



dated

7th April

2014

Genesis Housing Association Limited

and

DP Realty Limited

**Lease of Units C & D, Parr Court, Station Lane, Pitsea,
Basildon, Essex**

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Prescribed clauses

LR1	Date of Lease	7 th April 2014
LR2	Title number(s)	
LR2.1	Landlord's title number(s) <small>Title number(s) out of which this lease is granted. Leave blank if not registered.</small>	EX693400
LR2.2	Other title numbers <small>Existing title number(s) against which entries of matters referred to in LR9, LR10, LR11 and LR13 are to be made.</small>	EX740661 and EX690396
LR3	Parties to this lease <small>Give full names, addresses of each of the parties. For UK incorporated companies and limited liability partnerships, also give the registered number including any prefix. For overseas companies, also give the territory of incorporation and if appropriate, the registered number in the United Kingdom including any prefix.</small>	<p>Landlord: Genesis Housing Association Limited IP number 31241R whose registered office is at Capital House, 25 Chapel Street, London NW1 5DT</p> <p>Tenant: DP Realty Limited (company number 02882513) whose registered office is at 1 Thornbury, West Ashland, Milton Keynes, Buckinghamshire, MK6 4BB</p> <p>Other parties: <small>Specify capacity of each party, for example "management company", "guarantor", etc.</small></p> <p>None.</p>
LR4	Property <small>Insert a full description of the land being leased or refer to the clause, schedule or paragraph of a schedule in this lease in which the land being leased is more fully described. Where there is a letting of part of a registered title, a plan must be attached to this lease and any floor levels must be specified. In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause will prevail.</small>	<p>the property known as Units C and D at ground level, Parr Court Station Lane Pitsea Basildon Essex as shown edged red on Plan 1 and Plan 2 and being part of the Building including:-</p> <ul style="list-style-type: none"> i any floorboards, floor screed or other floor covering or finish but not the floor slabs and joists; ii any false ceilings, plaster finishes and the interior faces of any ceiling structure but not the ceiling slabs; iii the interior plaster finishes of the exterior walls or columns but not any other part of the external walls and columns; iv the interior plaster finishes of any structural walls or columns within the boundary of the Property; v any non-structural or non-load-bearing walls and columns

	<p>entirely within the boundary of the Property and the inner half (severed medially) of any such walls or columns that divide the Property from other parts of the Building;</p> <p>vi any skirting boards attached to walls or columns entirely within the Property;</p> <p>vii all windows (including window frames and furniture) and all doors (including door frames and furniture) within the Property ;</p> <p>viii any Conducting Media that lie within the Property and that serve the Property exclusively;</p> <p>ix any additions and improvements to the Property made at any time; and</p> <p>x the shopfront and fascia signage at the Property</p> <p>but not:</p> <p>xi the whole of the interior structural load-bearing walls and columns located within the boundary of the Property other than those parts that have been expressly included in this definition of the Property; or</p> <p>xii any Conducting Media that does not serve the Property exclusively.</p>
LR5	<p>Prescribed statements etc.</p> <p><i>If this lease includes a statement falling within LR5.1, insert under that sub-clause the relevant statement or refer to the clause, schedule or paragraph of a schedule in this lease which contains the statement. In LR5.2, omit or delete those Acts which do not apply to this lease.</i></p>
LR5.1	<p>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.</p> <p>See clause 9.10 - Charities statements.</p>
LR5.2	<p>This lease is made under, or by reference to, provisions of: [Leasehold Reform Act 1967, Housing Act 1985, Housing Act 1988 or Housing Act 1996]</p> <p>Not applicable</p>
LR6	<p>Term for which the Property is leased</p> <p><i>Include only the appropriate statement (duly completed) from the three options.</i></p> <p><i>NOTE: The information you provide, or refer to, here will be used as part of the particulars to identify the lease under rule 6 of the Land Registration Rules 2003.</i></p> <p>The term is as follows:</p> <p>20 years commencing on and including the 7 April 2014 and includes not only the term of years granted by this Lease but also any period of holding over or of any</p>

	extension of that term whether by legislation or at common law or for any other reason.
LR7	Premium <i>Specify the total premium, inclusive of any VAT where payable.</i> None
LR8	Prohibitions or restrictions on disposing of this lease <i>Include whichever of the two statements is appropriate. Do not set out here the wording of the provision.</i> This lease contains a provision that prohibits or restricts dispositions.
LR9	Rights of acquisition etc. <i>Insert the relevant provisions in the sub-clauses or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i>
LR9.1	Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property , or to acquire an interest in other land Tenant's option to renew set out in clause 10.
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 <i>Insert the relevant provisions or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i> None.
LR11	Easements <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements.</i>
LR11.1	Easements granted by this lease for the benefit of the Property See schedule 1.
LR11.2	Easements granted or reserved by this lease over the Property for the benefit of other Property See schedule 2.

LR12	<p>Estate rentcharge burdening the Property</p> <p><i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the rentcharge.</i></p> <p>None.</p>
LR13	<p>Application for standard form of restriction</p> <p><i>Set out the full text of the standard form of restriction and the title against which it is to be entered. If you wish to apply for more than one standard form of restriction use this clause to apply for each of them, tell us who is applying against which title and set out the full text of the restriction you are applying for. Standard forms of restriction are in schedule 4 to the Land Registration Rules 2003.</i></p> <p>None.</p>
LR14	<p>Declaration of trust where there is more than one person comprising the Tenant</p> <p><i>If the Tenant is one person, omit or delete all the alternative statements.</i></p> <p><i>If the Tenant is more than one person, complete this clause by omitting or deleting all inapplicable alternative statements.</i></p>

Agreed terms

1 Definitions and interpretation

1.1 Definitions

In this Lease the following words and expressions have the meaning specified unless expressly stated to the contrary:

Access Road means the access road show coloured purple on the Plans;

Asbestos Regulations means Control of Asbestos Regulations 2012;

Base Rate means the base lending rate for the time being of The Royal Bank of Scotland plc or such other member of Chaps Clearing Company Limited nominated from time to time by the Landlord or if the base lending rate is abolished such other rate as the Landlord will from time to time reasonably determine;

Basic Rent means the initial annual rent of £18,000 and then as revised under clause 3 and any interim rent determined as payable in accordance with the Landlord and Tenant Act 1954;

Bin Store means the area shown edged blue on Plan 2 forming part of the ground floor of the Building;

Break Date means 6 April 2025

Building means the building known as Parr Court Station Lane Pitsea Basildon Essex and registered under title number EX693400 and shown hatched red on Plan 2;

Car Parking Spaces means the two car parking spaces edged orange on Plan 1 and on Plan 2 or such other spaces as are reasonably designated by the Landlord within the Building;

CDM Regulations means Construction Design and Management Regulations 2007;

Common Parts means the Building excluding the Property and any other parts of the Building which are let or capable of being let on similar terms to this Lease including the Bin Store, Access Road and Car Parking Space.

Conduits means all or any of the sewers, drains, channels, gutters, gullies, mains, ducts, pipes, wires, optical fibres, cables, conduits, watercourses and any conducting media and ancillary apparatus now laid or during the Term laid, over or under the Property or serving them now or during the Term;

Contractual Term means a term of twenty (20) years beginning on and including the 7 April 2014

EPC Regulations means regulations about the energy performance of buildings under the European Communities Act 1972;

Environment means all or any of air, water and land including any within buildings and

any other natural or man-made structures above or below ground;

Environmental Law means all rules of common law, principles of equity and rules of any court or other tribunal of competent jurisdiction, all legislation, standards or codes that have the force of law, all notices, directions, impositions or requirements of any competent authority relating to the protection of human health and safety, the protection of Property and proprietary rights or the protection of the Environment or the generation, transportation, storage, use, treatment or disposal of Hazardous Substances;

EPC means an Energy Performance Certificate under the EPC Regulations;

Estate means the land shown edged green on Plan 2;

Fire Safety Order means the Regulatory Reform (Fire Safety) Order 2005 (SI 2005/1541);

Hazardous Substances means waste (as defined in the Environmental Protection Act 1990) and any substance whatsoever in any form (whether alone or in combination with any other substance) that is capable of causing harm to man or to any living organism supported by the Environment or of damaging the Environment or public health or welfare or the presence of which would be a breach of any Environmental Law;

Inherent Defect means any defect in the Property or the Estate or in anything installed in or on the Property or the Estate which is attributable to:-

- (a) Defective design
- (b) Defective workmanship or materials
- (c) Defective supervision of the construction of or the installation of anything in or on the Property or the Estate
- (d) Defective preparation of the site upon which the Property or the Estate are constructed

Lawful Occupier means any persons in the Property expressly or impliedly with the Tenant's authority, including any tenants of any sub-leases granted (except in breach of this Lease) and their respective workmen, agents, employees and visitors;

Losses means all liabilities incurred by the Landlord, all damage and loss suffered by the Landlord, all damages, compensation and penalties awarded against the Landlord, all claims, demands, actions and proceedings made or brought against the Landlord, all fees, costs and expenses properly incurred by the Landlord;

Neighbouring Property means any land (whether belonging to the Landlord or not) near to the Property;

Plan means a plan attached to this Lease and **Plan 1** and **Plan 2** and **Plans** is to be construed accordingly;

Planning Acts means the Town and Country Planning Act 1990; the Planning (Listed Buildings and Conservation Areas) Act 1990; the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990; the Planning and Compensation Act 1991; the Planning and Compulsory Purchase Act 2004; the Planning Act 2008 and the Localism Act 2011 any similar legislation;

Plant includes (without limitation) fire detection and control, security systems, pollution monitoring and control, energy monitoring and control, lifts, lift machinery, hoists, boilers and other space and water heating machinery and equipment, air conditioning plant, ventilation and air cooling systems, connecting piping, radiators, hot or cold water storage vessels, calorifiers, steam or air pressure vessels, oil firing equipment, motor valves and pumps, and lighting, machinery and equipment within the Building (other than Tenant's fixtures and fittings within the Property);

President means the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf;

Property means the Property described in prescribed clause LR4;

Rent Commencement Date means 7th January 2015;

Quarter Days means the usual quarter days – which for the avoidance of doubt are 25 March 24 June 29 September and 25 December in each year (or if such days are not Working Days the next Working Day);

Surveyor means the surveyor for the time being of the Landlord who may be a person employed by or connected with the Landlord and who will act as an expert unless otherwise specified in this Lease or directed by the Landlord;

Term means the term described in prescribed clause LR6;

Terrorism has the meaning inscribed to that word by the Terrorism Act 2000 as amended by the Terrorism Act 2006 and in the Terrorism Act 2008;

Third Party Rights means all rights, covenants and restrictions affecting the Building referred to in the property and charges registers maintained at H M Land Registry under title number EX693400, EX740661 and EX690396 and contained or referred to in the documents in schedule 4 but insofar only as the same are still subsisting and capable of taking effect and relate to the Property;

this Lease means this deed and any document that is supplemental to or collateral with it or which is made under in accordance with its terms;

Uninsured Risks means Terrorism and any risk which would be within the definition of Insured Risks but at the relevant time is not insured because insurance is not available or is not available in the London Insurance Market at economic rates;

Unit means a unit of the Building (other than the Property) that is capable of being let and occupied on terms similar to those of this Lease;

VAT means value added tax chargeable under the Value Added Tax Act 1994 or any

similar replacement or additional tax; and

Working Day means any day that is not Christmas Day, Good Friday, Saturday, Sunday, or any other public holiday under any legislation or by common law.

1.2 Interpretation

- 1.2.1 Where there are two or more persons included in the expression **the Tenant** covenants made by the Tenant will be deemed to be made by such persons jointly and severally.
- 1.2.2 Where there are two or more persons included in the expression **the Tenant** an event or something will be deemed to have occurred if it happens to any one of them for the purposes of this Lease.
- 1.2.3 References in this Lease to any legislation are to that legislation as extended, modified, amended, re-enacted or replaced at the date upon which its construction is relevant for the purposes of this Lease and not as originally enacted or as at the date of this Lease.
- 1.2.4 References generally to legislation include statutory instruments, regulations and other derivative legislation and any regulation or other legislation of the European Union that is directly applicable in England and Wales and include existing legislation and legislation that comes into effect during the Term.
- 1.2.5 Any covenant by the Tenant not to do or to omit anything will be taken to include a covenant not to suffer or permit the doing or omission of that act or thing.
- 1.2.6 The withholding of consent includes delay.
- 1.2.7 The right to do something includes the right to permit its being done
- 1.2.8 An obligation not to do something includes an obligation
- (a) Not to permit its being done, and
 - (b) To take reasonable steps to stop its being done
- 1.2.9 References to costs include
- (a) charges expenses and disbursements, and
 - (b) all solicitors' and other professional costs
- 1.2.10 When followed by a list of things '**include**' and its cognates are to be deemed to be followed by the words 'without limitation' so that the *ejusdem generis* rule will not apply to the construction of this Lease.
- 1.2.11 The expression **the Landlord** means the person for the time being entitled to the reversion immediately expectant on the end of the Term howsoever determined.

- 1.2.12 A person is to be liable under the landlord covenants in this Lease only for so long as it is the owner of the reversion immediately expectant on the determination of the Term.
- 1.2.13 The expression **the Tenant** includes the Tenant's successors in title.
- 1.2.14 The headings above the clauses and the contents pages of this Lease are for reference only and do not affect its construction.
- 1.2.15 Any reference to a clause or schedule without further designation is a reference to a clause or schedule of this Lease.
- 1.2.16 Any reference to a prescribed clause without further designation is to the relevant prescribed clause LR1 to LR14 (inclusive) appearing immediately after the contents table in this Lease.
- 1.2.17 Any consent required by the Tenant from the Landlord under this Lease is to be by deed to be valid.
- 1.2.18 References to the **end of the Term** mean the date on which the Term ends whether by effluxion of time or earlier termination by any means.
- 1.2.19 If anything this Lease is held to be invalid, unenforceable, or illegal it is not to affect the validity of anything else in this Lease.
- 1.2.20 For the purposes of this Lease, two companies are members of the same group if one of them is the subsidiary of the other, or both are subsidiaries of a third company, **subsidiary** having the meaning given to it in section 1159 of the Companies Act 2006 and **Group Company** and **Group Companies** will be construed accordingly.
- 1.2.21 The expressions 'landlord covenants' and 'tenant covenants' have the same meanings as in section 28 Landlord and Tenant (Covenants) Act 1995.
- 1.2.22 The tenant covenants in this Lease are made on behalf of the Tenant and its successors in title and the persons deriving title under it or them and are to bind the person who made them until that person is released under section 5 Landlord and Tenant (Covenants) Act 1995.
- 1.2.23 References to any rights exercisable by the Tenant shall be constructed as being exercisable by the Tenant any subtenant or subtenants and all persons properly authorised by them.

2 Demise and rents

2.1 In consideration of the rents payable under this Lease and of the tenant covenants and of the conditions in this Lease the Landlord:

- 2.1.1 lets with full title guarantee the Property to the Tenant for the Term;
- 2.1.2 grants to the Tenant the rights in the schedule 1; and
- 2.1.3 excepts and reserves the matters in the schedule 2.

2.2 This Lease is granted subject to the Third Party Rights.

2.3 The Landlord reserves as rent and the Tenant will pay during the Term:

2.3.1 the Basic Rent by equal quarterly payments in advance on the Quarter Days (and in proportion for any period less than a year) with the first payment on the Rent Commencement Date in respect of the period from the Rent Commencement Date until the next Quarter Day after the date of this Lease;

2.3.2 as further and additional rent:

- (a) the sums specified in paragraph 4.1 of schedule 5 as payable by the Tenant;
- (b) the sums specified in schedule 8 as payable by the Tenant;
- (c) any VAT chargeable on the Basic Rent and sums reserved as additional rent by this Lease; and

2.4 The Tenant will pay interest on any unpaid rents or other sums due under this Lease at the rate of 4% above the Base Rate starting on and including the day upon which the payment in question was due until the date it is actually paid.

3 Rent review

3.1 Definitions

In this clause the following additional definitions apply:

Assumptions are that:

- (a) the Property is ready for fitting-out by the willing tenant for the purposes of its business but, by the relevant Review Date, the willing tenant has received the benefit of and enjoyed a rent-free period or other allowance made in respect of the period of fitting-out of the Property for the purpose of the business as would be made or allowed by a willing landlord on the grant of the lease to the willing tenant;
- (b) the Property lawfully may be used throughout the Term for the use permitted by this Lease;
- (c) that no work has been carried out or omitted to be carried out to the Property or the Building that has diminished the market rent of the Property other than work carried out pursuant to a statutory obligation;
- (d) that if the Property and/or the Building and/or any conduits have been damaged or destroyed they have been fully reinstated;
- (e) that the landlord covenants (save where the Landlord is in material and persistent breach) and the tenant covenants in this Lease have been fully performed (but without prejudice to any rights of the Landlord in relation to them); and

- (f) there is not in operation any legislation that has the effect of regulating or restricting the amount of rent of the Property that might otherwise be payable.

Current Rent means the yearly rent first reserved by this Lease immediately before the relevant Review Date (or which would then be payable but for any abatement or suspension or restriction on the right of collection);

President means the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf;

Review Dates mean ^{7th April 2019, 7th April 2024 and 7th April 2029^{as}} and any date deemed a Review Date under clause 3.7 and relevant Review Date is to be construed accordingly; and

Shortfall means the difference between the market rent as agreed or determined that is payable by the Tenant for the period starting on and including the relevant Review Date until (and including) the day before next following Quarter Day and the Current Rent actually paid for that period plus interest at the Base Rate on that money (calculated on the Shortfall starting on and including the day upon which each instalment of the Shortfall was due until the date of payment of the Shortfall).

3.2 Upwards only review

The Basic Rent will be from each Review Date the higher of:

3.2.1 the Current Rent; and

3.2.2 the market rent agreed or determined in accordance with this clause 3.

3.3 Market rent

For the purposes of this Lease, the **market rent** is to be the annual market rent which the Property might reasonably be let in the open market by a willing landlord to a willing tenant:

3.3.1 with vacant possession;

3.3.2 for a term equal to the residue of the Term or a term of ten years, if longer, commencing on the relevant Review Date having a rent review in the same terms as this Lease at the expiry of each period of five years throughout that term;

3.3.3 without the payment of any premium by the willing tenant;

3.3.4 on the same terms as this Lease (except as to the length of the term and the amount of the Basic Rent but with the same provisions for its review); and

3.3.5 making the Assumptions and disregarding the matters set out in clause 3.4.

3.4 Matters to be disregarded

In agreeing or determining the market rent, the effect upon it of the following matters is to be disregarded:

- 3.4.1 the occupation of the Property by the Tenant;
- 3.4.2 any goodwill attached to the Property because of the carrying on at the Property of the trade or business of the Tenant;
- 3.4.3 any improvements or alterations to the Property made by the Tenant with the consent of the Landlord (where required before or after the date of this lease) other than those:
 - (a) made in pursuance of an obligation to the Landlord or its predecessors in title (other than an obligation to comply with statute);
 - (b) to which the Landlord has made a financial contribution or for which the Landlord will be liable to pay compensation; or
- 3.4.4 any conditions in any planning permission which adversely affect the rental value of the Property;

and in this clause 3.4 reference to **the Tenant** includes predecessors in title to the Tenant and sub-tenants of the Tenant and its predecessors in title respectively.

3.5 Procedure

- 3.5.1 During the 12 months ending on the relevant Review Date the Landlord and the Tenant will try to agree the market rent.
- 3.5.2 If they have not agreed the market rent by the date which is 3 months before the relevant Review Date, then the market rent is to be referred for determination by other party to arbitration in accordance with clause 3.5.3.
- 3.5.3 The arbitrator may be appointed by the Landlord and the Tenant
- 3.5.4 If the Landlord and the Tenant have not appointed the arbitrator by the date which is 6 weeks before the relevant Review Date then the arbitrator may be appointed by the President on the application of either the Landlord or the Tenant.
- 3.5.5 The arbitrator is to be an independent chartered surveyor of recognised standing and a member of a leading firm of surveyors who has been in practice continuously in England and Wales for a relevant and suitable period preceding the application under clause 3.5.3 and who has recent experience in valuing property of a kind and character similar to the Property and in the same region as the Property.
- 3.5.6 The arbitrator is to give written notice to the Landlord and the Tenant inviting each of them to submit to him (simultaneously sending a copy to the other party) within reasonable time limits stipulated by the arbitrator a proposal for the market rent supported by all or any of:
 - (a) a statement of reasons;
 - (b) a professional rental valuation; and

(c) information in respect of any other relevant matters.

3.5.7 The arbitrator may give the Landlord and Tenant the opportunity to submit to him counter-submissions in respect of each other's proposals submitted under clause 3.5.6.

3.5.8 The arbitrator will be required, on written request of either the Landlord or the Tenant, to conduct a hearing in order to assess the market rent and not proceed solely on the basis of written submissions and other matters referred to in this clause 3.5.

3.5.9 The costs of the arbitration are to be paid according to the award of the arbitrator.

3.5.10 The arbitration is otherwise to be conducted in accordance with the Arbitration Act 1996.

3.6 Rental adjustments

If the market rent has not been agreed or determined by the relevant Review Date the Tenant will:

3.6.1 continue to pay the Current Rent on account of the Basic Rent; and

3.6.2 pay in addition the Shortfall within 10 Working Days following date on which the market rent is agreed or determined.

3.7 Restrictions under legislation

If because of any legislation the amount of the Basic Rent payable as from any Review Date is less than it would have been if the legislation had not been in force then the Landlord may whenever the restriction is removed, relaxed or modified be entitled on giving not less than one month's written notice to the Tenant expiring on or after the date of each removal, relaxation or modification require that a date specified in the notice and occurring before the next Review Date will be a Review Date for the purposes of this Lease.

3.8 Memorandum

As soon as possible after agreement or determination of the market rent the Landlord and the Tenant will record the revised rent in a memorandum in the form in schedule 3 which each will sign and exchange between them.

3.9 Time is not of the essence

Time is not of the essence in the operation of this clause 3.

4 Tenant's covenants

The Tenant covenants with the Landlord:

4.1 Rent

- 4.1.1 The Tenant will pay the rents reserved by clause 2 at the times and in the manner required by this Lease without any deduction or set off whatsoever.
- 4.1.2 If the Landlord so requires the Tenant will pay the Basic Rent, and any VAT by banker's standing order or direct debit or another manner prescribed by the Landlord acting reasonably.

4.2 Outgoings

The Tenant will pay and will indemnify the Landlord against all existing and future rates, taxes, and other outgoings payable during the Term which are now or may at any time be assessed, charged or imposed on the Property or on the owner or occupier of them.

The Tenant will pay and will indemnify the Landlord against all existing and future rates, taxes, levies, costs, charges, outgoings and impositions (of whatever nature) payable during the Term in respect of the Property, its use or occupation (including energy consumption) and any works carried out to it which are now or may at any time be assessed, charged or imposed on the Property or on the owner or occupier of them.

- 4.2.1 The Tenant will pay to the relevant suppliers all charges (including meter rents and standing charges) for all services including without limitation water, sewerage, electricity, gas, telecommunications and other data-communication services and all other utilities used at, removed from or supplied to the Property.
- 4.2.2 In the absence of direct assessment, charge or imposition on the Property, the Tenant will pay to the Landlord a fair and reasonable proportion of them as determined by the Landlord acting reasonably.
- 4.2.3 The Tenant will comply with all requirements and regulations of the relevant suppliers related to
 - (a) the services referred to in clause 4.2.2; and
 - (b) all appropriate installations and equipment at the Property.

4.3 Repair and decoration

- 4.3.1 The Tenant will keep the Property in good and substantial repair condition and decoration.
- 4.3.2 The Tenant's obligation under this clause does not extend to damage by the Insured Risks (as defined in schedule 5) against which the Landlord has at the relevant time insured except to the extent that the insurance money cannot be recovered because of any act or default of the Tenant or any Lawful Occupier or to damage by Uninsured Risks or to an Inherent Defect.
- 4.3.3 If the Property requires renewal or replacement then the Tenant will carry out such renewal or replacement in accordance with plans and specifications previously approved in writing by the Landlord and to the reasonable

satisfaction of the Landlord. Renewal or replacement shall only be required where beyond economic repair.

4.3.4 The Tenant's obligations under this clause 4.3.4 extend to renewal and replacement if appropriate to maintain the Plant in good and substantial repair.

4.3.5 The Tenant will prepare, paint or otherwise appropriately treat with good quality materials and in a good and workmanlike manner all the inside surfaces of the Property usually or requiring to be prepared, painted or otherwise treated

(a) in at least every fifth year of the Term, and

(b) in the last three months of the Term (howsoever determined).

PROVIDED THAT the Tenant shall not be obliged by this or any other provision in this Lease to decorate the Property more than once in any two year period nor at all in the last three months of the term when the Landlord has successfully opposed the grant of a new tenancy on any of the grounds set out in sections 30(1)(f) and (g) of the Landlord and Tenant Act 1954

4.3.6 The tints, colours and patterns of all works of painting and treating in the last three months of the Term (howsoever determined) must have the prior written approval of the Landlord (such approval not to be unreasonably withheld or delayed) provided that such approval shall not be required where the Tenant is pursuing a renewal of this lease.

4.3.7 The Landlord will repair within a reasonable time any Inherent Defects which relate to the Premises until 31 March 2024 that the Tenant notifies the Landlord prior to 31 March 2024.

4.4 Keep clean and tidy

The Tenant will:

4.4.1 keep the Property clean and tidy and clear of all rubbish;

4.4.2 clean all internal glass in the Property at least once in every month (both inside and outside surfaces);

4.4.3 use the receptacles provided for the clean and efficient disposal of refuse designated by the Landlord;

4.4.4 arrange for the removal of refuse (if no such receptacles are provided) by an appropriate person;

4.4.5 prepare the refuse for collection as directed by the Landlord if the Landlord considers that the Tenant is not dealing with refuse appropriately; and

4.4.6 not burn any refuse on or near the Property or within the Common Parts.

4.5 Permit access

4.5.1 At all reasonable times the Tenant will permit the Landlord and all persons authorised by the Landlord to enter the Property and to remain upon it for as long as is reasonably necessary in order to:

- (a) view the state of repair, condition and decoration of it; and/or
- (b) ascertain whether there is any breach of the tenant covenants in this Lease.

4.5.2 The Landlord will give the Tenant at least 48 hours' prior written notice of its intention to exercise the right of entry but no notice will be required in the case of emergency or genuine urgency.

4.6 Repair on notice

4.6.1 The Tenant will make good any defect in repair, maintenance, decoration, cleansing or condition of the Property for which the Tenant is liable under this Lease within two months after service on the Tenant of a notice specifying such defect (or sooner if the notice to the Tenant reasonably requires it).

4.6.2 If the Tenant fails to comply with any notice served under clause 4.6.1 within two months (or such other period specified in the notice) the Landlord, its workmen and others authorised by the Landlord may enter the Property to remedy such breach.

4.6.3 The Tenant will pay to the Landlord as a debt the cost to the Landlord of and incidental to the works and other steps taken by the Landlord or on its behalf to remedy the breach in exercise of the right in clause 4.6.2 or otherwise.

4.7 Yield up

4.7.1 In this clause **Goods** means all chattels personal other than

- (a) things in action and
- (b) money

4.7.2 Before the end of the Term:

- (a) If reasonably required by the Landlord (except to the extent released in writing by the Landlord) the Tenant will remove
 - i all internal, non-structural partitioning,
 - ii all Tenant's fixtures, fittings, machinery, and sign, all Goods at the Property that do not belong to the Landlord;
- (b) the Tenant will reinstate any works which accommodated things removed under this clause; and
- (c) unless the landlord reasonably requires otherwise, the Tenant will

- i remove other alterations made during the Term or any preceding period of occupation by the Tenant as the Landlord may require, and
 - ii reinstate the Property to its layout, design and condition before the carrying out of any alterations as the Landlord may reasonably direct;
 - (d) the Tenant will make good all damage caused by works carried out in compliance with this clause 4.7.
- 4.7.3 The Tenant will carry out all works under this clause 4.7 in a good and workmanlike manner using good quality materials to the reasonable satisfaction of the Landlord or the Surveyor.
- 4.7.4 At the end of the Term the Tenant will:
- (a) quietly yield up the Property to the Landlord with vacant possession in a condition consistent with due performance of the tenant covenants in this Lease; and
 - (b) if requested by the Landlord deliver to the Landlord the Health and Safety files, operation and maintenance manuals, guarantees and test, inspection and servicing certificates and records in respect of the Property Plant and fixtures and fittings at the Property.
- 4.7.5 The Tenant will remove any Goods that remain in the Property at the end of the Term within five Working Days after being requested to do so by the Landlord.
- 4.7.6 If the Tenant does not remove any Goods whose removal the Landlord had requested then the Landlord may as agent of the Tenant, sell or otherwise dispose of those Goods.
- 4.7.7 The Landlord will hold the proceeds of the sale, after deducting the costs of removal, storage and sale reasonably and properly incurred by it, to the order of the Tenant for three months.
- 4.7.8 If the Tenant has not given written notice to the Landlord directing payment out of the sale proceeds within three months of the sale then they will belong to the Landlord absolutely.
- 4.7.9 The Tenant will indemnify the Landlord against any liability incurred by it to any other person whose Property has been sold by the Landlord in the *bona fide* mistaken belief (which is to be presumed unless the contrary be proved) that it belonged to the Tenant and was liable to be dealt with under this clause 4.7.

4.8 Pay fees

The Tenant will pay to the Landlord within 14 working days of demand all proper costs incurred by the Landlord arising out of or in connection with or in contemplation of:

- 4.8.1 any application by the Tenant in connection with the Property or this Lease whether granted, refused, withdrawn or granted subject to conditions and any deeds and documents prepared in connection with the application (unless the

covenant or approval is unlawfully or unreasonably withheld or delayed by the Landlord);

- 4.8.2 any breach by the Tenant of this Lease or any notice or proceedings (whether under sections 146 or 147 of the Law of Property Act 1925 or otherwise) requiring the Tenant to remedy any breach of this Lease even if any right of re-entry or forfeiture has been waived by the Landlord or if the Tenant subsequently remedies the breach or is granted relief from forfeiture is avoided except by relief granted by the court;
- 4.8.3 the preparation and service of a schedule of dilapidations during the Term or within 6 months after the end of the Term but only in relation to any dilapidations occurring during the Term;
- 4.8.4 the supervision of the making good of any defects and wants of repair or decoration;
- 4.8.5 the recovery of arrears of any rents or other sums payable under this Lease;
- 4.8.6 the enforcement of any covenant or obligation of the Tenant under this Lease; and
- 4.8.7 the abatement of any nuisance which the Tenant is responsible to abate and the execution of all works necessary to abate the nuisance.

4.9 Nuisances

- 4.9.1 The Tenant will not bring or keep on, or emit from, the Property or any land over which the Tenant enjoys rights or amenities anything which is or which may cause nuisance, damage, disturbance or annoyance to any person or which may be injurious to the value, tone, amenity or character of the Property, the Building or Neighbouring Property PROVIDED THAT the use of the Property for the uses permitted under this Lease shall not be a breach of this clause.
- 4.9.2 The Tenant will not commit any wilful or voluntary waste, spoil or destruction in or upon the Property or the Common Parts.
- 4.9.3 The Tenant will not overload any part of the structure of the Building or any of the Plant.
- 4.9.4 The Tenant will not allow to pass into the Conduits any noxious or deleterious effluent or other substance which might cause an obstruction in or injury to the Conduits or might be a source of danger and will forthwith remedy any breach of this clause to the Landlord's reasonable satisfaction.
- 4.9.5 The Tenant will not:
 - (a) keep any bird or animal on the Property;
 - (b) keep any drugs unlawfully on the Property;

- (c) play any music or amplify any sound at the Property that is audible outside the Property **OR** make any noise at the Property that is audible outside
- (d) operate any machinery or equipment which is audible or causes vibration outside the Property except for properly maintained fire and security alarms and machinery necessary for carrying out permitted alterations to the Property;
- (e) use the Property for any use that is illegal, immoral, dangerous, noisy or offensive; or
- (f) use the Property for residential purposes;

4.10 Use

- 4.10.1 Subject to clause 4.10.3 the Tenant will not use the Property except as a pizza take away and delivery unit within Class A5 of the Schedule of the Town and Country Planning (Use) Classes Order 1987.
- 4.10.2 Nothing in this Lease about use of the Property or in any consent granted by the Landlord under this Lease will imply or warrant that the Property may lawfully be used under the Planning Acts for any use.
- 4.10.3 The tenant may use the Property for another use with the consent of the Landlord such consent not to be unreasonably withheld or delayed.

4.11 Not to vacate

The Tenant will not vacate the Property or leave the Property unoccupied for a period longer than 28 days unless it has given prior written notice to the Landlord of the vacation or non-occupation and has ascertained any requirements of the Landlord's insurers and the Tenant will comply with all those requirements.

4.12 Signs

- 4.12.1 The Tenant will not without the prior written consent of the Landlord place on the exterior of the Property or on the interior of the Property so as to be visible from the exterior any sign, placard, poster, advertisement, plate, notice, flag, banner, telecommunications equipment, aerial, satellite dish or other thing provided that for so long as this Lease is vested in DP Realty Limited (company number 02882513) the tenant may attach signage showing the Tenant's corporate logo and fascia of a size and design appropriate to the nature and location of the property and the user permitted under clause 4.10 and may display such trade posters and advertisements of a design, size and number and in positions that are appropriate to the nature and location of the Property and to the user permitted under clause 4.10 without obtaining the consent of the Landlord.
- 4.12.2 The Tenant will not hang, display for sale or otherwise place or deposit anything outside the Property.

4.13 Alterations

4.13.1 The Tenant will not:

- (a) make any additions to the Property;
- (b) unite the Property with any Neighbouring Property; or
- (c) make any alteration to the Property or to the Conduits except as permitted by this clause 4.13.

4.13.2 The Tenant may make structural alterations to the Property and alterations to the shop front and fascia with the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) and on the condition that the Tenant complies with clauses 4.13.4 to 4.13.8 inclusive.

4.13.3 The Tenant may make internal, non-structural alterations to the Property without the prior consent of the Landlord.

4.13.4 Before carrying out any permitted alterations the Tenant must have:

- (a) obtained all appropriate consents of any competent authority;
- (b) paid all the charges of the relevant authority for any consents;
- (c) given the Landlord drawings and written specifications in duplicate showing the proposed alterations;
- (d) made any reasonable covenants that the Landlord reasonably requires about the alterations.

4.13.5 If required by the EPC Regulations the Tenant will obtain a valid EPC in respect of any works of alteration to the Property and deliver a copy to the Landlord (together with details of the reference number of the EPC if not apparent from the copy) within 7 Working Days of the issue of the EPC.

4.13.6 If any alterations made by the Tenant invalidate an EPC for the Property or the Building held by the Landlord or adversely affects the asset rating in any EPC then the Tenant will (at the option of the Landlord):

- (a) Obtain a new and valid EPC for the Property or the Building and provide the Landlord with a copy of the EPC and all ancillary records within 7 Working Days of its issue, or
- (b) Indemnify the Landlord in respect of the reasonable expenses properly incurred in respect of the cost of a new and valid EPC for the Property or the Building.

In either the case the Landlord will (at the cost of the Tenant) co-operate in so far as is reasonably appropriate in order to procure such EPC.

4.13.7 Without limiting anything in this Lease the Tenant will comply with all necessary consents of any competent authority relating to any works the Tenant carries

out at the Property.

4.13.8 The Tenant will not make any connection with the Conduits except

- (a) in accordance with plans and specifications that have the written approval of by the Landlord (such approval not to be unreasonably withheld or delayed) and
- (b) with the appropriate consent of any competent authority, undertaker or supplier.

4.14 Alienation - Dispositions of the Property

4.14.1 Definitions and interpretation

In this clause the following words and expressions have the meaning specified *except when expressly stated to the contrary*.

(a) Definitions

Term	The residue of the term granted by this Lease (by which the Tenant holds the Property)
Disposition (and its cognates)	have the meanings that they have in Part 3 Land Registration Act 2002
Landlord	the reversioner to the term granted by this Lease
Relevant Former Tenant	any former tenant under this Lease who was not released on an earlier assignment of the Property under section 11 Landlord and Tenant (Covenants) Act 1995

(b) Interpretation

- i The tenant covenants required from any undertenant by this clause will (without prejudice to the general effect of the legislation) be made with all persons who have estate that is a reversion to the Term and will pass under section 3 Landlord and Tenant Act 1995.
- ii Without prejudice to the interpretation clause in this Lease section 205 Law of Property Act 1925 applies in this clause so that 'charge' includes 'mortgage', and vice versa.

4.14.2 Dispositions generally

The Tenant will not make any Disposition of the Property that is not expressly authorised by this clause.

4.14.3 Dispositions expressly prohibited

- (a) This sub-clause is without prejudice to clause 4.14.2.
- (b) These Dispositions of the Property are expressly prohibited
 - i Assignment of part only of the Property.
 - ii Charging of part only of the Property.
 - iii Dispositions of the Property
 - A together with any land or any right over land that is not demised by this Lease;
 - B at a fine or premium,
 - C with any money paid to the person to whom the Disposition is made as consideration for the Disposition; or
 - D allowing any rent free period to any undertenant that exceeds the period that is then usual in the open market on similar lettings.

4.14.4 Charging

- (a) The Tenant is authorised to charge the whole of the Property but only with the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- (b) The Tenant is authorised to charge the whole of the Property by a floating charge over all of the Tenant's assets created as part of its normal banking arrangements without landlord's consent.

4.14.5 Assignment of whole

The Tenant is authorised to assign the whole of the Property but only with the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

4.14.6 Circumstances

- (a) The Landlord and the Tenant agree that for the purposes of section 19 (1A) Landlord and Tenant Act 1927 the Landlord may
 - i refuse consent to an assignment of the Property if any of the circumstances specified in clause 4.14.6(b) exists at the date of the Tenant's application for consent to assignment or
 - ii revoke any consent that has been given if any of the circumstances specified in clause 4.14.6(b) arise before completion of the assignment
- (b) The circumstances mentioned in clause 4.14.7(a) are that:

- i any rents due under this Lease has not been paid save where there is an bona fide dispute;
- ii any other material breach of covenant by the Tenant has not been remedied;
- iii in the reasonable opinion of the Landlord the assignee is not of acceptable financial standing to enable it to comply with the tenant covenants in this Lease throughout the Term; and
- iv the assignee and the Tenant are Group Companies unless the Group Company is of the same or better financial covenant strength.

4.14.7 Conditions to consent to assign

- (a) The Landlord and the Tenant agree that for the purposes of section 19(1A) Landlord and Tenant Act 1927 the Landlord may give consent to an assignment subject to any or all of the conditions specified in clause 4.14.7(a)
- (b) The conditions mentioned in clause 4.14.7(a) are:
 - i if reasonably required by the Landlord the Tenant executes and delivers to the Landlord an authorised guarantee agreement before the earlier of
 - A any assignment; and
 - B the giving of occupation to the assignee.
 - ii Any Relevant Former Tenant executes and delivers to the Landlord an authorised guarantee agreement before the earlier of
 - A any assignment; and
 - B the giving of occupation to the assignee.
 - iii If the Landlord reasonably requires a person of standing acceptable to the Landlord executes and delivers to the Landlord a deed of guarantee in the form in schedule 6 with
 - A such amendments as may be appropriate to take account of changes in law since the date of this Lease, and
 - B such amendments as the Landlord reasonably requires.
 - iv if reasonably required by the Landlord the assignee has executed and delivered to the a rent deposit deed for such money as the Landlord may reasonably require in such form as the Landlord may reasonably require and paid in cleared funds money specified in the rent deposit deed;
- (c) Nothing in this clause will prevent the Landlord's

- i giving consent subject to any other reasonable condition, or
- ii refusing consent in any other circumstance where it is reasonable to do so.

4.14.8 Acceptable standing

A person will not be of acceptable standing for the purposes of clause 4.14.4 if that person is

- (a) a person against whom an order made by a court in England and Wales will not be enforced in England & Wales,
- (b) resident in a jurisdiction in which an order made by a court in England and Wales will not be enforced; or
- (c) a corporation incorporated in a jurisdiction in which an order made by a court in England and Wales will not be enforced.

4.14.9 Form of authorised guarantee agreement

Any authorised guarantee agreement under this clause 4.14 is to be in the form in schedule 6 with

- (a) such amendments as may be necessary to take account of changes in law since the date of this Lease, and
- (b) such amendments as the Landlord reasonably requires.

4.14.10 Underletting

- (a) The Tenant is authorised to underlet the whole of the Property but only
 - i with the consent of the Landlord, such consent not to be unreasonably withheld or delayed save that consent will not be required to an underletting by the Tenant to the nominated franchisee from time to time of Domino's Pizza UK & Ireland Limited (or such other company for the time being holding the Domino's Pizza Master Franchise for Great Britain) for a term of up to ten years granted outside the provisions of the Landlord and Tenant Act 1954 (as amended) provided that the rent reserved by such underlease is no less than that payable hereunder from time to time and the underlessee is under an obligation to comply with covenants in no less onerous form than those set out herein and no consent is required to the surrender of such underlease and (for the avoidance of doubt) the provision of clauses 4.14.12 and 4.14.13 shall not apply to such an underletting to the nominated franchisee;
 - ii in accordance with this clause.
- (b) The Tenant is not authorised to underlet any part of the Property (as distinguished from the whole of the Property).

4.14.11 Security of tenure on underlettings

- (a) No underlease is to be granted with security of tenure, whether under Part II Landlord and Tenant Act 1954 or otherwise.
- (b) Before completion of any underlease the Tenant must have produced to the Landlord adequate evidence that the proposed underlease will not be granted with security of tenure, whether under Part II Landlord and Tenant Act 1954 or otherwise.

4.14.12 Terms of any underletting

Any underletting

- (a) must be by deed, and
- (b) must include
 - i rent that is not less than the full open market rental value of the Property at the date of the underletting
 - ii payable at the same times as the Basic Rent under this Lease (but this does not prohibit an underlease with rent-free period of a length permitted by clause 4.14.3(b)iiiD,
 - iii rent review at the same dates and in the same way as the rent review in this Lease, unless the term of the underlease does not extend beyond the next Review Date;
 - iv tenant covenants by the undertenant with the Landlord to perform the tenant covenants in
 - A the underlease,
 - B any document that is supplemental or collateral to the underlease, and
 - C this Lease, except the covenant to pay the rents under this Lease;
 - v tenant covenants by the undertenant with the Landlord prohibiting the doing of anything for which the consent of the Landlord is required under this Lease without the consent of the Landlord;
 - vi a condition for re-entry on breach of the tenant covenants in the underlease; and
 - vii if the Landlord reasonably so requires, covenants by an acceptable surety in the form in schedule 7 with
 - A such amendments as may be necessary to take account of changes in law since the date of this Lease, and
 - B such amendments as the Landlord reasonably requires.

- (c) must otherwise be:
 - i consistent with this Lease
 - ii have tenant covenants no less onerous (except as to the amount of rent) than those in this Lease; and
 - iii for a term that will expire more than 2 days before the end of the term granted by this Lease;
 - iv contain breaks that operate at the same time as those in this Lease; and
 - v in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.

4.14.13 Variations, waivers, surrenders etc

In relation to any underlease of the Property and to any lease to which this Lease is subject the Tenant will:

- (a) Not without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
 - i Agree to a variation,
 - ii forfeit the term,
 - iii not knowingly waive any breach,
 - iv enforce the tenant covenants,
 - v not allow any rents under any underlease to be
 - A commuted
 - B paid more than one quarter in advance, or
 - C reduced;
- (b) If required by any legislation the Tenant will obtain a valid EPC and deliver a copy of it to the Landlord (with the reference number of the EPC if they are not apparent from the copy) within 7 Working Days of its being issued.
- (c) If any underlease of the Property invalidates an EPC for any Neighbouring Property of the Landlord or adversely affects the asset rating in any EPC for that Neighbouring Property then the Tenant will indemnify the Landlord against the reasonable expenses properly incurred in getting a new EPC for that Neighbouring Property.

4.15 **Sharing occupation**

- 4.15.1 The Tenant will not share occupation of the Property in any way that is not expressly authorised by this clause.
- 4.15.2 The Tenant is authorised to share occupation of the Property with any corporation that is a Group Company of the Tenant but only while that corporation is a Group Company of the Tenant and on the condition that that no relationship of landlord and tenant is established between them.
- 4.15.3 Upon written request by the Landlord the Tenant will give to the Landlord full written details of all persons with whom it is sharing occupation of the Property.

4.16 **Registration and notification of dispositions and occupation**

- 4.16.1 In this clause the following words and expressions have the meaning specified except when expressly stated to the contrary.

Disposition (and its cognates)	have the meanings that they have in Part 3 Land Registration Act 2002
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- 4.16.2 Promptly following completion of a Disposition the Tenant will
- (a) apply to register the Disposition at HM Land Registry if it is registerable;
 - (b) deal with any requisitions raised by HM Land Registry promptly and properly;
 - (c) within one month of completion of the registration send the Landlord's solicitor official copies of the titles showing completion of the registration
 - (d) No later than one month after a Disposition the Tenant will
 - i give the Landlord's solicitors
 - A written notice of the Disposition, and
 - B a certified copy of all instruments effecting or related to the Disposition;
 - ii pay the Landlord's solicitors a registration fee of £30 (plus VAT).

4.17 **Supply of information**

- 4.17.1 If the Landlord so requests in writing, the Tenant will promptly give the Landlord written details of
- 4.17.2 the occupiers of the Property, and
- 4.17.3 the terms on which they occupy it.

4.18 Obligations under legislation

- 4.18.1 Except to the extent that the Landlord expressly covenants in this Lease to do so the Tenant will comply with the requirements of any legislation and any other obligations imposed by law applicable to the Property and (to the extent the Tenant has rights over them) the Common Parts or use of them.
- 4.18.2 The Tenant will keep the Landlord fully informed about the things
- (a) that the Tenant proposes to do to comply with clause 4.18.1, and
 - (b) that the Tenant does to comply with clause 4.18.1.
- 4.18.3 If reasonably requested in writing by the Landlord the Tenant will give to the Landlord a full copy of any survey of the Property that the Tenant obtains because of the need to comply with clause 4.18.1 as soon as reasonably practicable after having obtained it.
- 4.18.4 Without prejudice to the generality of clause 4.18.1, the Tenant will:
- (a) execute all works to the Property or the Common Parts that are reasonably appropriate to comply with clause 4.18.1;
 - (b) not do in or near the Property anything because of which the Landlord may under any legislation incur any Losses;
 - (c) in relation to the CDM Regulations:
 - i comply with the CDM Regulations;
 - ii be the only client (as defined in the CDM Regulations);
 - iii discharge all the obligations of the client(as defined in the CDM Regulations) under the CDM Regulations;
 - iv make a declaration to that effect to the Health and Safety Executive in accordance with The Approved Code of Practice published by the Health and Safety Executive;
 - v at the end of the Term give to the Landlord the health and safety files relating to the Property under the CDM Regulations.
 - (d) undertake any surveys that are appropriate under
 - i the Asbestos Regulations,
 - (e) if requested in writing give the Landlord a full copy of any surveys under clause 4.18.4(d);
 - (f) keep the Property equipped with appropriate fire-fighting apparatus and appliances;

- (g) maintain the apparatus and appliances to the Landlord's reasonable satisfaction;
- (h) keep the apparatus and appliances open to inspection;
- (i) not obstruct the access to or means of working the apparatus and appliances;
- (j) as appropriate under the Fire Safety Order
 - i carry out fire safety risk assessments, and
 - ii implement and maintain fire management plans; and
- (k) if requested in writing give to the Landlord full details of assessments and plans under clause 4.18.4(j).

PROVIDED ALWAYS THAT the Tenant shall not be responsible for compliance with Environmental Law unless it has caused liability thereunder to arise PROVIDED ALWAYS that the Tenant will not be obliged to do any works or carry out any investigation surveys or assessments or do anything else under the provisions of this clause or any other clause in this Lease or pay for such items to remediate or clean up any contamination (including but not by way of limitation any assessment monitoring maintenance or removal of asbestos) not caused by it PROVIDED FURTHER THAT the Tenant will not be obliged to do any works or alterations whatsoever (save where required by any law and at the sole cost of the Landlord) in respect of the Landlord changing the user of the upper floors of the Building.

4.19 **Planning**

4.19.1 Without prejudice to the generality of clause 4.18 the Tenant will:

- (a) comply with the Planning Acts so far as they relate to the Property and the Tenant's use and will, in the event of any breach, indemnify the Landlord against all Losses;
- (b) obtain from the appropriate authority all licences, consents and permissions required for the carrying out at the Property of any development within the meaning of the Planning Acts;
- (c) not make any application for planning permission without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed);
- (d) pay any costs under the Planning Acts in respect of the Property or its use of the Property by the Tenant;
- (e) not before any necessary planning permission has been produced to and approved in writing by the Landlord (and the Landlord may refuse approval if anything in or omitted from the planning permission is or might be prejudicial to the Landlord, to the Landlord's reversion to the Property, or to any Neighbouring Property)

- i make any alteration or addition to the Property, or
- ii change of use of the Property; and
- (f) carry out before the end of the Term any works stipulated to be carried out as a condition of any planning permission that has been implemented in whole or in part during the Term by the Tenant unless the Landlord directs otherwise in writing to the Tenant.

4.19.2 The Tenant will produce to the Landlord on demand all plans, documents and other evidence which the Landlord may reasonably require in order to satisfy itself that this clause 4.19 have been complied with.

4.19.3 The Tenant will not without the Landlord's prior written consent

- (a) enter into agreement or planning obligation affecting the Building or the Property made under any legislation including without limitation
 - i section 18 Public Health Act 1936,
 - ii section 52 Town and Country Planning Act 1971,
 - iii section 38 and section 278 Highways Act 1980,
 - iv section 33 Local Government (Miscellaneous Provisions) Act 1982, section 106 Town and Country Planning Act 1990, and
 - v section 104 Water Industry Act 1991.
- (b) assume any liability for CIL or claim any reliefs or exemptions from CIL in respect of the Property.

4.20 **Reletting and sale notices**

4.20.1 The Tenant will permit the Landlord and those authorised by it:

- (a) in the case of a proposed disposal of the Landlord's interest, at any time; and
- (b) in any other case, at any time within six months before the end of the Term

to enter the Property and to affix upon any suitable part of it (but so as not to obscure any the windows a notice board for selling or letting the Property (with or without any other land) or the shopfront and/or signage.

4.20.2 The Tenant will not remove or obscure any notice erected under clause 4.20.1

4.20.3 The Tenant will permit all prospective purchasers or tenants authorised by the Landlord (or its agents) to view the Property at all reasonable times during the day without interruption.

- 4.20.4 In this clause **disposal of the Landlord's interest** includes a sale or grant of a reversionary lease.

4.21 **Encroachments**

- 4.21.1 The Tenant will not stop up or obstruct any windows in the Building.
- 4.21.2 The Tenant will not permit any easement or similar right to be made or acquired against or on the Property.
- 4.21.3 The Tenant will not acknowledge that any right to light enjoyed by the Property is enjoyed by licence or consent.
- 4.21.4 The Tenant will preserve all easements and rights enjoyed by the Property.
- 4.21.5 The Tenant will immediately after becoming aware of the same notify the Landlord if
- (a) any easement enjoyed by the Property is obstructed or
 - (b) any new easement affecting the Property is made or claimed by any person.

4.22 **Notices**

- 4.22.1 The Tenant will give the Landlord a copy of every notice, order, direction, consent, permission, refusal or similar communication (**relevant communication**) affecting the Property or the exercise of rights granted by the Lease within five Working Days of receipt of it by the Tenant or immediately if the relevant communication requires response or action to be taken within less than 10 Working Days.
- 4.22.2 At the Landlord's cost the Tenant will make or join the Landlord in making such objections, representations or appeals against or in connection with any relevant communication as the Landlord reasonably requires.
- 4.22.3 Without prejudice to the generality of clauses 4.22.1 and 4.22.2, as to any assessment made or proposal for alterations of the rateable value under the Local Government Finance Act 1988 the Tenant will neither make any response nor agree a rateable value of the Property without the Landlord's prior written consent (which shall not be unreasonably withheld or delayed).

4.23 **Notice of defects**

The Tenant will give written notice to the Landlord of any defect in the Property which will oblige the Landlord to do or refrain from doing anything so as to comply with any duty imposed by law on the Landlord.

4.24 **Observe covenants**

The Tenant will not interfere with any Third Party Rights and (without prejudice to any other rights of the Landlord) will keep the Landlord indemnified from and against all Losses arising out of this clause.

4.25 Indemnity

The Tenant will keep the Landlord indemnified against all Losses arising directly or indirectly out of any act or omission of the Tenant or any Lawful Occupiers or as a consequence of any breach or non-performance of the tenant covenants in this Lease provided that the Landlord will use reasonable endeavours to mitigate its loss.

4.26 Substitute sureties

4.26.1 The Tenant will give written notice to the Landlord within ten Working Days of

- (a) the death of any surety, and
- (b) the happening of an Event of Forfeiture to any surety.

4.26.2 If required by the Landlord, the Tenant will within 20 Working Days of written request procure some other person acceptable to the Landlord to execute and deliver to the Landlord a deed of covenant in the form in clause set out in schedule 6 (*mutatis mutandis*).

4.27 VAT

4.27.1 Where the Tenant covenants to pay money under this Lease it will be regarded as exclusive of VAT.

4.27.2 Where the Tenant has agreed to reimburse the Landlord for any payment made by the Landlord the Tenant will also reimburse the Landlord for any VAT due on the payment PROVIDED THAT the Landlord shall deliver to the tenant a valid VAT invoice addressed to the Tenant for the full amount following payment.

4.27.3 The Tenant will pay to the Landlord any VAT at the rate for the time being in force chargeable on all supplies by the Landlord to the Tenant upon production by the Landlord to the Tenant of a valid VAT invoice and the Landlord's decision whether or not there has been a taxable supply will be binding on the Tenant PROVIDED THAT the Landlord shall deliver to the Tenant a valid VAT invoice addressed to the Tenant for the full amount following payment.

4.28 Release

The Tenant will not unreasonably withhold consent to a request made by the Landlord under section 8 of the Landlord & Tenant (Covenants) Act 1995 for a release from the landlord covenants in this Lease.

4.29 Comply with regulations

The Tenant will observe all regulations (including without limitation the Environmental Management Plan) connected with its use and occupation of the Property and its user of the Common Parts and the management of the Building and the Estate made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant in writing.

5 Landlord's covenants

5.1 The Landlord will permit the Tenant peaceably and quietly to hold and enjoy the Property without any interruption or disturbance from or by the Landlord or any person claiming under or in trust for the Landlord.

6 **Anti-competition law**

6.1 **Exclusivity**

Subject always to the provisions of clauses 6.2 and 6.3 below, whilst the Tenant is **D.P. Realty Limited** (company number 02882513) for a period of ten years from the date of this Lease the Landlord shall not grant a lease of a Unit at the Building a tenant whose principal use is the sale and delivery of pizza provided the Landlord consenting to an assignment or underletting of any existing lease at the Building shall not be a breach of this clause.

6.2 **Non-illegality clause**

Nothing in this Lease shall be deemed to impose any obligation on the Landlord or the Tenant that is prohibited by statute.

6.3 **Severability clause**

Any provisions of this Lease rendered void by virtue of any statute (including but not limited to The Competition Act 1998) is to be severed from all of the remaining provisions and the remaining provisions are to be preserved.

7 **Insurance**

The Landlord and the Tenant are bound by schedule 5.

8 **Service charge**

The Landlord and the Tenant are bound by schedule 8.

9 **General provisions**

It is agreed that:

9.1 **Forfeiture**

If any of the Events of Forfeiture (as is defined in clause 9.2) is initiated or occurs then it will be lawful for the Landlord or any person authorised by the Landlord to re-enter the Property or any part of it in the name of the whole and on the re-entry the Term will end but without prejudice to any claim other party has against the other for any antecedent breach of this Lease.

9.2 **Events of forfeiture**

In this clause **Events of Forfeiture** means any of:

- 9.2.1 the Tenant's not paying within 21 days of the due date the whole or part of any money payable under this Lease whether or not any legal demand has been made;

- 9.2.2 the Tenant's failing to discharge any of its obligations under this Lease;
- 9.2.3 the Tenant becoming Insolvent; and
- 9.2.4 the Tenant suffering Insolvency Proceedings;

9.3 **Meaning of Insolvent**

In this clause in relation to any person **Insolvent** means any of:

- 9.3.1 being unable or admitting inability to pay debts as they fall due;
- 9.3.2 suspending payments of any debts;
- 9.3.3 negotiating with any creditors about rescheduling indebtedness for any reason;
- 9.3.4 the value of assets being less than liabilities (taking into account contingent and prospective liabilities); or
- 9.3.5 a moratorium being declared for the whole or any part of indebtedness.

9.4 **Meaning of Insolvency Proceedings**

In this clause in relation to any person Insolvency Proceedings means the taking of any corporate action, legal proceedings or other procedure or steps in relation to any of:

- 9.4.1 suspension of any payments;
- 9.4.2 moratorium of any indebtedness;
- 9.4.3 winding-up;
- 9.4.4 dissolution, administration, administrative receivership or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) except (in the case of a corporation) solvent liquidation or reorganisation;
- 9.4.5 composition, compromise, assignment, or arrangement with any creditor;
- 9.4.6 appointment of a liquidator (except on a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or similar officer for the person or any part of its assets;
- 9.4.7 (in the case of an individual) appointment of a trustee in bankruptcy or a provisional receiver or similar officer for that individual or any part of his assets; or
- 9.4.8 the enforcement of any security or distraint by anyone over any assets.

9.5 **Neighbouring Property**

- 9.5.1 The Landlord and all others authorised by it may do any of these things:
 - (a) pull down, alter, erect, rebuild or otherwise deal with or permit or suffer to be pulled down, altered, erected, rebuilt or otherwise dealt with any

Neighbouring Property to any extent and in any manner desired even if doing so prevents, reduces, obstructs or affects the passage of light or air to the Property;

- (b) undermine, underpin, shore-up and build into the Property in any manner the Landlord thinks fit even if access of light and air to the Property or any easements, rights or amenities are obstructed or interfered with and even if the Tenant objects on any ground; and
- (c) use any Neighbouring Property in any way even if access of light and air to the Property or any easements, rights or amenities are obstructed or interfered with and even if the Tenant objects on any ground.

9.5.2 In exercising any of its rights under this clause 9.5 or any right of entry under the terms of this lease the Landlord will:

- (a) maintain proper support for the Property;
- (b) cause as little inconvenience to the Tenant as is reasonably practicable;
- (c) make good as soon as reasonably practicable (or immediately in an emergency) any physical damage caused to the Property;
- (d) (if any signage is obscured or the method of access may lead the public to believe that the business carried on at the Property may be suspended or affected) erect temporary signage at the Landlord's expense showing the name of the Tenant and advising that the business is not affected and is carrying on;
- (e) ensure that the Property is vacated as soon as reasonably practicable after access is no longer required;
- (f) ensure that if the access of the Property is restricted there shall be a satisfactory alternative means of access to the Property;
- (g) indemnify the Tenant and any other occupiers of the Property and keep them indemnified against all damage and loss suffered by them arising directly or indirectly out of the exercise of such right;
- (h) only exercise such right of access after considering all other available options;
- (i) comply with all reasonable hygiene requirements stipulated by the Tenant; and
- (j) wherever possible (except in the case of emergency) make such entry outside opening hours.

9.6 Service of notices

9.6.1 Any notice served under this Lease by the Landlord on the Tenant or any Surety must be served by hand or sent by pre-paid special delivery post or recorded delivery post addressed to the Tenant or any or any surety as the

case may be at its registered office or if the Tenant or any surety as the case may be] is an individual at its last known address.

9.6.2 Any notice served under this Lease on the Landlord must be served by hand or sent by pre-paid special delivery post or recorded delivery addressed to the Landlord at its registered office or if the Landlord is an individual at its last known address.

9.6.3 Any notice given in accordance with clauses 9.6.1 or 9.6.2 will be deemed to have been received:

- (a) if delivered by hand, at the time the notice is left at the proper address; or
- (b) if sent by pre-paid special delivery post or recorded delivery, on the first Working Day after posting.

9.6.4 Any notice, consent, approval, requirement or other communication required or authorised by this Lease will be valid only if it is in writing.

9.6.5 E-mail is not a valid method of service of notices under this Lease.

9.6.6 While the Landlord is a company registered in the United Kingdom, any notice to be served on the Landlord under this Lease must be addressed to the Landlord and marked for the attention of the company secretary.

9.6.7 Service upon the Tenant will also be deemed to be service on the surety (if any).

9.6.8 Section 196 of the Law of Property Act 1925 will otherwise apply to notices given under this Lease.

9.6.9 While the tenant is a company registered in the United Kingdom any notice to be served on the Tenant under this Lease must be addressed to the Tenant at its registered office.

9.7 No implied easements

9.7.1 Nothing will:

- (a) confer on the Tenant any right to the benefit of or to enforce any covenant, condition or agreement relating to any other Property belonging to the Landlord;
- (b) limit, affect, restrict or interfere with the full and free right and liberty of the Landlord at any time to deal in any manner which the Landlord may think fit with any other Property belonging to the Landlord whether for the purposes of any work of renewal, construction, alteration, improvement, demolition and ancillary works or otherwise;
- (c) confer on the Tenant any liberty, privilege, easement, right or advantage whatsoever mentioned or referred to in section 62 of the Law of Property Act 1925 or the rule in *Wheeldon v Burrows* (1879) 12 Ch D 31

except for those expressly in this Lease. The Tenant will not during the Term acquire or become entitled to any extra rights over any other property belonging to the Landlord.

- 9.7.2 Any light or air or amenities at any time enjoyed by the Property is deemed to be enjoyed by consent except as stated otherwise in this Lease.

9.8 No waiver

- 9.8.1 If the Landlord or its agents accept or demand any money due under this Lease from the Tenant with the knowledge of a breach of this Lease by the Tenant, the Landlord's right to forfeit this Lease on the grounds of the breach is to remain in force.

- 9.8.2 The Tenant may not rely upon any acceptance or demand for payment in any forfeiture proceedings brought on the grounds of the breach.

9.9 Disputes

Any dispute between the Tenant and the tenants or occupiers of any Neighbouring Property about the Property or any neighbouring Property (or use of either), party or other walls separating the Property from any Neighbouring Property or the amount of any contribution towards the costs of common facilities will be decided by the Landlord (acting reasonably) whose decision will be binding upon all parties to the dispute.

9.10 Charity Statements

The Landlord is an exempt charity

The land out of which the term created by this Lease is granted is held by the Landlord an exempt charity.

9.11 Break clause

- 9.11.1 The Tenant may subject to compliance with clause 9.12.3 end the Term on the Break Date by giving to the Landlord not less than three months' prior written notice to that effect.

- 9.11.2 If notice is given under this clause 9.12.1 the Term will end on the Break Date but without prejudice to any claim by the Landlord against the Tenant in respect of any antecedent breach of any tenant covenant.

- 9.11.3 It is a condition to the exercise of the right by the Tenant in clause 9.12 that:

- (a) The Tenant has up to and including the Break Date paid the Basic Rent pursuant to this Lease; and
- (b) on the Break Date the Tenant gives up occupation of the Property free of any subsisting sublease.

- 9.11.4 No rights of the nature in this clause 9.12 will be included on renewal of this Lease whether renewal is under a statutory right of the Tenant or otherwise.

9.12 Acknowledgements

The Tenant acknowledges and confirms to the Landlord that:

- 9.12.1 this Lease has not been entered into wholly or partly in reliance on any statement or representation made by or on behalf of the Landlord except express statements in this Lease;
- 9.12.2 (without prejudice to clause 9.12.1) no representations have been made to the Tenant by or on behalf of the Landlord about:
 - (a) the condition of the Property;
 - (b) the applicability or otherwise to the Property of any requirements of any Environmental Law;
 - (c) the suitability of the Property for any purpose whatsoever;
- 9.12.3 it will not be excused or released from any of tenant covenants whether or not the performance of those obligations involves work or expenditure to make good rectify remove treat or render harmless contaminating substances (during the Term) or to make good any damage caused by any Hazardous Substance on the Property or elsewhere; and
- 9.12.4 it has made its own independent investigation of the Property and is relying solely on those investigations.

9.13 Third party rights

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

9.14 Notices lodged at HM Land Registry generally

- 9.14.1 It is agreed that any notice of any matter relating to the terms of this lease applied for by the Tenant will be in the form of a unilateral notice (as that expression is used in section 34(2)(b) of the Land Registration Act 2002).
- 9.14.2 Within one month after the end of the Term (and or part the fact that the Term has ended) the Tenant will apply to close the registers of title to this Lease at HM Land Registry diligently deal with that application so as to procure that the registers are closed and keep the Landlord informed of the progress of the application.

10 Tenant's option to renew

10.1 Definition

In this clause Contractual Term means only the term expressly granted by this Lease and does not include any period during which the Tenant exercises any right to occupy the Premises under any statutory or common law right after the end of that term or any other period during which the term continues or is extended for any reason.

10.2 Request for further lease

The Landlord will grant to the Tenant a further lease of the Premises for a term of 20 years and otherwise on the terms specified in clauses 10.3 and 10.4 if the Tenant:

- 10.2.1 wishes to take a further lease of the Premises from the end of the Contractual Term and gives the Landlord at least 3 months' written notice requesting a further lease at any time after 14th year of the term; and
- 10.2.2 has paid the rents and other sums due under this Lease; and
- 10.2.3 performed and observed the covenants and conditions contained in this Lease up to the end of the Contractual Term.¹

10.3 Terms of the further lease

The further lease will be on the following terms:

- 10.3.1 the further lease term will commence on the day following the last day of the Contractual Term;
- 10.3.2 contain the same terms and conditions as this Lease **except** for the Basic Rent, the Review Dates the Tenant's break right at clause 9.11 and this clause 10 granting an option for a further lease;
- 10.3.3 the lease will include a Tenant's break right in the same terms as clause 9.12 save that the break date shall be the expiry of the 11th year of the term.

10.4 The rent under the new lease

- 11 The initial rent reserved by the further lease shall be the amount of yearly rent reserved by this Lease immediately before expiry of the Contractual Term (disregarding any suspension or abatement of such rent) and the Review Dates for the purpose of Schedule 4 of the further lease shall be the first day of the further lease term and every fifth anniversary of the commencement of the further lease term thereafter.

Schedule 1
Easements and other rights included in the demise
Part 1
The rights

- 1 The right of light, air, support and protection from the remainder of the Building to the extent that they provide support and protection to the Property at the date of this Lease.
- 2 To use and to connect into the Conducting Media at the Building that belongs to the Landlord but do not form part of the Property.
- 3 The exclusive right to use the Car Parking Spaces for the parking of two taxed and roadworthy motor vehicles or such other car parking spaces as the Landlord shall reasonably require within the Building.
- 4 The right to use the Bin Store in accordance with any regulations imposed by the Landlord.
- 5 The right of access and egress with or without vehicles over the Access Road and over the roadways within the Estate for the purposes of accessing the Car Parking Spaces.
- 6 The right of access and egress without vehicles over the accessways and footpaths within the Estate for the purposes of accessing the Property and the Bin Store.
- 7 The right to enter the Common Parts so far as is reasonably appropriate to carry out any works to the Property required or permitted by this Lease.
- 8 The right to attach any item to any part of the Building adjoining the Property so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease.
- 9 The right to place and retain on the exterior of the Building reasonable signage stating the Tenant's trading name and business in such position as the Landlord shall approve in writing (such approval not to be unreasonably withheld or delayed).

- 10 The right to install replace and maintain ducting ventilation and/or air conditioning equipment (the Equipment) on the exterior of the Building (or on some other suitable part of the Estate) and to run to and from such equipment all Conduits as may be reasonably required by the Tenant, such equipment and Conduits to be of such type and in such position as shall be approved by the Landlord (such approval not to be unreasonably withheld or delayed) Provided That where the Landlord receives a complaint from an occupier of the Estate in respect of noise emanating from such equipment which in the Landlord's reasonable opinion is a valid complaint then the Tenant will at its own cost carry out any works required by the Landlord to reduce the noise to a level acceptable to the Landlord and the Landlord will permit the Tenant any rights of access to the exterior equipment and rights to carry out such works to install such equipment or acoustic housing or any other reasonably suitable treatment that is available at the time provided that the Landlord can not require the Tenant to remove the Equipment from the exterior of the Building

Part 2

Conditions

- 1 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.
- 2 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Common Parts and the Tenant will not do anything that may interfere with any Third Party Right.
- 3 The Tenant will exercise the Rights (other than the Right mentioned in paragraph 1 of part 1 of this schedule) only in connection with its use of the Property for the Permitted Use.
- 4 The Landlord may change the route of any means of access to or egress the Building and may change the area over which any of those Rights in part 1 of this schedule are exercised.
- 5 The Landlord may from time to time designate the spaces or bins (as the case may be) in respect of which the Tenant may exercise the Rights in paragraphs 3 and 4 of part 1 of this schedule.
- 6 The Landlord may re-route or replace the Conduits and all Rights granted over any Conduits so re-routed or replaced will then apply in relation to the Conduits as re-routed or replaced.
- 7 Where the Tenant needs the Landlord's consent to carry out works to the Property, the Tenant may exercise the Right granted by paragraph 7 of part 1 of this schedule only in accordance with the terms of that consent, if granted.
- 8 In exercising the Rights mentioned in paragraph 7 of Part 1 of this schedule the Tenant will:
- 8.1 except in case of emergency, give reasonable notice to the Landlord of its intention to exercise that Right;

- 8.2 cause as little damage as possible to the Common Parts, the Retained Parts and the other Units and to any Property belonging to or used by the Landlord or the tenants or occupiers of the other Units;
- 8.3 cause as little inconvenience as possible to the Landlord and the tenants and occupiers of the other Units as is reasonably practicable; and
- 8.4 promptly make good (to the reasonable satisfaction of the Landlord) any damage caused to the Common Parts (or to any Property belonging to or used by the Landlord) or any other Unit because of the Tenant exercising that Right.

Schedule 2

Rights reserved

Part 1

The rights

The following rights are reserved from this Lease to the Landlord (the **Reservations**):

- 1 rights of light, air, support and protection as those rights are capable of being enjoyed at any time during the Term;
- 2 the right to connect into and use Conduits at, but not forming part of, the Property;
- 3 the right to the full and free passage of water and soil coming from any Neighbouring Property through Conduits at, but not forming part of, the Property;
- 4 the right to install and construct Conduits at the Property to serve any part of the Building or any Neighbouring Property (whether or not those Conduits also serve the Property);
- 5 the right to develop, alter and use any Neighbouring Property (whether or not belonging to the Landlord); and
- 6 the right to attach any structure, fixture or fitting to any boundary of the Property;
- 7 the right to re-route any means of access to or egress from the Property or the Building and to change the areas over which the Rights mentioned in of Part 1 of schedule 1 are exercised;
- 8 the right to re-route and replace any Conduits over which the Rights mentioned in schedule 1 are exercised;
- 9 the right to erect scaffolding at, and attach it to any part of the Building in connection with any of the other Reservation;
- 10 all and any mines, minerals and gravel under the Building;
- 11 the right to enter the Property:
 - 11.1 to repair and maintain any Conduits or structure relevant to any of the other Reservations;
 - 11.2 to carry out any works to any other Unit;
 - 11.3 in connection with any of the Services;
 - 11.4 for any other purpose mentioned in this Lease; or
 - 11.5 for any other purpose connected with this Lease or with the Landlord's interest in the Building or any Neighbouring Property.

Part 2

Conditions attached to the Reservations

- 12 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them and by anyone authorised by the Landlord.
- 13 The Reservations may be exercised even if any works carried out in connection with the exercise of those rights result in a reduction in the flow of light or air to the Property or the Common Parts or loss of amenity for the Property or the Common Parts.
- 14 The Tenant will allow all those entitled to exercise any right to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant.
- 15 No one exercising any of the Reservations will be liable to the Tenant or to any undertenant or other Lawful Occupier or person at the Property for any loss, damage, injury, nuisance or inconvenience arising because of its exercising any of the Reservations except for:
- 15.1 physical damage to the Property; or
- 15.2 any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord excluding liability.

Schedule 3

Rent review memorandum

Rent review memorandum

dated [] []

Parties

(1) [] (registration number []) whose registered office is at [] (the **Landlord**); and

(2) [] (registration number []) whose registered office is at [] (the **Tenant**).

1 Definitions

Lease the lease dated [] between (1) [] and (2) [] [and (3) []]; and

Property [].

2 Operative clause

This memorandum records the fact that the Basic Rent payable under the Lease has been reviewed in accordance with the Lease and fixed at £[] per annum (exclusive of any additional rents payable under the Lease) payable on and from [] [but subject to increase on further review].

Signed for and on behalf
of the Landlord

Name of signatory
(block capitals please)

Signed for and on behalf
of the Tenant

Name of signatory
(block capitals please)

Schedule 4

Documents which affect or relate to the Property

The matters referred to in the titles set out at LR2.1

Schedule 5

Insurance

1 Definitions

In this schedule the following additional definitions apply:

Full Reinstatement Cost such money as is sufficient to cover the cost of rebuilding and reinstating the Property (or the Building as the case may be) or, if relevant, any Plant together with:

- (a) the cost of shoring up, demolition and site clearance;
- (b) such professional fees as may be incurred in connection with rebuilding or reinstatement of the Property;
- (c) any VAT on any of those costs; and
- (d) employers' third party and public liability risks;

and the level of cover may take into account inflation, escalation of costs and costs associated with termination of this Lease;

Insured Risks risks in respect of loss or damage by fire, tempest, storm, earthquake, lightning, explosion, riot, civil commotion, malicious damage, impact by vehicles and by aircraft and articles dropped from them (other than war risks), flood damage and bursting and overflowing of water pipes and tanks subsidence heave and landslip and such other risks against which the Landlord may from time to time insure;

2 Covenant to insure

2.1 The Landlord will insure and keep insured with a reputable insurance office:

- 2.1.1 the Building for the Full Reinstatement Cost against loss or damage by the Insured Risks;
- 2.1.2 not less than three years' loss of rent from time to time payable (and the level of insurance cover may take into account the Landlord's reasonable estimate of the market rent of the Property as defined in clause 3.
- 2.1.3 Plant against risks chosen by the Landlord for such money and on such conditions as the Landlord considers appropriate; and
- 2.1.4 any liability of the Landlord to third parties arising out of, or relating to, the Property and the Building against which the Landlord may from time to time decide to insure.

2.2 Insurance may be effected on terms requiring periodical inspection of the Property and the Building and any Plant by the insurer.

2.3 The landlord covenants in paragraph 2.1 do not apply:

- 2.3.1 if the insurance is vitiated in whole or in part by any act or omission of any person except the Landlord; or

2.3.2 to any Tenant's fixtures and fittings.

2.4 The Landlord is deemed to have fulfilled its responsibility under this Lease as to insurance even if the insurance for the time being in force is subject to excesses exclusions and conditions which are normal in the UK insurance market.

2.5 The Landlord will not be responsible for effecting any insurance under this Lease against a peril which is for the time being uninsurable or which can only be insured at a premium which in the opinion of the Landlord is excessive.

3 Provision of information

3.1 The Landlord will give the Tenant a copy of its insurance policies for the Building effected under this Lease (or other reasonable evidence from the insurers of the terms of the insurance).

3.2 The Landlord will notify the Tenant promptly of any changes made to the insurance effected under this Lease.

3.3 At the request of the Tenant, the Landlord will give the Tenant a copy of the receipt for the payment of the last premium or other evidence that the insurance for the Building is up-to-date and that there is no outstanding premium.

3.4 The Tenant will pay the Landlord's reasonable costs incurred under this paragraph 3 if the Tenant makes more than one request for information in any year.

4 Tenant's obligations

4.1 The Tenant will pay to the Landlord within 14 days of written demand the insurance premium incurred by the Landlord.

4.2 Insurance premiums are to include:

4.2.1 all monies expended, or required to be expended, by the Landlord in effecting and maintaining cover in accordance with the Landlord covenants in this schedule and any tax charged on the premiums; and

4.2.2 where the insurance premium relates to insurance of the Building or the Common Parts rather than the Property alone, the Tenant will pay only a fair and reasonable proportion of the insurance premium for the insurance effected by the Landlord, the proportion to be determined by the Landlord whose decision will be final and binding.

4.3 The Tenant will notify the Landlord in writing of the full reinstatement cost of any fixtures and fittings installed at any time by the Tenant which are not Tenant's fixtures and fittings.

4.4 The Tenant will not do anything that may render the insurance effected by the Landlord vitiated void or voidable or that may increase the premiums payable for the insurance nor will it permit any Lawful Occupier to do so.

4.5 If the insurance effected by the Landlord is vitiated or the payment out by the insurers on any claim made on the policies of insurance is reduced because of any act or omission of the Tenant or any Lawful Occupier, then:

- 4.5.1 the Tenant will pay to the Landlord money equal to the insurance money that is irrecoverable as a result; and
 - 4.5.2 the tenant covenants in clauses 4.3, 4.6 and 4.7 will remain operative to the extent that the insurance is vitiated or the payment out by the insurers on any claim made on the policies of insurance is reduced.
- 4.6 The Tenant will adopt all precautions against occurrence of any Insured Risk as the Landlord or its insurers may require or reasonably recommend.
- 4.7 The Tenant will not do anything which may increase or add to the premium payable for the insurance of the Property, the Building or any Neighbouring without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) and provided that the Tenant on demand pays any increase.
- 4.8 If the Building, the Property or any Plant is damaged by an Insured Risk the Tenant will notify the Landlord immediately.
- 4.9 The Tenant will pay to the Landlord on demand money equal to any uninsured excess to which the policy of insurance is subject.
- 4.10 The Tenant will pay to the Landlord the professional fees for insurance valuations carried out not more than once in any three year period.

5 Reinstatement

- 5.1 Following damage to or destruction of the Property by any of the risks against which the Landlord has actually insured or following failure of or damage to any Plant against which the Landlord has actually insured, the Landlord will diligently apply, or procure the application of, that part of the proceeds of the insurance covering costs of reinstatement and rebuilding of the Property or Plant.
- 5.2 The Landlord covenants in paragraph 5.1 will not apply:
 - 5.2.1 to the extent that the Landlord's insurance is vitiated by act or omission of the Tenant or any Lawful Occupier; or
 - 5.2.2 if the Landlord, having used reasonable endeavours to obtain them, is unable to obtain any requisite planning permission or other consents for the reinstatement or rebuilding of the Property or for a building similar to the Property in terms of size, amenity and character.
- 5.3 If the Property or any other substantial part of the Building are substantially damaged or destroyed, the Tenant may not object to the reinstatement or rebuilding resulting in Property that are not identical to the Property or a building not identical to the Building immediately before the damage or destruction so long as the Property (as reinstated or rebuilt) are of equivalent or better standard and afford amenities that are not inferior to or deficient from those enjoyed by the Tenant immediately prior to the damage or destruction occurring.

6 Rent suspension

6.1 Paragraph 6.2 applies if the Property or a substantial part of the Building are damaged or destroyed by any risk against which the Landlord has actually insured so as to render the Property unfit for occupation and use in accordance with this Lease except to the extent that the insurance cover effected by the Landlord is vitiated by any act or omission of the Tenant or any third person (but not the Landlord).

6.2 The Basic Rent and any additional rent reserved by this Lease (or a fair proportion of them according to the extent and nature of the damage sustained) will be suspended until the Property have been reinstated and/or made fit for occupation and use (excluding fitting out and replacement of contents) or, (if sooner) until the loss of rent insurance effected by the Landlord has been exhausted and the tenant shall be entitled to be reimbursed by the Landlord the portion of any rents or other sums payable by the Tennant paid in advance for the period from the date of damage or destruction to the end of the relevant payment period but if the property is so destroyed or damaged prior to the Rent Commencement Date then the Rent commencement Date shall be postponed by a number of days equal to the number of days during which the Basic Rent is suspended pursuant to the provisions of this Lease provided that if only a proportion of the Basic Rent is suspended then the Rent Commencement Date shall be postponed by a number of days ascertained in accordance with the following calculation:-

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

Where A is the number of days during which a proportion of the rents is suspended B is the amount of the Basic Rent payable during the period of suspension and C is the Basic Rent

save that nothing in this clause shall result in the Tenant benefitting from a longer rent free period than originally granted to the Tenant.

6.3 A dispute as to:

6.3.1 the amount of the abatement; or

6.3.2 the duration of the period of abatement;

6.3.3 under this paragraph 6 is to be submitted to a single arbitrator by whose decision the parties are to be bound. The arbitrator is to be appointed by the parties jointly if they can agree on one, but if they do not agree, then by the President at the request of either party. The arbitration is to be conducted under the Arbitration Act 1996.

6.4 The Property is not to be treated as incapable of occupation and use by reason only that the Tenant's fixtures and fittings have not been reinstated and replaced.

7 Termination – insured risks

7.1 If the Property or the Building as the case may be or a substantial part of them are destroyed or damaged by an Insured Risk so as to be unfit for occupation and use in accordance with this Lease then the Landlord (provided that it has complied with its

obligations in this Schedule 5) may terminate this Lease by giving at least six months' written notice to that effect to the Tenant (the notice to be given within six months after the destruction or damage).

7.2 If for any reason beyond the control of the Landlord it proves impracticable to commence rebuilding or reinstatement of the Property or the Building (as the case may be) within two years of the occurrence of damage by an Insured Risk, then the Landlord (provided that it has complied with its obligations in this Schedule 5) may terminate this Lease by giving notice to that effect at any time after that period of two years to the Tenant.

7.3 If the Property is still not fit for the Tenant's occupation and use or the access way or ways or essential services to the Property have not been reinstated by the date which is 2 years and 9 months starting on the date of the damage or destruction either party may by notice served on the other at any time after the end of that period terminate this Lease.

8 Termination-uninsurable risks

8.1 This paragraph 8 is to apply if the Property or a substantial part of it is destroyed or damaged by an Uninsured Risk so as to be unfit for occupation and use in accordance with this Lease.

8.2 If the Landlord elects to rebuild or reinstate the Property by giving notice to the Tenant to that effect, then:

8.2.1 the Landlord will as soon as may reasonably be practicable use its reasonable endeavours to rebuild or reinstate the Property at the Landlord's own cost;

8.2.2 paragraph 5 will apply; and

8.2.3 paragraph 6 are to apply with effect from the date of destruction or damage.

8.3 The Landlord may at any time before it has made an election under paragraph 8.2, decide not to rebuild or reinstate the Property and may accordingly terminate this Lease by giving notice to the Tenant to that effect to expire immediately.

8.4 If the Landlord has not made an election under paragraph 8.2 or terminated this Lease within six months after the date of damage or destruction of the Property, then unless the Landlord has made an election under paragraph 8.2 in the meantime, the Tenant may terminate this Lease by giving to the Landlord notice to that effect at any time after that period of six months.

8.5 This Lease will terminate upon the Tenant giving a valid notice under this paragraph 8

8.6 If the Landlord has not commenced rebuilding or reinstating the Property within nine months after making the election under paragraph 8.2, then unless the Landlord has commenced the works of rebuilding or reinstating the Property in the meantime, the Tenant may terminate this Lease by giving to the Landlord notice to that effect at any time after that nine month period, the Tenant's notice to expire immediately.

8.7 If the Landlord has not practically completed the works of rebuilding or reinstating the Property (as evidenced by the issue of the certificate or statement of practical completion under the building contract for the works) within a period of 24 months after making the

election under paragraph 8.2 , then, unless practical completion takes place in the meantime, the Tenant may terminate this Lease by giving to the Landlord not less than six months' notice to that effect, the Tenant's notice to expire at any time after the period of 24 months.

9 Effect of termination notice

On the expiry of any notice of termination given under this Schedule this Lease will terminate unless the notice states otherwise but without affecting any liability arising from a breach of covenant or condition which has occurred before the date of expiry.

10 Landlord as insurer

10.1 If the Landlord is an insurance company or any Group Company of the Landlord is an insurance company it will be entitled to effect and maintain any insurance in its own offices in order to fulfil the Landlord covenants under this Lease.

10.2 The premiums charged by the Landlord or its Group Company for effecting and maintaining the insurance will, for the purpose of any covenant by the Tenant in this Lease, be deemed to have been paid by the Landlord on the first day of the period of insurance to which the relevant premium relates.

11 Retention of insurance money

11.1 The Landlord may retain the proceeds of insurance for its own exclusive benefit following termination of this Lease for any reason.

11.2 The Landlord may retain for its own exclusive benefit any discount on the insurance premiums or commission offered to it by its insurer.

12 Plate glass insurance

12.1 The Tenant will

12.1.1 insure any plate glass in the Property against breakage or damage of any kind for the full replacement cost with an insurance office prescribed by Landlord,

12.1.2 punctually pay all premiums for effecting and maintaining the insurance, and

12.1.3 produce the insurance policy and the receipt for the current year's premium for inspection by the Landlord whenever the Landlord reasonably requires.

PROVIDED THAT whilst this Lease is vested in DP Realty Limited (company number 02882513) the Tenant shall bear its own risk in respect of plate glass and this clause 12.1 shall not apply.

12.2 If any plate glass is broken or damaged the Tenant will

12.2.1 as soon as reasonably practicable replace it with glass of at least the same quality and thickness,

12.2.2 apply all money received under the insurance in the replacement, and

12.2.3 make good any deficiency out of the Tenant's own money.

12.3 If the Tenant defaults in effecting or maintaining the insurance then the Landlord will be entitled to effect and maintain insurance and the Tenant will immediately on demand pay to the Landlord all money paid by the Landlord in doing so.

Schedule 6

Authorised Guarantee Agreement

The form of the authorised guarantee agreement mentioned in clause 4.14.7(a) (a) is as follows:

dated 20[]

Parties

- (1) [] (registration number []) whose registered office is at [] (the Landlord).
- (2) [] (registration number []) whose registered office is [] (the Tenant).
- (3) [] (registration number []) whose registered office is at [] (the Tenant's Surety).
- (4) [] (registration number []) whose registered office is at [] (the Assignee).

Introduction

- (A) The immediate reversion to the Lease [is now/remains] vested in the Landlord.
- (B) The term of years created by the Lease [is now/remains] vested in the Tenant.
- (C) The Landlord's consent is required before the Lease may be assigned.
- (D) The Tenant wishes to assign the Lease to the Assignee.
- (E) The Landlord has agreed to consent to the assignment to the Assignee on condition that the Tenant [and the Tenant's Surety] makes the covenants in this Deed.

Agreed terms

1 Definitions and interpretation

In this Deed the following words and expressions have the meaning specified except when expressly stated to the contrary.

1.1 Definitions

AGA Event means disclaimer of the Lease by a liquidator or trustee in bankruptcy (as the case may be) of the Assignee;

Lease means the lease dated [] and made between [] (1) [] (2) [] (3);

Losses means all liabilities incurred by the Landlord, all damage and loss suffered by the Landlord, all damages, compensation and penalties awarded against the Landlord, all

claims, demands, actions and proceedings made or brought against the Landlord, all fees, costs and expenses incurred by the Landlord.

1995 Act means The Landlord and Tenant (Covenants) Act 1995;

Tenant covenants has the same meaning as in Section 28(1) of the 1995 Act; and

VAT means value added tax chargeable under the Value Added Tax 1994 or any similar or replacement or additional tax.

1.2 Interpretation

1.2.1 This Deed is supplemental to the Lease.

1.2.2 The definitions and provisions as to interpretation in the Lease apply in this Deed unless expressly stated otherwise.

2 Authorised guarantee agreement

2.1 In consideration of the Landlord's consent to the assignment of the Lease to the Assignee the Tenant, as sole or principal debtor, covenants with the Landlord that for the period during which the Assignee is bound by the Tenant covenants of the Lease or (if earlier) the expiry of the contractual Term:

- (a) the Assignee will pay the rents reserved by the Lease and any interim rent determined under the 1954 Act and perform the tenant covenants in the Lease;
- (b) as a separate and independent primary obligation, to indemnify the Landlord against failure by the Assignee to pay the rents reserved by the Lease and any interim rent determined under the 1954 Act and perform the tenant covenants in the Lease;
- (c) the Tenant will pay to the Landlord all Losses sustained by the Landlord through the default of the Assignee;
- (d) if an AGA Event occurs, the Tenant will take a new lease of the Property in accordance with the requirements of clause 2.2 of this Deed so long as the Landlord serves written notice on the Tenant requiring it to do so within six months of the Landlord becoming aware of the AGA Event.

2.2 The following provisions apply to the grant of the new lease referred to in clause 2.1 (d) of this Deed:

- (a) the new lease will be for a term equal in length to the period commencing on the date of the AGA Event and the date upon which the term of the Lease would have expired by effluxion of time but for the AGA Event occurring;
- (b) the new lease will otherwise be on the same terms and conditions as the Lease *mutatis mutandis* and will take effect from the date of the AGA Event at the rents then payable under the Lease with rent review on the remaining 'Rent Review Dates' (if any and as defined in the Lease);

- (c) the Landlord will send an engrossment of the new lease to the Tenant for execution promptly following notice given under clause 2.1 (d) of this Deed; and
- (d) the Tenant will execute and deliver to the Landlord a counterpart of the new lease promptly and will pay the Landlord's reasonable and proper costs and expenses of and incidental to its grant.

2.3 [If the Landlord does not require the Tenant to take a lease of the Property under clause 2.1 (d) and if the Tenant does not take an overriding lease under section 19 of the Act; then the Tenant will pay to the Landlord on demand money equal to the rents and other payments that would have been payable under the Lease but for the AGA Event (and any temporary rent suspension) until the expiration of six months from the AGA Event.]

3 **No tenant release**

The Tenant's liability under this Deed will not be released or affected in any way by

- 3.1 any act, neglect, forbearance or delay by the Landlord in enforcement of the tenant covenants in the Lease,
- 3.2 any variation of the terms of the Lease or any deed supplemental to the Lease.

4 **[Tenant's Surety covenants**

4.1 In consideration of the grant of the licence to assign the Lease to the Assignee, the Tenant's Surety as primary obligor, covenants with the Landlord that for the period the Tenant is bound by its covenants in this Deed:

- 4.1.1 the Tenant will perform the covenants on its part in clause 2;
- 4.1.2 as a separate and independent primary obligation, the Tenant's Surety will indemnify the Landlord against failure by the Tenant to perform the covenants on its part in clause 2; and
- 4.1.3 as an additional separate and independent primary obligation, the Tenant's Surety will pay to the Landlord all Losses sustained by the Landlord through the default of the Tenant in complying with its obligations under this Deed.

4.2 The Tenant's Surety's liability under this Deed will not be released or affected in any way by

- 4.2.1 any act, neglect, forbearance or delay by the Landlord in enforcement of the tenant covenants in the Lease, or
- 4.2.2 any variation of the terms of the Lease or of any deed supplemental to the Lease.]

5 **Successors in title**

5.1 The benefits of this Deed will enure for the benefit of the successors in title and assign of the Landlord without the necessity for any assignment.

5.2 The Landlord will have no liability whatsoever to the Tenant or the Assignee [or the Tenant's Surety] after it has parted with the reversion to the Lease.

6 Acknowledgements

The Tenant [and the Tenant's Surety both] acknowledge that:

- 6.1 this Deed is an Authorised Guarantee Agreement within the meaning of the 1995 Act;
- 6.2 the conditions in the Lease and this Deed subject to which consent to assignment may be granted are fair and reasonable;
- 6.3 the Landlord's consent under this Deed does not extend to any further assignment of the Lease;
- 6.4 this Deed is made without prejudice to any claim of the Landlord against the Tenant [or the Tenant's Surety] for any breach of any covenant or condition in the Lease prior to the assignment to the Assignee.

7 No waiver

Nothing in this Deed is to be taken as a waiver of any breach of the tenant covenants [or the Tenant's Surety] under the Lease which may have occurred before the date of this Deed.

8 Saving provisions

- 8.1 Anything in this Deed that is made void by Section 25 of the 1995 Act is to be severed from all of the remaining provisions and such remaining provisions will be preserved.
- 8.2 If anything in this Deed extends beyond the limits permitted by Section 25 of the 1995 Act, that provision is to be varied so as not to extend beyond those limits.

9 Contracts (Rights of Third Parties) Act 1999

9.1 No third party rights

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

9.2 [Variations]

The parties may, by agreement, vary this Deed without the consent of any third person to whom the right of enforcement of any of its terms has been expressly provided.]

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

Schedule 7

Surety covenant on assignment

The form of the surety covenant agreement mentioned in clause 4.14.7(b)iii is as follows:

Deed of guarantee

dated []

Parties

- (1) [] (registration number []) whose registered office is at [] (**the Surety**);
- (2) [] (registration number []) whose registered office is at [] (**the Landlord**); and
- (3) [] (registration number []) whose registered office is at [] (**the Assignee**).

Introduction

- (A) The Lease provides that the as a condition to granting consent to an assignment of the Lease, the Landlord may require covenants from a suitable Surety.
- (B) The Assignee wishes to take an assignment of the Lease.
- (C) The Landlord has agreed to give consent to the assignment to the Assignee on condition that the Surety enters into this Deed.

Agreed Terms

1 Interpretation and Definitions

1.1 Definitions

In this Deed the following definitions apply:

the **Lease** means a lease dated [] and made between *[insert parties]*;

the **Act** mean the Landlord and Tenant (Covenants) Act 1995;

Event disclaimer of the Lease by a liquidator or trustee in bankruptcy (as the case may be) of the Assignee the vesting of the Lease as *bona vacantia* or the disclaimer of the Lease by the Crown;

tenant covenants has the same meaning as in section 28(1) of the Act; and

the **Term** has the same meaning as in the Lease.

1.2 Interpretation

The definitions and provisions as to interpretation in the Lease will apply in this Deed unless expressly stated to the contrary.

2 Covenants by the surety

2.1 In consideration of the Landlord's consent to the assignment of the Lease to the Assignee, the Surety covenants with the Landlord that:

2.1.1 the Assignee will pay the rents reserved by and will perform the other tenant covenants in this Lease;

2.1.2 if any Event occurs, then the Surety will take a new lease of the Property on the terms in clause 2.2 , if the Landlord gives the Surety written notice requiring the Surety to do so within 60 Working Days of the date on which the Event occurs.

2.2 The terms of any new lease to be taken by the Surety under clause 2.1.2 are to be the same as the terms of this Lease except as follows:

2.2.1 the new lease will be for a term equal in length to the unexpired residue of the Term as at the date on which the relevant Event occurs;

2.2.2 the term of the new lease will commence on the date on which the relevant Event occurred;

2.2.3 the Basic Rent under the new lease will be the same as the Basic Rent payable under this Lease on the date on which the relevant Event occurred and with rent review at the same times and in the same manner as those reviews of the Basic Rent that would have occurred under this Lease had it continued; and

2.2.4 the Surety will not be obliged to provide another surety for the new lease.

2.3 The Landlord will send or cause to be sent to the Surety a counterpart of the new lease for execution and on receipt the Surety will immediately execute and deliver to the Landlord the counterpart.

2.4 The Surety will pay the reasonable and proper costs reasonably and properly incurred by the Landlord in connection with the grant of the new lease.

2.5 The Surety will not be entitled to participate in any security held by the Landlord in respect of the tenant covenants under the Lease until the obligations on the part of the Surety or of the tenant under the Lease have been performed or discharged.

2.6 Following the taking of any step in connection with any voluntary arrangement or other compromises or arrangement for the benefit of any creditors of the Assignee, the Surety will not exercise any right or remedy that it may have against the Assignee to recover any money paid or other obligation performed by the Surety under this clause 2.

2.7 The Surety will not be released or discharged from its obligations under this clause 2 by anything by which the Surety as a surety only might have been released or discharged (but for this clause) including:

2.7.1 time or indulgence being given to the Assignee or any other person;

2.7.2 any arrangement made with the Assignee or any other person;

2.7.3 any alteration to the terms of this Lease; or

2.7.4 any act or omission by the Landlord;

2.7.5 whether with or without the express or implied consent of the Surety.

2.8 The Surety will be liable to the Landlord as sole or principal debtor or covenantor for tenant covenants:

2.8.1 while the Assignee is bound by the tenant covenants in this Lease; and

2.8.2 [for any period during which the Assignee is liable under an authorised guarantee agreement made by the Tenant with the Landlord under clause [].]

2.9 This deed is for the benefit of the Landlord and its successors in title without the need for any express assignment.

3 Declarations

3.1 Anything done omitted or agreed by the Assignee is done omitted or agreed with the concurrence of the Surety.

3.2 The Surety is not entitled to participate in any security held by the Landlord in respect of the Assignee's obligations to the Landlord under the Lease until the obligations on the part of the Surety or of the Assignee under the Lease have been performed or discharged.

3.3 The Surety is liable to the Landlord as sole or principal debtor or covenantor for all the tenant covenants in the Lease.

4 Saving provisions

4.1 Anything in this Deed that is made void by section 25 of the Act is to be severed from the other things in this Deed, which will continue in force.

4.2 If anything in this Deed extends beyond the limits permitted by section 25 of the Act it is to be varied so as not to extend beyond those limits.

4.3 This Deed is made without prejudice to any other guarantee surety or security which the Landlord may have or take in respect of the tenant covenants or conditions in the Lease.

5 Contracts (Rights of Third Parties) Act 1999

5.1 No third party rights

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

5.2 [Variations

The parties may, by agreement, vary this Deed without the consent of any person to whom the right of enforcement of any of its terms has been expressly provided.]

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

Schedule 8

Service charge

1

Additional definitions

In this schedule the following additional definitions apply:

Landlord's Expenses means the total of the whole of:

- (a) the reasonable and proper costs of providing the Services;
- (b) the reasonable and proper costs of entering into and all costs incurred under any maintenance contract made for any part of the Common Parts, Plant or Conduits;
- (c) the reasonable and proper costs, fees and disbursements of:
 - i managing agents employed by the Landlord for the carrying out and provision of the Services or where managing agents are not employed, a fee equivalent to such costs, fees and disbursements; and
 - ii accountants employed by the Landlord to prepare and audit the service charge accounts and to prepare or issue any certificate or statement to the Tenant or any other tenants of the Building;
- (d) the full costs of employing all staff engaged to perform or otherwise in connection with provision of the Services (including salaries, national insurance, tax, pension contributions, welfare and other benefits, sick-pay, healthcare, maternity and paternity pay, bonuses, employer's liability insurance and benefits-in-kind) and the full costs of the uniforms of such staff and the costs of all equipment and supplies needed for the proper performance of their duties;
- (e) money equal to the open market rent for any part of the Building used as accommodation for staff employed in connection with the Services;
- (f) all rates, taxes, and impositions payable in respect of the Common Parts, their use and any works carried out on them (other than any taxes payable by the Landlord in connection with any dealing with or disposition of its reversionary interest in the Building); and
- (g) any VAT payable by the Landlord on any of the items mentioned in this schedule except to the extent that the Landlord is able to recover such VAT as a credit from HM Customs & Excise.

Services has the meaning given to that term in paragraph 2;

Service Charge means a fair and reasonable proportion of the Landlord's Expenses; and

Service Charge Year means the annual accounting period for the provision of the Services and for the Landlord's Expenses specified by the Landlord from time to time in accordance with this schedule 5.

2 **Services**

Services for the purposes of this Schedule includes:

2.1 **General cleaning and repairs including:**

- (a) cleaning, maintaining, repairing, replacing, resurfacing, renewing (where beyond economic repair) the Building and the Common Parts (including all Conduits forming part of the Retained Parts and the Common Parts);
- (b) cleaning the windows of the Building except where this is the express liability of the Tenant or any tenant of a Unit;
- (c) decorating, carpeting and furnishing the Common Parts within the interior of the Building (if any);
- (d) cleaning, maintaining, repairing, replacing and renewing the floor coverings of the internal areas of the Common Parts (if any); and
- (e) cleaning, maintaining, repairing, replacing and renewing the furniture and fittings on the Common Parts (if any).

2.2 **Lighting the Common Parts.**

2.3 **Refuse services** including cleaning, maintaining and repairing the refuse bins on the Common Parts.

2.4 **Security services** including providing, cleaning, maintaining, repairing, replacing, renewing, operating and replacing the security machinery and equipment (including closed circuit television and intruder alarm systems) on the Common Parts.

2.5 **Taking fire safety measures:** cleaning, maintaining, repairing, replacing, renewing and operating fire prevention, detection and fighting machinery and equipment and fire, heat and smoke alarms on the Common Parts.

2.6 **Providing and maintaining Plant** including (without limitation) cleaning, maintaining, repairing, replacing, renewing and improving the Plant located on or in the Building or serving them.

2.7 **Compliance with regulations and other requirements** including:

- (a) complying with the requirements of the insurers of the Building (insofar as those requirements relate to the Common Parts);
- (b) complying with all legislation relating to the Building its use and any works carried out at the Building, and relating to the use of all Conduits, Plant on or serving the Common Parts and to any materials kept at or disposed of from the Common Parts including carrying out works of improvement;
- (c) complying with any Third Party Rights to the extent that they relate to the Common Parts;

- (d) taking any steps including proceedings that the Landlord considers necessary or desirable to prevent or remove any encroachment over the Common Parts or to prevent the acquisition of any right over the Common Parts or the Building as a whole or to remove any obstruction the flow of light or air to the Common Parts or the Building as a whole.

2.8 Other services the Landlord considers fit

Any other service or amenity properly and reasonably provided by the Landlord during the Term and not expressly mentioned that are reasonably considered by the Landlord to be necessary in the interests of good estate management and that benefit the Property and the tenants of the Building.

3 Provision of services

3.1 The Landlord will supply the Services but the Landlord will not be in breach of this obligation as a result of any temporary failure or interruption of any of the Services:

3.1.1 resulting from circumstances beyond the Landlord's reasonable control, so long as the Landlord has used reasonable endeavours to remedy any such problem as soon as reasonably practicable after becoming aware of it; or

3.1.2 to the extent that any of the Services cannot reasonably be provided as a result of works of inspection, maintenance and repair or (to the extent necessary to benefit the whole Building as a whole) other works being carried out at the Building as long as the works are carried out as quickly as reasonably practicable and all reasonable steps have been taken to minimise disruption to the Building.

3.2 The Landlord may, but is not obliged to, provide other services whether or not they are similar in nature to the Services.

3.3 The Landlord will not be obliged to carry out any works where the need for those works has arisen because of any damage or destruction by a risk against which the Landlord is not obliged to insure under this Lease.

3.4 The Landlord (only in accordance with the provisions of good estate management) may replace any item of Plant or any part of the Building the repair of which the Landlord reasonably considers inappropriate or undesirable for any reason with a reasonable modern equivalent and the whole of the costs of doing so will be a Landlord's Expense regardless of when during the Term such Landlord's Expense is incurred.

3.5 It is agreed that the Tenant will not be entitled to object to any Landlord's Expense solely on the ground that the Service to which it relates could have been supplied more cheaply.

4 Service charge year

4.1 Subject to paragraph 4.2, the Service Charge Year will commence on 1 January in each year of the Term.

4.2 The Landlord may change the Service Charge Year commencement date by giving written notice (an **Alternative Date Notice**) to the Tenant of an alternative commencement date for the Service Charge Year at any time.

4.3 If the Landlord serves an Alternative Date Notice, then:

4.3.1 the Service Charge Year in which Alternative Date Notice (a **Pre-Change Year**) is given will be deemed to end on the day before the date specified Alternative Date Notice as the revised Service Charge Year commencement date;

4.3.2 if the Pre-Change Year is a period of less than 12 months, the Tenant's obligations to pay the estimated Service Charge and the actual Service Charge for Pre-Change Year will be an apportioned amount of the estimated on account payments and the Actual Service Charge calculated as follows:

$$\frac{x}{365} \times y$$

where:

x = the number of days in the Pre-Change Year; and

y = the sum to be apportioned.

5 **Preparation of estimate and on account payments**

5.1 Before or as soon as practicable after the start of each Service Charge year, the Landlord will prepare and send the Tenant an estimate of the Landlord's Expenses for that Service Charge Year and a statement of the estimated Service Charge for that Service Charge Year.

5.2 The Tenant will pay the estimated Service Charge for each Service Charge Year in four equal instalments on each of the Quarter Days.

5.3 The Tenant's obligations for the Service Charge Year current at the date of this Lease to pay the estimated Service Charge and the actual Service Charge will be limited to an apportioned part of those amounts.

5.4 The apportioned part will be calculated on a daily basis for the period from the date of this Lease to end of the Service Charge Year.

5.5 The estimated Service Charge for which the Tenant is liable will be paid in equal instalments on the date of this Lease and remaining Quarter Days during the period from the date of this Lease until the end of the Service Charge Year.

6 **End of year statements**

6.1 As soon as reasonably practicable after the end of each Service Charge Year, the Landlord will prepare and send to the Tenant a certificate showing the actual Landlord's Expenses and the actual Service Charge for the relevant Service Charge Year.

6.2 The certificate will be prepared in accordance with accounts of the Landlord's Expenses prepared and audited by the Landlord's accountants.

6.3 The supporting invoices and receipts used in preparation of those accounts may be inspected by the Tenant on prior appointment with the Landlord or (if the Landlord so directs) with the Landlord's accountants or managing agents.

7 Balancing payments

7.1 If in any Service Charge Year the Landlord's estimate of the Service Charge is less than the actual Service Charge, the Tenant will pay the difference within 14 days of written demand.

7.2 If in any Service Charge Year the Landlord's estimate of the Service Charge is more than the actual Service Charge, the Landlord will credit the difference against the Tenant's next instalment of the estimated Service Charge.

7.3 Where the difference mentioned in paragraph 7.2 of this schedule exceeds the next instalment, then the balance of the difference will be credited against each succeeding instalment until it is fully credited).

8 Omissions

If any cost is omitted from the calculation of the Service Charge in any Service Charge Year, the Landlord will be entitled to include it in the estimate and certificate of the Service Charge in the immediate following Service Charge Year.

9 Certificate binding as to fact

Otherwise, and except in the case of manifest error, any certificate relating to the Service produced by the Landlord or on its behalf will be conclusive as to all matters of fact to which it refers.

10 Services following damage by insured risks

Without prejudice to the tenant covenants in schedule 5, where the Landlord provides any Service because of the damage to or destruction of the Common Parts by a risk against which the Landlord has actually insured the costs of that Service will not be included in the Service Charge.

11 The Landlord shall not be entitled to include the following costs in the charge referred to in this Schedule 8:-

- (a) The capital cost of refurbishing the Estate and/or Building or any part thereof or of making improvements thereto or enhancing or modernising the Estate and/or Building in any case going beyond the cost of normal maintenance repair or replacement;
- (b) The cost of collecting rents from the tenants and other occupiers of the Estate and/or Building;
- (c) The cost of carrying out rent reviews and granting leases and licences;

- (d) The cost of marketing any part of the Estate and/or Building designed for letting;
- (e) Any expenditure in respect of any part of the Estate and/or Building for which the Tenant or any other tenant shall be wholly responsible or which solely relates to any part of the Estate and/or Building which is at the relevant time designed or intended for separate or exclusive occupation by a tenant or a licensee;
- (f) Any expenditure that the landlord should recover or which should be met under any policy of insurance;
- (g) Any liability for any rates taxes and outgoings payable in respect of any part or parts of the Estate and/or Building which is at the relevant time designed or intended for separate or exclusive occupation by a tenant or licensee;
- (h) Any liability arising from:-
 - i Terrorism;
 - ii Any chance repair liability;
 - iii An Inherent Defect;
- (i) Costs relating to the future development of the Estate and/or Building;
- (j) Damage by an Uninsured Risk

- 12 The Tenant's proportion of the Service Charge may not be increased or altered by reason that at any relevant time any part of the Estate may be vacant or be occupied by the Landlord or that any tenant or occupier of another part of the Estate may be in default in payment or not bound to pay the full amount of his due proportion of the Service Charge and in every such case the Landlord will make up any shortfall.

signed as a deed by

DP Realty Limited

in the presence of

witness signature

name

address

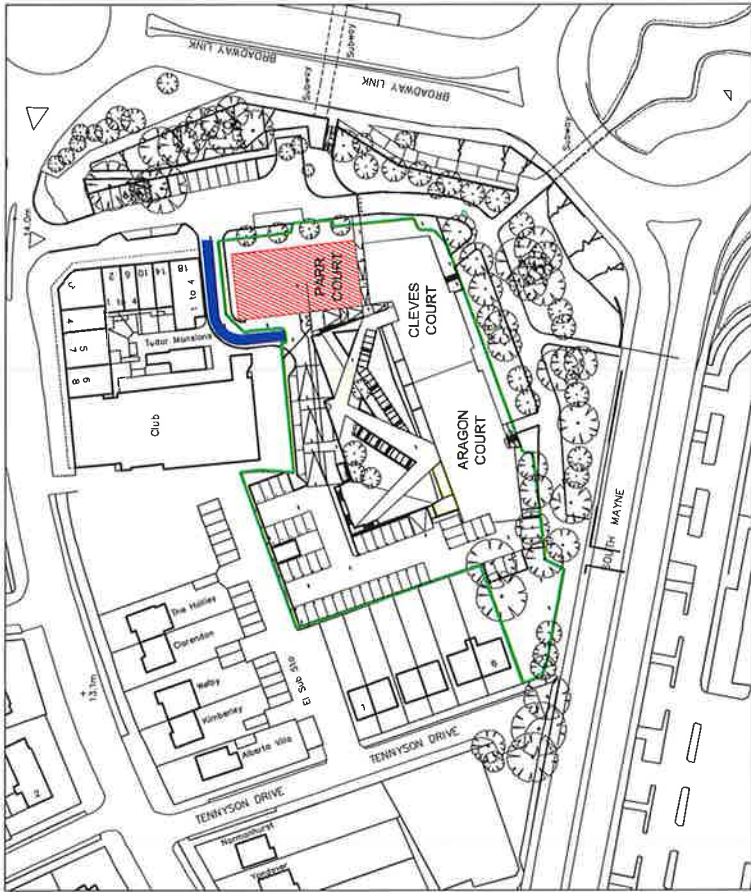
occupation

M. P. Kelly
Margaret Quillips
1 THORNBURY
WEST ASHLAND
MILTON KEYNES
MK16 4RB

PA PROPERTY + BUSINESS DEVELOPMENT

Annexure
Plans

Plan 1



SCALE- 1:1250

SITE LOCATION PLAN: PARR COURT

LOCATION PLAN LEGEND:

- Green line indicates boundary of site.
- Red line indicates block location.
- Purple line indicates vehicular right of access to parking area

Dr
C

Handwritten signature and initials.



SCALE- 1:150

PARR COURT: COMMERCIAL UNIT C3

FLOOR PLAN LEGEND:

- Red line indicates plot outline.
- Orange line indicates licence given to use area but not demised to unit
- Blue line indicates licence given to use area but not demised to unit

Notes/revisions:

Rev A - Parking space and right of access notes added following client instruction

Date 25.01.13
Dwn DF
Chd

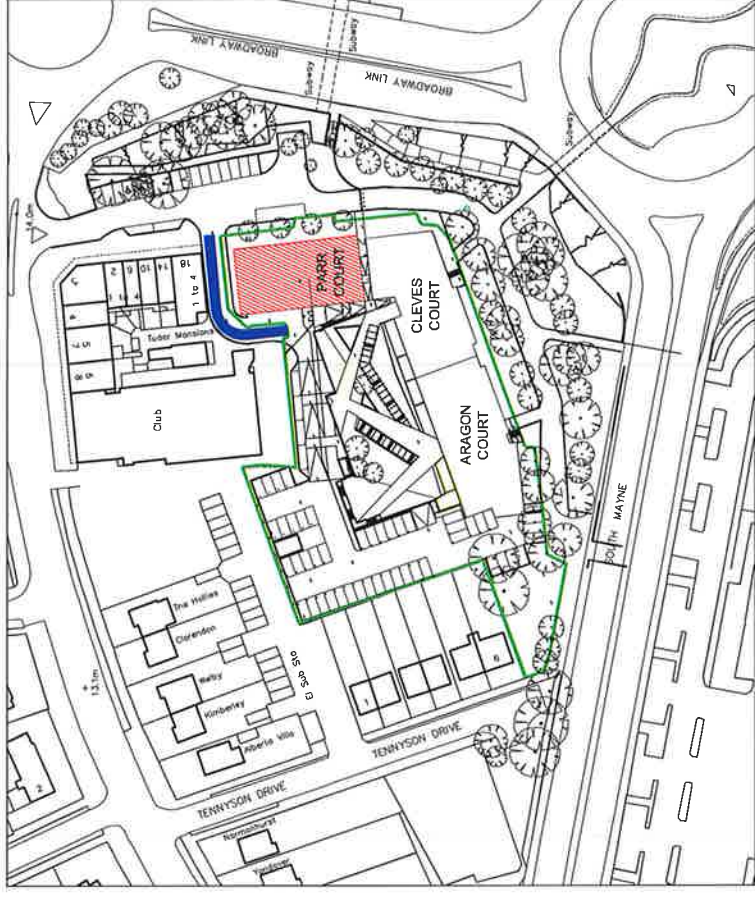
Date: July'12
Client: Allenbuild

Drawn: DF
Project: Station Lane, Pitsea

Check: Conveyance Plan - Parr Court: Commercial Unit C3
Title: J09.143 / CV-C.202

Scale: As Shown @ A3
Revision: A

Plan 2

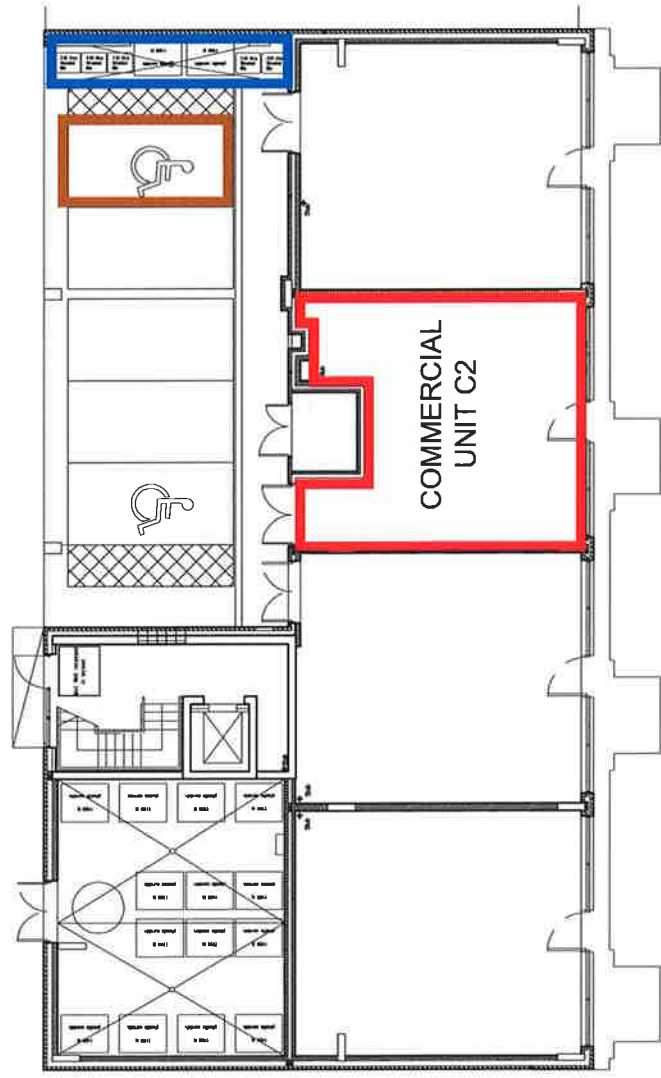


SCALE- 1:1250

SITE LOCATION PLAN: PARR COURT

LOCATION PLAN LEGEND:

- Green line indicates boundary of site.
- Red line indicates block location.
- Purple line indicates vehicular right of access to parking area



SCALE- 1:150

PARR COURT: COMMERCIAL UNIT C2

FLOOR PLAN LEGEND:

- Red line indicates plot outline.
- Orange line indicates licence given to use area but not demised to unit
- Blue line indicates licence given to use area but not demised to unit

Notes/revisions:

Rev	Date	Drawn	Chkd
A	25.01.13	DF	

Notes: - Parking space and right of access notes added following client instruction

Date:	July'12	Client:	Allenbuild
Drawn:	DF	Project:	Station Lane, Pitsea
Check:		Title:	Conveyance Plan - Parr Court: Commercial Unit C2
Scale:	As Shown @ A3	Drawn:	J09.143 / CV-C.201
		Revision:	A