
"Rent Review Date"	2032 2027 and
"Rents"	the Main Rent, the Insurance Rent, the Service Charge, any VAT payable on them and any interest payable under clause 3.5
"Risk Period"	the period of three years starting on the date of the relevant damage or destruction
"Rent Commencement Date"	2022
"Service Charge"	a fair and reasonable proportion (calculated on a floor area basis or any other method as the Landlord (or the Management Company) acting reasonably decides from time to time) (provided always that the Tenant's proposed mezzanine floor will not be taken into consideration for the purposes of calculating the floor area of the Premises) of the Service Costs subject to any adjustments made by the Landlord under the provisions of paragraph 7 of Part 1 of Schedule 3
"Service Costs"	the aggregate costs (including VAT that is not recoverable by the Landlord from HM Revenue & Customs) incurred by the Landlord in providing the Services and paying the costs listed in Part 3 of Schedule 3 in each Accounting Period
"Services"	the services provided by the Landlord listed in Part 3 of Schedule 3
"Signage Zone"	the area shown with a broken black line and hatched black on Plan 2
"Superior Landlord"	any person for the time being entitled to the interest in reversion immediately expectant on the expiry or sooner determination of an Intermediate Lease
"Supplies"	water, gas, air, foul and surface water drainage, electricity, oil, telephone, heating, telecommunications, internet, data communications and similar supplies or utilities
"Supply Costs"	the costs of Supplies including procurement costs, meter rents and standing charges and a fair and reasonable proportion of any CRC Costs incurred in relation to those Supplies
"Term End Date"	2034
"Term Start Date"	2022
"Term"	the period of this Lease (including where applicable any continuation of that period under the 1954 Act)
"Uninsured Risk"	any risk which is not expressly specified in the Insured Risks definition or any risk expressly specified in the Insured Risks definition that it is not:

- (a) insured against because, at the time the insurance is taken out or renewed, insurance is not generally available in the UK market on normal commercial terms or because the Landlord has chosen not to insure against it; or
- (b) at the date of the damage or destruction, insured against by reason of a limitation or exclusion imposed by the insurers

but will not include loss or damage caused by reason of the Tenant's act or failure to act

"VAT Supply"

a "supply" for the purpose of the Value Added Tax Act 1994.

"VAT"

value added tax or any similar tax from time to time replacing it or performing a similar function

- 1.2 **"Notify", "notifies", "notifying" or "request"** means notify, notifies, notifying or request in writing in accordance with **clause 5.4**.
- 1.3 Where appropriate, the singular includes the plural and vice versa, and one gender includes any other.
- 1.4 All headings are for ease of reference only and will not affect the construction or interpretation of this Lease.
- 1.5 Obligations owed by or to more than one person are owed by or to them jointly and severally.
- 1.6 An obligation to do something includes an obligation not to waive any obligation of another person to do it.
- 1.7 An obligation not to do something includes an obligation not to permit or allow another person to do it.
- 1.8 The Tenant will be liable for any breaches of its obligations in this Lease committed by:
 - 1.8.1 any authorised occupier of the Premises or its or their respective employees, licensees or contractors; or
 - 1.8.2 any person under the control of the Tenant or acting under the express or implied authority of the Tenant.
- 1.9 Reference to either the Landlord, Superior Landlord or the Tenant having a right of approval or consent under this Lease means a prior written approval or consent, which must not be unreasonably withheld or delayed except where this Lease specifies that either the Landlord or the Tenant has absolute discretion.
- 1.10 Any provision in this Lease referring to the consent or approval of the Landlord shall be construed as also requiring the consent or approval of the Superior Landlord (if applicable) where such consent shall be required if applicable under the Intermediate Lease but nothing in this Lease shall be construed as implying that any obligation is imposed upon any Superior Landlord (if applicable) not unreasonably to refuse any such consent or approval.
- 1.11 Where the Landlord has the right to impose regulations or to approve, decide, designate, nominate, request, require, specify, stipulate or express an opinion on any matter or thing under this Lease, that right will be subject to a condition that the Landlord will act reasonably and properly when exercising that right except where this Lease specifies that the Landlord has absolute discretion.

- 1.12 References to the provision of plans, drawings, specifications or other documents means their provision in hard copy, electronically in PDF format or in any other easily readable format as may be appropriate having regard to the purpose for which they are provided and the nature of the information that they contain, but not in a format that is proprietary to a particular computer system or program that cannot be imported into or easily read by another computer system or program.
- 1.13 References to a Schedule are to a Schedule to this Lease and the Landlord and the Tenant must comply with their respective obligations in them.
- 1.14 Apart from in **clause 3.6.1, where** either the Tenant or the Landlord must pay any costs that the other incurs (or any proportion of them), those costs must be reasonable and proper and reasonably and properly incurred.
- 1.15 References to any sums being payable on demand or when demanded mean being payable when demanded in writing.
- 1.16 The Landlord's rights under **clause 3.10** and **Part 2 of Schedule 1** may also be exercised by the Superior Landlord and the Management Company and to all persons authorised by the Landlord, Superior Landlord and/or the Management Company (subject to **clause 4.5**).
- 1.17 Reference to "**the Estate**", "**the Common Parts**" or "**the Premises**" means the whole or an individual part or parts unless inappropriate in the context used.
- 1.18 Reference to "**adjoining premises**" means any land or buildings adjoining or nearby the Estate, whether or not owned by the Landlord (unless express reference is made to the Landlord's ownership of those premises).
- 1.19 References to an Act are to that Act as amended from time to time and to any Act that replaces it but references to the Town and Country Planning (Use Classes) Order 1987 are to that Order as in force at the date of this Lease.
- 1.20 "**Includes**", "**including**" and similar words are used without limitation or qualification to the subject matter of the relevant provision.
- 1.21 If any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Lease will be unaffected.
- 1.22 If a person must take a matter into consideration that person must have reasonable regard to it but the final decision remains at that person's absolute discretion.

2. **DEMISE, TERM AND RENT**

- 2.1 The Landlord leases the Premises to the Tenant with full title guarantee subject to the variations set out in **clause 5.9**:
- 2.1.1 for a term starting on the Term Start Date and ending on the Term End Date;
- 2.1.2 together with the rights listed in **Part 1 of Schedule 1**;
- 2.1.3 excepting and reserving to the Landlord the rights listed in **Part 2 of Schedule 1**;
- 2.1.4 subject to the matters (excluding financial charges) contained or referred to in title number CH450000 on 13 August 2020 and timed at 15:27:17 and title number CH512739 on 26 October 2020 and timed at 15:08:48;
- 2.1.5 subject to any easements, rights and privileges currently existing and affecting the Premises; and
- 2.1.6 subject to any rights reserved by any Intermediate Lease.

- 2.2 Starting on the Rent Commencement Date, the Tenant must pay the Main Rent as rent.
- 2.3 Starting on the Ancillary Rent Commencement Date the Tenant must pay as rent:
- 2.3.1 Service Charge due under **clause 3.3** and **Schedule 3**; and
- 2.3.2 to the extent that the same is not recovered via the Service Charge, the Insurance Rent.
- 2.4 The Tenant must pay as rent VAT under **clause 3.3**.
- 2.5 The Main Rent is payable by equal quarterly payments in advance on the Rent Days in every year. The first payment will be a proportionate part calculated on a daily basis for the period starting on (and to be paid on) the Rent Commencement Date and ending on the last day of that quarter.
- 2.6 The Rents and all other sums payable under this Lease must be paid by the Tenant by electronic transfer from a United Kingdom bank account to the United Kingdom bank account notified by the Landlord to the Tenant.
- 2.7 The Tenant must not make any legal or equitable deduction, set-off or counterclaim from any payment due under this Lease unless required to do so by law.

3. **TENANT'S OBLIGATIONS**

3.1 **Main Rent**

The Tenant must pay the Main Rent when due.

3.2 **Outgoings**

3.2.1 The Tenant must pay all Outgoings when demanded.

3.2.2 If the Landlord loses the benefit of any rates relief or exemption after the End Date because the Tenant has received that benefit before the End Date, the Tenant must pay the Landlord on demand an amount equal to the relief or exemption that the Landlord has lost.

3.3 **Service Charge**

The Tenant must pay the Service Charge in accordance with **Schedule 3**.

3.4 **VAT**

3.4.1 The Tenant must pay:

3.4.1.1 VAT on any consideration in respect of a VAT Supply to the Tenant by the Landlord at the same time as the consideration is paid; and

3.4.1.2 on demand VAT (and interest, penalties and costs where these are incurred because of anything the Tenant does or fails to do) charged in respect of any VAT Supply to the Landlord in respect of the Premises where that VAT is not recoverable by the Landlord from HM Revenue & Customs,

provided always that the Landlord shall provide the Tenant with a valid VAT invoice addressed to the Tenant for any such payments under clause 3.4.1.

3.4.2 The Tenant must not do anything that would result in the disapplication of the option to tax in respect of the Landlord's interest in the Estate.

3.5 **Interest on overdue payments**

The Tenant must pay interest on the Rents and on all other sums not paid on or by the due date (or, if no date is specified, not paid within 10 Business Days after the date of demand). Interest will be payable at the Interest Rate for the period starting on the due date (or date of demand) and ending on the date of payment.

3.6 **Reimburse costs incurred by the Landlord**

The Tenant must pay on demand the Landlord's costs (including legal and surveyor's charges and bailiff's and enforcement agent's fees) and disbursements in connection with:

- 3.6.1 any breach of the Tenant's obligations in this Lease, including the preparation and service of a notice under section 146 of the 1925 Act, whether or not forfeiture is avoided by an order of the court;
- 3.6.2 any application by the Tenant for consent under this Lease, whether that application is withdrawn or consent is granted or lawfully refused, except in cases where the Landlord is required to act reasonably and the Landlord unreasonably refuses to give consent or consent is granted subject to unlawful conditions;
- 3.6.3 the preparation and service of any notice by the Landlord under section 17 of the 1995 Act or section 81 Tribunals, Courts and Enforcement Act 2007; and
- 3.6.4 the preparation and service of a schedule of dilapidations.

3.7 **Third party indemnity**

- 3.7.1 The Tenant must indemnify the Landlord against all actions, claims, demands made by a third party, all costs, damages, expenses, charges and taxes payable to a third party and the Landlord's own liabilities, costs and expenses incurred in defending or settling any action, claim or demand in respect of any personal injury or death, damage to any property and any infringement of any right arising from:
 - 3.7.1.1 the state and condition of the Premises or the Tenant's use of them;
 - 3.7.1.2 the exercise of the Tenant's rights; or
 - 3.7.1.3 the carrying out of any Permitted Works.
- 3.7.2 In respect of any claim covered by the indemnity in **clause 3.7.1**, the Landlord must:
 - 3.7.2.1 give notice to the Tenant of the claim as soon as reasonably practicable after receiving notice of it;
 - 3.7.2.2 provide the Tenant with any information and assistance in relation to the claim that the Tenant may reasonably require, subject to the Tenant paying to the Landlord all costs incurred by the Landlord in providing that information or assistance; and
 - 3.7.2.3 mitigate its loss (at the Tenant's cost) where it is reasonable for the Landlord to do so.

3.8 **Insurance**

The Tenant must comply with its obligations in **Schedule 4**.

3.9 **Repair and decoration**

3.9.1 The Tenant must:

3.9.1.1 keep the Premises in good and substantial repair and condition and clean and tidy;

3.9.1.2 keep all Conducting Media, plant, equipment or fixtures forming part of the Premises properly maintained and in good working order in accordance with good industry practice, the requirements of any Acts and any requirements of the Landlord's insurers of which it is notified; and

3.9.1.3 replace (where beyond economic repair) any Conducting Media and plant, equipment or fixtures forming part of the Premises with items of equivalent or better quality.

3.9.2 The Tenant must keep all parts of the Premises that are not built upon clear of rubbish and waste materials and, where appropriate, properly landscaped.

3.9.3 The Tenant must redecorate the interior and the exterior of the Premises in every fifth year of the Term and in the final six months of the Term. The Tenant must properly clean and treat the exterior surfaces of the Premises in every third year of the Term and in the final six months of the Term (except where such work has been undertaken in the preceding 12 months). The colour scheme for the final internal redecoration and the colour scheme on each external redecoration must first be approved by the Landlord.

3.9.4 The obligations under this **clause 3.9** exclude:

3.9.4.1 damage by any Insured Risk;

3.9.4.2 damage by any Uninsured Risk;

3.9.4.3 Existing Contamination except and to the extent that Existing Contamination is increased, exacerbated or accelerated directly or indirectly as a result of any act or default of the Tenant;

except to the extent that payment of any insurance money is refused because of anything the Tenant does or fails to do and the Tenant has not complied with **paragraph 1.1.2 of Schedule 4**.

3.10 **Allow entry**

3.10.1 In accordance with **clause 4.5**, the Tenant must allow the Landlord to enter and inspect the Premises.

3.10.2 If the Landlord requires the Tenant to remedy any breach of the Tenant's obligations regarding the state and condition of the Premises or to remove any unauthorised alterations then the Tenant must comply with those requirements immediately in the case of an emergency or, in all other cases, begin to comply with those requirements within one month after being notified of them and diligently complete any works required.

3.10.3 If the Tenant does not comply with **clause 3.10.2**, the Landlord may enter the Premises and carry out any works required itself. The Tenant must repay, as a debt on demand, all the costs the Landlord incurs in so doing. The Landlord's rights under **clause 5.1** will be unaffected.

3.11 **Alterations**

3.11.1 The Tenant must not:

- 3.11.1.1 build any new structure on, or alter the external appearance of the Premises, or cut into any structural part of the Premises, and/or make any structural alterations/additions to the Premises; or
- 3.11.1.2 install Electronic Communications Apparatus which would attract code protection under the Communications Act 2003
without the Landlord's consent (in the Landlord's absolute discretion).
- 3.11.2 Notwithstanding clause 3.11.1.1, the Tenant may install extraction systems and associated flues with the Landlord's consent.
- 3.11.3 The Tenant must not carry out any internal non-structural alterations to the Premises without the Landlord's consent.
- 3.11.4 Subject to clauses 3.11.5 and 3.11.6, the Landlord's consent is not required for the:
 - 3.11.4.1 installation or removal of internal demountable partitioning or racking;
 - 3.11.4.2 removal of tenant's fixtures.
- 3.11.5 The Tenant must procure that any works carried out under this clause 3.11 will not impact on the:
 - 3.11.5.1 mechanical and electrical plant/machinery on the Premises;
 - 3.11.5.2 Environmental Performance of the Premises;
 - 3.11.5.3 Building Management Systems; and/or
 - 3.11.5.4 structural integrity of the Premises or other buildings.
- 3.11.6 The Tenant will comply with its obligations in **Schedule 5** in respect of any works carried out under **clause 3.11.2**.
- 3.11.7 The Tenant must not, without the Landlord's consent do any other works to the Premises.
- 3.11.8 Where the Landlord's consent is expressly required under this **clause 3.11**, the Landlord may impose reasonable requirements on the Tenant in addition to those contained in **Schedule 5** when giving its consent.

3.12 **Signs and advertisements**

The Tenant must not display any signs or advertisements on the Premises that are visible from outside the Premises other than (subject always to the Tenant obtaining the consent of the Landlord and all other necessary consents (if any) for the display of the same):

- 3.12.1 signage within the Signage Zone indicating the Tenant's trading name in the style of and consistent with the Tenant's standard fascia signage;
- 3.12.2 signs approved by the Landlord (such approval not to be unreasonably withheld or delayed);
- 3.12.3 normal trade signs displayed from within the Premises;
- 3.12.4 signs where there is a legal requirement to display the same;

- 3.12.5 price and product information;
- 3.12.6 debit and credit card signs;
- 3.12.7 details of opening hours.

3.13 **Obligations at the End Date**

- 3.13.1 By the End Date, unless and to the extent that the Landlord has given to the Tenant not less than six months' notice requesting the Tenant not to do so, the Tenant must have removed at its own cost:
 - 3.13.1.1 all tenant's and trade fixtures and loose contents from the Premises;
 - 3.13.1.2 all signage installed by the Tenant or any undertenant at the Premises or elsewhere on the Estate;
 - 3.13.1.3 unless and to the extent that the Landlord notifies the Tenant not to do so all Permitted Works; and
 - 3.13.1.4 without affecting any other Landlord's rights, any works that have been carried out by the Tenant in breach of any obligation in this Lease.
- 3.13.2 The Tenant must make good all damage to the Premises or the Estate caused when complying with **clause 3.13.1** and restore them to the same configuration, state and condition as they were in before the items removed were originally installed.
- 3.13.3 At the End Date the Tenant must:
 - 3.13.3.1 give back the Premises (and any landlord's fixtures, plant and equipment in them) in good decorative order and in a state, condition and working order consistent with the Tenant's obligations in this Lease;
 - 3.13.3.2 give back the Premises with vacant possession; and
 - 3.13.3.3 hand to the Landlord any registers or records maintained by the Tenant pursuant to any statutory duty that relate to the Premises including any health and safety file, EPC and asbestos survey.
- 3.13.4 If the Tenant has not removed all of its property from the Premises by the End Date and the Landlord gives the Tenant not less than 10 Business Days' notice of its intention to do so:
 - 3.13.4.1 the Landlord may sell that property as the agent of the Tenant;
 - 3.13.4.2 the Tenant must indemnify the Landlord against any liability of the Landlord to any third party whose property has been sold in the genuine but mistaken belief that it belonged to the Tenant; and
 - 3.13.4.3 the Landlord promptly must pay to the Tenant the sale proceeds after deducting the costs of transportation, storage and sale incurred by the Landlord.

3.14 **User**

- 3.14.1 The Tenant must not use the Premises other than for the Permitted Use.

- 3.14.2 The Tenant must not use the Premises for any illegal or immoral purpose, as a betting office, an amusement arcade or in connection with gaming, for any political or campaigning purposes or for any sale by auction.
- 3.14.3 The Tenant must not use the Premises for the sale of alcohol for consumption on or off the Premises or for the preparation or cooking of food other than, in either case, in connection with staff catering facilities ancillary to the Permitted Use.
- 3.14.4 The Tenant must not:
 - 3.14.4.1 keep in the Premises any plant, machinery or equipment (except that properly required for the Permitted Use) or any petrol or other explosive or specially flammable substance (other than petrol in the tanks of vehicles parked in any parking spaces within the Premises) provided that this clause will not prevent the Tenant from storing and selling small canisters of butane gas, thinners and/or articles of a similar nature sold by the Tenant in the normal course of its business subject always to the Tenant complying with all legislation, regulations and manufacturer's guidelines in respect of the storage, display, handling and sale of such items;
 - 3.14.4.2 load or unload any vehicle unless it is in a loading area provided for that purpose;
 - 3.14.4.3 cause any nuisance or damage to the Landlord or the other tenants or occupiers of the Estate or to the owners, tenants or occupiers of any adjoining premises;
 - 3.14.4.4 overload any part of the Premises or any plant, machinery, equipment or Conducting Media;
 - 3.14.4.5 do anything that blocks the Conducting Media or makes them function less efficiently including any blockage to or corrosion of any drains, pipes or sewers by virtue of any waste, grease or refuse deposited by the Tenant or any cleaning of them carried out by the Tenant;
 - 3.14.4.6 cause any land, roads or pavements near to the Premises to be untidy or dirty, or deposit anything on them;
 - 3.14.4.7 use any machinery on the Premises that is audible outside the Premises or that causes significant vibration outside the Premises so as to cause a nuisance to any other tenants or occupiers of the Estate or any property that neighbours the Estate and if the Landlord notifies the Tenant that it considers the Tenant to be in breach of this clause 3.14.4.7 the Tenant shall immediately take such reasonable and proper action required to ensure its compliance with this clause 3.14.4.7
 - 3.14.4.8 in relation to any parts of the Premises that are not built on store, keep or stack any materials, plant, equipment, bins, crates, boxes, refuse, waste or rubbish or any receptacle for waste, refuse or rubbish or any other item otherwise than in accordance with any requirements of the Landlord's insurers communicated to the Tenant and any regulations made by the Landlord;
 - 3.14.4.9 burn rubbish or waste materials, paper, wood or other combustible matter on the Premises; or
 - 3.14.4.10 emit any smoke, fumes or smells from the Premises so as to cause a nuisance to any other tenants or occupiers of the Estate or any

property that neighbours the Estate and if the Landlord notifies the Tenant that it considers the Tenant to be in breach of this clause 3.14.4.10 the Tenant shall immediately take such action required to ensure its compliance with this clause 3.14.4.10 provided that whilst the Lease is vested in Valentte Limited (with company registration number 09771481) the Landlord shall not require the Tenant to take any such action pursuant to this clause which would prevent the Tenant from being able to use the Premises for the production of scented candles.

- 3.14.5 When exercising any right granted to it for entry to any other part of the Estate the Tenant must:
- 3.14.5.1 cause as little damage and interference as is reasonably practicable to the remainder of the Estate and the business of its tenants and occupiers and make good any physical damage caused; and
 - 3.14.5.2 comply with the Landlord's requirements and those of any other tenants and occupiers of the Estate who are affected.
- 3.14.6 The Tenant must provide the Landlord with the names, addresses and telephone numbers of not fewer than two people who from time to time hold keys and any security access codes to the Premises and who may be contacted in an emergency if the Landlord needs access to the Premises outside the Tenant's normal business hours.
- 3.14.7 The Tenant must not use any parking spaces in respect of which the Tenant is granted rights under **paragraph 6 of Part 1 of Schedule 1** except for the parking of vehicles belonging to persons working at the Premises or any customers/visitors to the Premises and the Tenant must not use them for the repair, refuelling or maintenance of any vehicles.
- 3.14.8 The Landlord gives no warranty to the Tenant that the Permitted Use is or will remain a lawful or permitted use for the Premises under planning legislation.

3.15 Dealings with the Premises

- 3.15.1 The Tenant must not assign, underlet, charge, hold on trust, part with or share possession or occupation of the Premises in whole or in part or enter into any agreement to do so, except as authorised under this **clause 3.15** or **Schedule 6**.
- 3.15.2 The Tenant may, with the Landlord's consent, assign the whole of the Premises.
- 3.15.3 For the purposes of section 19(1A) of the Landlord and Tenant Act 1927:
- 3.15.3.1 the Tenant may not assign to a Current Guarantor;
 - 3.15.3.2 any consent to assign will be subject to a condition that:
 - (a) the assigning tenant gives the Landlord an AGA in respect of the period beginning on the date the assignee becomes bound by the Tenant's obligations under this Lease and ending on the earlier of the date that the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995 or the end of the Contractual Term; and
 - (b) any guarantor of the assigning tenant gives the Landlord a guarantee that the assigning tenant will comply with the terms of the AGA;

in each case in a form that the Landlord reasonably requires, given as a deed and delivered to the Landlord before the assignment;

3.15.3.3 any consent to assign may (to the extent reasonably required by the Landlord) be subject to either or both of the following conditions:

- (a) that a guarantor (approved by the Landlord) that is not a Current Guarantor guarantees the assignee's performance of the Tenant's obligations under this Lease; and
- (b) the assignee enters into a rent deposit deed with the Landlord providing for a deposit of not less than six months' Main Rent (plus VAT) (calculated as at the date of the assignment) as security for the assignee's performance of the tenant's covenants in this Lease with a charge over the deposit

in either case in a form that the Landlord reasonably requires, given as a deed and delivered to the Landlord before the assignment;

3.15.3.4 the Landlord may refuse consent to assign if:

- (a) the Tenant has not paid in full all Rents and other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment;
- (b) the accounts of the proposed assignee or its guarantor have not been audited or, if they have been audited, relate to a period or periods the most recent of which expired more than eleven months before the date of the application for consent to assignment;
- (c) the proposed assignee or its guarantor is a company incorporated in or an individual resident in a country outside the United Kingdom and there is no treaty for the mutual enforcement of judgments between the United Kingdom and that country unless, in relation to a company, it carries on and maintains a business in the United Kingdom and, in the reasonable opinion of the Landlord, it has sufficient assets in the United Kingdom to enable it to meet its liabilities under this Lease;
- (d) the proposed assignee or its guarantor is a person who enjoys sovereign or state immunity, unless a department, body or agency of the United Kingdom Government;
- (e) the proposed assignee is a Group Company of the Tenant; or
- (f) the proposed assignee is a Current Guarantor;

3.15.3.5 the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and

3.15.3.6 the Landlord may require any other condition to the Landlord's consent if it is reasonable to do so.

3.15.4 The provisions of **Schedule 6** apply to underlettings of the Premises and the Tenant must comply with its obligations in that Schedule.

3.15.5 In addition to the provisions of this **clause 3.15**, the Tenant may share occupation of the whole or part of the Premises with a Group Company of the Tenant on condition that:

- 3.15.5.1 the Tenant notifies the Landlord of the identity of the occupier and the part of the Premises to be occupied;
 - 3.15.5.2 no relationship of landlord and tenant is created or is allowed to arise;
 - 3.15.5.3 the sharing of occupation ends if the occupier is no longer a Group Company of the Tenant; and the Tenant notifies the Landlord promptly when the occupation ends.
- 3.15.6 The Tenant may charge the whole of the Premises to a genuine lending institution with the Landlord's consent such consent not to be unreasonably withheld or delayed.

3.16 **Registration of dealings**

- 3.16.1 The Tenant must provide the Landlord and if applicable any Superior Landlord with a certified copy of every document transferring or granting any interest in the Premises (and, if relevant, evidence that sections 24 to 28 of the 1954 Act have been lawfully excluded from the grant of any interest) within two weeks after the transfer or grant of that interest.
- 3.16.2 The Tenant must, on request, supply details to the Landlord of the names and addresses of anyone in occupation of the Premises, whether they are in occupation for the purpose of carrying on a business, the areas they occupy, the rents paid and the terms upon which they are in occupation.

3.17 **Marketing**

- 3.17.1 Unless genuine steps are being taken towards renewal of this Lease under the 1954 Act, the Tenant must, during the six months before the End Date, allow the Landlord to:
 - 3.17.1.1 place on the Premises (but not obstructing the Tenant's corporate signage) a notice for their disposal; and
 - 3.17.1.2 show the Premises at reasonable times in the day to potential tenants (who must be accompanied by the Landlord or its agents).
- 3.17.2 The Tenant must allow the Landlord at reasonable times in the day to show the Premises to potential purchasers of the Estate (who must be accompanied by the Landlord or its agents).

3.18 **Notifying the Landlord of notices or claims**

The Tenant must notify the Landlord as soon as reasonably practicable after the Tenant receives or becomes aware of any notice or claim affecting the Premises.

3.19 **Comply with Acts**

- 3.19.1 The Tenant must do everything required under and must not breach any Act in respect of the Premises and their use and occupation and the exercise of the rights granted to the Tenant under this Lease.
- 3.19.2 The Tenant must not do or fail to do anything in respect of the Premises or the Estate or their use and occupation the effect of which could make the Landlord liable to pay any penalty, damages, compensation, costs or charges under any Act.
- 3.19.3 The Tenant must promptly upon becoming aware notify the Landlord of any defect or disrepair in the Premises that may make the Landlord liable under any Act or under this Lease.

3.20 **Planning Acts**

- 3.20.1 The Tenant must comply with the requirements of the Planning Acts and with all Planning Permissions relating to or affecting the Premises or anything done or to be done on them.
- 3.20.2 The Tenant must not apply for any Planning Permission except where any approval or consent required under any other provisions in this Lease for development or change of use has already been given and the Landlord has approved the terms of the application for Planning Permission.
- 3.20.3 The Tenant may only implement a Planning Permission that the Landlord has approved.
- 3.20.4 The Tenant must assume liability for and pay any Community Infrastructure Levy payable under Part 11 of the Planning Act 2008 or any other similar payments or liabilities that become due as a result of it (or its sub-tenants or other occupiers of the Premises) carrying out any Permitted Works or changing the use of the Premises.
- 3.20.5 To carry out before the end of the Term any works required to be carried out as a condition of any planning permission implemented by or on behalf of the Tenant or any person deriving right or title through the Tenant whether the works are required to be carried out before the end of the Term or not.
- 3.20.6 To give the Landlord as soon as reasonably possible after demand a copy of every application notice consent or licence (and drawing material to such application or notice) that the Tenant may submit or receive in connection with any application for planning consent under this **clause 3.20**.

3.21 **Rights and easements**

The Tenant must not allow any rights or easements to be acquired over the Premises. If an encroachment may result in the acquisition of a right or easement:

- 3.21.1 the Tenant must notify the Landlord; and
- 3.21.2 the Tenant must, at its own cost, help the Landlord in any reasonable way that the Landlord requests to prevent that acquisition.

3.22 **Management of the Estate**

- 3.22.1 The Tenant must not load or unload vehicles except on the parts of the Estate that it is permitted to use for that purpose by **paragraph 2 of Part 1 of Schedule 1** or permit its employees or visitors to park vehicles in the Common Parts and not in any way to cause any obstruction of the Common Parts.
- 3.22.2 The Tenant must not obstruct the Common Parts in any way or leave any goods on them.
- 3.22.3 The Tenant must not deposit rubbish anywhere on the Estate except in skips or bins provided for that purpose and, if the Tenant brings a skip onto the Premises, it must arrange for it to be removed or emptied regularly.
- 3.22.4 The Tenant must not use the Common Parts other than for the purposes designated under **clause 4.8**.
- 3.22.5 The Tenant must comply with all regulations notified to it or contained within any relevant tenant guide or handbook for the Estate published by the Landlord from time to time and provided to the Tenant. No regulations may impose obligations on the Tenant that are inconsistent with the Tenant's rights and obligations under this Lease.

3.23 **Superior interest**

The Tenant must:

3.23.1 not breach any obligations affecting the freehold interest in the Premises at the date of this Lease;

3.23.1.1 perform and observe all the covenants on the part of the tenant contained or referred to in any Intermediate Lease (but only insofar as they relate to or affect the Premises) other than the covenant to pay rent under any Intermediate Lease and to indemnify and keep indemnified the Landlord against all damage damages losses costs expenses actions demands proceedings claims and liability made against or suffered by the Landlord arising directly or indirectly out of any breach by the Tenant of this covenant provided always that any covenants on the part of the tenant contained or referred to in any Intermediate Lease are no more onerous to the Tenant than the terms of this Lease and the Landlord will mitigate its loss (at the Tenant's cost) where it is reasonable for the Landlord to do so.

3.24 **Registration at the Land Registry**

3.24.1 If compulsorily registerable, the Tenant must:

3.24.1.1 within six weeks of the date of this Lease, apply to register and then take reasonable steps to complete the registration of this Lease and the Tenant's rights at the Land Registry; and

3.24.1.2 provide the Landlord with an official copy of the registered title promptly after receipt.

3.24.2 The Tenant must within four weeks after the End Date, apply to the Land Registry to close and then take reasonable steps to complete the closure of any registered title relating to this Lease and to remove from the Landlord's registered title(s) to the Estate any reference to this Lease and the Tenant's rights.

3.25 **Applications for consent or approval**

Where the Tenant makes any application to the Landlord for consent or approval under this Lease, the Tenant must provide the Landlord with a complete and accurate copy of the heads of terms for any proposed dealing (if applicable) and all plans, drawings, specifications, documents and any other information required by the Landlord.

4. **LANDLORD'S OBLIGATIONS**

4.1 **Quiet enjoyment**

The Tenant may peaceably hold and enjoy the Premises during the Term without any interruption by the Landlord or any person lawfully claiming under or in trust for the Landlord except as permitted by this Lease.

4.2 **Insurance**

The Landlord must comply with the Landlord's obligations in **Schedule 4**.

4.3 **Services**

Subject to the Tenant complying with **clause 2.3.1**, the Landlord or Management Company (as applicable) must comply with its obligations in **Schedule 3**.

4.4 **Repayment of rent**

- 4.4.1 The Landlord must refund any Main Rent and Insurance Rent paid in advance by the Tenant in relation to the period falling after the End Date within twenty Business Days after the End Date.
- 4.4.2 **Clause 4.4.1** will not apply if the Landlord ends this Lease under **clause 5.1** or if this Lease is disclaimed by the Crown or by a liquidator or trustee in bankruptcy of the Tenant.

4.5 **Entry Safeguards**

The Landlord must, when entering the Premises to exercise any Landlord's rights:

- 4.5.1 give the Tenant at least two Business Days' prior notice (except in the case of emergency, when the Landlord must give as much notice as may be reasonably practicable);
- 4.5.2 where required by the Tenant, be accompanied by the Tenant's representative but the Tenant must make that representative available;
- 4.5.3 repair any physical damage that the Landlord or those authorised by the Landlord cause as soon as reasonably practicable;
- 4.5.4 cause as little interference to the Tenant's business as reasonably practicable;
- 4.5.5 remain upon the Premises for no longer than is reasonably necessary; and
- 4.5.6 where reasonably practicable and reasonably economical, exercise any rights outside the normal business hours of the Premises.

4.6 **Scaffolding**

- 4.6.1 The Landlord must ensure that in relation to any scaffolding erected outside the Premises in exercise of the Landlord's rights under this Lease:
 - 4.6.1.1 it is removed as soon as reasonably practicable, with any damage caused to the exterior of the Premises made good promptly and to the Tenant's reasonable satisfaction;
 - 4.6.1.2 it causes as little obstruction as is reasonably practicable to the entrance to the Premises; and
 - 4.6.1.3 it does not prevent the Tenant from using the Premises for the Permitted Use.
- 4.6.2 If the Tenant's business signage is obstructed or interfered with by the scaffolding, the Landlord will permit the Tenant to display a sign (approved by the Landlord) on the exterior of the scaffolding in front of the Premises so that it is visible to the public.

4.7 **Change in the extent of the Estate**

The Landlord may change the extent of the Estate but any changes must not materially prejudice:

- 4.7.1 the Tenant's use and occupation of the Premises; or
- 4.7.2 the rights, facilities and amenities granted to the Tenant under this Lease.

4.8 **Designation of Common Parts and use of rights**

- 4.8.1 The Common Parts designated by the Landlord for the Tenant's use under **Part 1 of Schedule 1** must include those Common Parts that are from time to time necessary for the use and enjoyment of the Premises for their intended use.
- 4.8.2 If the Landlord does not designate specific Common Parts for the Tenant's use, the Tenant will be entitled to use all Common Parts that are from time to time necessary for the reasonable and proper enjoyment of the Premises for their intended use but the Tenant will not have the right to use any Common Parts used solely by the Landlord for the provision of the Services.

5. **AGREEMENTS**

5.1 **Landlord's right to end this Lease**

- 5.1.1 If any event listed in **clause 5.1.2** occurs, the Landlord may at any time afterwards re-enter the Premises or any part of them and this Lease will then immediately end.
- 5.1.2 The events referred to in **clause 5.1.1** are as follows:
- 5.1.2.1 any of the Rents are unpaid for 10 Business Days after becoming due whether or not formally demanded;
 - 5.1.2.2 the Tenant breaches this Lease;
 - 5.1.2.3 any 1925 Act, administrative, court-appointed or other receiver or similar officer is appointed over the whole or any part of the Tenant's assets, or the Tenant enters into any scheme or arrangement with its creditors in satisfaction or composition of its debts under the 1986 Act;
 - 5.1.2.4 if the Tenant is a company or a limited liability partnership:
 - (a) the Tenant enters into liquidation within the meaning of section 247 of the 1986 Act;
 - (b) the Tenant is wound up or a petition for winding up is presented against the Tenant that is not dismissed or withdrawn within 14 days of being presented;
 - (c) a meeting of the Tenant's creditors or any of them is summoned under Part I of the 1986 Act;
 - (d) a moratorium in respect of the Tenant comes into force under section 1(A) of and schedule A1 to the 1986 Act;
 - (e) an administrator is appointed to the Tenant; or
 - (f) the Tenant is struck off the register of companies;
 - 5.1.2.5 if the Tenant is a partnership, it is subject to an event similar to any listed in **clause 5.1.2.4** with appropriate modifications so as to relate to a partnership;
 - 5.1.2.6 if the Tenant is an individual:
 - (a) a receiving order is made against the Tenant;
 - (b) an interim receiver is appointed over or in relation to the Tenant's property;

- (c) the Tenant becomes bankrupt or the Tenant is the subject of a bankruptcy petition;
 - (d) the Tenant is adjudicated bankrupt by an adjudicator pursuant to section 263I of the 1986 Act;
 - (e) the Tenant applies for or becomes subject to a debt relief order or the Tenant proposes or becomes subject to a debt management plan; or
 - (f) an interim order is made against the Tenant under Part VIII of the 1986 Act or the Tenant otherwise proposes an individual voluntary arrangement;
- 5.1.2.7 any event similar to any listed in **clauses 5.1.2.3 to 5.1.2.6** occurs in relation to any guarantor of the Tenant's obligations under this Lease;
- 5.1.2.8 any event similar to any listed in **clauses 5.1.2.3 to 5.1.2.7** occurs in any jurisdiction (whether it be England and Wales, or elsewhere).
- 5.1.3 Neither the existence nor the exercise of the Landlord's right under **clause 5.1.1** will affect any other right or remedy available to the Landlord.
- 5.1.4 In this **clause 5.1** references to "the Tenant", where the Tenant is more than one person, include any one of them.

5.2 No acquisition of easements or rights

- 5.2.1 Unless they are expressly included in **Part 1 of Schedule 1**, the grant of this Lease:
- 5.2.1.1 does not include any liberties, privileges, easements, rights or advantages over the Estate or any adjoining premises; and
 - 5.2.1.2 excludes any rights arising by the operation of section 62 of the 1925 Act or the rule in *Wheeldon v Burrows*.
- 5.2.2 The Tenant has no rights that would restrict building or carrying out of works to the Estate or any adjoining premises, other than any that the Landlord specifically grants the Tenant in this Lease.
- 5.2.3 The flow of light to the Premises is and will be enjoyed with the Landlord's consent in accordance with section 3 of the Prescription Act 1832. Neither the enjoyment of that light and air nor anything in this Lease will prevent the exercise of any of the rights the Landlord has reserved out of this Lease. The Tenant must permit the exercise of these reserved rights without interference or objection.
- 5.2.4 The Tenant must not do or omit to do anything that would or might result in the loss of any right enjoyed by the Premises or the Estate.
- 5.2.5 The Tenant has no rights to enforce, or to prevent the release or modification of, the benefit of any covenants, rights or conditions to which any other property within the Estate or any adjoining premises is or are subject.

5.3 Party Walls

Any wall separating the Premises from any adjoining premises is a party wall and must be repaired as a party wall.

5.4 **Service of Notices**

- 5.4.1 Any Notice must be in writing and sent by pre-paid first class post or special delivery to or otherwise delivered to or left at the registered office or, if they do not have a registered office, to the last known address in the United Kingdom of the recipient or to any other address in the United Kingdom that the recipient has specified as its address for service by giving not less than 10 Business Days' notice under this **clause 5.4**. Any Notice to be served on the Tenant may be sent by pre-paid first class post or special delivery to or otherwise delivered to or left at the Premises.
- 5.4.2 Any Notice given will be treated as served on the second Business Day after the date of posting if sent by pre-paid first class post or special delivery or at the time the Notice is delivered to or left at the recipient's address if delivered to or left at that address. If a Notice is treated as served on a day that is not a Business Day or after 17:00 on a Business Day it will be treated as served at 09:00 on the immediately following Business Day.
- 5.4.3 Service of a Notice by fax or e-mail is not a valid form of service under this Lease.

5.5 **Contracts (Rights of Third Parties) Act 1999**

Nothing in this Lease creates any rights benefiting any person under the Contracts (Rights of Third Parties) Act 1999.

5.6 **Energy Performance Certificates**

- 5.6.1 The Tenant must not obtain or commission an EPC in respect of the Premises unless required to do so by the EPB Regulations. If the Tenant is required to obtain an EPC, the Tenant must (at the Landlord's option) obtain an EPC from an assessor approved by the Landlord or pay the Landlord's costs of obtaining an EPC for the Premises.
- 5.6.2 The Tenant must cooperate with the Landlord, so far as is reasonably necessary, to allow the Landlord to obtain any EPC for the Premises or the Estate and:
- 5.6.2.1 provide the Landlord (at the Landlord's cost) with copies of any plans or other information held by the Tenant that would assist in obtaining that EPC; and
- 5.6.2.2 allow such access to the Premises to any energy assessor appointed by the Landlord as is reasonably necessary to inspect the Premises for the purposes of preparing any EPC.
- 5.6.3 The Tenant must give the Landlord written details on request of the unique reference number of any EPC the Tenant obtains or commissions in respect of the Premises.
- 5.6.4 The Landlord must give the Tenant written details on request of the unique reference number of any EPC the Landlord obtains or commissions in respect of the Premises or the Estate.

5.7 **Release of landlord**

- 5.7.1 The Landlord's obligations in this Lease will not bind the Landlord after either:
- 5.7.1.1 it has disposed of its interest in the Premises; or
- 5.7.1.2 the Landlord is no longer entitled to the reversion immediately expectant upon the determination of the Term.

5.7.2 The Landlord will not be liable for any breach of the Landlord's obligations in this Lease arising after either:

5.7.2.1 the date of that disposal; or

5.7.2.2 the date that the Landlord is no longer entitled to the reversion immediately expectant upon the determination of the Term.

5.8 Superior landlord's consent

Any consent that the Landlord gives is conditional on the consent (where required) of any Superior Landlord being obtained. The Landlord will apply for that consent at the Tenant's cost and, to the extent the Landlord is consenting, the Landlord must take reasonable steps to obtain it.

5.9 Limitations on title guarantee

5.9.1 For the purposes of section 6(2) of the 1994 Act:

5.9.1.1 all entries made in any public register that a prudent tenant would inspect will be treated as within the actual knowledge of the Tenant;

5.9.1.2 section 6(3) of the 1994 Act will not apply; and

5.9.1.3 the Tenant will be treated as having actual knowledge of any matters that would be disclosed by an inspection of the Premises.

5.9.2 Title to tenant's fixtures is excluded from the title guarantee.

6. JURISDICTION

6.1 This Lease and any non-contractual obligations arising out of or in connection with it will be governed by the law of England and Wales.

6.2 Subject to **clause 6.3** and any provisions in this Lease requiring a dispute to be settled by an expert or by arbitration, the courts of England and Wales have exclusive jurisdiction to decide any dispute arising out of or in connection with this Lease, including in relation to any non-contractual obligations.

6.3 Any party may seek to enforce an order of the courts of England and Wales arising out of or in connection with this Lease, including in relation to any non-contractual obligations, in any court of competent jurisdiction.

7. LEGAL EFFECT

This Lease takes effect and binds the parties from and including the date at **clause LR1**.

SCHEDULE 1

Rights

Part 1 Tenant's Rights

The following rights are granted to the Tenant in common with the Landlord, Superior Landlord (if applicable), the Management Company (if applicable) any person authorised by the Landlord and all other tenants and occupiers of the Estate but subject to the Landlord's rights:

1. Running of services

The right to use the Conducting Media in the Common Parts which now exist or shall come into existence which serve the Premises for the free and uninterrupted passage and running of water soil gas electricity telecommunication and other services to and from the Premises through and along the Conducting Media.

2. Access and servicing

2.1 Access to and from the Premises:

2.1.1 on foot only over the Common Parts from time to time designated by the Landlord for the Tenant's use;

2.1.2 subject to the provisions of paragraph 2.2 of Part 1 of Schedule 1 regarding any designations of the Landlord in relation to delivery vehicles, on the remainder of the Common Parts with or without vehicles where applicable for the purposes for which they are intended or designed.

2.2 At all times (and subject to **clause 3.22**) to use each of the following within the Common Parts from time to time designated by the Landlord for the Tenant's use:

2.2.1 any service area for loading and unloading and otherwise servicing the Premises; and

2.2.2 the service roads with or without vehicles to come and go to and from the Premises and any service area specified in **paragraph 2.2.1**.

3. Refuse disposal

To deposit rubbish in any receptacles or waste compactors within the Common Parts provided by the Landlord for that purpose and designated by the Landlord for the use of the Tenant.

4. Directory board

To exhibit the Tenant's name in such form, shape and size as the Landlord specifies as the standard size and form of such signs on any appropriate Estate directory board/totem designated by the Landlord.

5. Support and shelter

Support and shelter for the Premises from the Estate.

6. Staff and customer parking

6.1 To use those areas shown shaded grey and hatched red on Plan 1 for the parking of vehicles belonging to persons working at or authorised visitors of the Premises.

7. **Escape**

On foot only, in emergencies and for fire escape drills, to use all fire escape routes in the Estate designated by the Landlord for the use of the Tenant whether or not forming part of the Common Parts.

Part 2 Landlord's Rights

The following rights are excepted and reserved to the Landlord, Superior Landlord (if applicable), the Management company (if applicable) and all those authorised by the Landlord:

1. **Support, shelter, light and air**

1.1 Support and shelter for the remainder of the Estate from the Premises.

1.2 All rights of light or air to the Premises that now exist or that might (but for this reservation) be acquired over any other land.

2. **Running of services**

The passage and running of Supplies from and to the remainder of the Estate through existing Conducting Media (if any) within the Premises.

3. **Entry on to the Premises**

3.1 Subject to reasonable notice having been given to the Tenant by the Landlord and to the Landlord being escorted by a representative of the Tenant (but the Tenant must make that representative available promptly), except in the case of emergency when no notice is required and if the factory is not in operation when there is an emergency no notice and no representative of the Tenant is required, to enter the Premises to:

3.1.1 ascertain whether the Tenant has complied with its obligations under this Lease;

3.1.2 provide the Services;

3.1.3 estimate the current value or rebuilding cost of the Premises and the Estate for insurance or any other purposes;

3.1.4 inspect and measure the Premises for any purpose connected with the review of the Main Rent or the renewal of this Lease;

3.1.5 inspect the state of repair and condition of the Premises and prepare any schedule of condition or dilapidations;

3.1.6 inspect, clean, maintain, replace or repair any existing Conducting Media within the Premises but serving the Estate;

3.1.7 carry out any repairs, remove and make good any unauthorised alterations or carry out any works that the Tenant should have carried out under this Lease;

3.1.8 take schedules or inventories of landlord's fixtures and other items to be returned to the Landlord at the end of the Term;

3.1.9 show the Premises to prospective buyers of the Estate or, during the last six months of the Term, to prospective tenants of the Premises;

3.1.10 carry out or permit the repair, maintenance, decoration, replacement, renewal and cleaning of the Estate;

3.1.11 to enable the production of an EPC for the Premises whether or not the Landlord is under a statutory duty to produce an EPC; and

- 3.1.12 review or measure the Environmental Performance of the Premises including to install, inspect, clean, maintain, replace and to take readings from metering equipment, heat cost allocators and thermostatic radiator valves within or relating to the Premises to comply with the Heat Network (Metering and Billing) Regulations 2014 and to carry out any energy efficiency improvements required by the Landlord to comply with the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.
- 3.2 If the relevant work cannot be reasonably carried out without entry onto the Premises, to enter them to:
 - 3.2.1 build on or into any boundary or party walls on or adjacent to the Premises; and
 - 3.2.2 inspect, repair, alter, decorate, rebuild or carry out other works upon the Estate; or
 - 3.2.3 for any other reasonable management purpose.
- 3.3 To enter the Premises to do anything that the Landlord is expressly entitled or required to do under this Lease or for any other reasonable purposes in connection with this Lease.

4. **Common Parts and Conducting Media**

- 4.1 In an emergency, or when works are being carried out to them, to close off or restrict access to the Common Parts, so long as (except in an emergency) alternative facilities are provided that are not materially less convenient and access to the Premises for the Permitted Use will not be materially adversely affected.
- 4.2 To change, end the use of or reduce the extent of any Common Parts or Conducting Media so long as:
 - 4.2.1 alternative facilities are provided that are not materially less convenient; or
 - 4.2.2 if no alternative is provided, the use and enjoyment of the Premises is not materially adversely affected.
- 4.3 From time to time to designate areas within the Common Parts for particular purposes including as service areas, car parks, service roads and footpaths and from time to time to reduce the size of any designated areas, so long as the remaining areas are reasonably adequate for their intended purposes.

5. **Adjoining premises**

To carry out works of construction, demolition, alteration or redevelopment on the Estate and any adjoining premises (and to permit others to do so) as the Landlord in its absolute discretion considers fit (whether or not these works interfere with the flow of light and air to the Premises) and the right in connection with those works to underpin and shore up the Premises.

SCHEDULE 2

Rent review

1. Definitions

This **Schedule 2** uses the following definitions:

"Assumptions"

that:

- (a) if the Premises or any part of them has been damaged or destroyed, they have been reinstated before the Rent Review Date;
- (b) the Premises are accessible and have the benefit of all essential services;
- (c) the Premises are fit for immediate occupation and use by the willing tenant;
- (d) the Premises may lawfully be let to and used for the Permitted Use by any person throughout the term of the Hypothetical Lease;
- (e) there are no breaches of the Landlord's or Tenant's obligations in this Lease; and
- (f) on the grant of the Hypothetical Lease the willing tenant will receive the benefit of a rent free period, rent concession or any other inducement of a length or amount that might be negotiated in the open market for fitting-out purposes and that the Market Rent is the rent that would become payable after the end of that period or concession or payment of that inducement.

"Base Figure"

- (a) on the first Notional Rent Review Date, (being the Index figure for the month three months preceding the Term Start Date);
- (b) on each succeeding Notional Rent Review Date, the Current Figure for the preceding Notional Rent Review Date;

"Current Figure"

the Index figure for the month three months preceding the Notional Rent Review Date; and

“Disregards”

the following:

- (a) any effect on rent of the Tenant (and the Tenant’s predecessors in title and lawful occupiers) having been in occupation of the Premises;
- (b) any goodwill accruing to the Premises because of the Tenant’s business (and that of the Tenant’s predecessors in title and lawful occupiers);
- (c) any special bid that the Tenant or any other party with a special interest in the Premises might make by reason of its occupation of any other part of the Building or any adjoining premises;
- (d) any increase in rent attributable to any improvement, including any tenant’s initial fitting-out works, whether or not within the Premises:
 - (i) carried out by and at the cost of the Tenant or the Tenant’s predecessors in title or lawful occupiers before or during the Term;
 - (ii) carried out with the written consent, where required, of the Landlord or the Landlord’s predecessors in title; and
 - (iii) not carried out pursuant to an obligation to the Landlord or the Landlord’s predecessors in title (but any obligations relating to the method or timing of works in this Lease or any other document giving consent will not be treated as an obligation for these purposes);
- (e) any reduction in rent attributable to works that have been carried out by the Tenant (or the Tenant’s predecessors in title or lawful occupiers); and
- (f) any reduction in rent attributable to any temporary works, operations or other activities on any adjoining premises.

“Hypothetical Lease”

a lease:

- (a) of the whole of the Premises;
- (b) on the same terms as this Lease (including this **Schedule 2**) except for:
 - (i) the amount of Main Rent reserved immediately before the Rent Review Date; and
 - (ii) any rent free period, rent concession or any other inducement received by the Tenant in relation to the grant of this Lease;
- (c) by a willing landlord to a willing tenant;
- (d) with vacant possession;
- (e) without any premium payable by or (subject to **paragraph (f)** of the definition of “Assumptions”) to the willing tenant;
- (f) for a term of 12 years starting on the Rent Review Date; and
- (g) with rent review dates every five years.

“Index”

the “all items” figure of the Index of Retail Prices published by the Office for National Statistics or any successor Ministry, Department or Government Agency.

“Indexed Rent”

the rent calculated in accordance with **paragraph 3**;

“Market Rent”

the yearly rent at which the Premises might reasonably be expected to be let on the open market on the Rent Review Date, on the terms of the Hypothetical Lease and applying the Assumptions and the Disregards.

“Notional Rent”

until the first Notional Rent Review Date, the Main Rent and, from each Notional Rent Review Date, the sum calculated in accordance with **paragraph 3.1**

“Notional Rent Review Date”

each anniversary of the Term Start Date.

2. Rent review

2.1 On the Rent Review Date the Main Rent is to be reviewed to the highest of:

2.1.1 the Main Rent reserved immediately before the Rent Review Date;

2.1.2 the Indexed Rent; and

2.1.3 the Market Rent.

2.2 The reviewed Main Rent will be payable from and including the Rent Review Date.

3. **Indexed Rent**

3.1 On each Notional Rent Review Date, the Notional Rent is to be reviewed to the higher of:

3.1.1 the Notional Rent immediately before that Notional Rent Review Date; and

3.1.2 the revised Notional Rent (rounded up to the nearest £10) calculated in accordance with the following formula:

$$R = A \times \frac{C}{B}$$

Where:

R is the revised Notional Rent;

A is the Notional Rent immediately before that Notional Rent Review Date;

C is the Current Figure; and

B is the Base Figure.

3.2 Subject to clause 3.3, on each Rent Review Date, the Indexed Rent will be the Notional Rent calculated for the corresponding Notional Rent Review Date.

3.3 If the formula in paragraph 3.1.2 produces an increase of more than 3% or less than 1% then the increase in the revised Notional Rent will be limited to 3% or at least 1% as appropriate.

4. **Dispute resolution**

4.1 The Market Rent at the Rent Review Date may be agreed between the Landlord and the Tenant. If they have not done so (whether or not they have tried) by the date three months before the Rent Review Date, either the Landlord or the Tenant can require the Market Rent to be decided by an independent expert. If the Landlord and the Tenant do not agree on who should decide the Market Rent, the expert will be appointed by the President of the Royal Institution of Chartered Surveyors on the application of either the Landlord or the Tenant. The expert will:

4.1.1 invite the Landlord and the Tenant to submit to the expert a proposal for the Market Rent with any relevant supporting documentation;

4.1.2 give the Landlord and the Tenant an opportunity to make counter submissions;

4.1.3 give written reasons for the expert's decisions, which will be binding on the parties; and

4.1.4 be paid by the Landlord and the Tenant in the shares and in the manner that the expert decides (or failing a decision, in equal shares).

4.2 The expert must be an independent chartered surveyor of not less than ten years' standing who is experienced in the rental valuation of property similar to the Premises and who knows the local market for such premises.

4.3 If the expert dies, becomes unwilling or incapable of acting or it becomes apparent for any other reason that the expert will be unable to decide the Market Rent within a reasonable

time, the expert may be replaced by a new expert who must be appointed on the terms set out in this **paragraph 4.3**.

- 4.4 Responsibility for the costs of referring a dispute to an expert, including costs connected with the appointment of the expert but not the legal and other professional costs of any party in relation to a dispute, will be decided by the expert and failing a decision, they will be shared equally between the parties.

5. **Notice of Main Rent**

If the Main Rent is increased, the Landlord must notify the Tenant as soon as possible after the Rent Review Date.

6. **Effect of delay in notifying the revised rent**

- 6.1 Following any Rent Review Date until the Landlord has notified the Tenant of the revised Main Rent:

6.1.1 the Main Rent payable under this Lease immediately before that Rent Review Date will continue to be payable until the revised Main Rent has been notified to the Tenant;

6.1.2 following the notification of the revised Main Rent, the Landlord must demand the difference (if any) between the amount the Tenant has actually paid and the amount that would have been payable had the revised Main Rent been notified before the Rent Review Date; and

6.1.3 the Tenant must pay that difference to the Landlord within 10 Business Days after that demand and interest at three per cent below the Interest Rate calculated on a daily basis on each instalment of that difference from the date on which such instalment would have become payable to the date of payment. If not paid such sums will be treated as rent in arrear.

7. **Changes in the Index**

- 7.1 If the Index is no longer published or if there is any material change in the way it is compiled or the date from which it commences then a new arrangement for indexation or a rebasing (the "Revised Indexation") will be substituted for the calculation of the Notional Rent to reflect increases in the cost of living on a similar basis to that originally set out in this Lease.

- 7.2 If the parties are unable to agree a basis for the Revised Indexation then either of them may at any time request that the President of the Institute of Chartered Accountants in England and Wales appoints an arbitrator to do so. The arbitration must be conducted in accordance with the Arbitration Act 1996.

8. **Rent review memorandum**

When the Indexed Rent and the Market Rent have been ascertained, a memorandum recording the Main Rent reserved on review must be entered into. The Landlord and the Tenant will each bear their own costs in relation to that memorandum.

9. **Time not of the essence**

For the purpose of this **Schedule 2** time is not of the essence.

SCHEDULE 3

Services and Service Charge

Part 1 Administrative provisions

1. Accounting Period

- 1.1 For any Accounting Period that does not fall wholly within the Term, the Service Charge will be a due proportion calculated on the assumption that the service charge expenditure accrues equally on a day to day basis throughout the period.
- 1.2 If the Landlord notifies the Tenant of a change in the date on which the Accounting Period ends, the Accounting Period current at the date of the notice may be shortened or extended to less than or more than 12 months to take into account in the change in the date.

2. Service charge statements

- 2.1 After the end of each Accounting Period, the Landlord will supply the Tenant with a statement (the "**Service Charge Statement**") for that Accounting Period of the:
 - 2.1.1 Service Costs; and
 - 2.1.2 Service Charge payable.
- 2.2 The Landlord must take reasonable steps to supply the Service Charge Statement within four months after the end of each Accounting Period.
- 2.3 Service Costs incurred in one Accounting Period, if not included in the Service Charge Statement for that Accounting Period for any reason, may be included in the Service Charge Statement for a subsequent Accounting Period.
- 2.4 The Tenant will be entitled upon prior appointment to inspect evidence of the Service Costs at the Landlord's head office or any other location the Landlord specifies. The Tenant must ask to inspect the evidence not later than four months after receipt of the Service Charge Statement.

3. On-account payments of service charge

- 3.1 Until the Service Charge for each Accounting Period has been calculated, the Tenant must pay, by equal quarterly payments on the Rent Days, a provisional sum by way of Service Charge at the level that the Landlord requires.
- 3.2 The Tenant must also pay on demand any sum or sums that the Landlord requires where the Landlord will be obliged to incur any Service Costs and the sums held on account by the Landlord are insufficient to meet those costs.

4. Balancing payments of service charge

- 4.1 When the Service Charge for each Accounting Period has been calculated:
 - 4.1.1 the Tenant must pay any amount due from it on demand; and
 - 4.1.2 the Landlord must credit any amount due to the Tenant against the next payment or payments to be made by the Tenant under **paragraph 3**. Any amount owing at the End Date must be repaid to the Tenant within one month of its calculation.
- 4.2 The End Date will not affect the Tenant's obligation to pay or the Landlord's right to recover Service Charge after the End Date.

5. **Service charge exclusions**

The Landlord must not include any of the costs set out in **Part 4** of this Schedule in the Service Costs.

6. **Service charge disputes**

If any dispute arises in connection with the Service Charge, the Landlord and the Tenant must attempt to resolve it by appropriate alternative means before resorting to court proceedings. The Service Charge Statement will (except for obvious error) become binding on the parties four months after it is delivered to the Tenant or (if later) once any dispute relating to it and arising during that period has been settled or decided.

7. **Variation in the proportion of the service charge payable**

7.1 In calculating the Service Charge for any of the Services, the Landlord's surveyor may make any adjustment that is fair and reasonable in all the circumstances, having regard to the relative degree of benefit obtained by the Tenant and other tenants at the Estate from those Services, including by dividing the services and charges set out in **Part 3** of this Schedule into separate categories and applying weighting to those categories to take into account differing uses or operating hours.

7.2 If there is any change in the extent of the Estate, the Landlord must, where it is appropriate to do so, vary the Service Charge as is reasonable to take account of that change but the Service Charge will not materially increase solely as a result of any change in the extent of the Estate.

7.3 The Service Charge must not be increased by reason only that any Lettable Units:

7.3.1 remain unlet;

7.3.2 are let on terms that do not require the tenant or other occupier to pay a service charge; or

7.3.3 are let on terms that cap the liability of any tenant or other occupier for service charge.

Part 2 Landlord's obligations

1. **Provision of services**

The Landlord, acting reasonably and in the interests of good estate management:

1.1.1 must supply the Services in an efficient manner at all appropriate times; and

1.1.2 may vary, reduce or extend those Services or change the way in which it undertakes or provides them.

2. **Management Company**

2.1 The Landlord, in its absolute discretion, may incorporate and appoint a Management Company to manage the Estate and provide the Services.

2.2 In the event that the Landlord appoints a Management company under **paragraph 2.1**:

2.2.1 the Landlord will notify the Tenant and provide details of the Management Company;

2.2.2 the rights and obligations on the part of the Landlord in respect of management of the Estate and the provisions of this Lease relating to the provision of the Services and Service Charge will become the rights and obligations of the

Management Company and the Landlord shall be fully released from all liability in connection with the same.

3. Landlord's rights and responsibilities

3.1 The Landlord:

- 3.1.1 may from time to time employ such agents, contractors or others as the Landlord decides;
- 3.1.2 will not be responsible for any interruption in the supply of the Services due to any circumstances outside the Landlord's control or due to any necessary maintenance, repair, replacement, renewal, servicing, inspection or testing, but must take reasonable steps to restore the supply as soon as reasonably practicable; and
- 3.1.3 must take into consideration current practice in estate management.

3.2 The Landlord will take reasonable steps to notify the Tenant in advance of the service charge budget for each Accounting Period and of any material changes in the service charge budget that subsequently arise.

4. Sinking Fund

4.1 The Management Company or the Landlord shall be entitled to include in the Service Costs for any Accounting Period an amount which the Management Company or the Landlord reasonably determines (calculated on a reasonable life expectancy for each item) is appropriate to build up and maintain a sinking fund in accordance with the principles of good estate management.

4.2 Any such sinking fund shall be established and maintained on normal commercial principles for the renewal and replacement of plant and equipment and Conducting Media in or about the Common Parts and the Common Parts.

4.3 The Tenant will not be required to make any provision towards expenditure by the Management Company or the Landlord that it is anticipated will be incurred by the Management Company or the Landlord after the expiry of the Term.

Part 3 Services and charges

- 1. Repairing (and by way of repair, renewing, rebuilding and replacing), decorating, maintaining and cleaning the Common Parts and Conducting Media.
- 2. Repairing (and, by way of repair, renewing, rebuilding, and replacing), decorating, maintaining and cleaning any facilities (including means of access, Conducting Media, party walls and other boundary structures) used in common between the Estate and any adjoining premises.
- 3. Lighting the Common Parts
- 4. Lighting the exterior of the buildings on the Estate and any facilities used in common between the Estate and any adjoining premises.
- 5. Supply Costs incurred in providing the Services.
- 6. All existing and future rates, taxes, duties, charges and financial impositions charged on the Common Parts or the Estate as a whole (and a fair proportion of those levied on the Estate along with any adjoining premises).
- 7. Providing, inspecting, maintaining (including by maintenance contracts and insurance against sudden and unforeseen breakdown), repairing, renewing, replacing, and operating:

- 7.1 all plant, machinery, apparatus and vehicles used in providing the Services and all signage in the Common Parts; and
- 7.2 security, fire fighting and fire detection equipment (excluding portable fire extinguishers in the Premises), fire alarm systems, public address systems, telecommunications systems, closed circuit television systems and traffic control.
8. Employing or procuring all staff (including remuneration, incidental benefits and all associated costs and overheads) for the management and security of the Estate and otherwise in connection with the Services.
9. Providing accommodation for staff, plant, furniture, equipment and vehicles used in providing the Services, and all outgoings on them.
10. Employing or procuring agents, contractors or others as the Landlord decides in connection with the Services.
11. Storing, compacting, recycling and disposing of refuse.
12. Planting, replanting and maintaining landscape features in the Common Parts.
13. Providing facilities for visitors to the Estate including guest Wi-Fi services.
14. Pest and infection control.
15. Gritting, and clearing snow from, the Common Parts.
16. Carrying out any works and providing and maintaining all facilities that are required under any Act or by insurers in relation to the Estate.
17. Providing any further services for maintaining and securing the amenities of the Estate.
18. Managing and administering service charge accounts for the Services and the Estate including, where relevant, certifying, examining or auditing those accounts.
19. Auditing health and safety requirements for the Estate and, where required by law or reasonable and cost-effective to do so, implementing the recommendations of that audit.
20. Auditing disabled access requirements for the Estate and, where required by law or reasonable and cost-effective to do so, implementing the recommendations of that audit.
21. Auditing the Environmental Performance of the Estate and, where reasonable and cost-effective to do so, implementing the recommendations of any environmental management plan the Landlord has for the Estate from time to time;
22. Interest costs reasonably incurred by the Landlord on borrowing from a UK clearing bank or, if the Landlord uses its own moneys, an amount equal to the interest costs that would have been incurred if the Landlord had borrowed from a UK clearing bank at reasonable commercial rates. Interest costs will be reasonably incurred under this paragraph if:
 - 22.1 the Landlord has to meet an immediate liability where the service charge funds held by the Landlord are insufficient for that purpose and the shortfall does not result from any caps on the amount of service charge recoverable, any non-payment of service charges by other tenants or any unlet Lettable Unit; or
 - 22.2 the Landlord decides at its absolute reasonable discretion to incur service charge expenditure in one Accounting Period and recover that expenditure over two or more Accounting Periods.
23. The provision of security including provision and/or replacement where beyond economic repair of a CCTV system.

Part 4 Service Charge Exclusions

1. Costs arising from any damage or destruction to the Estate caused by an Insured Risk or an Uninsured Risk.
2. Capital costs of the construction, alteration, redevelopment or extension of the Estate.
3. Costs of any unlet Lettable Unit.
4. Rent collection costs.
5. Costs incurred in dealing with any lettings or rent reviews at the Estate.
6. Unrecovered costs due from another tenant of the Estate.
7. Costs incurred in dealing with the Landlord's interest in the Estate, including the costs of advertising and promotional or publicity activities relating to any proposed dealing with the Landlord's interest in the Estate.
8. any costs reasonably considered part of the initial design and construction of the fabric, plant or equipment of the Estate.
9. any costs of enforcing leasehold covenants against any tenant or occupier of the Estate (unless reasonably necessary in the interests of good estate management).
10. any costs and expenses associated with the making good of any historic environmental contamination to the Estate that may have arisen prior to the date of this Lease.
11. any costs of inherent or latent defects including without limitation the initial provision of services estate signage landscaping plant equipment and machinery to the extent that such costs have been recovered from a third party.

SCHEDULE 4

Insurance and Damage Provisions

1. Tenant's insurance obligations

1.1 The Tenant must pay on demand:

1.1.1 a fair and reasonable proportion of:

1.1.1.1 the sums the Landlord pays to comply with **paragraph 2.1**:

(a) if not recovered through the service charge, the sums the Landlord pays to insure all plant, machinery, apparatus and vehicles used in providing the Services;

(b) the cost of valuations of the Estate and the Premises for insurance purposes made not more than once a year; and

(c) the amount of any excess or deductible under any insurance policy that the Landlord incurs or will incur in complying with **paragraphs 2.3 and 2.4**;

1.1.2 a sum equal to the amount that the insurers refuse to pay following damage or destruction by an Insured Risk to the Estate because of the Tenant's act or failure to act; and

1.1.3 any additional or increased premiums that the insurers may require as a result of the carrying out or retention of any Permitted Works or the Tenant's or any lawful occupier's use of the Premises.

1.2 The Tenant must comply with the requirements of the insurers notified in writing to it and must not do anything that may invalidate any insurance.

1.3 The Tenant must not use the Premises for any purpose or carry out or retain any Permitted Works that may make any additional premium payable for the insurance of the Premises or the Estate, unless it has first agreed to pay the whole of that additional premium.

1.4 The Tenant must notify the Landlord as soon as practicable after it becomes aware of any damage to or destruction of the Premises by any of the Insured Risks or by an Uninsured Risk.

1.5 The Tenant must keep insured, in a sufficient sum and with a reputable insurer, public liability risks relating to the Premises.

2. Landlord's insurance obligations

2.1 The Landlord must insure (with a reputable insurer):

2.1.1 the Estate against the Insured Risks in their full reinstatement cost (including all professional fees and incidental expenses, debris removal, site clearance and irrecoverable VAT);

2.1.2 against public liability relating to the Estate; and

2.1.3 loss of the Main Rent and Service Charge for the Risk Period

subject to all excesses, limitations and exclusions as the insurers may impose and otherwise on the insurer's usual terms.

- 2.2 In relation to the insurance, the Landlord must:
- 2.2.1 procure the Tenant's interest in the Premises is noted either specifically or generally on the policy;
 - 2.2.2 take reasonable steps to procure that the insurers waive any rights of subrogation they might have against the Tenant (either specifically or generally); and
 - 2.2.3 provide the Tenant with a summary of its main terms upon the Tenant's written request.
- 2.3 The Landlord must take reasonable steps to obtain any consents necessary for the reinstatement of the Premises following destruction or damage by an Insured Risk.
- 2.4 Where it is lawful to do so, the Landlord must reinstate the Premises following destruction or damage by an Insured Risk. Reinstatement need not be identical if the replacement is similar in size, quality and layout and allows the Tenant to use the Premises for the Permitted Use.
- 2.5 Nothing in this **paragraph 2** imposes any obligation on the Landlord to insure or to reinstate tenant's fixtures forming part of the Premises or the Estate.
- 2.6 The Landlord's obligations under **paragraphs 2.3** and **2.4** will not apply:
- 2.6.1 unless and until the Tenant has paid the amounts referred to in **paragraph 1.1.1.1(c)** and, where applicable, **paragraph 1.1.2**; or
 - 2.6.2 if the Landlord notifies the Tenant under **paragraph 4.1** that it ends the Lease.
- 2.7 If there is destruction or damage to the Premises by an Uninsured Risk that leaves the whole or substantially the whole of the Premises unfit for occupation and use and/or inaccessible and the Landlord notifies the Tenant within 12 months afterwards that the Landlord wishes to reinstate, **paragraphs 2.3** and **2.4** will then apply as if the damage or destruction had been caused by an Insured Risk.
- 2.8 Subject to the insurance premiums being reasonable and proper and reasonably and properly incurred, the Landlord will be entitled to retain all insurance commissions for its own benefit.
3. **Rent suspension**
- 3.1 **Paragraph 3.2** will apply if the Premises are destroyed or damaged by any Insured Risk or Uninsured Risk so that the Premises are unfit for occupation or use and/or inaccessible. **Paragraph 3.2** will not apply to the extent that the Landlord's insurance has been vitiated or payment of any policy moneys refused because of anything the Tenant does or fails to do and the Tenant has not complied with **paragraph 1.1.2**.
- 3.2 Subject to **paragraph 3.1**, the Main Rent and Service Charge or a fair proportion of them, will not be payable from and including the date of damage or destruction until the earliest of:
- 3.2.1 the date that the Premises are again fit for occupation and use and accessible and ready to receive the Tenant's fitting out works;
 - 3.2.2 the end of the Risk Period; and
 - 3.2.3 the End Date.
- 3.3 If **paragraph 3.2** applies before the Rent Commencement Date, the number of days between the date of the damage or destruction and the Rent Commencement Date (or where only a proportion of the Main Rent is or would have been suspended, for an

equivalent proportion of those days) will be added to the date the rent suspension ends and the resulting date will become the Rent Commencement Date.

3.4 If **paragraph 3.2** applies:

3.4.1 the Landlord must refund to the Tenant as soon as reasonably practicable a due proportion of any Main Rent and Service Charge paid in advance that relates to any period on or after the date of damage or destruction; and

3.4.2 the Tenant must pay to the Landlord on demand the Main Rent and Service Charge for the period starting on the date they again become payable to but excluding the next Rent Day.

3.5 Any dispute about the application of this **paragraph 3** will be decided at the request of either party by a single arbitrator under the Arbitration Act 1996.

4. **Termination**

4.1 **Paragraph 4.3** will apply if there is destruction or damage to the Premises by an Insured Risk that leaves the whole or substantially the whole of the Premises unfit for occupation and use and/or inaccessible and, when the Risk Period ends, the Premises have not been reinstated sufficiently so that the Premises are again fit for occupation and use and accessible for the Permitted Use and ready to receive tenant's fitting out works.

4.2 If there is destruction or damage to the Premises by an Uninsured Risk that leaves the whole or substantially the whole of the Premises unfit for occupation and use and/or inaccessible:

4.2.1 if the Landlord does not notify the Tenant within 12 months after the damage or destruction that the Landlord wishes to reinstate, this Lease will end on the last day of that 12 month period;

4.2.2 if the Landlord notifies the Tenant that the Landlord does not wish to reinstate, this Lease will end on the date of that notification by the Landlord;

4.2.3 **paragraph 4.3** will apply if the Landlord notifies the Tenant that the Landlord wishes to reinstate and, when the Risk Period ends, the Premises have not been reinstated sufficiently so that the Premises are again fit for occupation and use.

4.3 In the circumstances set out in **paragraph 4.1** or **paragraph 4.2.3**, either the Landlord or the Tenant may end this Lease immediately by notifying the other at any time after the end of the Risk Period but before the Premises are again fit for occupation and use for the Permitted Use and ready to receive tenant's fitting out works. Unless the damage or destruction was caused by an Uninsured Risk, the exercise of this right by the Tenant is subject to the Tenant complying with **paragraph 1.1.1.1(c)** and, where applicable, **paragraph 1.1.2**.

4.4 For the purposes of **paragraphs 3.2.2** and **4.2.3**, if the damage or destruction is caused by an Uninsured Risk, the Risk Period will be treated as beginning on the date the Landlord notifies the Tenant of its wish to reinstate under **paragraph 2.7**.

4.5 If this Lease ends under this **paragraph 4**:

4.5.1 that will not affect the rights of any party for any prior breaches;

4.5.2 the Tenant must give vacant possession of the Premises to the Landlord; and

4.5.3 the Landlord will be entitled to retain all insurance moneys.

4.6 For the avoidance of doubt, any rent payable by the Tenant relating to such period after the end of the Risk Period but before the Lease is terminated in accordance with

paragraph 4.3 shall be promptly repaid by the Landlord to the Tenant in the event of termination of the Lease under this **paragraph 4**.

SCHEDULE 5

Works

1. Defined terms

This **Schedule 5** uses the following definitions:

"CDM Regulations" the Construction (Design and Management) Regulations 2015

"Consents" all necessary permissions, licences and approvals for the Permitted Works under the Planning Acts, the building and fire regulations, and any other statute, bye law or regulation of any competent authority and under any covenants or provisions affecting the Premises or the Estate and as otherwise required from owners, tenants or occupiers of any part of the Estate or any adjoining premises.

2. Tenant's obligations in relation to Permitted Works

2.1 Before starting any Permitted Works the Tenant must, not less than 10 Working Days before the date on which the Tenant intends to start such works:

2.1.1 provide to the Landlord two sets of drawings and specifications detailing the Permitted Works or an electronic set in a form acceptable to the Landlord (acting reasonably);

2.1.2 give due consideration to the Landlord's recommendations before starting the Permitted Works;

2.1.3 obtain and provide the Landlord with copies of any Consents that are required before they are begun;

2.1.4 fulfil any conditions in the Consents required to be fulfilled before they are begun;

2.1.5 comply with its obligations in **clause 3.20.4**;

2.1.6 notify the Landlord of the date on which the Tenant intends to start the Permitted Works;

2.1.7 provide the Landlord with any information relating to the Permitted Works as may be required by its insurers and, where the policy requires, not begin the Permitted Works until the Landlord notifies the Tenant that the insurers have given their consent to the Permitted Works, which the Landlord undertakes to do promptly; and

2.1.8 ensure that it or its building contractor has put in place public liability and employers' liability insurance of at least £5 million in respect of each claim (or such higher sum which may be appropriate taking into account the cost of the Permitted Works) and provided the Landlord with a summary of the main terms of the insurance and evidence that the premiums have been paid.

2.2 If it starts any Permitted Works, the Tenant must carry out and complete them:

2.2.1 diligently and without interruption and in any event within six months of starting the Permitted Works or, if any delay occurs that is outside the reasonable control

- of the Tenant, within such longer period as may be reasonable having regard to the reason for the delay;
- 2.2.2 in accordance with any drawings, specifications and other documents relating to the Permitted Works that the Landlord has approved;
 - 2.2.3 in a good and workmanlike manner and with good quality materials;
 - 2.2.4 in accordance with the reasonable principles, standards and guidelines set out in any relevant guide or handbook published by the Landlord from time to time for tenant's works carried out at the Estate;
 - 2.2.5 in compliance with the Consents and all Acts (including the Planning Acts) and with the requirements of the insurers of the Estate and the Premises and (where applicable) of any other parts of the Estate or any competent authority or utility provider;
 - 2.2.6 with as little interference as reasonably practicable to the owners and occupiers of any adjoining premises; and
 - 2.2.7 in compliance, to the extent applicable, with the CDM Regulations.
- 2.3 The Tenant must make good as soon as reasonably practicable any physical damage caused by carrying out the Permitted Works.
- 2.4 The Tenant must permit the Landlord to enter the Premises to inspect the progress of the Permitted Works.
- 2.5 Until the Permitted Works have been completed, the Tenant must insure them for their full reinstatement cost (including professional fees) against loss or damage by the Insured Risks with a reputable insurer and provide the Landlord with a summary of the main terms of the insurance.
- 2.6 The Tenant must reinstate any of the Permitted Works that are damaged or destroyed before their completion.
- 2.7 Where the Landlord has given the Landlord's consent to any Permitted Works:
- 2.7.1 the Tenant must comply with any additional obligations in relation to those Permitted Works that the Landlord lawfully imposes on the Tenant in giving the Landlord's consent; and
 - 2.7.2 if the Tenant has not started the Permitted Works within three months after the date of the consent, the Landlord may serve notice on the Tenant to withdraw the consent.
- 2.8 As soon as reasonably practicable following completion of the Permitted Works the Tenant must:
- 2.8.1 notify the Landlord of their completion;
 - 2.8.2 obtain any Consents that are required on their completion;
 - 2.8.3 remove all debris and equipment used in carrying out the Permitted Works;
 - 2.8.4 notify the Landlord of the cost of the Permitted Works;
 - 2.8.5 permit the Landlord to enter the Premises in accordance with the entry provisions in this Lease to inspect the completed Permitted Works;

- 2.8.6 supply the Landlord with two complete sets of as-built plans showing the Permitted Works (or an electronic set in a form acceptable to the Landlord (acting reasonably)); and
 - 2.8.7 ensure that the Landlord is able to use and reproduce the as-built plans for any lawful purpose.
- 2.9 If the CDM Regulations apply to the Permitted Works, the Tenant must:
- 2.9.1 comply with them and ensure that any person involved in the management, design and construction of the Permitted Works complies with their respective obligations under the CDM Regulations;
 - 2.9.2 if the Landlord would be treated as a client for the purposes of the CDM Regulations, agree to be treated as the only client in respect of the Permitted Works; and
 - 2.9.3 on completion of the Permitted Works provide the Landlord with a copy of any health and safety file relating to the Permitted Works and deliver the original file to the Landlord at the End Date.
- 2.10 If the Permitted Works invalidate or materially adversely affect an existing EPC or require the commissioning of an EPC, the Tenant must (at the Landlord's option):
- 2.10.1 obtain an EPC from an assessor approved by the Landlord and give the Landlord written details of the unique reference number for that EPC; or
 - 2.10.2 pay the Landlord's costs of obtaining an EPC.
- 2.11 If any Consents for the Permitted Works require any works to be carried out by a date that falls after the End Date, the Tenant must, if notified by the Landlord at least three months before the End Date, carry out and complete those works before the End Date.

3. **No warranty relating to Permitted Works**

The Landlord gives no express or implied warranty (and the Tenant acknowledges that the Tenant must satisfy itself):

- 3.1 as to the suitability, safety, adequacy or quality of the design or method of construction of any Permitted Works;
- 3.2 that any Permitted Works may lawfully be carried out;
- 3.3 that the structure or fabric of the Premises or the Estate is able to accommodate any Permitted Works; or
- 3.4 that any of the services supplying the Premises or the Estate will either have sufficient capacity for or otherwise not be adversely affected by any Permitted Works.

SCHEDULE 6

Underletting

1. Defined terms

This **Schedule 6** uses the following definitions:

- “Approved Underlease”** an underlease approved by the Landlord and, subject to any variations agreed by the Landlord in its absolute discretion:
- (a) lawfully excluded from the security of tenure provisions of the 1954 Act;
 - (b) granted without any fine or premium or reverse premium;
 - (c) that does not allow any rent free period to the undertenant which exceeds the period as is then usual in the open market in respect of such a letting;
 - (d) reserving not less than the higher of the passing Main Rent and the market rent which is payable at the same times as the Main Rent under this Lease;
 - (e) containing provisions for rent review at on the same dates and on the same terms as in this **Schedule**;
 - (f) containing provisions for change of use and alterations corresponding to those in this Lease;
 - (g) prohibiting the assignment of part only of the Underlet Premises;
 - (h) allowing assignment of the whole of the Underlet Premises with the prior consent of the Landlord on terms corresponding to those in this Lease;
 - (i) containing a covenant by the Undertenant not to create any sub-underlease of the whole or any part of the Underlet Premises;
 - (j) containing provisions requiring the Undertenant to pay as additional rent the whole of the Insurance Rent and other sums, excluding the Main Rent, payable by the Tenant under this Lease; and
 - (k) containing other provisions corresponding with those in this Lease
- “Approved Undertenant”** a person approved by the Landlord (such approval not to be unreasonably withheld or delayed) and who has

entered into a direct deed with the Landlord agreeing to:

- (a) comply with the terms of the Approved Underlease; and
- (b) procure that any proposed assignee of the Underlet Premises enters into a direct deed in the same terms as set out in this definition of Approved Undertenant

“Underlease” the underlease granted following the approval of the Approved Underlease

“Underlet Premises” the premises let by an Underlease, being the whole of the Premises

“Undertenant” the Approved Undertenant to whom the Tenant grants an Underlease.

2. **Right to underlet**

The Tenant may, with the Landlord’s consent (such approval not to be unreasonably withheld or delayed), underlet the whole of the Premises by an Approved Underlease to an Approved Undertenant.

3. **Obligations in relation to underleases**

3.1 The Tenant must not waive any material breach by an Undertenant of any terms of its Underlease.

3.2 The Tenant must not reduce, defer, accelerate or commute any rent payable under any Underlease.

3.3 On any review of the rent payable under any Underlease, the Tenant must:

3.3.1 review the rent of the Underlease in compliance with its terms;

3.3.2 not agree the reviewed rent (or the appointment of any third party to decide it) without the Landlord’s approval (such approval not to be unreasonably withheld or delayed);

3.3.3 include in the Tenant’s representations to any third party any representations that the Landlord may require; and

3.3.4 notify the Landlord what the reviewed rent is within two weeks of its agreement or resolution by a third party.

3.4 The Tenant must not vary the terms or accept any surrender of any Underlease without the Landlord’s approval.

Executed as a deed by

WINSFORD DEVCO LLP

acting by

duly authorised by Winsford Holdings 1 LLP

to sign on its behalf as member

of Winsford Devco LLP and by

duly authorised by Winsford Holdings 2 LLP to sign

on its behalf as a member of Winsford Devco LLP:

.....
Signature of person authorised to sign for
Winsford Holdings 1 LLP (on behalf of member)

.....
Signature of person authorised to sign for
Winsford Holdings 2 LLP (on behalf of member)

Executed as a deed by

VALENTTE LIMITED

acting by a director

In the presence of:

DocuSigned by:
Andy Goss
92F0C9B83626472...

Signature of Director: _____

DocuSigned by:
Luke Bream
05910DCEFD0F480...

Signature of witness: _____

Name (in BLOCK CAPITALS): _____

Address: _____