

DATED 26th March

2012

EVERON GROUP LIMITED

-to-

**FM HAIR DESIGN LIMITED and
STEPHEN RICHARD HAGERTY (Surety)**

COUNTERPART
/ LEASE

Ground Floor premises,
19 Stert Street,
Abingdon, Oxfordshire

LR1. Date of Lease

26th March 2012

LR2. Title number(s)

LR2.1 Lessor's title number(s)

ON 96534

LR2.2 Other title numbers

LR3 Parties to this lease

Lessor

EVERON GROUP LIMITED (Company registration number 00504608) whose registered office is at, 170 Finchley Road, London, NW3 6BP

Lessee

FM HAIR DESIGN LIMITED (Company Registration No: 5678993) whose registered office is at Avalon House, Marcham Road, Abingdon, Oxfordshire OX14 1UD

Guarantor

STEPHEN RICHARD HAGERTY of 56 The Old Police Station, 55 Mill Street, Wantage OX14 9AB

LR4. Property

In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.

See FIRST SCHEDULE – PREMISES

LR5. Prescribed statements etc.

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of Land Registration Rules 2003.

None

LR5.2 This lease is made under, or by reference to, provisions of:

None

LR6. Term for which the Property is leased

The term is as follows:-
15 years from 9th March 2012

LR7. Premium

None

LR8. Prohibitions or restrictions on disposing of this lease

This lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land

None

LR9.2 Tenant's covenant to (or offer to) surrender this lease

None

LR9.3 Landlord's contractual rights to acquire this lease

None

LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property

None

L11. Easements

LR11.1 Easements granted by this lease for the benefit of the Property

SECOND SCHEDULE

LR11.2 Easements grantee or served by this lease over the Property for the benefit of other property.

THIRD SCHEDULE

LR12. Estate rentcharge burdening the Property

None

PARTICULARS

1. **DATE OF THIS LEASE:** **26th March** 2012
2. **LESSOR** **EVERON GROUP LIMITED** whose registered office is at 170 Finchley Road, London, NW3
3. **LESSEE** **FM HAIR DESIGN LIMITED** (Company Registration No: 5678993) whose registered office is at Avalon House, Marcham Road, Abingdon, Oxfordshire OX14 1UD
4. **GUARANTOR** **STEPHEN RICHARD HAGERTY** of 56 The Old Police Station, 55 Mill Street, Wantage OX14 9AB
5. **PREMISES** 19 Stert Street as more particularly described in the First Schedule
6. **LENGTH OF TERM** 15 years
7. **TERM COMMENCEMENT**
DATE 9th March 2012
8. **INITIAL RENT** £7,500.00 per annum
9. **RENT COMMENCEMENT**
DATE 9th March 2012
10. **RENT REVIEW DATE(S)** 9th day of March 2017 and 2022
11. **INSURANCE RENT**
COMMENCEMENT DATE 9th March 2012
12. **INTERIOR DECORATION** The year ending 31st day of December
YEARS 2012 and every five years thereafter
13. **EXTERIOR DECORATION** The year ending 31st day of December
YEARS 2012 and every three years thereafter
14. **SPECIFIED USE** Hairdressing salon (subject to clause 3(12).)

THIS LEASE is made on the date stated in the Particulars **BETWEEN** the Lessor specified in the Particulars (hereinafter called "**the Lessor**") of the first part the Lessee specified in the Particulars (hereinafter called "**the Lessee**") of the second part **NOW THIS DEED WITNESSETH** as follows:-

1. (A) Definitions

In this Lease the following expressions shall where the context so admits have the following meanings or connotations respectively:-

- | | |
|-----------------------------------|--|
| (1) "the Particulars" | The details and descriptions appearing in the pages which precede this page and comprising part of this Lease |
| (2) "the Term" | The term described in the Particulars which where applicable shall include the period of any holding over or any extension or continuance thereof whether by statute or at common law |
| (3) "the Termination Date" | The date of expiration or sooner determination of the Term |
| (4) "the Premises" | The premises described in the First Schedule and each and every part thereof together with the appurtenances thereto together with all additions alterations and improvements thereto and including all landlord's fixtures and fittings and plant machinery and equipment now or hereafter in or about the same |
| (5) "the Insured Risks" | Loss or damage by fire explosion lightning aircraft and such other risks as the Lessor may from time to time determine to insure against subject to such excesses exclusions and limitations as are imposed by the Insurers |
| (6) "Interest" | Interest at the rate of 4 per centum per annum above the Base Rate of Barclays Bank PLC from time to time (or in the absence of such Base Rate such other rate of interest closely comparable with such Base Rate as the |

Lessor acting reasonably may from time to time in writing specify) during the period from the due date under the provisions hereof to the date of payment well as before as after any judgment

(7) **"the Surveyor"**

The Lessor's surveyor for the time being (not being an employee of the Lessor or of any associated company of the Lessor) and who is a member of a recognised professional body or otherwise a suitably qualified person

(8) **"decorate"**

To paint polish re-paper or otherwise treat as the case may be all surfaces usually or requiring to be treated having first prepared such surfaces as may be necessary and to wash down all washable surfaces and to restore point and make good the brickwork mosaic stucco and stonework where necessary and to grain marble or varnish any parts so treated where necessary all such activities being carried out with good quality materials and in accordance with the recommended practice and the manufacturer's specification for the material used and for the surface to be treated

(9) **"Planning Acts"**

The planning Acts defined in S. 336 of the Town and Country Planning Act 1990 and the Planning and Compensation Act 1991 and any other present or future enactment of a similar nature

(10) **"the Safety Legislation"**

The Factories Act 1961, the Offices Shops and Railway Premises Act 1963, The Fire Precautions Act 1971, The Health and Safety at Work etc Act 1974, The Occupiers'

- Liability Acts 1957 and 1984, The Defective Premises Act 1972, the Environmental Protection Act 1990 and the Disability Discrimination Act 1995 (as the case may be) and any other present or future enactment of a similar nature
- (11) **"approval"** means approval in writing
- (12) **"breach"** includes non-performance and non-observance
- (13) **"claims"** includes demands actions proceedings loss costs damages compensation and liability
- (14) **"competent authority"** includes any government public local fire planning sanitary sewerage or water authority suppliers of utilities and any other person or body exercising statutory powers
- (15) **"consent"** means consent in writing
- (16) **"easements"** includes liberties privileges quasi-easements rights benefits and advantages
- (17) **"entry" or "enter"** includes with or without plant material and workmen
- (18) **"invitees"** includes employees agents visitors licensees and any other person under the control of the Lessee
- (19) **"nearby premises"** includes all and any part of adjoining or neighbouring land and any building or buildings or parts thereof now or hereafter erected thereon
- (20) **"notice"** includes any direction order or proposed order and means notified in writing
- (21) **"persons entitled in the like right"** includes tenants owners and occupiers of nearby premises and all persons having any interest in the same and all other persons authorised by the Lessor or otherwise entitled

- (22) **"professional costs"** includes all charges expenses and fees of any Architect Engineer Solicitor or Surveyor and any other professional fees and other expenditure whatsoever incidental thereto properly and reasonably incurred
- (23) **"services media"** includes ducts flues gutters pipes drains sewers cables conduits wires meters traps valves and other plant or apparatus for conducting controlling or measuring water soil gas electricity telephone telex and other electrical impulses air smoke fumes and other objects of a like nature and sprinklers and sprinkler equipment
- (24) **"sign"** includes figures placard poster notice advertisement plate flag banner name plate pole signboard inscription bill and placard
- (25) **"Value Added Tax:"** includes any similar tax whether in substitution for or in addition to it
- (26) **"Authorised Guarantee Agreement"** means a deed in the same form as that set out in the Seventh Schedule hereto mutatis mutandis

B Interpretations

In this Lease where the context so admits:-

- (1) Words importing one gender only shall include all other genders and words importing persons shall include companies corporations and vice versa
- (2) Words importing the singular number only shall include the plural and vice versa and where there are two or more persons included in the expression **"the Lessee"** and/or **"the Guarantor"** then covenants herein expressed to be made by the Lessee and/or the Guarantor shall respectively be covenants by such persons jointly and severally

- (3) **"the Lessor"** shall include the person for the time being entitled to the reversion immediately expectant on the determination of the Term and all persons authorised by the Lessor
- (4) **"the Lessee"** shall include (but without prejudice to the application and operation of Section 79 of the Law of Property Act 1925) the person in whom the Term is from time to time vested whether by assignment devolution by law or otherwise and also any person deriving title to the Premises or any part or parts thereof under the Lessee
- (5) **"the Guarantor"** shall include any person covenanting in the terms of the Fifth Schedule hereto and the Guarantor's successors in title and/or in the case of individuals their respective personal representatives
- (6) Any covenant by the Lessee not to do an act or thing shall be deemed to include an obligation not to permit or suffer such act or thing to be done by the Lessee or anyone else
- (7) Any reference to the doing or permitting of any act or thing by the Lessor shall be deemed to include the doing or permitting of that act or thing by the agents workmen servants or other employee or duly authorised agent of the Lessor
- (8) In this Lease any reference to an enactment shall be deemed to include any and every Act of Parliament already or hereafter to be passed and any amendment modification replacement or re-enactment thereof or in that behalf for the time being in force and includes as appropriate any bye-laws statutory instruments rules regulations orders notices directions or permissions made thereunder and any condition attaching thereto and anything prescribed or required by any competent authority and any amendment modification replacement or re-enactment or in that behalf for the time being in force

(C.) **Particulars**

The details and descriptions appearing in the Particulars shall be included in this Lease and the Particulars are deemed to form part of this Lease

(D.) **Headings**

The paragraph headings shall not affect the interpretation hereof

2. **DEMISE**

In consideration of the rents and the covenants on the part of the Lessee hereinafter reserved and contained the Lessor **HEREBY DEMISES** unto the Lessee the Premises **TOGETHER** with the rights and easements set out in the Second Schedule hereto but **EXCEPT AND RESERVING** unto the Lessor the rights and easements set out in the Third Schedule hereto **TO HOLD** the same unto the Lessee for the Length of Term from and including the Term Commencement Date stated in the Particulars **SUBJECT** to all rights easements privileges restrictions and stipulations of whatever nature or kind appertaining to or affecting the Premises **PAYING** therefor yearly and proportionately for any part of a year **FIRST** from the Rent Commencement Date stated in the Particulars until the first Rent Review Date stated in the Particulars the Initial Rent stated in the Particulars and thereafter such yearly rent as shall become payable under and in accordance with the provisions set out in the Fourth Schedule hereto to be paid by equal quarterly payments in advance on the usual Quarter Days in each year clear of all deductions and without any set-off whatsoever the first of such payments to be made on the signing hereof and to be for the period from the Rent Commencement Date to the Quarter day next following the date thereof **AND SECONDLY** by way of further rent a yearly sum equal to the premium or premiums (determined by the Lessor acting reasonably) paid by the Lessor for insuring and keeping insured the Premises against (i) loss or damage by the Insured Risks in such sum (including Architects Surveyors and other professional fees and incidental expenses) as shall in the opinion of the Lessor (acting reasonably) represent the reinstatement value thereof at the commencement of each annual period of insurance (ii) public liability of the Lessor arising out of or in connection with any accident explosion collapse or breakdown involving or relating to the Premises or any part thereof and (iii) the loss of rent of the Premises for three years (such rent taking into account actual or potential increases in accordance with the rent review provisions herein contained) such further rent to be payable within seven days of demand and the first payment (if not already paid) to be in respect of the period commencing on the Insurance Rent Commencement Date stated in the Particulars Provided that until the Lessee (having requested the same) has received evidence that the last premium due under the Lessor's insurance policy relating to the Premises has been paid the Lessee shall not be obliged to pay such further rent **AND THIRDLY** by way of further rent such sum as is from time to time payable by the Lessee under the covenant on the

Lessee's part hereinafter contained in Clause 3(7) hereof such further rent to be payable within seven days of demand **AND FOURTHLY** by way of further rent any Value Added Tax or sums in respect thereof payable under the provisions of this Lease payable at the same time as the principal sum upon which it is chargeable is payable **AND FIFTHLY** by way of further rent but without prejudice to any other right remedy or power herein contained or otherwise available to the Lessor Interest upon rents which shall have become due but remain unpaid such sum or sums to be payable on demand,

3. **LESSEE'S COVENANTS**

The Lessee hereby covenants with the Lessor as follows:-

(1) **Rents**

To pay the rents hereinbefore reserved at the times and in the manner at and in which the same are respectively hereinbefore reserved and made payable without any deduction or set-off and in the event that any rent hereby reserved shall remain unpaid for more than seven days after the date upon which the same becomes due (whether formally demanded or not) to pay Interest thereon and to pay to the Lessor by way of additional rent Value Added Tax at the rate for the time being in force chargeable in respect of any rent or other payment made or other consideration provided by the Lessor for the supply of any goods or services to the Lessee under the terms of or in connection with this Lease

(2) **Outgoings**

To pay bear and discharge all existing and future rates water charges (including charges for metered water supplies) sewerage charges environmental services charges trade effluent charges taxes duties charges assessments impositions and outgoings whatsoever (whether parliamentary municipal parochial or local or if any other description and whether or not of a capital or non-recurring nature) which now are or may at any time hereafter during the Term be charged levied assessed imposed or become payable in respect of the Premises or on or by the owner or occupier thereof (and whether newly or by way of increase and whether the same shall or shall not be in the nature of those now in being) but excluding any payable by the Lessor occasioned by the receipt of the Rents or by any disposition of or dealing with this Lease or ownership of any interest reversionary to the interest created by this Lease

- (3) (a) For the purposes of this sub-clause the following expressions have the following meanings:
- (i) **"rateable value"** means the value of the whole or any part or parts of the Premises for the purpose of calculating directly or indirectly the amount of any outgoing referred to in Clause 3(2) payable in respect of the whole or any part or parts of the Premises
 - (ii) **"assessment"** means assessment of the rateable value by any competent authority and includes the agreement of the rateable value and the determination thereof by any competent authority or any court or tribunal exercising powers in that regard whether at first instance or on appeal
 - (iii) **"notice"** means any notice or request of any kind for particulars relating to an intended assessment or an assessment of the rateable value or proposal for an assessment and any subsequent communication of any kind relating to the same received by the Lessee or any person deriving title under the Lessee
- (b) Within seven days of the receipt of any notice to supply a copy thereof to the Lessor (or as the Lessor may from time to time direct in writing)
- (c) Not to reply to any notice without obtaining the Lessor's prior written approval (such approval not to be unreasonably withheld or delayed) to the intended reply and to supply as aforesaid a copy of the reply as given
- (d) Not to agree any assessment without the Lessor's prior written approval (such approval not to be unreasonably withheld or delayed).
- (e) Not to allow any assessment to become final by default
- (f) At the request and cost of the Lessor to make or join with the Lessor in making such objections representations and appeals against any assessment as the Lessor shall deem expedient and if

any such objections representations and appeals are required to be conducted in the name of the Lessee or any person deriving title under the Lessee then to allow the Lessor to have the conduct thereof

- (g) To procure that any person deriving title under the Lessee of the whole or any part or parts of the Premises complies with these covenants and to enforce compliance therewith
- (4) To be solely responsible for and promptly to pay all costs for any utility consumed in the Premises
- (5) **Repairs**
 - (i) From time to time and at all times during the Term to put and keep in good and tenantable repair and condition and to cleanse and maintain the whole of the Premises including (without prejudice to the generality of that expression) drains sanitary and water apparatus and all fixtures and fittings therein and all additions and improvements thereto and to keep the same free from anything which may be detrimental thereto or to any nearby premises and to take all adequate precautions to prevent damage being caused to the same and to yield up the same at the expiration or sooner determination of the Term in such good and tenantable repair and condition in accordance with the covenants by the Lessee herein contained (damage by any of the Insured Risks excepted unless payment of the insurance monies shall be withheld in whole or in part by reason solely or in part of any act or default of the Lessee or any person deriving title under the Lessee or his invitees)
 - (ii) To keep the Premises in a clean and tidy condition and properly cleansed and in particular to clean all the windows (both inside and out) and all other glass in or on the Premises as often as shall be necessary
 - (iii) To repair cleanse and maintain and to keep repaired cleansed and maintained and free from obstruction all services media forming part of the Premises

- (iv) To repair or replace forthwith by new articles of a similar kind and quality any fixtures fittings or plant or equipment (other than tenants or trade fixtures and fittings) upon or in the Premises which shall become in need of repair or replacement

(6) Decorate

Without prejudice to the generality of the foregoing to decorate the interior of the Premises whenever required and in any event in the Interior Decoration Years and the exterior of the Premises whenever required and in any event in the Exterior Decoration Years and in both cases in the last three months of the Term whenever determined and at all times in the case of the exterior shall be in such colours patterns and materials as the Lessor acting reasonably may require

(7) Service Charge

To pay to the Lessor without any deduction by way of further rent a sum equal to a fair proportion (such proportion to be conclusively decided from time to time by the Surveyor whose decision save in the case of manifest error shall be final) of the aggregate of the costs expenses and outgoings (by whomsoever incurred) in making supporting constructing repairing maintaining rebuilding renewing replacing decorating and cleansing all ways roads pavements passageways staircases balconies pavements services media conduits party walls party structures party fences walls or other conveniences or things which may belong to or be used in connection with the Premises in common with nearby premises.

(8) Entry and View and Repair

To permit the Lessor at all reasonable hours in the daytime during the term to enter the Premises or any part thereof to view the state and condition of the same and of all defects wants of reparation and breaches of covenant then and there found for which the Lessee is liable hereunder to give or leave on the Premises notice in writing to the Lessee and within two months after every such notice or sooner if requisite to repair and to make good the same according to such notice and the covenants in that behalf herein contained to the reasonable satisfaction of the Surveyor **AND** if the Lessee shall fail within twenty eight days of such notice or immediately in case of emergency to commence and then to continue diligently and expeditiously to comply with such notice in all respects it shall be lawful (but without prejudice to the right of re-entry

and forfeiture hereinafter contained) for the Lessor to enter upon the Premises and to carry out or cause to be carried out all or any of the works referred to in such notice and the cost of so doing and all expenses properly and reasonably incurred thereby together with Interest from the date of expenditure by the Lessor shall be paid by the Lessee to the Lessor on demand and shall be recoverable as rent in arrear

(9) Enter and Repair

To permit the Lessor at all reasonable times during the Term upon reasonable prior notice (except in case of an emergency) to enter upon the Premises:-

- (a) To take schedules or inventories of the fixtures and fittings plant and machinery belonging to the Lessor or to be yielded up at the Termination Date
- (b) To execute any repairs decorations or other work upon or to any nearby premises or to carry out any repairs decorations or other work which the Lessor must or may carry out under the provisions of this Lease upon or to the Premises or to cleanse empty repair or renew the services media belonging to the same or to make connections thereto or to construct any building or erection on any nearby premises all damage occasioned thereby to the Premises being made good with all due despatch at the Lessor's expense and causing as little damage or inconvenience as reasonably practicable in the exercise of such right
- (c) With or without other persons for any other purpose connected with the interest of the Lessor in the Premises
- (d) To affix upon any suitable part of the Premises any notice which the Lessor is required by any enactment to display and to allow the same to be displayed here for such period as is required by that enactment
- (e) For the purpose of inspecting constructing completing altering maintaining repairing and renewing any present or future buildings or other works under adjoining or near to the Premises insofar as the same cannot conveniently be carried out without entering the Premises all damage occasioned thereby to the Premises being made good with all due despatch at the Lessor's expense and

causing as little damage or inconvenience as reasonably practicable in the exercise of such right

- (f) To inspect the Premises in connection with negotiations for or fixing of the rent of the Premises under the provisions of the Fourth Schedule hereto or negotiations for any extension or renewal of this Lease
- (g) In the event of the Lessor desiring to sell mortgage or dispose of or deal with its reversionary interest in the Premises or any part thereof or for the purposes of reletting or selling the Premises to affix a Notice Board for that purpose upon any suitable part thereof but not so as to obscure the doors or windows of the Premises nor so as to interfere with the business carried on by the Lessee from the Premises (the Lessee not removing or obscuring the same and the Lessee permitting all persons with written authority from the Lessor to view the Premises at reasonable times without interruption)

(10) **Alterations**

- (a) Not to make any external or internal alteration or improvement of or addition to the Premises nor to make or permit or suffer to be made any change in or to the elevation or external design or appearance of the Premises without the consent of the Lessor (such consent not to be unreasonably withheld or delayed) nor to cut or injure any part of the structure or the roofs walls timbers conduits and appurtenances of the Premises and forthwith to report in writing to the Lessor any defects **PROVIDED THAT** if any consent is given by the Lessor in pursuance of this sub-clause the Lessee shall obtain any necessary consents of the competent authority both on its own behalf and if so required by the Lessor also on behalf of the Lessor and all other persons interested in the Premises
- (b) In the event of any breach of paragraph (a) of this sub-clause then without prejudice and in addition to the right of re-entry herein contained and any other right of the Lessor the Lessor may remove

or restore as the case may be any such unauthorised buildings alterations improvements or additions and the costs of carrying out such work and things incidental thereto properly and reasonably incurred by the Lessor shall be repaid to the Lessor by the Lessee forthwith on demand together with Interest from the date of expenditure

- (c) That no alteration or addition to the electrical installation in the Premises shall be made without the Lessors prior consent which shall not be unreasonably withheld or delayed and then only in accordance with the standards prescribed from time to time by the electrical supply authority and the Institute of Electrical Engineers and no appliance other than that for which such installation is designed shall be connected to it and in any event not to overload the said electrical installations

(11) **Nuisance and Restrictions**

- (a) Not to do or permit to remain upon the Premises or any part thereof anything which may be or become a nuisance annoyance disturbance inconvenience injury or damage to the Lessor or its respective tenants or the owners or occupiers of any nearby premises
- (b) Not to use the Premises or any part thereof for any noxious noisy or offensive trade or business nor for the cooking or preparation of food for re-sale nor for any illegal or immoral act or purpose nor as a club betting shop sex shop or amusement arcade nor for any public exhibition or show or political meeting and not to hold any sales by auction
- (c) Not to discharge into the drainage system serving the Premises or any other property any substance which might be or become a source of danger or injury to the drainage system of the Premises or any such other property or any parts thereof nor to allow any odious vapours or deleterious matter of any kind to emanate from the Premises

- (d) Not to suspend any excessive weight from the main structure of the Premises nor to overload the floors roofs or structure of the same nor to cause undue strain or interfere therewith and not to install or permit or suffer to be installed any machinery on the Premises which shall be unduly noisy or cause dangerous vibrations nor to use the Premises or any part thereof in such manner as to subject the Premises or any nearby premises to any strain beyond that which they are designed to bear

(12) Use

Not to use the Premises other than for the Specified Use provided that with the consent of the Lessor (such consent not to be unreasonably withheld) the Premises may be used for any other purpose falling within Class A1 of the Town and Country Planning (Use Classes) Order 1987 as amended by the Town and Country Planning (Use Classes) (Amendment) (England) Order 2005 as originally enacted on condition that such other use does not conflict with the principles of good estate management and does not involve the Premises being used for a purpose for which nearby premises are being used at the date of the proposed change of use of the Premises provided that if such consent be granted the use thereby permitted shall be substituted for the Specified Use and not to use the same for any other purpose

(13) Signs

That no sign whatsoever shall be attached to or exhibited in on or to the Premises or the windows thereof so as to be seen from the exterior without the previous consent of the Lessor which shall not be unreasonably withheld or delayed in respect of a sign stating the Lessee's name and business or profession (such sign if the Lessor so requires to be removed and any damage caused thereby made good by the Lessee at the Termination Date)

(14) Poles

That no poles masts wires antennae aerials dishes discs or receiving or transmitting apparatus generally shall be erected on the exterior of the Premises without the previous consent of the Lessor which shall not be unreasonably withheld or delayed

(15) Obstruction

That no road forecourt or other area leading to or giving access to the Premises or over which the Lessee is hereby granted rights of access or use shall be damaged or

obstructed or used in such manner as to cause in the reasonable opinion of the Lessor any nuisance damage or annoyance

(16) **Insurance**

- (a) Not to do anything on the Premises which may render any increased premium payable for the insurance of the Premises or any nearby premises from and against the Insured Risks or which may make void or voidable any policy of such insurance and to comply with all recommendations and requirements of the insurers and Fire Authorities relating to the Premises and to keep all heating lighting and other apparatus in an efficient and safe condition and to use all precautions to prevent loss or damage and to reimburse the Lessor forthwith on demand all sums which may be payable by way of increased premiums and all incidental expenses in respect of the Premises or any nearby premises rendered necessary by a breach of this covenant
- (b) Not to store or bring upon the Premises any thing which is or may become especially dangerous offensive combustable inflammable radio-active or explosive
- (c) In the event of the Premises or any part thereof or any nearby premises being destroyed or damaged by fire or any other Insured Risk during the Term and the insurance moneys under any policy of insurance effected thereon being by reason of any act or omission of the Lessee or those deriving title under the Lessee or his invitees wholly or partially irrecoverable forthwith in every such case to rebuild and reinstate or make good as the case may be at his own expense the premises so destroyed or damaged insofar as is practicable in accordance with the original plans elevations and details thereof with such variations if any as may be previously agreed in writing by the Lessor or the owner for the time being of any such nearby premises as the case may be or as may be necessary having regard to the then existing statutory rules and other matters affecting the same and any necessary planning

permission (which planning permission it shall be the Lessee's obligation to obtain) to the satisfaction of the Surveyor or the surveyor of the owner of such nearby premises as the case may be (in each case acting reasonably) the Lessee being allowed towards his expenses of so doing upon such rebuilding reinstating or making good as the case may be being completed the amount (if any) actually received by the Lessor in respect of such destruction or damage under any such insurance as aforesaid

- (d) Not to effect any insurance against any of the Insured Risks in respect of or in relation to the Premises
- (e) Forthwith upon becoming aware of any event or thing against which insurance has been effected by the Lessor under the provisions hereinafter contained to give notice thereof to the Lessor

(17) **Legislation**

- (a) At all times during the Term at the Lessee's own expense to observe and comply in all respects with the provisions and requirements of the Safety Legislation and any and every enactment or as shall be prescribed or required by any competent authority relating to or affecting the Premises or the Lessor or the Lessee thereof or any additions or improvement thereto or the internal arrangement thereof or the user thereof for any purposes or the employment therein of any person or persons or any fixtures machinery plant furniture or equipment for the time being affixed thereto or being therein
- (b) To execute all works and provide and maintain all arrangements which by or under any enactment or by any competent authority or Court of competent jurisdiction acting under or in pursuance of any enactment are or may be directed or required to be executed provided or maintained at any time during the Term upon or in respect of the Premises or any additions or improvements thereto or in respect of any user thereof or employment therein of any

person or persons or fixtures machinery plant or chattels and whether by the Landlord or Tenant thereof

- (c) To indemnify the Lessor at all times against all costs charges and expenses of or incidental to the execution of any works or the provision or maintenance of any arrangements so directed or required as aforesaid and not at any time during the Term to do or omit in or about the Premises any act or thing by reason of which the Lessor may under any enactment incur or have imposed upon it or become liable to pay any penalty damages compensation costs charges or expenses and not to do anything whereby the occupation of the Premises or any part of them shall become unlawful

(18) Notices

Within fourteen days of the receipt of notice of the same to give full particulars to the Lessor of the same or of any proposal for a notice relevant to the Premises or to the use or condition thereof made given or issued to the Lessee or the occupier of the Premises by any competent authority and if so required by the Lessor to produce such notice or proposal to the Lessor and also without delay to take all reasonable or necessary steps to comply therewith and also at the request and cost of the Lessor (but at the cost of the Lessee if arising out of any act or omission of the Lessee or by virtue of the occupation by the Lessee of the Premises) to make or join with the Lessor in making such objections or representations against or in respect of any such notice or proposal as aforesaid as the Lessor shall deem expedient

(19) Alienation

- (a) Not to assign charge or underlet or part with or share the possession or occupation of any part or parts (as distinct from the whole) of the Premises and not to permit any other person firm company or other corporate body to occupy or share the occupation of any part or parts of the Premises as licensee or otherwise
- (b) Not to part with or share possession of the whole of the Premises or permit any person firm company or other corporate body to do so or share the possession or occupation of the same as licensee or

otherwise save by way of an assignment or underlease of the whole of the Premises

- (c) Not to hold or occupy the whole of the Premises or any part or parts thereof as trustee agent or otherwise for the benefit of any other person
- (d) Not to underlet the whole of the Premises at a fine or premium nor at a rent less than the rent payable hereunder or the open market rack rent of the Premises at the time of such Underlease (whichever shall be the higher).
- (e) Without prejudice to the foregoing provisions of this sub-clause not to assign charge or underlet the whole of the Premises without the previous written consent of the Lessor but subject to the operation of sub-clauses (19)(f) and (g) and the remaining sub-sub-clauses of this sub-clause (19) such consent is not to be unreasonably withheld in the case of a respectable and responsible person and to be subject where necessary to any Mortgagee's or insurer's prior consent first being obtained

This sub-clause (e) shall operate without prejudice to the right of the Lessor to withhold such consent on any other grounds where such withholding would be reasonable or to impose any further conditions beyond those specified in sub-clause (f) where the imposition of such conditions would be reasonable.

- (f) The Lessor may withhold its consent to an application by the Lessee for licence to assign this Lease unless all the conditions and criteria set by this sub-clause (19)(f) are met, - that:
 - (aa) at the time of the assignment, there are no outstanding breaches by the Lessee of the covenants on its part herein contained and arrears of rents or other monies due to the Lessor;
 - (bb) the Lessee enters into an Authorised Guarantee Agreement with the Lessor
 - (cc) that if such assignee shall be a limited liability company that at least two of its directors or such other party or

- parties as the Lessor reasonably requires shall if the Lessor so requires enters into an Authorised Guarantee Agreement with the Lessor as the Assignee's Guarantor as referred to and defined therein
- (dd) that any surety or sureties for the Lessee seeking the Lessor's consent shall (so far as the law allows and without prejudice to the remainder of the conditions and criteria referred to in this sub-clause (f)) enter into an Authorised Guarantee Agreement with the Lessor as the Lessee's Guarantor as referred to and defined therein which if more than one party shall be on the basis that the liability of such parties shall be joint and several
 - (ee) at the time of the application by the Lessee for the Lessor's licence to assign, the proposed assignee satisfies the criteria set out in the Sixth Schedule hereto
 - (ff) that where the Lessee is a limited company, the assignee shall not be a parent company subsidiary or holding company of the Lessee (as those expressions are defined in the Companies Act 1985) or a subsidiary of any such parent or holding company, and whether directly or indirectly
 - (gg) that the proposed assignee shall not enjoy diplomatic or state immunity (save where the proposed assignee is the Government of the United Kingdom of Great Britain and Northern Ireland or any department thereof)
 - (hh) that the proposed assignee is resident in the United Kingdom of Great Britain and Northern Ireland
 - (g) The conditions and criteria in sub-clause (19)(f) are specified for the purposes of Section 19(1A) of the Landlord and Tenant Act 1927
 - (h) If so required by the Lessor on any assignment of the Premises to procure that the Assignee enters into a covenant with the Lessor to pay the rents reserved by and perform and observe the covenants

on the part of the Lessee contained in this Lease from the date of assignment of the Premises to such assignee until the assignment of the Premises by such assignee in accordance with and pursuant to the provisions of this Lease and until any Authorised Guarantee Agreement required by the Lessor shall have been entered into with the Lessor in accordance with the provisions of this Lease

- (i) If so required by the Lessor on any underletting of the Premises to procure that the Underlessee enter into covenants with the Lessor to perform and observe the covenants on the part of the Lessee contained in this Lease (except as to payment of rents) and further if the Lessor shall in its reasonable discretion so require to obtain acceptable guarantors (and in the case of a company or other corporate body at least two reputable directors acceptable to the Lessor acting reasonably) for any Underlessee or proposed Underlessee to whom an Underlease is proposed to be granted who shall covenant with the Lessor that the Underlessee will observe and perform the covenants aforesaid
- (j) Upon the Lessor consenting to an Underletting of the Premises to procure that the Underlease shall contain:-
 - (i) an unqualified covenant on the part of the Underlessee with the Lessor that the Underlessee will not assign or charge any part or parts (as distinct from the whole) of the premises thereby demised and will not underlet the whole or any part of the Premises or (save by way of an assignment of the whole) part with or share possession or occupation or permit any person firm or company or other corporate body to occupy the whole or any part of the premises thereby demised as licensee or otherwise
 - (ii) a covenant on the part of the Underlessee with the Lessor that the Underlessee will not assign or charge the whole of the premises thereby demised without the previous consent in writing of the Lessor and

- furthermore shall contain provisions similar mutatis mutandis to those set out in clause 3(19)(f) hereof
- (iii) such covenants by the Underlessee with the Lessor and the Superior Lessor (if any) which the Lessee hereby undertakes to enforce as to prohibit the Underlessee from doing or suffering any act or thing upon or in relation to the premises demised by the Underlease which will contravene any of the Lessee's obligations in this Lease
 - (iv) provisions for review of the rent reserved by the Underlease which the Lessee hereby undertakes to operate and enforce corresponding both as to terms and dates with the provisions set out in the Fourth Schedule hereto for revision of the rent hereby reserved
 - (v) a condition for re-entry on breach of any covenant on the part of the Underlessee
- (k) Provided always that if the Lessor in its absolute discretion shall direct such Underletting shall contain an agreement to exclude Sections 24-28 of the Landlord and Tenant Act 1954 (as amended) (**"Exclusion Agreement"**) and the Lessee will prior to the granting of such Underlease provide to the Lessor certified copies of all such notices to and declarations or statutory declarations by the intended underlessee so as to comply with all legislation and other requirements so as to procure that such Exclusion Agreement is valid and binding in all respects and furthermore the Exclusion Agreement shall comply with such legislation and other requirements as aforesaid
- (l) Notwithstanding the provisions of sub-clauses 3(19)(a) and (b) the Lessee may share the occupation of the whole or any part of the Premises with a company that is a member of the same group as the Lessee within the meaning of the Landlord and Tenant Act 1954 Section 42 for so long as both companies remain members of that group and otherwise than in a manner that transfers or creates

a legal estate and Provided That the Lessee notifies the Lessor in writing of the fact of and full details of such occupation by such occupier.

(20) **Lessors Costs**

To pay to the Lessor all reasonable professional costs incurred by the Lessor

- (a) in or in reasonable and proper contemplation of any proceedings relating to the Premises under Section 146 or 147 of the Law of Property Act 1925 or the preparation and service of Notice thereunder (whether or not any right of re-entry or forfeiture has been waived by the Lessor or a Notice served under the said Section 146 is complied with by the Lessee or the Lessee has been relieved under the provisions of the said Act and notwithstanding forfeiture is avoided other than by relief granted by the Court) and to keep the Lessor fully and effectively indemnified against all costs expenses claims and demands whatsoever in respect of the said proceedings
- (b) in the preparation and service of a Schedule of Dilapidations at any time during or after the Term
- (c) in connection with the recovery of arrears of rent or other monies due hereunder
- (d) in respect of any application for consent required by this Lease whether or not such consent be granted unless consent is unreasonably withheld or delayed **PROVIDED ALWAYS** that;
 - (i) The Lessee shall pay the professional costs properly and reasonably incurred by the Lessor in connection with such consents and Licences as aforesaid whether or not such licence or consent is granted
 - (ii) The Lessee shall at the Lessee's expense furnish the Lessor with any additional copies of plans and specifications and other documents required in connection with the application by the Lessee for any consents and licences and such further copies of any notices and proposals served on the Lessee and such

further information with regard thereto as may be
reasonably required by the Lessor

(21) **Planning**

- (a) At all times during the Term to comply in all respects with the provisions and requirements of the Planning Acts and all licences consents permissions and conditions (if any) already or hereafter to be granted or imposed thereunder or under any enactment repealed thereby so far as the same respectively relate to or affect the Premises or any part thereof or any operations works acts or things already or hereafter to be carried out executed done or omitted thereon or the use thereof for any purpose
- (b) During the Term so often as occasion shall require at the expense in all respects of the Lessee to obtain from the Local Authority the Local Planning Authority and/or the Secretary of State for the Environment (or other appropriate Minister) all such Licences consents and permissions (if any) as may be required for the carrying out by the Lessee of any operations on the Premises or the institution or continuance by the Lessee thereon of any use thereof which may constitute development within the meaning of the Planning Acts but so that the Lessee shall not make any application for planning permission nor permit or suffer or procure any third party acting in concert directly or indirectly with the Lessee to make any such without the prior written consent of the Lessor such consent not to be unreasonably withheld or delayed
- (c) To pay and satisfy any charge that may hereafter be imposed under the Planning Acts in respect of the carrying out or maintenance by the Lessee of any such operation or the institution or continuance by the Lessee of any such use as aforesaid
- (d) notwithstanding any consent which may be granted by the Lessor under this Lease not to carry out or make any alteration or addition to the Premises or any change of use thereof (being an alteration or addition or change of use which is prohibited by or for which the consent of the Lessor is required to be obtained under this Lease

- and for which a planning permission needs to be obtained) before a planning permission therefor has been produced to the Lessor and acknowledged by it acting reasonably as satisfactory to it but so that the Lessor may refuse to express satisfaction with any such planning permission on the grounds that the period thereof or anything contained therein or omitted therefrom in the reasonable opinion of the Lessor or its Surveyor would be or be likely to be prejudicial to the Lessor's interests in the Premises whether during the Term or following the expiration or determination thereof
- (e) Unless the Lessor shall otherwise in writing direct to carry out before the Termination Date any works stipulated to be carried out to the Premises as a condition of any planning permission which may have been granted and implemented wholly or in part during the Term whether or not the date by which the planning permission requires such works to be carried out falls within the Term
 - (f) If and when called upon so to do to produce to the Lessor and its Surveyor and as they may direct all such plans documents and other evidence as the Lessor may reasonably require to satisfy itself that the provisions of this covenant have been complied with in all respects
 - (g) In any case where the permission for any development granted by the Local Planning or other Authority has been granted subject to conditions the Lessor shall (acting reasonably) be entitled as a condition of giving consent to the carrying out of the works or making the change of use to require the Lessee to provide security for the compliance with the conditions imposed as aforesaid and the operation shall not be commenced or the change of use put into effect until such security shall have been provided to the satisfaction of the Lessor
 - (h) As soon as practicable to give to the Lessor notice of any order direction proposal or notice under the Planning Acts or relating to any of the matters referred to in the sub-clauses hereof which is

served upon or received by or comes to the notice of the Lessee in connection with or relating to the Premises and will produce to the Lessor if so required any such order direction proposal or notice as aforesaid as is in the possession of the Lessee and will not regarding such order direction proposal or notice as aforesaid take any action not approved by the Lessor such approval not to be unreasonably withheld or delayed

(22) Fire Fighting

To keep the Premises sufficiently supplied and equipped with such fire fighting and extinguishing appliances as shall from time to time be required by law or by any competent authority or as shall be reasonably required by the Lessor or its insurers and such appliances shall be open for inspection and shall be maintained to the reasonable satisfaction of the Lessor and so not to obstruct or permit or suffer to be obstructed the access to or means of working such appliances or the means of the escape from the Premises in the case of fire

(23) Guarantors

Within fourteen days of the death during the Term of any person who has or shall have guaranteed to the Lessor the payment of the said rents and the observance and performance of the covenants on the part of the Lessee herein contained or of such person becoming bankrupt or having a Receiving Order or an Interim Order under part VIII of the Insolvency Act 1986 made against him or being a Company suffering a Receiver to be appointed passing a Resolution to wind up or entering into liquidation or having an Administration Order under the said Act made against it then to give notice thereof to the Lessor and if so required by the Lessor at the expense of the Lessee within 56 days to procure some other person acceptable to the Lessor to execute a Guarantee in respect of the payment of the said rents and the observance and performance of the said covenants in the form set out in the Fifth Schedule hereto

(24) Refuse

Not to allow trade empties or refuse of any description to accumulate on or outside the Premises but, to place all refuse and other rubbish in containers of a type specified by the Lessor prepared for collection in a tidy manner and if required by the Lessor in a

manner and at times and places reasonably specified by the Lessor for picking up refuse and not to hang or place or allow to be hung or placed any articles or other goods of any description outside the Premises or the entrance door thereof whether on any forecourt or otherwise or from the outside of the windows of the Premises

(25) Easements

Not to stop up or obstruct any windows or light belonging to the Premises or to any other building belonging to the Lessor nor permit any new opening path drain or encroachment or easement to be made into against or upon the Premises and to give notice to the Lessor of any such which shall be made or attempted and come to the Lessee's notice and at the request and cost of the Lessor to adopt such means and take such steps as may be reasonably required by the Lessor to prevent the same

(26) Registration

Within 21 days after the execution of any Assignment or any transmission by reason of a death or otherwise affecting the Premises or any part thereof to produce to and leave with the Lessor or its Managing Agents for the time being the Deed instrument or other document evidencing or affecting such dealing or transmission together with a certified true copy thereof and on each occasion to pay to the Lessor or such Agents a registration fee of £80

(27) Defective Premises Act 1972

- (a) Forthwith upon becoming aware of the same to give notice in writing to the Lessor of any defect in the state of the Premises which would or might give rise to an obligation on the Lessor to do or refrain from doing any act or thing in order to comply with the duty of care imposed on the Lessor pursuant to the Defective Premises Act 1972 and indemnify and keep indemnified the Lessor from or against any loss claims actions costs or demands arising from a failure to give such notice and at all times to display and maintain all notices (including the wording thereof) which the Lessor may from time to time reasonably require to be displayed at the Premises
- (b) Notwithstanding any other provision in this Lease except so far as may be insured against by the Lessor under the terms of this Lease to keep the Lessor fully and effectively indemnified from and against all liabilities, costs, claims, proceedings, actions and expenses arising through the use or occupation of the Premises or the execution of any works upon the Premises

or the state and condition of the Premises or any act or default of the Lessee or its agents or employees and whether in respect of any injury to or the death of any person or damage to any property moveable or immovable or the infringement, disturbance or destruction of any right or easement or otherwise

(28) Development Tax

Notwithstanding anything in this Lease to the contrary not to carry out or permit or suffer to be carried out on the Premises any development which would cause the Lessor to be liable for tax in consequence thereof under any enactment for the time being in force and to indemnify them in respect thereof

(29) Indemnity for Breach

To pay and make good to the Lessor all and every loss or damage whatsoever incurred by the Lessor as a consequence of every breach of the covenants on the part of the Lessee and the conditions herein contained and to indemnify the Lessor against all actions and costs in any way relating thereto

4. The Lessor hereby covenants with the Lessee as follows:-

(a) Quiet Enjoyment

That the Lessee paying the rents hereinbefore reserved on the days and in the manner hereinbefore appointed for payment thereof and observing and performing the covenants and conditions hereinbefore contained on the Lessee's part to be observed and performed shall and may peaceably and quietly hold and enjoy the Premises during the Term without any lawful interruption by the Lessor or any person rightfully claiming through under or in trust for it

(b) Insurance

At all times to pay to the Lessors' Insurers or to any Superior Lessor the premiums for keeping the Premises (including all fixtures therein but not the Lessee's trade fixtures) insured subject to such excesses limitations or exclusions as the Insurers may impose in some Insurance office of repute or with Underwriters and through such agency as the Lessor or any Superior Lessor shall from time to time decide in such sum as shall in the Lessor's

opinion (acting reasonably) represent the full replacement value thereof including Architects and Surveyors and other professional fees and incidental expenses against loss or damage by the Insured Risks and also for a sum equal to rent of the Premises for three years or such longer period as the Lessor may from time to time determine such sum to take into account actual or potential increase of rent in accordance with the rent review provisions herein contained **AND** on demand but not more frequently than once a year will produce or procure the production to the Lessee of evidence of such insurance and of the payment of the last premium therefor **AND** as often as the Premises shall be destroyed or damaged by any of the Insured Risks then unless payment of the insurance monies or any part thereof shall be refused in whole or in part by reason solely or in part of any act or default of the Lessee or any person deriving title under the Lessee or their Agents employees invitees or any other person under their control and subject to the Lessor being able to obtain any necessary planning consents and all necessary licences approvals and consents and subject always to clause 5(iii) hereof to lay out the net proceeds of such insurance (save that part relating to loss of rent) to re-build repair and reinstate the Premises

5. **PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED** as follows:-

(i) **Forfeiture**

That these presents are made upon the express condition that (notwithstanding and without prejudice to any other remedies and powers herein contained or otherwise available to the Lessor) if and whenever the said rents sums or other payments or any parts thereof shall be unpaid for twenty-one days after any of the days hereinbefore appointed for payment thereof (whether the same shall have been lawfully demanded or not) or if and whenever the Lessee shall fail or neglect to perform or observe any of the covenants conditions or agreements herein contained and on the part of the Lessee to be performed or observed or if the Lessee or the Guarantor or any assignee of the Lessee being a company shall enter in to liquidation (whether compulsory or voluntary

save for the purpose (demonstrated to the Lessor's satisfaction acting reasonably) of reconstruction or amalgamation whilst solvent) or pass a resolution for winding up (save as aforesaid) or is unable to pay or has no reasonable prospect of being able to pay its debts within the meanings of Sections 122 and 123 of the Insolvency Act 1986 ("the 1986 Act) or summons a meeting of its creditors or any of them under Part I of the 1986 Act or suffers a petition for an Administration Order in respect of it to be filed in Court or suffers a receiver or administrative receiver to be appointed or being an individual or being more than one individual any of them shall have a receiving order made against him or become bankrupt or is unable to pay or has no reasonable prospect of being able to pay his debts within the meaning of Sections 267 and 268 of the 1986 Act or if the Lessee or any assignee thereof or Guarantor (or if the Lessee or any assignee thereof or Guarantor (or if there shall be more than one any of them) shall enter into composition with their or his creditors or suffer any distress or execution to be levied on their or his goods at the Premises or if an interim order is made under part VIII of the 1986 Act then and in such case it shall be lawful for the Lessor or any person or persons duly authorised by the Lessor in that behalf to re-enter the Premises or any part thereof in the name of the whole and peaceably to hold and enjoy the same henceforth as if these presents had not been made without prejudice to any antecedent claim against or breach of any of the covenants on the part of the Lessee herein contained or right of action or remedy of the Lessor in respect thereof

(ii) **Service of Notices**

Any demand or notice requiring to be made given to or served on the Lessee or any Guarantor shall be duly and validly made given or served if sent by the Lessor or its agents through the first class post or by pre-paid letter addressed to the Lessee or the Guarantor respectively (and if there shall be more than one of them then any one of them) at its registered office or its or his last known address or at the Premises Any notice required to be given to the Lessor shall be well and sufficiently given if sent through the first class post by pre-paid letter addressed to the Lessor at its registered office or if an individual at his last known solicitors Any demand or notice sent by post shall be conclusively treated as having been made given or served 48 hours after posting

(iii) **Notice to determine**

In any case in which after any destruction or damage to the Premises it shall appear to the Lessor to be impracticable to complete the rebuilding or reinstating of the same within the period of three years (or such longer period as the Lessor and the Lessee may in writing agree) from the date of such destruction or damage either the Lessor or the Lessee may determine this Lease by giving not less than six months written notice to the other at anytime whereupon this Lease shall determine but without prejudice to any claim by either party in respect of any antecedent breach non-observance or non-performance by the other of any of the covenants and the conditions herein contained and all insurance monies and the interest earned thereon shall become the absolute property of the Lessor

(iv) **User**

Nothing in this Lease contained shall imply or warrant that the Premises may in accordance with the Planning Acts be used for the purpose herein authorised

(v) **Right to Build**

Notwithstanding anything herein contained or consequent hereto and in derogation thereof the Lessor and all persons authorised by it shall have power without obtaining any consent from the Lessee to deal as it or they may think fit with any nearby premises and to erect or suffer to be erected thereon or on any part thereof any buildings whatsoever and to make any alterations or additions and carry out any demolition or rebuilding whatsoever which it or they may think fit or desire to do to such nearby premises and without prejudice to the generality of the foregoing whether such buildings alterations or additions shall or shall not affect or diminish the light or air which may now or at any time during the Term be enjoyed by the Lessee or to the tenants or occupiers of the Premises Provided always that the Lessor will cause as little inconvenience to the Lessee as is reasonably practicable and will at its own expense as soon as reasonably practicable make good any damage to the Premises thereby caused

(vi) **Dispute**

Any dispute arising between the Lessee and any owner or occupier of nearby premises (other than the Lessor) as to any right or privilege or any party or other wall or otherwise shall be determined on behalf of the Lessee by the Surveyor whose decision shall bind the Lessee save in case of manifest error and whose fees shall be payable as he may reasonably direct

(vii) Rent Cesser

In case the Premises or any part thereof or the means of access thereto or the Building or any part thereof shall at any time during the Term be destroyed or damaged by fire so as to make the Premises unfit for occupation and use and the policy or policies of Insurance shall not have been vitiated or payment of the Policy monies refused in whole or in part in consequence of some act or default of the Lessee as aforesaid the rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the Premises or as the case may be the means of access thereto or the relevant part or parts thereof shall be again rendered fit for occupation and use or until the expiration of a period of three years calculated from the date of the damage or destruction (whichever shall be the earlier) and any dispute regarding the said cesser of rent shall be referred to the award of a single Arbitrator to be appointed in default of agreement upon the application of either party by the President for the time being of the Royal Institution of Chartered Surveyors in accordance with the provisions of the Arbitration Act 1996 or any statutory modification thereof for the time being in force

(viii) Other Easements

Nothing herein contained shall operate expressly or impliedly to confer upon or grant to the Lessee any easement right or privilege other than those expressly hereby granted and set out in the Second Schedule hereto

(ix) Value Added Tax

(a) Without prejudice to any statutory rights which the Lessor has in this respect it is confirmed that the Lessor reserves the right in its absolute discretion from time to time to exercise or not as the case may be

- (i) any option which results in Value Added Tax being charged on any supply made by the Lessor or
- (ii) any election to waive exemption from Value Added Tax with respect to any supply made by the Lessor and nothing in this Lease or otherwise shall create any implication as to how the Lessor may exercise that discretion from time to time

(b) (Without prejudice to the liability imposed on the Lessee under the terms of this Lease to pay an amount equal to any Value Added Tax which may be chargeable in respect of or by reference to or as a result of any supply made

by the Lessor to the Lessee under the terms of or in connection with this Lease or any rents and other consideration payable under this Lease) where under this Lease the Lessee agrees to pay or contribute to (or indemnify the Lessor or any other person in respect of) any costs fees expenses outgoings or other liability of whatsoever nature whether of the Lessor or any third party reference to such costs fees expenses outgoings and other liability shall (for the avoidance of doubt) be taken to be increased by such a sum as to include any Value Added Tax charged in relation thereto

(x) Distress

If the Lessee shall make default in paying any sum (other than rent) such sum shall be recoverable (whether formally demanded or not) as if rent in arrear and the power of the Lessor to distrain upon the Premises for rent in arrear shall extend to and include any Lessee's fixtures and fittings not otherwise by law distrainable

(xi) Disclaimer

The Lessor shall not in any circumstances incur any liability in respect of damage to person or property or otherwise howsoever by reason of any act omission neglect default or misfeasance of the Lessor its servants employees agents or independent contractors or by reason of any accidental damage which may at any time be done to the Premises or to any of the goods persons or property of the Lessee or any other person caused by any act or default of any other tenant of the Lessor in any adjoining or neighbouring premises or of any servant employee or of any servant employee or contractor as aforesaid in breach or neglect of his or her duty or by reason of any failure or malfunction of any plant machinery or equipment on or about the Premises

(xii) Employees

Any employees of the Lessor or Lessor's Agents who does any act or thing on the instructions or at the request of the Lessee shall be deemed to do such act or thing as the Agent or Servant of the Lessee and not of the Lessor

(xiii) Previous Lease

Notwithstanding the grant of this Lease the Lessee's liability for covenants on its part (including but not limited to those relating to repairs renewals and decorations and for reinstating any works undertaken by the Lessee or any predecessor of the Lessee during the term thereby granted) contained in the Lease dated the 9th March 1987 and made between Grays Investments Limited of the one part, Stephen Richard Hagerty

and Barry Neil Trinder of the other part (“the Previous Lease”) under which the Lessee now holds the Premises or contained in any licence for alterations granted pursuant thereto, shall not in any way be released or extinguished and it is hereby agreed that the Lessee’s liability under the covenants for repairs renewals and decorations herein contained shall include such of the obligations and covenants on the Lessee’s part to be observed and performed as are contained in the Previous Lease (and any licence as aforesaid) which have not yet been complied with.

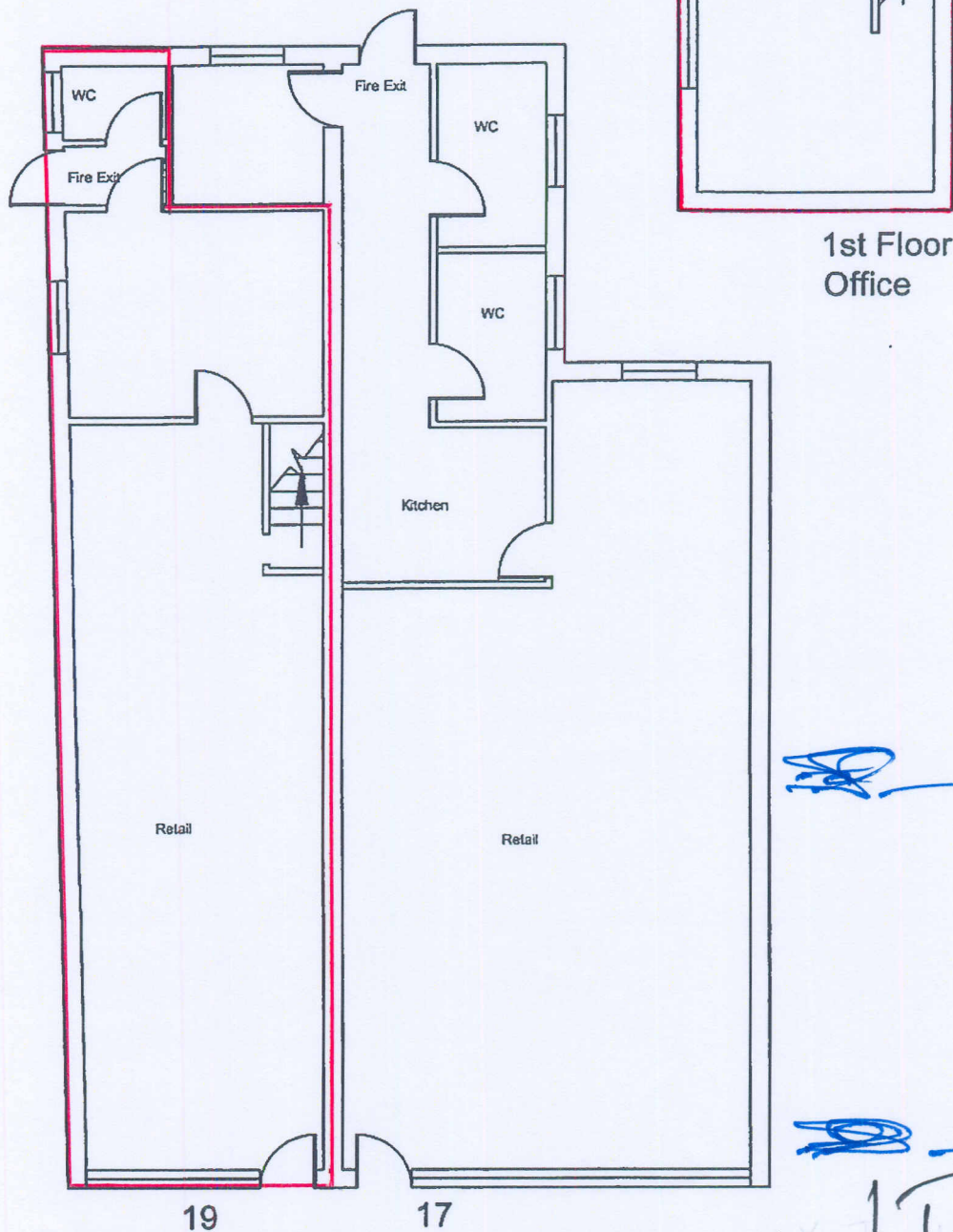
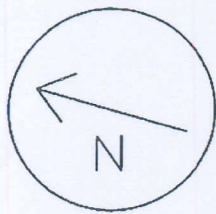
7. (a) The Guarantor hereby covenants with the Lessor in the terms set out in the Fifth Schedule hereto
- (b) The guarantee of the Guarantor in this Lease remains in force for so long as and to the extent that the Lessee (in this context meaning the party named as “the Lessee” in paragraph 3 of the Particulars of this Lease) is not released by law from liability for the Lessee’s covenant in this Lease
8. It is certified that there is no agreement for lease to which this Lease gives effect
9. This Lease is a new tenancy within the meaning of Section 1 of the Landlord and Tenant (Covenants) Act 1995
10. A person who is not a party to this Lease has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Lease but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

IN WITNESS whereof the parties hereto have duly executed this Lease as a deed.

THE FIRST SCHEDULE

(Premises)

ALL THAT building and premises at 19 Stert Street, Abingdon, Oxfordshire shown edged red on the plans annexed hereto



Project
17/19 Stert Street, Abingdon

Drawing Title
Lease Plan

Scale 1/100	Drawn VB	Drawing No. VB/A4/01 rev A	Date Dec '06
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Blakeney Leigh

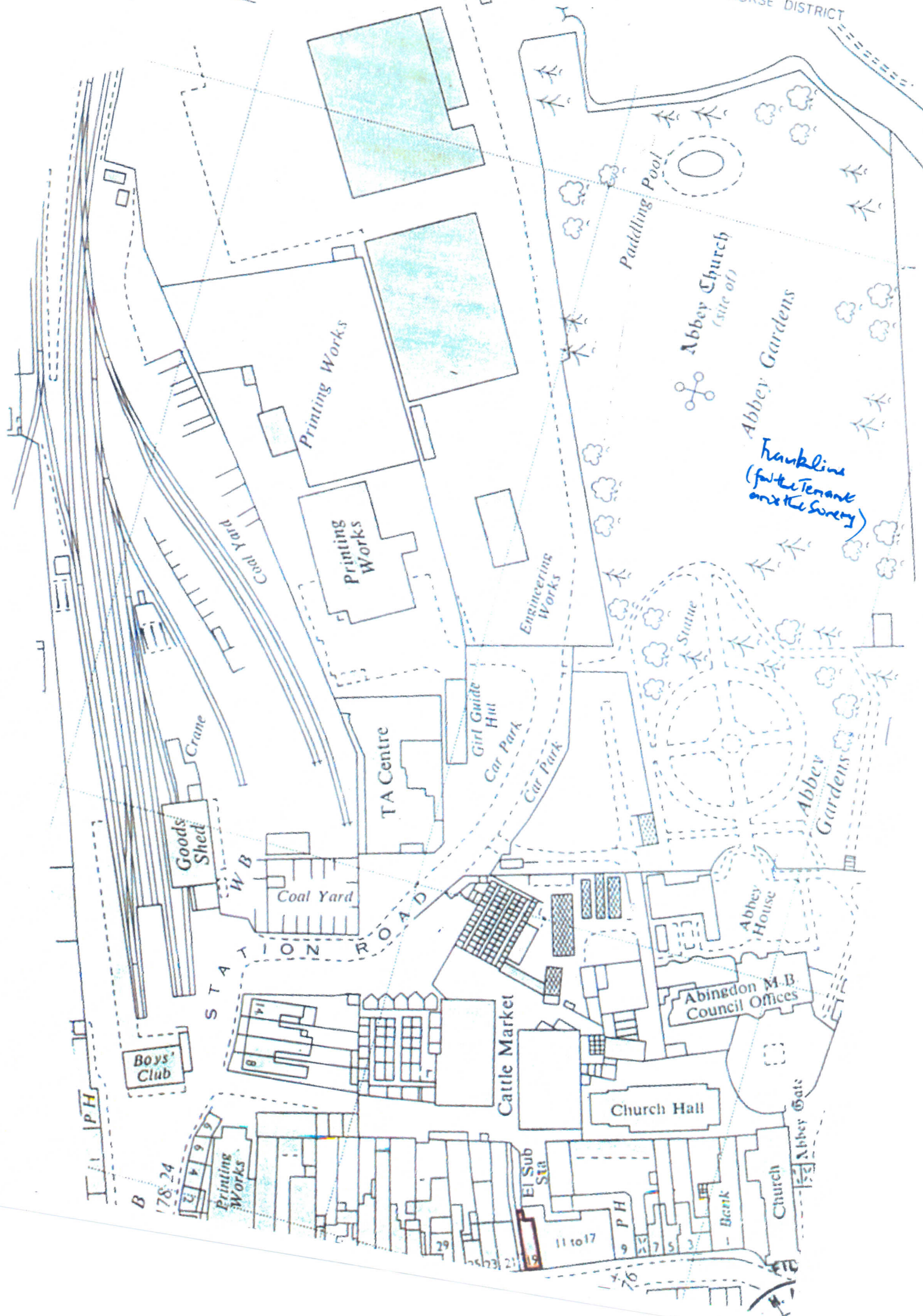
Chartered Building Surveyors
Property Consultants

Tel: 020 8777 7700 Fax: 020 8777 7600
E-mail: Neal.Gordon@BlakeneyLeigh.co.uk

OXFORDSHIRE

Scale 1/1250

VALE OF WHITE HORSE DISTRICT



THE SECOND SCHEDULE
(Rights and Easements Granted)

The right (in so far as the Lessor has power to grant the same) for the Lessee his servants agents and visitors in common with the Lessor those authorised by it and all other persons entitled in the like right:-

1. Of free passage and running of water soil gas electricity and other services through the pipes drains watercourses and other conduits now serving the Premises and passing in or under any adjoining land or building of the Lessor
2. Of support and protection for the Premises from any nearby premises

THE THIRD SCHEDULE
Rights and Easements Excepted

The following rights and easements are excepted and reserved out of the Premises unto the Lessor and its tenants and the occupiers of any nearby premises and all other persons entitled in the like right:-

1. The free and uninterrupted passage of water and soil gas electricity and any other conducting media through the conduits which are now or may at any time during the Term be in on under or passing through or over the Premises with the right to construct and maintain new services for the benefit of any nearby premises the right to repair maintain and renew such existing and new services and the right at any time but (except in emergency) after giving reasonable notice to enter (or in an emergency or after the giving of reasonable notice in the Lessee's absence to break and enter) the Premises in the exercise of such rights the person exercising such right making good any damage caused to the Premises Provided that the person exercising such right will cause as little inconvenience to the Lessee as is reasonably practicable.
2. The right to build re-build or execute any other works upon any nearby premises in such manner as the Lessor or the person exercising such right may think fit the person exercising such right making good any damage caused to the Premises at his own expense as soon as reasonably practicable notwithstanding any interference with or damage caused thereby to the access

or enjoyment of light or air to or in respect of the Premises Provided that the person exercising such right will cause as little inconvenience to the Lessee as is reasonably practicable.

3. The support and protection from the Premises for other parts of the Building and other nearby premises as now enjoyed by them
4. The right at any time but (except in an emergency) after giving reasonable prior notice to enter (or in an emergency or after the giving of reasonable prior notice during the Lessee's absence to break and enter) the Premises in order to
 - (a) inspect or view the condition of the Premises
 - (b) carry out work upon any nearby premises and
 - (c) to carry out any repairs or other work which the Lessor must or may carry out under the provisions of this Lease or to do.

Provided that the person exercising such right will cause as little inconvenience to the Lessee as is reasonably practicable

5. The right at any time without obtaining any consent from or making any arrangement with the Lessee to alter reconstruct or modify in any way any part or parts of nearby premises
6. All such other easements as are now enjoyed by nearby premises

THE FOURTH SCHEDULE

Rent Review

- 1.1 The terms defined in this paragraph shall for all purposes of this Schedule have the meanings specified
- 1.2 **"Review Date"** means each of the Rent Review Dates specified in the Particulars
- 1.3 **"the Assumptions"** mean the following assumptions at the relevant Review Date.
 - (a) that the Premises are fit for and fitted out and equipped for immediate occupation and beneficial use and that no work has been carried out on the Premises by the Lessee its sub-tenants or their predecessors in title prior to or during the Term which has diminished the rental value of the Premises and that if the

Premises have been destroyed or damaged they have been fully restored

- (b) that the Premises are available to let on the Review Date for a term equal to the unexpired residue at such Review Date of the Term by a willing landlord to a willing tenant as a whole with vacant possession without a premium upon the terms conditions covenants and provisions of this Lease and of any licence granted thereunder other than the amount of the rent first hereinbefore reserved
- (c) that the covenants contained in this Lease have been fully performed and observed
- (d) that any lessee can obtain in respect of Value Added Tax charged on the rent or other sums payable under this Lease a credit for the same as allowable input tax.
- (e) that the Premises may be used for the Specified Use and/or any purpose falling within Class A1 of the Town and Country Planning (Use Classes) Order 1987 as amended by the Town and Country Planning (Use Classes) (Amendment) (England) Order 2005 as originally enacted
- (f) that any planning consent authorising the use or construction of the Premises under the Planning Acts contains no restriction as to the name or type of occupier of the Premises nor any limitation in time and that the use permitted by this Lease in respect of the Premises is fully permitted under the Planning Acts without restriction.
- (g) that any rent free period or period at a concessionary rent which it might then be the practice in the market to give to a tenant on a new letting with vacant possession to allow for the time required within which to complete the tenant's initial fitting out works, has expired

1.4 **"the Disregarded Matters"** mean:

- (a) any effect on rent of the fact that the Lessee may have been in occupation of the Premises

- (b) any goodwill attached to the Premises by reason of any trade or business carried on therein by the Lessee or any undertenant
- (c) any effect on rent of any lawful improvement to the Premises carried out after the date of this Lease by and at the sole cost of the Lessee with the Lessor's written consent where required and otherwise than in pursuance of an obligation to the Lessor
- (d) any effect on rent arising under the covenants and provisions of this Lease for the payment of Value Added Tax

- 1.5 **"Open market rent"** means the yearly rent for which the Premises could reasonably be expected to be let after the expiry of a rent free period for fitting out at the relevant Review Date making the Assumptions but disregarding the Disregarded Matters and having regard to open market rental values at the relevant Review Date
- 1.6 **"The President"** means the President for the time being of the Royal Institution of Chartered Surveyors the duly appointed deputy of the President or any person authorised by the President to make appointments on his behalf
2. From and after each Review Date the rent first hereinbefore reserved shall be whichever is the higher of (i) the yearly rent operative immediately before that Review and (ii) the Open market rent of the Premises on that Review Date (hereinafter referred to as **"the new rent"**)
3. If two months before any relevant Review Date the Lessor and Lessee shall not have agreed on the new rent to operate from the relevant Review Date either party may at any time thereafter require the Open market rent to be determined at the option of the Lessor either by an Arbitrator (hereinafter called **"the Arbitrator "**) or an independent Surveyor acting as an expert and not as an arbitrator (hereinafter called **"the Surveyor"**) **PROVIDED ALWAYS** that if the Lessor shall fail to exercise the said option within fourteen days of being given notice in writing by the Lessee requiring him so to do the Open market rent shall be determined by an Arbitrator.
4. The Arbitrator or the Surveyor may be agreed upon by the Lessor and the Lessee and in default of such agreement shall be appointed by the President on the application of the Lessor or the Lessee as the case may be (in exercise of the said option)

5. In the case of arbitration the arbitration shall be conducted in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force with the further provision that if the Arbitrator nominated pursuant to paragraph 4 hereof shall die or decline to act the President may on the application of either party by writing to discharge the Arbitrator and appoint another in his place
6.
 - (a) In the case of determination by the Surveyor notice in writing of his appointment shall be given by the Surveyor to the Lessor and the Lessee and he shall invite each to submit within a period of four weeks (or such longer period as the Parties may request) a valuation accompanied by a statement of reasons
 - (b) The Surveyor shall act as an expert and not as an arbitrator. He shall consider any valuation and reasons submitted to him but shall not be in any way limited or fettered thereby and shall determine the Open market rent in accordance with his own judgment
 - (c) The Surveyor shall give notice in writing of his decision to the Lessor and the Lessee within two months of the receipt of the valuations or within such extended period as the Lessor may agree
 - (d) The decision of the Surveyor shall be final on all matters hereby referred to him
 - (e) If the Surveyor shall fail to determine the Open market rent and give notice thereof within the time and in the manner hereinbefore provided or if he shall relinquish his appointment or die or if it shall become apparent that for any reason he will be unable to complete his duties hereunder either party may apply to the President for a substitute to be appointed in his place which procedure may be repeated as many times as necessary
 - (f) The fees and expenses of the Surveyor including the cost of his nomination shall be borne equally by the Lessor and the Lessee who shall otherwise bear their own costs
7. If the Arbitrator or the Surveyor comes to the conclusion that the Open market rent of the Premises on the relevant Review Date is or was less than the yearly rent operative immediately before the relevant Review Date

- (hereinafter called "**the current rent**") the new rent shall be the current rent and the award of the Arbitrator or the decision of the Surveyor shall so state.
8. If the revised rent payable on and from any Review Date has not been ascertained by that Review Date rent shall continue to be payable at the rate previously payable and forthwith upon the revised rent being ascertained the Lessee shall pay within 14 days thereafter to the Lessor any shortfall between what would have been paid on the Review Date and on any subsequent rent days had the revised rent been determined and the payments made by the Lessee on account together with interest at the rate of two per centum (2%) per annum above the base rate of Barclays Bank Plc from time to time on each instalment of rent due on or after the Review Date on the difference between what would have been paid on that rent day had the revised rent been determined and the amount paid on account such interest being payable for the period from the date upon which the instalment was due up to the date of payment of the shortfall For the purposes hereof the revised rent shall be deemed to have been ascertained on the day when the same has been agreed between the Lessor and Lessee or as the case may be the date of the Award by the Arbitrator or of the Notice by the Surveyor
 9. If either the Lessor or the Lessee shall fail to pay any costs awarded against it in the case of an arbitration or the moiety of the fees and expenses of the Surveyor under the provisions hereof within 21 days of the same being demanded by the Arbitrator or the Surveyor (as the case may be) the other shall be entitled to pay the same and the amount so paid shall be repaid by the party chargeable on demand
 10. When the amount of any rent to be ascertained as herein provided shall have been so ascertained memoranda thereof shall thereupon be signed by or on behalf of the Lessor and the Lessee and annexed to this Lease and the counterpart thereof
 11. If on any Review Date there shall be in force any enactment which shall prevent restrict or modify the Lessor's right to review the rent first hereinbefore reserved in accordance with this Schedule and/or to recover any increase in the rent the Lessor shall when such prevention restriction or modification is removed relaxed or modified be entitled (but without

prejudice to its rights (if any) to recover any rent the payment of which has only been deferred by law) once following each removal relaxation or modification of such enactment to serve notice (hereinafter called an **"Interim Notice"**) upon the Lessee and from and after the date of such Interim Notice until the next Review Date or the date of the next Interim Notice (whichever shall first occur) the rent first hereinbefore reserved shall be increased to whichever is the higher of (i) the yearly rent operative immediately before the date of such Interim Notice and (ii) the Open market rent of the Premises at the date of such Interim Notice and the provisions of this Paragraph shall apply accordingly with the substitution of the date of service of the Interim Notice for the relevant Review Date

THE FIFTH SCHEDULE

1. The Guarantor jointly and severally as a primary obligation guarantee[s] to the Lessor that the Lessee will pay the rents and all other moneys payable hereunder at the respective times and in manner herein appointed for payment thereof and will also duly observe and perform the several covenants and stipulations on the part of the Lessee contained in this Lease
2. The Guarantor (by way of indemnity and as a primary obligation and not only by way of guarantee) will pay and make good to the Lessor on demand all losses costs damages and expenses occasioned to the Lessor by reason of any non-payment or breach specified in Paragraph 1 of this Schedule and (without prejudice to the generality thereof) in the event of any disclaimer by any trustee in bankruptcy or liquidator or the Crown or after any forfeiture of this Lease the Guarantor will pending any reletting of the Premises pay to the Lessor an amount equal to all rent and other sums which but for such disclaimer or forfeiture would have been payable by the Lessee under this Lease and all costs charges and expenses properly and reasonably incurred by the Lessor of and incidental to any reletting or attempted reletting of the Premises and any other losses costs damages and expenses occasioned to the Lessor by reason of or in consequence of any disclaimer by any trustee in bankruptcy or liquidator or the Crown or any forfeiture of this Lease

3. Any neglect or forbearance of the Lessor in endeavouring to obtain payment of the rent or other moneys payable under this Lease or any delay in taking any steps to enforce performance of the covenants contained in this Lease and any time which may be given by the Lessor to the Lessee or any alteration or variation of the terms of this Lease agreed between the Lessor and the Lessee (provided only that any such variation is made with the prior written approval of the Guarantor such approval not to be unreasonably withheld refused or delayed) or any increase or decrease in the rents payable under this Lease in any case with or without the consent of the Guarantor (and whether or not such increase shall increase the liability of the Lessee or Guarantor hereunder) or (if the Guarantor shall include more than one person) the release of any of such persons or the release of any other surety or security for the performance of the Lessee's obligations or any of them or the making of any compromise or settlement with any surety or any other act omission matter or thing whatsoever whether or not of a similar nature to any of the foregoing whereby (but for this provision) the Guarantor would be exonerated either in whole or in part from the aforesaid covenants shall not release or in any way lessen or affect the liability of the Guarantor and the liability of the Guarantor shall operate in relation to this Lease as it may be varied or altered as aforesaid from time to time
4. These covenants shall enure to the benefit of all persons from time to time constituting the Lessor without any express assignment of these covenants being required
5. That if a Liquidator or Trustee in bankruptcy shall disclaim this Lease the Guarantor will if the Lessor shall by notice in writing within six months after receipt of formal written notice of such disclaimer so require take from the Lessor a lease of the Premises for a term commensurate with the residue of the Term which would have remained had there been no disclaimer at the same rents and subject to the same covenants and conditions as are reserved by and contained in these presents the said lease to take effect from the date of the said disclaimer and in such case the Guarantor shall pay the costs of such new lease properly and reasonably incurred by the Lessor and execute and deliver to the Lessor a counterpart thereof

6. That if upon the expiration of this Lease the Lessee shall be the tenant of the Premises and shall be granted a new lease thereof the Guarantor shall (jointly and severally with any other Guarantors) enter into and be a party to such new lease for the purpose of giving covenants of guarantee and indemnity in like form mutatis mutandis to the covenants given in this Schedule
7. The Guarantor acknowledges that the Lessee has the irrevocable authority of the Guarantor to bind the Guarantor as respects any agreement made in connection with this Lease and as respects any variation of it

THE SIXTH SCHEDULE

Criteria to be satisfied by a proposed assignee

Clause 3(19)(f)(ee)

Lessee of required status

The proposed assignee is to be of required status

1. Companies of required status

A company to whom the Lessee proposes to assign this Lease is of required status if, at the time that the application for the consent of the Lessor to the proposed assignment is made, the following criterion is met:

- 1.1 the release on assignment by operation of law of the Lessee from the tenant covenants in this Lease and the vesting of this Lease in the proposed assignee would in the reasonable opinion of the Lessor not result in a diminution in value of the reversion to this Lease on the assumption (whether or not a fact) that the Lessor wished to sell its reversionary interest the day following completion of the assignment to the proposed assignee of this Lease; and
 - 1.1.1 the Lessor is entitled to withhold consent to the proposed assignment on this ground if it is, in its opinion, borne out in the circumstances, but
 - 1.1.2 the Lessee may object to the Lessor's decision and require the issue to be submitted to an independent expert, by whose determination the parties are to be bound

2. Partnerships or individuals of required status

A partnership or individual to whom the Lessee proposes to assign this Lease will be of required status if it meets the criterion set out in paragraph 1.1

3. **Public bodies**

A UK Government department, nationalised industry or public utility company to which the Lessee proposes to assign this Lease is to be treated as being of required status for the purposes of paragraph 1.1

THE SEVENTH SCHEDULE

(Authorised Guarantee Agreement)

THIS DEED is made on 200[] **BETWEEN:**

(1) [] whose registered office is situate at []

(“the Lessor”) which expression shall include its successors in title and assigns)

(2) [] whose registered office is situate at [] (“the Lessee”)

(3) [] whose registered office is situate at [] (“the Assignee”)

(4) [] whose registered office is situate at []
([together called] “the Assignee’s Guarantor”)

(5) [] whose registered office is situate at []
([together called] “the Lessee’s Guarantor”)

1. Definitions and Interpretations

1.1 Definitions

In this Deed the following terms have the following meanings:-

- (i) “the Premises” means the premises known as []
[as more particularly described in the Lease
- (ii) “the Lease” means a lease or underlease of the Premises dated []
[2011 made between [](1) [](2) and []
[(3)

- (iii) **“the Term”** means the term as defined in and/or granted by the Lease
- (iv) **“Guarantee Period”** means the period commencing on the date of the assignment of the Lease to the Assignee until the assignment of the Lease by the Assignee pursuant to and in accordance with the provisions of the Lease

1.2 **Interpretation**

- (a) All terms and expressions used in this Deed shall have the same meanings (where the context so admits) as are given to them in the Lease
- (b) Where any party to this Deed comprises more than one party the obligations and liabilities of that party under this Deed are joint and several obligations and liabilities
- (c) Where any party to this Deed is an individual reference to such party shall extend to and include his or her personal representatives
- (d) Words importing one gender include any other gender and words importing persons shall include companies and corporations and vice versa
- (e) Words importing the singular import the plural and vice versa
- (f) Any reference to a deed or document includes a reference to all or any deeds and documents from time to time supplemental thereto (whether or not expressed so to be) and is a reference to that deed or document as varied from time to time
- (g) The headings and clause numberings of this Deed are not to be taken into account for the purpose of the interpretation or construction of this Deed

2. **Recitals**

- 2.1 This deed is supplemental to the Lease and shall remain in full force and effect notwithstanding the forfeiture or disclaimer of the Lease
- 2.2 The Lessor is now entitled to the reversion immediately expectant on the termination of the Lease
- 2.3 The unexpired residue of the Term is vested in the Lessee subject to the rents reserved by and the covenants and conditions contained in the Lease
- 2.4 The Lease contains provisions prohibiting the Lessee from assigning the Premises without first entering into [and procuring that the Lessee’s Guarantor and the Assignee’s Guarantor enter into] a deed of guarantee in the form of this deed and the Lessee has applied to the Lessor for licence to assign its estate and interest in the Premises to the Assignee

- 2.5 In consideration of the Lessor consenting to the assignment of the Lease to the Assignee at the Assignee's Guarantor's request the Assignee's Guarantor has agreed to guarantee the performance and observance of the covenants on the Assignee's part in the manner set out in this Deed
- 2.6 In further consideration of the Lessor consenting to the assignment of the Lease to the Assignee at the Lessee's Guarantor's request the Lessee's Guarantor has agreed to guarantee the performance and observance of the covenants on the Lessee's part contained in this Deed in the manner set out in this Deed

NOW THIS DEED WITNESSETH as follows:-

Lessee's Covenant

1. The Lessee as principal debtor and by way of full indemnity covenants guarantees and agrees with the Lessor (including without the need for any express assignment its successors in title):-
 - 1.1 That the Assignee shall at all times throughout the Guarantee Period punctually pay the rents reserved by the Lease (including any revision or increase thereof pursuant to the terms of the Lease or the order of any court) on the due dates for payment thereof and observe and perform the lessee's covenants and conditions therein contained as well before as after any disclaimer of the Lease by any liquidator or trustee in bankruptcy and so that for the purpose of this sub-clause 1 the obligation of the Assignee to pay such rents and observe and perform such covenants and conditions shall be deemed to continue notwithstanding the forfeiture or disclaimer of the Lease which shall be deemed to still be in existence and vested in the Assignee
 - 1.2 That the Lessee will in the event of default by the Assignee in paying any such rents on the due date for payment thereof and/or observing and/or performing any such covenants and/or conditions itself forthwith on demand pay such rents and observe and perform such covenants and/or conditions and will pay and make good to the Lessor on demand all losses costs damages and expenses occasioned to the Lessor by reason of any non-payment of any such rents and/or breach of any such covenants and/or conditions and that although as between the Assignee and the Lessee the Lessee may only be a surety for the Assignee as between the Lessee and the Lessor the Lessee shall be liable as if

the Lessee were a principal debtor or covenantor for all obligations herein contained

- 1.3 That if the Assignee (not being a company) shall become bankrupt or (being a company) shall enter into liquidation and the trustee in bankruptcy or the liquidator shall disclaim the Lease or if the said company shall be wound up or cease to exist for any reason or if the Lease shall be forfeited and if the Lessor shall within six months after receipt of notice of such disclaimer forfeiture or such other event by notice in writing require the Lessee to accept a lease of the Premises for a term commensurate with the residue of the Term remaining unexpired at (and such lease to take effect from) the date of such disclaimer or forfeiture or other such event as aforesaid on the same terms as the Lease (including rent at the rate payable at such time) and if the Lessor requires such lease will also contain an express covenant by the Lessee as lessee to immediately carry out and complete at its own cost and expense all works and do all other necessary acts and things (whether of repair redecoration or otherwise) which are required to remedy any breach of any of the covenants and conditions of the Lease which occurred prior to the grant of such new lease then the Lessee shall accept such lease and execute a counterpart thereof and shall pay the Lessor's legal costs and disbursements properly and reasonably incurred in respect of the grant thereof
- 1.4 That if upon the expiration of the Lease the Assignee shall still be the lessee of the Premises and shall be granted a new lease thereof the Lessee shall enter into and be a party to such new lease for the purpose of giving covenants of guarantee and indemnity in like form mutatis mutandis to the covenants given in this clause Provided that this clause 1.4 shall not apply to any the Lessee who shall be one of the parties specifically named in paragraph 3 of the Particulars of the Lease

Assignee's Guarantor's Covenant

2. The Assignee's Guarantor as principal debtor and by way of full indemnity covenants guarantees and agrees with the Lessor (including without the need for any express assignment its successors in title):-
- 2.1 That the Assignee shall at all times throughout the Guarantee Period punctually pay the rents reserved by the Lease (including any revision or

increase thereof pursuant to the terms of the Lease or the order of any court) on the due dates for payment thereof and observe and perform the lessee's covenants and conditions therein contained as well before as after any disclaimer of the Lease by any liquidator or trustee in bankruptcy and so that for the purpose of this sub-clause 1 the obligation of the Assignee to pay such rents and observe and perform such covenants and conditions shall be deemed to continue notwithstanding the forfeiture or disclaimer of the Lease which shall be deemed to still be in existence and vested in the Assignee

- 2.2 That the Assignee's Guarantor will in the event of default by the Assignee in paying any such rents on the due date for payment thereof and/or observing and/or performing any such covenants and/or conditions itself forthwith on demand pay such rents and observe and perform such covenants and/or conditions and will pay and make good to the Lessor on demand all losses costs damages and expenses occasioned to the Lessor by reason of any non-payment of any such rents and/or breach of any such covenants and/or conditions and that although as between the Assignee and the Assignee's Guarantor the Assignee's Guarantor may only be a surety for the Assignee as between the Assignee's Guarantor and the Lessor the Assignee's Guarantor shall be liable as if the Assignee's Guarantor were a principal debtor or covenantor for all obligations herein contained
- 2.3 That if the Assignee (not being a company) shall become bankrupt or (being a company) shall enter into liquidation and the trustee in bankruptcy or the liquidator shall disclaim the Lease or if the said company shall be wound up or cease to exist for any reason or if the Lease shall be forfeited and if the Lessor shall within six months after receipt of notice of such disclaimer forfeiture or such other event by notice in writing require the Assignee's Guarantor to accept a lease of the Premises for a term commensurate with the residue of the Term remaining unexpired at (and such lease to take effect from) the date of such disclaimer or forfeiture or other such event as aforesaid on the same terms as the Lease (including rent at the rate payable at such time) and if the Lessor requires such lease will also contain an express covenant by the Assignee's Guarantor as lessee to immediately carry out and complete at its own cost and expense all works and do all other necessary acts and things

(whether of repair redecoration or otherwise) which are required to remedy any breach of any of the covenants and conditions of the Lease which occurred prior to the grant of such new lease then the Assignee's Guarantor shall accept such lease and execute a counterpart thereof and shall pay the Lessor's legal costs and disbursements properly and reasonably incurred in respect of the grant thereof

- 2.4 That if upon the expiration of the Lease the Assignee shall still be the lessee of the Premises and shall be granted a new lease thereof the Assignee's Guarantor shall enter into and be a party to such new lease for the purpose of giving covenants of guarantee and indemnity in like form mutatis mutandis to the covenants given in this clause Provided that this clause 2.4 shall not apply to an Assignee who shall be one of the parties specifically named in paragraph 3 of the Particulars of the Lease

3. **Lessee's Guarantor's Covenant**

- 3.1 The Lessee's Guarantor as principal debtor and by way of full indemnity covenants guarantees and agrees with the Lessor (including without the need for any express assignment its successors in title):-
- 3.2 That the Lessee will punctually observe and/or perform the covenants guarantees agreements and obligations on its part contained in clause 1 and will in the event of default or delay by the Lessee to do so will itself forthwith observe and perform the same and remedy such default and/or delay and will pay and make good to the Lessor on demand all losses costs damages and expenses occasioned to the Lessor by reason of any such default and/or delay
- 3.3 That if the Lessor requires the Lessee to accept a new lease as provided in clause 1.3 the Lessee's Guarantor shall enter in such new lease and shall covenant with the Lessor in like terms mutatis mutandis to those set out in this Clause 3

Declaration

4. It is hereby agreed and declared that:
- 4.1 The obligations and liabilities of [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor] shall continue to apply and [the Lessee] [the Assignee's Guarantor]

[and the Lessee's Guarantor] will not in any way be released exonerated lessened or affected by

- 4.1.1 Any time and/or indulgence granted by the Lessor to the Assignee and/or any arrangement by the Lessor with the Assignee and/or any act neglect omission or forbearance of the Lessor in enforcing the payment of the rents and/or the observance and/or performance of the covenants and/or conditions and/or other terms of the Lease whether with or without the consent of [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor]
- 4.1.2 Any refusal by the Lessor to accept rents tendered by or on behalf of the Assignee at a time when the Lessor was entitled (or would after the service of a notice under the Law of Property Act 1925 Section 146 have been entitled) to re-enter the Premises
- 4.1.3 Any variation of any of the covenants and/or conditions and/or other terms of the Lease provided only that such variation is made with the prior written approval of the Lessee or the Assignee's Guarantor or the Lessee's Guarantor as the case may be (such approval not to be unreasonably withheld refused or delayed)
- 4.1.4 Any agreement between the Lessor and the Assignee or any determination made by an arbitrator or expert relating to any rent review as provided in the Lease and so that any rent agreed or determined on such rent review will be deemed to be properly agreed or determined notwithstanding any failure to adhere to the prescribed procedures or timetables or the inclusion or exclusion of any item which should have been excluded or included in determining the reviewed rent
- 4.1.5 The transfer of the Lessor's reversion or any "excluded assignment" of the Lease (as defined in the Landlord and Tenant (Covenants) Act 1995) or the release of any other guarantor
- 4.1.6 The dissolution amalgamation reconstruction or reorganisation of the Assignee or other change in its constitution structure or powers
- 4.1.7 Any other act or thing by which but for this provision [the Lessee] [the Assignee's Guarantor][and the Lessee's Guarantor] would have been released

- 4.2 The liability of [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor] is as principal covenantor with the Lessor and not merely collateral to the principal liability of the [Assignee] [Lessee] [as the case may be]
- 4.3 The [Lessee] [the Assignee's Guarantor] [the Lessee's Guarantor] will only be released or exonerated by a release under seal given by the Lessor or after assignment pursuant to and in accordance and after compliance with the provisions of the Lease

Severable nature and enforceability

- 5.1 Each of the terms and provisions of this Deed is severable from the others and if at any time any term and/or provision of this Deed is and/or is held to be and/or becomes illegal and/or void and/or voidable and/or unenforceable whether in whole or in part under any statute and/or rule of law and/or by reason of any decision of any court of competent jurisdiction and/or otherwise it shall to that extent be deemed not to form part of this Deed and shall be severed from this Deed and the legality validity and enforceability of the remaining terms and provisions of this Deed shall not be in any way affected and/or impaired and/or become unenforceable by reason thereof
- 5.2 To the extent that any term and/or provision of this Deed shall extend beyond the limitations set by Section 25 of the Landlord and Tenant (Covenants) Act 1995 but if it did not so extend it would remain unaffected by the said Section 25 it shall be deemed to be varied so as not to extend beyond such limitation
- 5.3 In the event of any party who may from time to time be the Lessor at the request of the Assignee granting any concession as a result of which the Assignee as the lessee is entitled to defer the payment of any monies due under the Lease then for all purposes in connection with this Deed (and in particular in relation to Section 17 of the Landlord and Tenant (Covenants) Act 1995) such monies shall be deemed to fall due on the subsequent date or dates (as the case may be) agreed between such parties pursuant to such concession in lieu of the earlier date(s)

Additional Obligations

6. [The Lessee's] [the Assignee's Guarantor] [and the Lessee's Guarantor] obligations under this deed are and will remain in full force and effect by way of continuing security until the expiry of the Guarantee Period so that the

obligations of [the Lessee] [the Lessee's Guarantor][and the Assignee's Guarantor] are additional to and not in substitution for any security or other guarantee or indemnity at any time existing in favour of any person whether from [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor]

Waiver

7. [The Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor] waive(s) any right [it][they] may have of first requiring the Lessor to proceed against or enforce any other rights or security or claim payment from the Assignee or any other person before claiming from [the Lessee][the Assignee's Guarantor] [and the Lessee's Guarantor] under this deed

Transfer of Reversion

8. The parties agree that the benefit of the provisions of this deed shall enure for and pass automatically to the Lessor and/or successors in title without the need for express assignment and without any consent being given by [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor]

Avoidance

9. If any payment received by the Lessor pursuant to the provisions of the Lease is on the subsequent bankruptcy or insolvency of the Assignee avoided under any laws relating to bankruptcy or insolvency such avoidance shall not be considered as having discharged or diminished the liability of [the Lessee] [the Assignee's Guarantor] [and the Lessee's Guarantor] and [its] [their] obligations and liabilities under this Deed will continue to apply as if such payment had at all times remained owing by the Assignee

Notices

10. Every notice demand or other communication under this Deed shall be:-
 - 10.1 in writing and may be delivered personally or by first class registered or recorded post sent as follows:-
 - 10.1.1 If to the Lessor to its registered office for the time being
 - 10.1.2 If to [the Lessee] [the Assignee's Guarantor] [the Lessee's Guarantor] to its registered office for the time being or (not being a company) its last known address
 - 10.1.3 Or to such other address as may be notified in writing by the relevant party to any other party for such purpose

- 10.2 deemed to have been received (if sent by ordinary post) 24 hours after despatch and (if delivered personally) at the time of delivery if during normal business hours in the place of intended receipt on a working day in that place but otherwise on the next succeeding such working day

Further Declaration

11. For the avoidance of doubt **IT IS FURTHER AGREED AND DECLARED** that:-
- 11.1 The provisions of this Deed will apply not only during the Term but also during any statutory continuation of it and any renewal by order of the Court and references in this Deed to “the Lease” and “the Term” will be construed accordingly (subject always to the provisos to clauses 1.4 and 2.4 of this Deed)
- 11.2 Except as expressly otherwise provided in this Deed the terms of the Lease are not varied and will continue in full force and effect
- 11.3 Nothing contained in this Deed waives or is to be deemed to waive any breach of the obligations of the Lessee under the Lease which may have occurred before the date of this Deed or authorises or is to be deemed to authorise any further assignment or other act omission or thing other than the assignment referred to above

Costs

12. The solicitor’s costs and any Value Added Tax on them properly and reasonably incurred by the Lessor in connection with the negotiation and grant of this Deed will be paid by the Lessee

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

**Duly executed as a deed and delivered)
but not delivered until the date)
hereof) by EVERON GROUP LIMITED)
acting by two directors)**

Director

Director

Duly executed as a deed and delivered
 (but not delivered until the date
 hereof) by STEPHEN RICHARD HAGERTY
 in the presence of

) 
)
)
)

John J. Conliffe
 Winton House
 15, 6th Street, Abingdon OX14 5AN (SOLICITOR)

Duly executed as a deed and delivered
 but not delivered until the date
 hereof) by FM HAIR DESIGN LIMITED
 acting by two directors or by one Director
 and its Secretary

)
)
)
)
)
) 
 Director
J. Conliffe
 Director/Secretary