

23<sup>rd</sup> MARCH

2010/1

**CHRISTOPHER EDWARD GOULDING**  
and  
**SUZANNE GOULDING (1)**

and

**JOHN FREDERICK TAYLOR**  
and  
**JANET MAY TAYLOR (2)**

## **COUNTERPART LEASE**

Relating to:

**Commeter House**

**Church Street**

**Godalming, Surrey**

LR1.	<b>Date of Lease</b>	23 <sup>rd</sup> March 2011
LR2.	<b>Title Number</b>	SY794436
LR2.1	<b>Landlord's Title Number</b>	SY234511
LR3.	<b>Parties to this Lease</b>  <b>Landlord</b>  <b>Tenant</b>	Christopher Edward Goulding Suzanne Goulding John Frederick Taylor Janet May Taylor
LR4.	<b>Property</b>	<b>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.</b>  Cornmeter House 13 Church Street Godalming Surrey GU7 1EL
LR5	<b>Prescribed statements</b>	
LR5.1		
LR5.2		
LR6	<b>Term for which the Property is leased</b>	The term is as follows: Period of 10 years beginning on (and including) 31 <sup>st</sup> January 2011
LR7	<b>Premium</b>	
LR8	<b>Prohibitions or restrictions on disposing of this lease</b>	This lease contains a provision that prohibits or restricts dispositions
LR9	<b>Rights of acquisition etc.</b>	
LR9.1	<b>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</b>	

LR9.2	<b>Tenant's covenant to (or offer to) surrender this lease</b>	
LR9.3	<b>Landlord's contractual rights to acquire this lease</b>	
LR10.	<b>Restrictive covenants given in this lease by the Landlord in respect of land other than the Property</b>	
LR11.	<b>Easements</b>	
LR11.2	<b>Easements granted or reserved by this lease over the Property for the benefit of other property</b>	
LR12.	<b>Estate rentcharge burdening the Property</b>	
LR13.	<b>Application for standard form of restriction</b>	
LR14.	<b>Declaration of trust where there is more than one person comprising the Tenant</b>	The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.

THIS LEASE is made the 23<sup>rd</sup> day of MARCH 2014  
BETWEEN CHRISTOPHER EDWARD GOULDING and SUZANNE  
GOULDING (1) of Mount Hill Farm Lane Codmore Hill Pulborough West Sussex  
RH20 1BW (hereinafter called "the Landlord") of the one part and JOHN  
FREDERICK TAYLOR and JANET MAY TAYLOR (2) of Lower Barnsfield  
Tismans Common Rudgwick West Sussex RH12 3BL

## PART A INTRODUCTION

### 1. DEFINITIONS

In this Lease:

- 1.1 "Conducting Media" means all drains, channels, sewers, flues, conduits, ducts, pipes, wires, cables, watercourses, gutters, mains culverts, soakaways, sprinkler systems, (laser optical fibres, data or impulse transmission, media communication or reception systems) and other transmission media and installations and all fixings covers and other ancillary apparatus; and references to Conducting Media being "in" or "on" include Conducting Media in, on, under, over or through
- 1.2 "Exterior Decorating Years" means 2014 and every third year thereafter
- 1.3 "Initial Rent" means £21,104.00 per year and "Rent" means the Initial Rent or the rent agreed or determined under clause 4
- 1.4 "Insolvent" means:
  - 1.4.1 in relation to a corporation any of the following:
    - it is deemed unable to pay its debts as defined in the 1986 Act section 123
    - a proposal is made for a voluntary arrangement under Part I of the 1986 Act
    - a petition is presented for an administration order under Part II of the 1986 Act
    - a receiver, administrative receiver, or manager, is appointed (including a receiver appointed under the 1925 Act section 101
    - it goes into liquidation as defined in the 1986 Act section 247(2) (other

than a voluntary winding up solely for the purpose of amalgamation or reconstruction of a solvent company)

- a provisional liquidator is appointed under the 1986 Act section 135
- a proposal is made for a scheme of arrangement under the Companies Act 1985 section 425
- it is dissolved or is removed from the Register of Companies (whether or not capable of reinstatement)

1.4.2 in relation to an individual any of the following:

- an application is made for an interim order or a proposal is made for a voluntary arrangement under Part VIII of the 1986 Act
- a bankruptcy petition is presented to the court or his circumstances are such that a bankruptcy petition could be presented under Part IX of the 1986 Act
- he enters into a deed of arrangement a receiver of the income of the Premises is appointed under the 1925 Act section 101
- a receiver is appointed under the Mental Health Act 1983 or an enduring power of attorney is granted in favour of another

1.5 "Insurance Commencement Date" means 31 January 2011

1.6 "Interior Decorating Years" means 2016 and every fifth year thereafter

1.7 "Permitted Use" means as a retail shop or any use or uses that fall within Class A1 of the Schedule to the Town & Country Planning (Use Classes) Order 1987

1.8 "Premises" means Cornmeter House Church Street Godalming Surrey as the same is registered with title absolute under Title number SY 234511 including:

- Any building or other structure now on the Premises or erected there during the Term ("Building")
- the fences and walls that surround the Premises
- all fixtures and fittings (whether or not fixed at the beginning of the Term) at the Premises
- all Conducting Media on the Premises

- all additions alterations and improvements to the Premises
- 1.9 "Rent Commencement Date" means 31 January 2011
- 1.10 "Review Date" means 31st January 2014, 31<sup>st</sup> January 2017 and the last day of the Term
- 1.11 "Term" means the period of 10 years beginning on (and including) 31 January 2011 but:
- if after the expiration of this period there is a period of holding over extension or continuance Term will be construed as including that period and all obligations of a periodical nature will continue to apply at the same time intervals as those specified in this Lease and
  - references to this Lease coming to an end or to the expiration of the Term or to the last year of the Term are to the end of the Term and the last year of the Term however the Term comes to an end whether by effluxion of time or in any other way including (for example) determination by forfeiture
- 1.12 "VAT" means value added tax and any tax of a similar nature substituted for it or in addition to it

## **2 LEGISLATIVE REFERENCES**

- 2.1 "1925 Act" means the Law of Property Act 1925
- 2.2 "1954 Act" means the Landlord and Tenant Act 1954
- 2.3 "1986 Act" means the Insolvency Act
- 2.4 "1995 Act" means the Landlord and Tenant (Covenants) Acts 1995
- 2.5 "Planning Acts" means Town and Country Planning Act 1990 Planning (Listed Buildings and Conservation Areas) Act 1990 Planning (Consequential Provisions) Act 1990 Planning (Hazardous Substances) Act 1990 Planning and Compensation Act 1991 and any amendments of the same
- 2.6 references to a particular statute or part of it ("statutory reference") include anything (for example a notice direction order licence regulation bye-law rule and condition) deriving effect from any statute ("derivative legislation") and refer to that statutory reference as it may have been extended modified amended or re-enacted by the date upon which its construction is relevant for

the purposes of this Lease and not in the form that it was when originally enacted or as at the date of this Lease

- 2.7 references generally to "statute" or "statutes" include derivative legislation and any regulation or other legislation of the European Union that is directly applicable in the United Kingdom and include existing statutes and those that come into effect during the Term

### 3 INTERPRETATION

In this Lease:

- 3.1 "**Landlord**" includes the person from time to time entitled to possession of the Premises when this Lease comes to an end but no person who has been released by the 1995 Act from its obligations under this Lease shall remain liable after that release
- 3.2 "**Tenant**" includes the person in whom the tenant's interest under this Lease is from time to time vested
- 3.3 "**this Lease**" includes (except where the contrary is indicated) any document supplemental or collateral to this document or entered into in accordance with this document
- 3.4 "**Losses**" includes all liabilities incurred by the Landlord all damage and loss suffered by it and all damages awarded against it all claims demands actions and proceedings made or brought against it and all costs disbursements and expenses incurred by it
- 3.5 references to the base lending rate are to the base lending rate of National Westminster Bank plc or if that rate has been abolished to the equivalent rate that has replaced it or if not to the rate of interest most comparable with the base lending rate to be conclusively determined by the Landlord's surveyor
- 3.6 references to "**party**" or "**parties**" mean the Landlord and Tenant or either of them
- 3.7 whenever the Landlord (or) the Tenant consists of more than one person any obligation of or to that party is of or to those persons separately all together or in any combination
- 3.8 words importing one gender include all genders and words importing the

singular include the plural and vice versa

- 3.9 any covenant by the Tenant not to do any act or thing includes an obligation not to allow that act or thing to be done
- 3.10 the headings (and the table of contents) are for locating references in the text and are not to be taken into account in interpretation

#### **4 LETTING**

- 4.1 The Landlord lets the Premises to the Tenant for the Term
- 4.2 The letting is subject to the entries in the registers of Title No. SY234511 (other than financial charges)

### **PART B RENT**

#### **5 RENT**

The Tenant covenants with the Landlord to pay the Rent without any deduction or set-off by equal quarterly payments in advance on the usual quarter days i.e. 25<sup>th</sup> March, 24<sup>th</sup> June, 29<sup>th</sup> September and 25<sup>th</sup> December in each year and:

- the first payment is for the period beginning on the Rent Commencement Date and ending on the day before the next payment date
- the first payment is due on the date of this Lease or on the Rent Commencement Date whichever is the later

#### **6 RENT REVIEW**

##### **6.1 Definitions**

In this Lease:

6.1.1 "Review Period" means the period beginning on the relevant Review Date ending on 30<sup>th</sup> January 2014, 30<sup>th</sup> January 2017 or at the expiration of the Term as the case may be

6.1.2 "Assumptions" are the following assumptions to be made at the relevant Review Date

6.1.2.1 that no work has been carried out on the Premises by the

Tenant anyone deriving title under the Tenant or their predecessors in title under the Tenant title under the Tenant or their predecessors in the title during the Term which has diminished the rental value of the Premises

6.1.2.2 that if the Premises have been destroyed or damaged they have been fully restored

6.1.2.3 that the covenants contained in this Lease on the part of the Landlord and the Tenant have been complied with

6.1.2.4 that the Premises are available to let by a willing landlord to a willing tenant without a premium or any other payment being made by the willing tenant and with vacant possession

6.1.2.5 that the lease or leases by which the Premises will be let ("hypothetical lease") contains the same terms as this Lease except for the amount of the Initial Rent and any rent-free period allowed to the Tenant

6.1.2.6 that the term of the hypothetical lease begins on the Review Date for the balance of the Term or is for a term of five years if greater and that the Rent is payable from then

6.1.2.7 that the incoming tenant can obtain a credit as allowable input tax in respect of any VAT charged on the Rent or other sums payable under this Lease

6.1.2.8 that the Premises are in good and substantial repair and condition and have previously been fully fitted out and equipped by and at the expense of the tenant under the hypothetical lease so that they are capable of being used from the beginning of the hypothetical lease by the tenant under that lease for all purposes required by that tenant (or those undertenants) and permitted under the hypothetical lease (but on the basis that the actual fitting-out and equipping that has in fact been carried out by the Tenant is disregarded under clause 6.1.3.3)

6.1.3 "Disregards" are the following matters to be disregarded at the relevant Review Date:

6.1.3.1 any effect on rent of the fact that the Tenant anyone deriving

title under the Tenant or their predecessors in title have been in occupation of the Premises

6.1.3.2 any goodwill attached to the Premises by the carrying on there of a business by the Tenant or anyone deriving title under the Tenant or by the predecessors in title of the Tenant or anyone deriving title under the Tenant

6.1.3.3 any increase in rental value of the Premises attributable at the relevant Review Date to any improvement to the Premises carried out:

- during the Term or during the period immediately before the beginning of the Term
- by the Tenant or anyone deriving title under the Tenant or their predecessors in title with the consent of the Landlord (where required) or carried out by the Landlord at the expense of the Tenant
- not in pursuance of an obligation to the Landlord but in disregarding this no allowance will be made for loss of use during any notional period while the improvement is being out

6.1.3.4 the taxable status for the purposes of VAT of the actual Landlord and Tenant at that Review Date

6.1.3.5 the obligation in the hypothetical lease that if required by the Landlord the Tenant must at the expiration of the Term remove all demountable partitions and any addition or alteration made to the Premises and make good and restore the Premises to their original state

## 6.2 Review

6.2.1 For the Review Period the Rent will be the greater of:

- the Rent payable immediately before the Review Date or if payment of Rent has been suspended the Rent which would have been payable had there been no suspension
- the revised rent ascertained in accordance with this clause

6.2.2 The revised rent will be the rent at which the Premises might reasonably be expected to be let in the open market at the Review Date making the Assumptions and disregarding the Disregards after:

- the expiration of any rent free period (or period of reduced rent)
- the payment to the Tenant of any incentive (whether of a capital or revenue nature) or the receipt by the Tenant of any concession that a willing tenant would at the Review Date reasonably expect to obtain on a new letting of the Premises in the open market

6.2.3 The revised rent for any Review Period may be agreed in writing between the parties at any time or in the absence of agreement will be determined (but not earlier than the Review Date) by an expert

### 6.3 **Determination by expert**

6.3.1 The expert will be appointed by agreement between the parties or (in the absence of agreement) nominated by the then President of the Royal Institution of Chartered Surveyors (or his nominee) on the application of either party made not earlier than six months before the relevant Review Date

6.3.2 If the expert dies becomes incapable of or declines to act the President will (in the absence of agreement) and on the application of either party nominate a successor

6.3.3 The Tenant must allow the expert access to the Premises to do anything which the expert considers necessary to carry out his function

6.3.4 The expert will allow each party to make written representations to him within twenty-eight days of his appointment and to make written counter-representations within fourteen days of the representations but will not be in any way fettered by the representations and the counter-representations and will rely on his own judgment

6.3.5 The fees and disbursements of the expert and the cost of his appointment will be borne equally by the parties who will otherwise bear their own costs

### 6.4 **Memoranda**

When the revised rent has been agreed or determined in accordance with clause 6 memoranda will be signed by or on behalf of the parties and annexed to this Lease and its counterpart and the parties will bear their own costs of doing this

**6.5 Arrangements pending revised rent**

6.5.1 if the revised rent payable during the Review Period has not been ascertained by the Review Date the then current Rent will continue to be payable on account of the Rent for that Review Period

6.5.2 if the revised rent is ascertained on or before the Review Date and that date is not a quarter day the Tenant must on that Review Date pay to the Landlord the difference between the Rent due for that quarter and the Rent already paid for it

6.5.3 if the revised rent payable during the Review Period has not been ascertained by the Review Date then on the date upon which it is agreed or upon which the expert's decision is received by either party the Tenant must pay to the Landlord:

- any shortfall between the rent which would have been paid if the revised rent had been ascertained by that Review Date and the payments made on account and
- interest at 1% over the base lending rate of National Westminster Bank Plc on the shortfall between the amount that would have been paid if the revised rent had been ascertained by that Review Date and the payments made on account for the period beginning on the day upon which each instalment was due and ending on the day on which payment of the shortfall is made

**6.6 Rent increase prevented**

6.6.1 if at the Review Date the review of the rent or the recovery of any increase is prohibited or limited by statute the Landlord may at any time before the next Review Date serve upon the Tenant notice invoking this clause

6.6.2 on the service of a notice under this clause the date upon which the notice is served will be treated as a Review Date but this will not vary any subsequent Review Date

6.6.3 Any increase in rent resulting from such a review may be recovered from the date upon which the notice is served or (if earlier) the earliest date permitted by law

## **PART C TENANT'S COVENANTS**

### **7 REPAIR CLEANING AND DECORATION**

The Tenant covenants with the Landlord:

- 7.1 to repair the premises and to keep them in good and substantial repair and condition but so that the Tenant shall not be required to keep the Premises in any better condition than they are at present as evidenced by the set of photographs signed by Christopher Edward Goulding and John Frederick Taylor and dated 29<sup>th</sup> September 2000 and placed herewith
- 7.2 to replace any of the fixtures or fittings that become beyond repair during the Term with new articles of a kind and quality substantially the same as those being replaced
- 7.3 to keep the Premises clean hygienic and tidy and free from rubbish
- 7.4 to clean both sides of the windows and window frames and all other glass in the Premises as often as reasonably necessary
- 7.5 to keep the hard surfaced areas within the Premises adequately surfaced and in good condition and to keep all landscaped planted and grassed areas within the Premises properly maintained cultivated and free from weeds and in a neat and tidy condition
- 7.6 not to cause any area abutting the Premises to be untidy
- 7.7 in each of the Exterior Decorating Years and in the last twelve months of the Term to redecorate the exterior of the Building and to clean the external concrete stone brickwork and blockwork and all other external surfaces and in each of the Interior Decorating Years and in the last six months of the Term to redecorate the interior of the Building
- 7.8 to carry out all redecorating in a good and workmanlike way and with appropriate materials of good quality so as to provide the same standards and types of finish as at the beginning of the Term (or such alternative treatments as may reasonably be required by the Landlord) and to the reasonable

satisfaction of the Landlord

- 7.9 to obtain the Landlord's approval (such approval not to be unreasonably withheld) of any change in the colours on each redecoration of the exterior and the interior of the Building
- 7.10 where the use of Conducting Media boundary structures or other things is common to the Premises and other property to be responsible for and to indemnify the Landlord against all sums due from and to undertake all work that is the responsibility of the owner lessee or occupier of the Premises in relation to those things

## **8 ALTERATIONS**

The Tenant covenants with the Landlord:

- 8.1 not to erect any new building or structure on the Premises or unite the Premises with any adjoining premises
- 8.2 not to make any addition or alteration to the exterior of the Building or to any load-bearing part of the Building or its roof or foundations or to change the existing design or appearance of the Premises
- 8.3 not to make any addition or alteration to the Premises that is not prohibited by the absolute prohibitions set out in clauses 8.1 and 8.2 unless
- 8.3.1 the consent of the Landlord has been obtained but in considering an application for consent the Landlord may take into account the effect that the addition or alteration may have on adjoining property
- 8.3.2 all necessary consents from any competent authority have been obtained
- 8.3.3 the Landlord has been supplied with drawings and where appropriate a specification in duplicate prepared by an architect or member of some other appropriate profession who must supervise the work to completion
- 8.3.4 the proper fees of the Landlord or mortgagee and their respective professional advisers have been paid in relation to the application for consent
- 8.3.5 such covenants as the Landlord may reasonably require about the

carrying out of the additions and alterations have been entered into with the Landlord

- 8.3.6 in the case of substantial work and where the Landlord requires adequate security has been provided in a form to be approved by the Landlord as assurance that any work permitted by the Landlord is completed
- 8.4 not to make any alteration or addition to the electrical installation at the Premises without the approval of the Landlord (such approval not to be unreasonably withheld) and then only in accordance with standards prescribed by the Institution of Electrical Engineers and the relevant electricity supply authority and not to connect any apparatus to the installation that might endanger or overload it
- 8.5 not to connect with any Conducting Media which serve the Premises unless it has obtained the approval of the relevant authority and the Landlord (the Landlord's approval not to be unreasonably withheld)
- 8.6 before installing any internal demountable partitions at the Premises to obtain the approval of the Landlord to the use of that type of partitioning
- 8.7 to notify the Landlord in writing immediately after completion of any alteration (including any change in the partitioning) and to provide the Landlord with "as fitted" drawings immediately after the completion of any alteration or repositioning or removal of internal demountable partitions
- 8.8 in any licence in which the Landlord gives its consent to alterations the carrying out of which will (or may) be covered by the Construction (Design and Management) Regulations 2007 ("Regulations") to covenant with the Landlord that:
  - 8.8.1 the alterations will be carried out for the benefit of the Tenant and the Tenant in carrying out the alterations will not be acting as agent of the Landlord
  - 8.8.2 the Tenant will be "the Client" for the purposes of the Regulations in relation to the alterations
  - 8.8.3 the alterations will not be commenced unless and until the Tenant has provided the Landlord with a copy of this declaration

8.8.4 the Tenant will comply with the Regulations in relation to the alterations and will indemnify the Landlord against all Losses resulting directly or indirectly from any failure to comply with the Regulations

8.8.5 all documentation produced in accordance with the Regulations will on completion of the alterations belong to (and be supplied to) the Landlord and that the Tenant will procure the grant to the Landlord of any copyright or other licences that are necessary to enable the Landlord to make use of this documentation

8.9 to deliver to the Landlord at the end of the Term all health and safety files relating to the Premises in accordance with the Regulations

## 9 USE

The Tenant covenants with the Landlord:

9.1 to keep the Premises open for business during normal trading hours for the locality

9.2 not to use the Premises except for the Permitted Use and not to use the Premises or any part of them as residential accommodation or to keep any animal there

9.3 not to do any act or allow to remain upon the Premises any substance or article which may:

- constitute a nuisance
- cause disturbance injury or damage to the Landlord or the occupiers of the adjoining or other nearby property
- cause damage to the Premises or adjoining or other nearby property or
- contravene any statute or the requirements of a government department or local regulatory public or other authority

PROVIDED THAT there may be kept at the Premises paraffin methylated spirits white spirit menthonol and all substances normally sold in a hardware or Do It Yourself shop

9.4 not to use the Premises for any dangerous noxious noisy or offensive occupation or for any illegal or immoral purpose and not to hold a sale by auction on the Premises

- 9.5 not to keep on any part of the Premises not built upon any materials equipment plant bins crates pallets boxes or any skip or other receptacle for refuse (other than one refuse bin) or any caravan or temporary building nor to allow to accumulate upon the Premises rubbish of any description or any oil grease or other deleterious matter or substance that could become a source of injury or damage the drainage system
- 9.6 not to discharge into any Conducting Media within or that serve the Premises any substance or article that:
- may obstruct them or cause damage or that is or that could become a source of injury to any person
  - is noxious poisonous or radioactive
  - is likely to pollute or contaminate or
  - contravenes any statute or the requirements of a government department or local regulatory public or other authority
- 9.7 to place all scrap materials refuse and rubbish in proper receptacles within the Premises and to arrange for its regular disposal
- 9.8 not to overload the Building or suspend an excessive weight from any part of it or subject it to any strain beyond which it is designed to bear and upon reasonable request from the Landlord at any time to provide written evidence from a structural engineer (nominated by the Landlord but to be employed by and at the cost of the Tenant) that the Tenant is complying with this clause
- 9.9 not to leave the Premises continuously unoccupied for more than a month without notifying the Landlord and providing such security arrangements as the Landlord and the insurers require
- 9.10 not to deposit on the Premises any controlled waste special waste or radioactive waste or any other substance that may produce concentrations or accumulations of noxious gases or noxious liquids that may pollute the environment or cause harm to the health of man or other living organisms land surface or ground water or ecology systems
- 9.11 not to release from the Premises into any environmental medium any substance in quantities or concentrations that may pollute the environment or

cause harm to the health of man or other living organisms land surface or ground water or ecology systems

- 9.12 not to carry out on the Premises any activity or keep on the Premises any substance or article for which a licence permit consent or other approval is needed from a government department or local regulatory public or other authority ("Official Approval") without having:
- obtained the Landlord's consent such consent not to be unreasonably withheld where the activity of the keeping would not be in breach of any other provision of this Lease
  - produced to the Landlord a copy of every application for Official Approval
  - obtained the Official Approval
  - produced to the Landlord a copy of the Official Approval
- 9.13 to comply with every Official Approval including any conditions to which it is subject
- 9.14 not to install or use on the Premises any instrument apparatus machinery or equipment which causes noise or vibration externally or which causes a nuisance or damage to the Property
- 9.15 to ensure that every boiler or heater at the Premises is constructed and used so as to consume or burn the smoke arising from it
- 9.16 to keep all machinery and equipment on the Premises properly maintained to renew all parts when recommended or necessary and to ensure that the equipment is properly operated
- 9.17 to comply with the matters referred to in clause 4.2 to the extent that they:
- are enforceable and capable of taking effect
  - relate to the Premises and
  - are not specifically stated in this Lease to be the responsibility of the Landlord

## 10 PLANNING

The Tenant covenants with the Landlord:

- 10.1 not to commit any breach of planning control and to comply with the Planning Acts in relation to the Premises and with any planning permissions

licences other consents and conditions attaching to them that relate to the Premises

- 10.2 not to make an application for planning permission in relation to the Premises or to serve any notices in respect of an application without the approval of the Landlord (such approval not to be unreasonably withheld or delayed) and if reasonably required by the Landlord to appeal at its own cost against any refusal of planning permission or against the imposition of any condition on a planning permission
- 10.3 having obtained the Landlord's approval under the preceding clause to apply for all planning permissions and to serve all notices required for carrying out any operation or change of use on the Premises which may constitute development (as defined in the Planning Acts) and to pay all fees and any other sums due in relation to every application
- 10.4 even if the Landlord has given its approval and granted whatever other consents are needed under this Lease not to carry out any operation or change of use on the Premises until:
  - 10.4.1 all necessary notices under the Planning Acts have been served and copies supplied to the Landlord
  - 10.4.2 copies of all planning applications (and any plans or documents referred to in them) have been supplied to the Landlord
  - 10.4.3 all necessary permissions under the Planning Acts have been obtained and supplied to the Landlord and
  - 10.4.4 the Landlord has acknowledged that every necessary planning permission is acceptable to it (such acknowledgement not to be unreasonably withheld or delayed) although the Landlord may refuse to acknowledge its acceptance of a planning permission on the grounds that any condition contained in it or anything omitted from it or the period referred to in it would be (or would be likely to be) prejudicial to the Landlord's interest in the Premises whether during or after the expiration of the Term
- 10.5 unless the Landlord otherwise directs to complete before the expiration of the Term:

- any works specified as having to be carried out by a date after the expiration of the Term in a planning permission or in an agreement with the planning or any other authority entered into as a condition to obtaining planning permission and
  - any development begun on the Premises
- 10.6 in any case where a planning permission is granted subject to conditions and if the Landlord reasonably requires to provide security for the compliance with those conditions and not to implement the planning permission until security has been provided

## 11 ALIENATION

### 11.1 The Tenant covenants with the Landlord:

- 11.1.1 except when and to the extent permitted under clauses 12 and 13 not to:
- part with possession of the Premises or any part of them
  - permit another to occupy the Premises or any part of them
  - share the occupation of the Premises or any part of them
  - hold the Premises or any part of them on trust for another
- but the Tenant may allow a company that is a member of the same group as the Tenant (within the meaning of the 1954 Act section 42) to occupy the whole or part of the Premises for so long as both companies remain members of the same group and otherwise than in a manner that transfers or creates a legal estate
- 11.1.2 not to assign underlet or charge part only of the Premises
- 11.1.3 not to charge the whole of the Premises without the consent of the Landlord (such consent not to be unreasonably withheld or delayed)
- 11.1.4 to give notice to the Landlord within 14 days if any person who has entered into covenants with the Landlord as a guarantor of this lease (where that person has not been released from these obligations) becomes Insolvent or dies
- 11.1.5 if requested by the Landlord following the service of a notice under clause 11.1.4 to procure that within 14 days of the request some

other person reasonably acceptable to the Landlord enters into covenants with the Landlord in substantially the same form

11.1.6 within twenty-one days any assignment charge underlease or any transmission or other devolution relating to the Premises to produce for registration with the Landlord's solicitor a certified copy of any relevant document and to pay the Landlord's solicitor's reasonable charge for registration of not less than £50.00 plus value added tax and the registration fee of any superior landlord

## **12 ASSIGNMENT OF WHOLE**

12.1 The Tenant covenants with the Landlord not to assign the whole of the Premises without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) provided that the Landlord shall be entitled (for the purposes of section 19(1A) of the Landlord and Tenant Act 1927):

- to withhold its consent in any of the circumstances set out in clause 12.3
- to impose all or any of the conditions set out in clause 12.4 as a condition of its consent

12.2 The provisions set out in clause 12.3 shall operate without prejudice to the right of the Landlord to withhold such consent on any other ground or grounds where such withholding of consent would be reasonable or to impose any further condition or conditions upon the grant of consent where the imposition of such condition or conditions would be reasonable

12.3 The circumstances referred to in clause 12.1 are as follows:

12.3.1 where the proposed assignee is an associated company of the Tenant

12.3.2 where in the reasonable opinion of the Landlord the proposed assignee is not of sufficient financial standing to enable it to comply with the tenant's covenants in the Lease

12.3.3 where in the reasonable opinion of the Landlord the value of the Landlord's interest in the Premises would be diminished or otherwise adversely affected by the proposed assignment on the assumption

(whether or not a fact) that the Landlord wished to sell its interest the day following completion of the assignment of this Lease to the proposed assignee

12.3.4 where there are subsisting material breaches by the Tenant of the provisions of this Lease

12.3.5 where the profits before tax (excluding any extraordinary or exceptional items but only if and to the extent that such items would have the effect of increasing the profits from what they would otherwise have been) of the proposed assignee for each of the three previous financial years as shown in its audited accounts do not exceed the yearly Rent at that time payable under this Lease multiplied by three

12.3.6 where the Landlord has not received from the Tenant's Solicitors an unconditional undertaking to pay the reasonable and proper costs and disbursements of the Landlord (including any Superior Landlord and/or Mortgagee) and the Landlord's Solicitors and Surveyors (if appropriate) (including any Superior Landlord's and/or Mortgagee's Solicitors and Surveyor) with the application for the Landlord's consent to the proposed assignment whether or not the application is granted (whether or not subject to conditions) or is properly refused or is withdrawn by the Tenant

12.4 The conditions referred to in clause 12.1 are as follows:

12.4.1 the execution and delivery to the Landlord prior to the assignment in question of a deed of guarantee (being an authorised guarantee in agreement within the 1995 Act section 16) in the form set out in the Schedule (Schedule 1) to this Lease or in such other form as the Landlord reasonably requires

12.4.2 the execution and delivery to the Landlord prior to the assignment in question of a deed of guarantee in such form as the Landlord reasonably requires by a guarantor or guarantors in the United Kingdom reasonably approved in writing by the Landlord (such approval not to be unreasonably withheld)

12.4.3 the payment to the Landlord of all rents and other sums which have fallen due under the Lease prior to the assignment

12.4.4 the obtaining of any requisite consent of any mortgagee and the satisfaction of any lawfully imposed condition of such consent

12.4.5 the delivery to the Landlord prior to the assignment of a Rent Deposit Deed executed by the proposed assignee in such form as the Landlord may reasonably require for such sum as the Landlord may reasonably require for such sum as the Landlord may reasonably determine together with payment by way of cleared funds of the sum specified in the Rent Deposit Deed

### **13 UNDERLETTING OF WHOLE**

13.1 The Tenant covenants with the Landlord not to underlet the whole of the Premises without the consent of the Landlord such consent not to be unreasonably withheld or delayed where the Tenant has complied with the provisions of clause 13.2

13.2 Any consent of the Landlord to an underletting of the whole of the Premises will be subject to conditions that:

13.2.1 the sub-tenant enters into a deed with the Landlord in which the sub-tenant covenants to observe and perform the provisions of this Lease (excluding the covenant as to the payment of rent) and the provisions of the underlease until (in both instances) the sub-tenant is released from the covenants contained in the underlease by virtue of the 1995 Act

13.2.2 the underlease is granted without a fine or premium at a rent no lower than the greater of the then open market rent approved by the Landlord (such approval not to be unreasonably withheld or delayed) or the Rent then being paid under this Lease

13.2.3 the rent is payable in advance on the same days as rent is payable under this Lease

13.2.4 the underlease contains provisions approved by the Landlord (such approval not to be unreasonably withheld or delayed):

- for the upwards-only review of the rent on the basis set out in clause 6.1 of this Lease or in such other form as the Landlord reasonably requires or approves

- for the rent to be reviewed either on the Review Date or on such other date approved by the Landlord in its absolute discretion by which the rent is reviewed no less frequently
- prohibiting the undertenant from doing or allowing any act or thing in relation to the Premises inconsistent with or in breach of the provisions of this Lease
- for re-entry by the underlandlord on breach of any covenant by the undertenant
- imposing an absolute prohibition against all dealings with the Premises other than an assignment or charge of the whole
- prohibiting any assignment of the whole of the Premises without the consent of the Landlord under this Lease and except on the basis set out in clauses of this Lease such provisions being incorporated into the underlease
- prohibiting any charge of the whole of the Premises without the consent of the Landlord under this Lease
- prohibiting the undertenant from parting with possession or permitting another to share or occupy or hold on trust for another the Premises or any part of it
- imposing in relation to any permitted assignment the same obligations for registration with the Landlord as are in this Lease in relation to dispositions by the Tenant
- excluding the provisions of the 1954 Act sections 24-28 from the letting created by the underlease

### 13.3 The Tenant covenants with the Landlord:

- 13.3.1 to enforce the performance by every undertenant of the provisions of the underlease and not at any time to waive any breach of the covenants or conditions on the part of any undertenant or assignee of any underlease nor (without the consent of the Landlord such consent not to be unreasonably withheld) to vary the terms of any underlease
- 13.3.2 not to agree any reviewed rent with the undertenant without the

- approval of the Landlord such approval not to be unreasonably withheld or delayed
- 13.3.3 not to agree any appointment of a person as the third party determining the revised rent without the approval of the Landlord such approval not to be unreasonably withheld or delayed
- 13.3.4 to incorporate as part of its representations to that third party representations required by the Landlord
- 13.3.5 to give the Landlord details of every rent review within twenty-eight days of its outcome
- 13.3.6 not to grant the underlease or permit the undertenant to occupy the Premises unless an order has been obtained under the 1954 Act section 38(4) and to provide the Landlord with a certified copy of the order
- 13.3.7 not to accept the surrender of or forfeit or otherwise determine any underlease without the consent of the Landlord
- 13.3.8 not to accept rent from any undertenant nor to take any action consistent with the continued existence of an underlease after the expiration of the contractual term of that underlease

#### **14 ACCESS OF LANDLORD AND NOTICE TO REPAIR**

The Tenant covenants with the Landlord

- 14.1 to permit the Landlord and all persons authorised by the Landlord at reasonable time and on reasonable notice (except in an emergency) to enter the Premises:
- 14.1.1 to establish if the provisions of this Lease or any superior lease or mortgage have been observed
- 14.1.2 to take schedules and inventories
- 14.1.3 to exercise any right granted or reserved to the Landlord by this Lease
- 14.1.4 for any purpose connected with the insurance of the Premises the review of the Rent or the renewal of this Lease
- 14.1.5 to give the Tenant (or leave at the Premises) a notice ("Default Notice"):
- specifying any breach of covenant by the Tenant

- specifying any work carried out in breach of the provisions of this Lease requiring the Tenant immediately to remedy the breach and to reinstate the Premises including the making good of any opening-up

but any opening-up must be made good by or at the cost of the Landlord where it reveals no breaches by the Tenant of the provisions of this Lease

- 14.2 as soon as reasonably practical to repair clean and decorate the Premises or to carry out other work as required by a Default Notice
- 14.3 to allow the Landlord and all persons authorised by the Landlord to enter the Premises to carry out the work that is needed to comply with a Default Notice
- 14.3.1 immediately if the work ought to be carried out at once and the Tenant declines to do so or
- 14.3.2 where the work need not be carried out at once if:
- within twenty-eight days of service of the Default Notice the Tenant has not both begun and then diligently continued the work referred to in the Default Notice or
  - the Tenant fails to complete the work within sixty days of service of the Default Notice or
  - in the Landlord's reasonable opinion the Tenant is unlikely to complete the work within sixty days of the service of the Default Notice
- 14.4 to pay to the Landlord the full cost incurred by the Landlord of all work undertaken by the Landlord under clause 14 within fourteen days of a written demand together with interest at the rate referred to in clause 16.11.1 from the date of expenditure by the Landlord up to the date upon which payment is made by the Tenant to the Landlord

## 15 LANDLORD'S COSTS

The Tenant covenants with the Landlord:

- 15.1 to pay to the Landlord on demand on an indemnity basis all fees charges

costs and other expenses incurred by the Landlord in relation to:

- every application made by the Tenant for consent whether it is granted refused offered subject to any qualification or withdrawn including the fees of any superior landlord or mortgagee and their professional advisers
- the preparation and service of a notice under the 1925 Act section 146 or incurred in taking or contemplating proceedings under the 1925 Act sections 146 and 147 even if forfeiture is avoided otherwise than by a court order
- the recovery of Rent or other sums due from the Tenant
- enforcing or requiring the Tenant to remedy a breach of the provisions of this Lease
- any steps taken in connection with the preparation and service of a schedule of dilapidations during or after the expiration of the Term
- determining the full cost of reinstatement of the Premises for insurance purposes
- any work undertaken by the Landlord under clause 14

15.2 where the preceding clause permits the Landlord to recover fees charges costs and other expenses to pay to the Landlord a reasonable sum (plus VAT if payable) for these services where they are provided by the Landlord or by an associated or subsidiary company

## **16 TENANT'S OTHER COVENANTS**

The Tenant covenants with the Landlord:

### **16.1 Outgoings**

16.1.1 to pay and to indemnify the Landlord against:

- all rates taxes assessments impositions duties levies charges and outgoings of any type which now or during the Term are charged assessed or imposed on the Premises or on its owner lessor lessee or occupier excluding any payable by the Landlord in respect of the receipt of Rent or any other payment made by the Tenant under this Lease or on any disposition or dealing with or the

ownership of the reversion of this Lease ("Outgoings")

- the proportion properly attributable to the Premises (to be conclusively determined by the Landlord's surveyor) of all Outgoings which now or during the Term are charged assessed or imposed on the Premises and other premises or on the owner lessor lessee or occupier of the Premises and other premises

16.1.2 if the Landlord loses rating relief applicable to empty property because it has been allowed to the Tenant or an undertenant during the Term to make good that loss to the Landlord

## 16.2 Services

16.2.1 where a separate supply is provided to the Premises to pay the supplier and to indemnify the Landlord against all charges for water electricity gas telephone and other services consumed on the Premises and to pay all equipment rents or similar charges

16.2.2 where charges for services are made in relation to the Premises and other premises (or upon the owner or occupier of the Premises and other premises) to pay the suppliers and to indemnify the Landlord against the proportion of the charges properly attributable to the Premises (or the owner or occupier of the Premises) to be conclusively determined by the Landlord's surveyor

## 16.3 VAT

16.3.1 to pay and indemnify the Landlord against any VAT that may be chargeable on the Rent or any other payment made by the Tenant under this Lease in addition to the Rent or other payment (VAT being recoverable as if it were rent where it is charged on rent or on a payment that is either reserved as additional rent or that this Lease provides is recoverable as if it were rent)

16.3.2 whenever the Tenant has agreed in this Lease to reimburse the Landlord for a payment made by the Landlord to reimburse the Landlord in addition for any VAT paid by the Landlord on that payment unless the VAT is recovered by the Landlord

## 16.4 Aerials signs and advertisements

- 16.4.1 not to erect any pole flag mast dish antennae or wire on the Premises
- 16.4.2 not to display any signboard advertisement bill placard inscription or sign visible from the outside of the Premises other than a sign of reasonable size and appearance at the principal entrance of the Premises showing the Tenant's trading name and business approved by the Landlord (such approval not to be unreasonably withheld or delayed) at a point specified in writing by the Landlord

**16.5 Statutes notices and orders**

- 16.5.1 to comply with every statute and any notice or order from a government department or local public regulatory or other authority or court and execute all works and provide and maintain all arrangements required by statute or any notice or order that relate to the Premises activities carried out on the Premises or any substance article or person on the Premises and whether applicable to the Tenant or the owner lessor lessee or occupier of the Premises
- 16.5.2 to pay to the Landlord as rent on demand a due proportion (to be conclusively determined by the Landlord's surveyor) of all costs charges and expenses incurred by the Landlord in complying with any statute notice or order (including the execution of all works and the provision and maintenance or arrangements required under them) in relation to any property capable of being used or enjoyed by the Tenant whether alone or in common with other persons
- 16.5.3 to produce immediately to the Landlord a copy of any notice or order that is served on the Premises or the Tenant and that relates to the Premises and the other matters referred to in the preceding clause
- 16.5.4 at the reasonable request of the Landlord but at the joint cost of the Landlord and the Tenant to make or join with the Landlord in making any reasonable representations that the Landlord considers appropriate or otherwise contesting any proposal of a government department or local regulatory or other authority that

relates to or includes the Premises

**16.6 Defective premises**

16.6.1 to give notice immediately to the Landlord of any defect in the Premises which might give rise to a liability or duty on the Landlord

16.6.2 to display all notices relating to defective premises which the Landlord may reasonably require

**16.7 Encroachments**

16.7.1 not to stop up darken or obstruct any windows in the Building or obstruct any access of light nor to give to a third party acknowledgement that the Tenant enjoys the access of light to any of the windows or openings in the Premises by the consent of that third party

16.7.2 to take all reasonable steps to prevent any encroachment or easement being made or acquired over the Premises and to give notice to the Landlord immediately if any is attempted

**16.8 Evidence of compliance**

If required to produce to the Landlord such evidence as the Landlord may reasonably require to satisfy itself that the provisions of this Lease have been complied with

**16.9 Indemnity**

To be responsible for and to keep the Landlord indemnified against all Losses resulting directly or indirectly from any breach by the Tenant of the provisions of this Lease

**16.10 Keyholders**

To ensure that at all times the Landlord and the local police are aware of the name home address and home telephone number of at least two keyholders of the Premises

**16.11 Interest**

- to pay as rent to the Landlord interest at a yearly rate of 3% above the base lending rate from time to time on any Rent or other sum payable under this Lease that is not paid on its due date
- to pay this interest from the due date to the date of payment (both before

and after any judgment) calculated on a daily basis (the interest to be compounded with rests on the usual quarter days) but nothing in this clause entitles the Tenant to withhold or delay any payment or affects the rights of the Landlord in relation to non-payment

**16.12 Sale of reversion and re-letting**

to permit at reasonable times upon reasonable notice agents or prospective buyers or any interest superior to this Lease to view the Premises provided they are authorised by the Landlord or its agent and to permit the Landlord or any superior landlord to fix on the Premises a notice or board indicating that an interest superior to this Lease is available for sale

**16.13 Yield up at the expiration of the Term:**

16.13.1 to yield up the Premises with vacant possession decorated and repaired repaired in accordance with and in the condition required by the Lease and give up all keys of the Premises to the Landlord

16.13.2 to remove any demountable partitions and any addition or alteration made to the Premises if requested by the Landlord to make good any part of the Premises damaged by the removal and to restore the Premises to their original state

16.13.3 to remove the Tenant's fixtures and fittings (if requested by the Landlord) and all signs erected by the Tenant on or near the Premises to make good any damage caused by the removal and to restore the Premises to their original state

16.13.4 if the Tenant has not complied with clauses 16.13.1 16.3.2 and 16.3.3 to pay to the Landlord on demand the sum certified by the Landlord's surveyor as representing in his opinion the cost (including fees and other expenses) of putting the Premises into the state of repair and condition in which they should have been had the terms of this Lease been complied with together with the rents that would have been payable under this Lease if the Term had been extended to the date by which the works required as a result of the breach could reasonably have been expected to be completed

## **PART D LANDLORD'S COVENANTS AND INSURANCE**

### **17 QUIET ENJOYMENT**

The Landlord covenants with the Tenant to permit the Tenant to hold the Premises peaceably and without interruption by the Landlord or any person claiming under or in trust for the Landlord provided the Tenant has paid the Rent and all other sums due under this Lease and complied with the provisions of this Lease

### **18 INSURANCE**

#### **18.1 Landlord's covenants**

The Landlord covenants with the Tenant

18.1.1 to insure the Premises against damage caused by fire lightning explosion aircraft and any other risks that the Landlord may decide although:

- the obligation to insure against any particular risk is subject to insurance for that risk being ordinarily available from a reputable insurer for the Premises at rates that the Landlord considers reasonable and
- this insurance will be subject to any exclusions conditions and excesses included in the policy from time to time

18.1.2 to effect this insurance with a reputable insurance company or with reputable underwriters and through any agency that the Landlord may from time to time reasonably decide

18.1.3 that this insurance will be for a sum that represents in the reasonable opinion of the Landlord the full cost of reinstatement of the Premises (allowance being made for inflation) including (for example):

- temporarily making safe and protecting any adjoining structures
- debris removal demolition and site clearance

- obtaining all planning permissions building regulation consents and other consents and licences that are required
- architects' surveyors' engineers' and other fees incurred by the Landlord in relation to the reinstatement
- complying with the requirements of any statute or of any local public regulatory or other authority and expenses

18.1.4 to produce to the Tenant on written demand but not more than once in any year reasonable evidence of the terms of the policy and of payment of the last premium

18.1.5 whenever required by the Tenant in writing (but not more than once in any year) to notify the Tenant of any change in the risks covered by the policy

## 18.2 Tenant's covenants

The Tenant covenants with the Landlord

18.2.1 to pay as rent to the Landlord within 14 days of a demand and (if so demanded) in advance of the date of renewal sums equal to:

- the premium paid or to be paid by the Landlord for insuring the Premises in accordance with this Lease including any increased premiums required as a result of the Tenant's use of the Premises or anything brought onto the Premises by the Tenant or any alteration carried out to the Premises by the Tenant
- the premiums paid or to be paid by the Landlord for insuring for three years loss of rent under this Lease or for such longer period as the Landlord may consider reasonable
- the premiums paid or to be paid by the Landlord for any third party liability (including public and property owner's and employer's liability in respect of the Premises against which the Landlord may at any time insure
- any part of the premiums referred to above which the Landlord is entitled to retain by way of commission
- Any any tax payable on any of the premiums referred to above

- 18.2.2 where in the case of any of the items referred to in clause 18.2.1 the Landlord's policy includes the Premises and other premises to pay as rent to the Landlord on demand and (if so demanded) in advance of the date of renewal the proportion of the premiums properly attributable to the Premises to be conclusively determined by the Landlord's surveyor
- 18.2.3 to pay the sums referred to in clauses 18.2.1 and 18.2.2 for the period beginning on the Insurance Commencement Date and ending on the day immediately before the next renewal date on the grant of this Lease or (if later) on the Insurance Commencement Date or when demanded
- 18.2.4 to give notice to the Landlord of any matters (whether existing or that arise during the Term) that a prudent insurer might treat as material in deciding whether or on what terms to insure or to continue to insure the Premises
- 18.2.5 to comply with all the requirements and recommendations of the insurer and the fire officer
- 18.2.6 not to do or omit anything that could cause the insurance effected under clause 18.1 to become void or voidable wholly or in part
- 18.2.7 not to do or omit anything that could cause any additional or increased premiums to become payable unless the Tenant has previously obtained the approvals of the Landlord and the insurer (the Landlord's approval not to be unreasonably withheld)
- 18.2.8 not to have on the Premises anything which is dangerous explosive or specially combustible without having obtained the approval of the insurer and the Landlord (the Landlord's approval not to be unreasonably withheld or delayed) and then to comply with any conditions to which either approval is made subject
- 18.2.9 to keep the Premises supplied with such equipment for the detection and fighting of fire and with such fire alarm equipment that is reasonably required or that the insurer or fire officer may require and to maintain this equipment in working order and to the

satisfaction of the insurer and to the reasonable satisfaction of the Landlord and at least once every six months to have this equipment inspected by a competent person

18.2.10 not to obstruct the access to any fire equipment or the means of escape from the Premises or to lock any fire door while the Premises is occupied

18.2.11 to give notice to the Landlord immediately any event happens against which the Landlord may have insured under this Lease

18.2.12 if the Tenant is entitled to the benefit of any insurance in relation to the Premises to apply all money in making good the loss for which it is received

18.2.13 to do nothing to prejudice any claim made by the Landlord or to prevent or impede any reinstatement being carried out by the Landlord

18.2.14 to pay to the Landlord on demand the amount of any excesses which may be deducted or deductible by the insurers on any claim made by the Landlord under clause 18.4.1

### **18.3 Suspension of Rent**

18.3.1 'Insured Damage' means that the Premises are in the opinion of the Landlord's surveyor destroyed or damaged by any risk against which the Landlord has covenanted in this Lease to insure or by payment of the insurance money is not refused wholly or in part as the result of an act or omission of the Tenant or any person deriving title under the Tenant

18.3.2 Whenever Insured Damage occurs and the Premises or any part of them are unfit for occupation and use the Rent (or a fair proportion of it according to the nature and extent of the damage) will not be payable until the Premises (or the affected parts) are again fit for occupation and use or until three years from the damage whichever is the shorter and the proportion and the period will be conclusively determined by the Landlord's surveyor (acting reasonably)

### **18.4 Reinstatement**

18.4.1 Whenever Insured Damage occurs the Landlord covenants with the Tenant:

- immediately to notify the insurer of the damage and to claim all sums due under the insurance policy
- to use all reasonable endeavours to procure the payment by the insurer of all sums properly due under the policy at the time and in the manner required by the policy
- to apply for and use all reasonable endeavours to obtain all planning permissions building regulation consents and other consents and licences that are required to enable the Landlord to reinstate ('Permissions')
- to apply all insurance money received (except sums for loss of rent) in reinstating the Premises as soon as the Permissions have been obtained or as soon as practicable where no Permissions are required but the Landlord need not reinstate the Premises in the form in which they were at the time of the Insured Damage

18.4.2 The Landlord need not reinstate the Premises:

- if the insurance policy effected by the Landlord has become void or voidable and the policy monies are refused wholly or in part as a result of an act or omission of the Tenant or any person deriving title under the Tenant
- if this Lease has been terminated under clause 18.5

18.4.3 The Landlord need not reinstate the Premises while prevented by any of the following:

- failure by the Landlord to obtain the Permissions despite using all reasonable endeavours
- the grant of any of the Permissions subject to a lawful condition with which it would be unreasonable to expect the Landlord to comply or the planning or highway authority's insistence that as a pre-condition to obtaining any of the Permissions the Landlord must enter into an agreement with the planning or highway authority that would contain a term with which it would

be unreasonable to expect the Landlord to comply

- a defect in the site upon which the reinstatement is to take place prevents reinstatement or means that reinstatement could be undertaken only at excessive cost
- war act of God government action strike lock-out or any other similar circumstances beyond the control of the Landlord

## **18.5 Termination**

18.5.1 Whenever Insured Damage occurs and the Premises or any part of them remain unfit for occupation and use three years after the date upon which they first became unfit either party may for so long as the Premises or part of them remain unfit serve on the other a notice under this clause

18.5.2 This Lease will come to an end on the service of a notice under clause 18.5.1 and:

- termination will not affect any rights that either party may have against the other (including for example any that the Tenant may have for breach by the Landlord of clause 18.4)
- all money received in respect of insurance of the Premises effected by the Landlord will belong to the Landlord absolutely

## **PART E OTHER TERMS**

### **19 FORFEITURE**

19.1 A "Forfeiting Event" is any of the following:

- Any Rent or sum regarded as rent for the purposes of this Lease is outstanding for twenty-one days after becoming due whether formally demanded or not
- A material breach by the Tenant of any of the provisions of this Lease
- The Tenant has any distress or execution levied on its goods or possessions at the Premises
- The Tenant is Insolvent

19.2 Whenever a Forfeiting Event exists the Landlord may enter the Premises (or any part of them) at any time even if a previous right of re-entry has been waived and then the Term will end but without affecting any rights that the Landlord may have against the Tenant including (for example) the breach under which the re-entry is made

**20 REPRESENTATIONS**

The Tenant acknowledges that it has not entered into this Lease in reliance on any representation made by or on behalf of the Landlord

**21 EXCLUSION OF USE WARRANTY**

Nothing in this Lease or in any consent granted by the Landlord implies that the Premises may be used for any particular purpose

**22 EFFECT OF WAIVER**

Each of the Tenant's covenants will remain in force even if the Landlord has waived or temporarily released that covenant

**23 COMPENSATION**

Any statutory right of the Tenant to claim compensation from the Landlord on vacating the Premises is excluded from this letting to the extent that the law allows

**24 TENANT'S POSSESSIONS**

If after the Tenant has vacated the Premises on the expiration of the Term any of the Tenant's possessions remain on the Premises and the Tenant fails to remove them within seven days after being requested in writing by the Landlord to do so or if the Landlord is unable to make such a request to the Tenant within fourteen days from the first attempt:

24.1 the Landlord may as the agent of the Tenant sell the possessions and the Tenant indemnifies the Landlord against any liability incurred by it to any third party whose possessions have been sold by the Landlord in the mistaken belief (which will be presumed unless the contrary is proved) that

the possessions belonged to the Tenant

- 24.2 if the Landlord having made reasonable efforts is unable to locate the Tenant the Landlord may keep the proceeds of the sale unless the Tenant claims them within ninety days of vacating the Premises
- 24.3 the Tenant will be responsible for and will indemnify the Landlord against any damage caused to the Premises by the possessions and any Losses suffered by the Landlord as a result of the presence of the possessions of the Premises after the Tenant has vacated the Premises on the expiration of the Term

## **25 CONSENTS**

- 25.1 Any consent of the Landlord under this Lease if it is to be effective must be in writing and signed by or on behalf of the Landlord
- 25.2 Where the consent of the Landlord is required it may be given subject to any necessary further consent being obtained from a superior landlord or mortgagee

## **26 NOTICES**

- 26.1 A notice under this Lease must be in writing and unless the receiving party or its authorised agent acknowledges receipt is valid if (and only if) it:
- 26.1.1 is given by hand sent by registered post or recorded delivery
- 26.1.2 is served:
- where the receiving party is a company incorporated within Great Britain at its registered office
  - where the receiving party is the Tenant and the Tenant is not such a company at the Premises
  - where the receiving party is the Landlord and the Landlord is not such a company at the Landlord's address shown in this Lease or at any reasonable address specified in a notice given by the Landlord to the Tenant
- 26.2 Unless it is returned through the Royal Mail undelivered a notice sent by registered post or recorded delivery is to be treated as served on the second Working Day after posting (in the absence of proof to the contrary)

- 26.3 "Working Day" means a day when the UK clearing banks are open for business in the City of London
- 27 This Lease is a new lease within the meaning of section 1 of the Landlord and Tenant (Covenants) Act 1995
- 28 This document shall be treated as having been made and delivered as a Deed upon being dated
- 29 It is certified that the transaction effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £60,000

IN WITNESS whereof this Deed has been duly executed and delivered the day and year first before written

#### THE SCHEDULE

##### Authorised Guarantee Agreement

- 1 The Tenant in consideration of the agreement to the assignment of the Lease
- COVENANTS AND GUARANTEES with and to the Landlord that:
- 1.1 the Assignee shall punctually pay the rents and perform and observe the covenants and other terms of the Lease
- 1.2 if the Assignee shall make any default in payment of the rents or in performing or observing any of the covenants or other terms of the Lease the Tenant will pay the rents and perform and observe the covenants or terms in respect of which the Assignee shall be in default and make good to the Landlord on demand and indemnify the Landlord against all losses damages costs and expenses arising or incurred by the Landlord as a result of such non-payment non-performance or non-observance notwithstanding:
- (a) any time or indulgence granted by the Landlord to the Assignee or any neglect or forbearance of the Landlord in enforcing the payment of the rents or the observance or performance of the covenants or other terms of the Lease

- (b) that the terms of the Lease may have been varied by agreement between the parties (but subject always to S.18 of the Landlord and Tenant (Covenants) Act 1995)
  - (c) any other act or thing by which but for this provision the Tenant would have been released
- 2. The Tenant FURTHER COVENANTS with the Landlord that if the Lease is disclaimed prior to any lawful assignment by the Assignee of the Lease the Landlord may within six months after the disclaimer require the Tenant to accept a new lease of the Premises for a term equivalent to the residue which if there had been no disclaimer would have remained of the term granted by the Lease at the same rent and subject the like covenants and conditions as are payable under and applicable to the tenancy immediately before the date of such disclaimer (the said new lease and the rights and liabilities thereunder to take effect as from the date of such disclaimer) and in such case the Tenant shall pay the Landlord's cost incurred by the Landlord in connection with such new lease and the Tenant shall accept such new Lease accordingly and will execute and deliver to the Landlord a Counterpart thereof
- 3. If the Lease is disclaimed and for any reason the Landlord does not require the Tenant to accept a new Lease of the Premises in accordance with clause 2 the Tenant shall pay to the Landlord on demand an amount equal to the difference between any money received by the Landlord for the use or occupation of the Premises less any expenditure incurred by the Landlord in connection with the Premises and the rents which would have been payable under the Lease but for such disclaimer and ending on whichever is the earlier of the following dates:
  - a) the date six months after such disclaimer
  - b) the end or sooner determination of the said Term
- 4. Notwithstanding any of the foregoing provisions the Tenant:
  - a) shall not be required to guarantee in any way the liability for covenants and other terms of the Lease of any person other than the Assignee; and
  - b) shall not be subject to any liability restriction or other requirement (of whatever nature) in relation to any time after the

Assignee is by law released from the covenants and other terms of the Lease

5. Words and expressions used herein shall have the same meaning as in the Lease

IN WITNESS whereof this Lease has been duly executed and delivered the day and year first before witnessed

Signed as a Deed by the said  
**JOHN FREDERICK TAYLOR**  
in the presence of:

x *JF Taylor*

Witness: *J. V. Sutcliffe*  
Address: *17 Summers Road*  
*Farncombe Godalming Surrey GU7 3BB*  
Occupation: *Shop Assistant*

Signed as a Deed by the said  
**JANET MAY TAYLOR**  
in the presence of:

*JMTaylor*

Witness: *J. V. Sutcliffe*  
Address: *17 Summers Road*  
*Farncombe Godalming Surrey GU7 3BB*  
Occupation: *Shop Assistant*