

DATED 17th February 1998

ZAKHEM PROPERTIES LIMITED

-and-

THE INSTITUTE OF CANCER RESEARCH
: ROYAL CANCER HOSPITAL

LEASE

Re: Ground and Lower Ground Floors
Zakhem House 123 Old Brompton Road
London SW7

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THIS LEASE is made the 17th day of February 1998

BETWEEN ZAKHEM PROPERTIES LIMITED whose registered office is situate at Zakhem House 123 Old Brompton Road London SW7 (hereinafter called "the Lessor") of the first part and **THE INSTITUTE OF CANCER RESEARCH : ROYAL CANCER HOSPITAL**, whose registered office is at 17A Onslow Gardens London SW7 an exempt charity pursuant to the provisions of the Charities Act 1993 (hereinafter called "the Lessee") of the second part

NOW THIS DEED WITNESSETH as follows:-

Definitions

1 In these presents unless there is something in the subject matter or context inconsistent therewith:-

1.1.1 Words importing the masculine gender only shall include the feminine and vice versa and words importing persons shall include companies and corporations and vice versa

1.1.2 Words importing the singular number only shall include the plural and vice versa and where there are two or more persons included in the expressions "the Lessor" and/or "the Lessee" and/or "the Surety" then covenants herein expressed to be made by the Lessor and/or Lessee and/or the Surety shall (respectively) be covenants by such persons jointly and severally

1.2 The following expressions shall have the meanings attributed to them hereunder:-

1.2.1 "The Lessor" shall include the person for the time being entitled to the reversion immediately expectant upon the determination of the term hereby granted

1.2.2 "The Lessee" shall include the Lessee's assigns and successors in title

1.2.3 "The Surety" shall include any Surety's successors in title and/or in the case of individuals their respective personal representatives

1.2.4 "The Overall Development" shall mean the land and premises described

in the First Schedule hereto and each an every part thereof

- 1.2.5 "The Demised Premises" shall mean the premises described in the Second Schedule hereto and each and every part thereof TOGETHER WITH the rights and EXCEPTING AND RESERVING as therein provided and TOGETHER ALSO WITH the appurtenances thereto and any buildings or other structures now or hereafter erected thereon or on any part thereof and the boundary walls and fences (including one half in thickness of any party walls and party structures) TOGETHER WITH all additions alterations and improvements thereto and shall also include all Lessors fixtures and fittings and plant machinery and equipment now or hereafter in or about the same belonging to the Lessor
- 1.2.6 "The Insured Risks" shall mean fire explosion lightning aircraft storm tempest landslip subsidence heave and such other normal commercial risks as the Lessor may from time to time and in its absolute discretion think fit to insure against subject to such exclusions and limitations as are imposed by the insurers
- 1.2.7 "Group Company" shall mean any company of which the Lessee is a subsidiary or which has the same holding company as the Lessee where Subsidiary and Holding Company have the meanings given to them by Section 736 of the Companies Act 1985
- 1.2.8 "Permitted Part" shall mean the whole or any part of either the ground floor or the lower ground floor of the Demised Premises but limited to one tenancy per floor at any one time
- 1.2.9 "Rent Commencement Date" means the 17th day of ~~July~~ ^{October} 1998 *SPH*

1.2.10 "Authorised Guarantee Agreement" shall mean an agreement in the form of the draft authorised guarantee agreement contained in the Fifth Schedule hereto

1.3 All monies agreed to be paid by the Lessee pursuant to the terms of this demise shall be deemed to be so payable and recoverable as rent in arrears

Demise & Rents

2 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 Demised Premises TO HOLD the same unto the Lessee for the term of twenty five years from the 17th day of February One thousand nine hundred and ninety-eight YIELDING AND PAYING therefor throughout the first five years of the said term the yearly rent of TWO HUNDRED AND FIFTY THOUSAND POUNDS (£250,000) and thereafter such yearly rent as shall be determined in accordance with the provisions set out in the Third Schedule hereto to be paid by equal quarterly payments in advance on the usual quarter days in each year clear of all deductions whatsoever the first of such payments to be made on the Rent Commencement Date and to be in respect of the period from that date until the quarter day next following

The Lessees Covenants

3 THE Lessee HEREBY COVENANTS with the Lessor as follows:-

To pay rent

3.1 To pay the yearly 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 and in the event that any monies due and owing by the Lessee to the Lessor Pursuant to the terms of this demise shall remain unpaid for

more than fourteen days after the date upon which the same may respectively become due (whether formally demanded or not) to pay interest thereon at the yearly rate of four per centum per annum above the Base Rate of Barclays Bank plc from time to time calculated from the date upon which the same became payable until the date of actual payment

To pay outgoings

- 3.2 To pay bear and discharge all existing and future rates taxes duties charges assessments impositions and outgoings whatsoever (whether parliamentary parochial or otherwise and whether or not of a capital or non-recurring nature) which are now or may at any time hereafter during the said term be charged levied assessed or imposed upon the Demised Premises or upon the owner or occupier in respect thereof other than any payments occasioned by any disposition dealing with or deemed dealing with any estate or interest expectant in reversion or any taxes assessed on either the income or profits of the Lessor and (to the extent that the same do not comprise part of the Service Charge as hereinafter defined and to which the Lessee covenants elsewhere in these presents to contribute) to pay bear and discharge the proportion properly attributable to the Demised Premises of any such outgoings as may be charged levied assessed or imposed upon the Overall Development or any parts thereof and of which the Demised Premises forms part (such proportion to be determined by the surveyor for the time being of the Lessor whose decision shall be conclusive)

To repair

- 3.3.1 From time to time and at all times during the said term to keep the whole of the Demised Premises (including all equipment and machinery comprising or associated with the central heating hot water and air

conditioning systems serving the Demised Premises) and all fixtures and fittings therein and all additions and improvements thereto in good and substantial repair and condition and to yield up the same at the expiration or sooner determination of the said term in good and substantial repair and condition in accordance with the covenants in that behalf 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 its licensees servants or agents) and excluding tenants fixtures and fittings

- 3.3.2 To keep the Demised Premises in a clean and tidy condition and properly cleansed and in particular to clean all of the windows (both inside and out) and all other glass in or on the Demised Premises at least once in every month

Service Charges

- 3.4 To pay the Interim Charge and the Further Interim Charge (as appropriate) and the Service Charge at the times and in manner provided in the Fourth Schedule hereto

To redecorate interior

- 3.5 Without prejudice to the generality of the foregoing covenants in the year Two thousand and two and thereafter in every fifth year of the said term and also in the last three months thereof whether the same shall be determined by effluxion of time or otherwise to paint french polish or otherwise treat as the case may be all inside wood and metal work required to be painted or otherwise treated of the Demised Premises in a proper and workmanlike manner and also clean the internal parts of the Demised Premises usually cleaned and to paint or paper with

paper of good quality in a workmanlike manner all walls and ceilings of the inside of the Demised Premises usually painted or papered as the case may be such decoration in the last three months of the said term (whether the same shall be determined by effluxion of time or otherwise) to be executed in such colours papers and materials as the Lessor may require

To allow access to view

3.6 To permit the Lessor and its agents or surveyors with or without workmen and others and appliances upon seven days prior notice in writing and with the Lessee's prior consent not to be unreasonably withheld or delayed (save in the case of emergency when no notice shall be required) at all reasonable hours in the day time during the said term to enter the Demised Premises or any part thereof to view the state and condition of the same and to give or leave upon the Demised Premises notice in writing addressed to the Lessee of all defects wants of reparation and breaches of covenants then and there found for which the Lessee is liable hereunder and the Lessee will within three months after every such notice or sooner in the case of emergency repair and make good the same according to such notice and the covenants in that behalf herein contained to the reasonable satisfaction of the Lessors surveyor from time to time AND if the Lessee shall fail within three months of such notice or immediately in the case of emergency to comply and then diligently and expeditiously to continue to comply with such notice in all respects or if the Lessee shall at any time make default in the performance of any of the covenants for or relating to the repair decoration or maintenance of Demised Premises it shall be lawful (but not requisite and in any event without prejudice to the rights of re-entry and forfeiture hereinafter contained) for the Lessor its agents servants and workmen

to enter upon the Demised 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 incurred thereby together with interest thereon at the yearly rate of four per centum per annum above the Base Rate of Barclays Bank plc for the time being from the date of demand by the Lessor to the date of payment shall be paid by the Lessee to the Lessor on demand

To allow access to make Inventories & View

3.7 To permit the Lessor and its agents and surveyors with or without workmen and others and appliances upon seven days prior notice in writing at all reasonable times during the said term hereby granted

3.7.1 To enter upon the Demised Premises for the purposes of taking schedules or inventories of the fixtures and fittings plant and machinery belonging to the Lessor or to be yielded up at the expiration or sooner determination of the said term

3.7.2 To enter upon the Demised Premises with or without other persons for any other reasonable purpose connected with the interest of the Lessor in the Demised Premises or its disposal charge demise or other turning to account

Not to demolish or reconstruct

3.8 That no building or structure of any kind which involves the demolition or reconstruction of the Demised Premises or any part thereof shall at any time be erected upon the Demised Premises or any part thereof

Not to effect alterations without consent

3.9 Save only as provided in clause 3.3 hereof:-

3.9.1 That no building or structure of any kind shall at any time be erected

upon the Demised Premises or any part thereof

- 3.9.2 Not without the prior written consent of the Lessor such consent not to be unreasonably withheld or delayed at any time during the said term to make or permit or suffer to be made any structural alterations or additions in or to the Demised Premises or any part or parts thereof either internally or externally nor to cut injure maim or remove or permit or suffer to be cut injured maimed or removed any of the walls beams columns or other structural parts of the Demised Premises or make or permit or suffer to be made any change in or to the existing external design or appearance of the Demised Premises

Not to commit nuisance effect obstruction or overload the premises

- 3.10.1 Not to do or permit or suffer to be done or remain upon the Demised Premises or any part or parts thereof anything which may be or become a nuisance injury or damage to the Lessor or the owners or occupiers of any property comprised in the Overall Development
- 3.10.2 Not to use or permit or suffer the Demised Premises or any part thereof to be used for any noxious noisy or offensive trade or business nor for any illegal act or acts or purpose or purposes and no sale by auction shall take place therein
- 3.10.3 Not to allow rubbish of any description to accumulate upon the Demised Premises or to discharge or permit or suffer to be discharged into any pipe or drain serving the Demised Premises or any other property any oil grease or other deleterious matter or any substance which might be or become a source of danger or injury to the drainage system of the Overall Development or to the Overall Development or to any other

property or any part or parts thereof

3.10.4 Not to suspend or to permit or to suffer to be suspended any excessive weight from the main structure of the Demised Premises

3.10.5 Not to overload or permit or suffer to be overloaded the floors roofs or structure of the Demised Premises or permit or suffer the same to be used in any manner which will cause undue strain or interfere therewith and not to install or permit or suffer to be installed any machinery in the Demised Premises which shall be unduly noisy or cause dangerous vibrations nor to use or permit or suffer to be used the Demised Premises or any part thereof in such manner as to subject the same to any strain beyond that which it is designed to bear

User

3.11 Not without the prior written consent of the Lessor (such consent not to be unreasonably withheld or delayed) at any time during the said term to use the Demised Premises otherwise than as offices within the contemplation of Use Classes BI of the Town & Country Planning (Use Classes) Order 1987 and (as regards the car parking spaces) for car parking purposes

Not to allow displays

3.12 That no figure letter flag signboard advertisement inscription bill placard or sign whatsoever shall be attached to or exhibited on the exterior the Demised Premises or the windows thereof without the previous written consent of the Lessor which shall not be unreasonably withheld or delayed in respect of a sign stating the Lessees name and business (such sign if the Lessor so requires to be removed and any damage caused thereby made good by the Lessee at the end or sooner determination of the said term)

Not to allow aeriaks

3.13 That no poles masts or wires shall be erected on the exterior of the property (whether in connection with wireless or television apparatus or otherwise) without the previous written consent of the Lessor such consent not to be unreasonably withheld

Not to obstruct accesses or egresses

3.14 That no area over which the Lessee is granted rights of use from time to time shall be damaged or obstructed or used in such manner as to cause in the reasonable opinion of the Lessor any nuisance or damage

To comply with regulations

3.15 To comply with all reasonable requirements and regulations made by the Lessor from time to time relating to the Demised Premises

Not to vitiate insurance

3.16.1 That nothing shall be done or omitted whereby any policy or policies of insurance for the time being in force in respect of or including or covering the Overall Development against any insured risk may become void or voidable or whereby the rate of premium thereof may be increased and that the Lessee will at all times comply with all the reasonable requirements of the insurers of the Overall Development AND in the event of the destruction of or damage to the Demised Premises or the Overall Building or any part or parts thereof in circumstances where the insurance monies relating thereto shall be withheld in whole or in part by reason of any act or default on the part of the Lessee or any party claiming through or under the Lessee then the Lessee shall forthwith make payment to the Lessor of the amount of such monies so withheld

3.16.2 Not to effect or permit or suffer to be effected by any other party any insurance against any of the insured risks in respect of or relating to the Demised Premises save when the Lessor has failed to insure the Demised Premises

3.16.3 Forthwith upon being aware of the happening of any event or thing against which insurance has been effected by the Lessor under the provisions hereinafter contained to give notice thereof in writing to the Lessor

To comply with statutory requirements

3.17.1 At all times during the said term at the Lessees own expense to observe and comply in all respects with the provisions and requirements of any and every enactment (which expression in this covenant includes as well any and every Act of Parliament already or hereafter to be passed and any and every notice direction order regulation byelaw rule and condition already or hereafter to be made under or in pursuance of or deriving effect from any such Act) prescribed or required by any public local or other authority so far as they relate to or affect the Demised Premises or the Lessor or the Lessee thereof or any additions or improvements thereto or the user thereof or the employment therein of any person or persons or any fixtures machinery plant or chattels for the time being affixed thereto or being thereupon or used for the purposes thereof

3.17.2 To execute all works and provide and maintain all arrangements which by or under any enactment or by any Government Department Local Authority or other Public Authority or duly authorised officer or Court of competent jurisdiction 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 said term upon or in respect of the Demised Premises or any part or parts thereof or additions thereto or any premises used for the purposes of but not comprised in the Demised Premises from time to time

3.17.3 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 said term to do or omit or suffer to be done or omitted in or about the Demised 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

3.17.4 Save to the extent that the same do not comprise part of the Service Charge as hereinafter defined and to which the Lessee covenants elsewhere in these presents to contribute to pay to the Lessor upon demand a fair and reasonable proportion of all proper costs charges and expenses (including surveyors architects and other professional advisers fees) incurred by the Lessor of or incidental to (i) complying with all provisions and requirements of any and every enactment or prescribed or required by any public local or other authority and (ii) executing all works and providing all arrangements which may be directed or required as aforesaid so far as the same relate to any premises being used or enjoyed by the Lessee in common or jointly with any other person or persons or the user thereof

To advise as to statutory requirements

- 3.18 Within fourteen days of the receipt of notice of the same to give full particulars to the Lessor of any permission notice order or proposal for a notice or order relevant to the Demised Premises or to the use or condition thereof or otherwise concerning the Lessee made given or issued to the Lessee or the occupier of the Demised Premises by any Government Department Local or Public Authority and if so required by the Lessor to produce such permission notice order 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 to make or join with the Lessor in making such objection or representations against or in respect of any such notice order or proposal as far as is reasonable

Provisions as to alienation

- 3.19.1 Not to assign underlet charge part with or share possession or occupation of the Demised Premises or any part thereof save in accordance with the provisions in this sub-clause hereinafter contained
- 3.19.2 Not (save for a Permitted Part) to assign transfer underlet or charge part only of the Demised Premises
- 3.19.3 Prior to any assignment or underletting of the whole of the Demised Premises the assignee or underlessee shall first enter into a direct covenant with the Lessor to observe and perform the covenants herein contained (except in the case of an underletting the covenant to pay the rent hereby reserved) including an unqualified covenant not to assign transfer or part with or share the possession of any part of the Demised Premises and to covenant not to further assign transfer underlet or part with or share the possession of the whole of the Demised Premises

without the Lessor's previous consent in writing and in the case of an assignment a covenant to pay the rents sums and other payments (if any) hereby reserved and made payable

3.19.4 Subject as aforesaid not to assign or underlet the whole of the Demised Premises without the prior consent of the Lessor PROVIDED THAT in the case of assignment and only to the extent permitted by law

3.19.4.1 the circumstances in which the Lessor may withhold consent are:-

- (a) that the proposed assignee has not been shown to the reasonable satisfaction of the Lessor to be respectable and responsible and capable of fulfilling the Lessee's covenants contained herein (as the same may have been varied prior to the date of assignment) for the reasonably foreseeable future
- (b) that the Lessee is in material breach of its covenants hereunder (other than covenants to make payment to the Lessor hereunder)
- (c) that at the time of the proposed assignment there are arrears of rent and other sums due from the Lessee to the Lessor under this Lease which remain unpaid

3.19.4.2 the conditions which the Lessor is entitled to require (acting reasonably) on any assignment to which it shall give its consent are that:-

- (a) where reasonable in all the circumstances the assignee shall provide not more than two respectable and responsible guarantors of reasonable substance who will guarantee its obligations in the form of the covenants set out in the Fifth Schedule
- (b) the assignor shall enter into an Authorised Guarantee Agreement
- (c) all arrears of rent and other payments due under this Lease shall have been paid in full with interest at the prescribed rate (if applicable) prior to any assignment being completed
- (d) that the assignee becomes liable for all wants of repair for which the Lessee is responsible under the terms of this Lease (whether or not these have occurred prior to the assignment) or that such repairs have been carried out prior to the assignment taking effect

3.19.5 Not to underlet the whole of the Demised Premises or a Permitted Part

3.19.5.1 except at the open market rent (as at the date of the grant of such underlease) without any fine or premium being taken and without rent being taken more than six months in advance and not to underlet the whole of the Demised Premises or a Permitted Part for a term which shall extend beyond a date on which the rent payable hereunder

is to reviewed as hereinafter provided unless such underletting shall include provisions for rent reviews at the times and in accordance with the terms of this Lease without the previous written consent of the Lessor which shall not be unreasonably withheld or delayed and not without the underlease containing:-

3.19.5.2

- (a) a covenant on the part of the underlessee that the underlessee will not assign transfer or charge part only of the premises thereby demised
- (b) a covenant on the part of the underlessee that the underlessee will not assign or transfer the whole of the premises thereby demised or underlet or part with or share possession or occupation of such premises without the previous written consent of the Lessor (which shall not be unreasonably withheld or delayed)
- (c) a provision that any underlease granted thereout whether mediate or immediate shall contain similar provisions to the foregoing
- (d) an agreement authorised by an order of a court with competent jurisdiction excluding the provisions of Section 24-28 of the Landlord & Tenant Act 1954 (as amended)

3.19.6 Not to vary waive or permit or suffer any breach or non observance of or otherwise fail or neglect to implement and enforce the covenants

conditions and provisions to be contained and provided for in any underlease in accordance with the provisions hereinbefore set out

3.19.7 The Lessee may with the Lessor's prior consent (not to be unreasonably withheld or delayed) share occupation of the Demised Premises with any Group Company on condition that the sharing shall not create any relationship of landlord and tenant and that on any occupier ceasing to be a Group Company the occupation shall immediately cease or be otherwise documented in accordance with this paragraph 3.19

To register instruments of alienation

3.20 Within twenty-eight days after the execution of any assignment charge transfer or underlease or the assignment of any underlease or any transmission by reason of a death or otherwise affecting the Demised Premises to produce to and leave with the Lessor or its solicitors for the time being a certified true copy of the deed instrument or other document evidencing or effecting such dealing or transaction and on each occasion to pay to the Lessor or such solicitors a reasonable registration fee of not less than £25 plus VAT and that every Underlease of the Demised Premises shall contain a similar covenant by the Underlessee expressed to be for the benefit of the Lessee and the Lessor

To pay costs of Section 146 & other proceedings

3.21 To pay to the Lessor upon demand on a full indemnity basis all reasonable and proper costs charges commissions and expenses (including solicitors counsels and surveyors and other professional costs and fees) incurred by the Lessor:-

3.21.1 In any proceedings relating to the Demised Premises under Sections 146 or 147 of the Law of Property Act 1925 or in the preparation and service of any notice thereunder (not any right of re-entry or forfeiture may have

been waived by the Lessor or a notice served under the said Sections 146 and 147 shall have been complied with by the Lessee or the Lessee shall be relieved under the provisions of the said Act and notwithstanding forfeiture may have been avoided otherwise than by reason of relief granted by the Court) and to keep the Lessor fully and effectively indemnified against all reasonable costs expenses claims and demands whatsoever in respect of such proceedings

3.21.2 In the preparation and service of a Schedule of Dilapidations at any time during or after the said term save where such service is manifestly misconceived

3.21.3 In connection with the recovery of any monies due from the Lessee hereunder

3.21.4 In respect of any application by the Lessee for consents required by this Lease whether or not such consents may be granted (not unreasonably withheld)

To adhere to Planning Acts

3.22 In relation to "the Planning Acts" which in this Lease means the Town & Country Planning Acts 1962 to 1972 and any subsequent legislation of a similar nature and any statutory modification or reenactment thereof for the time being in force and any order instrument plan regulation permission and directive made or issued or to be made or issued thereunder or deriving validly therefrom:-

3.22.1 At all times during the said 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 Demised Premises or any part of parts thereof or any operations works acts or things already or hereafter to be carried out executed done or omitted therefrom or the use thereof for any purpose

- 3.22.2 During the said 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 Demised Premises or the institution or continuance by the Lessee therein 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 without the prior written consent of the Lessor which consent shall not be unreasonably withheld or delayed
- 3.22.3 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
- 3.22.4 Unless the Lessor shall otherwise in writing direct to carry out before the expiration or sooner determination of the said term any works stipulated to be carried out to the Demised Premises as a condition of any planning permission which may have been granted during the said term whether or not the date by which the planning permission require such works to have been carried out falls within the said term

3.22.5 If and whenever called upon in writing so to do to produce to the Lessor and its surveyors and as they may respectively 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

3.22.6 As soon as practical to give to the Lessor notice in writing of any order direction proposal or notice under the Planning Acts not already known to the Lessor or relating to any of the matters referred to in sub-clause 3.21 hereof which is served upon or received by or comes to the notice of the Lessee in connection with or relating to the Demised Premises or any part or parts thereof and will produce to the Lessor if so required any such order direction proposal or notice as aforesaid as is in possession of or available to the Lessee and will not regarding such order direction proposal or notice as aforesaid take any action approved of by the Lessor such approval not to be unreasonably withheld

To comply with safety requirements

3.23 To keep the Demised Premises sufficiently supplied and equipped with such fire fighting and extinguishing appliances as shall from time to time be required by law and/or by the Local or other competent Authority or as shall be reasonably required by the Lessor and such appliances shall be open to inspection and shall be maintained to the reasonable satisfaction of the Lessor and also not to obstruct or permit or suffer to be obstructed the access to or means of working such appliances or the means of escape from the Demised Premises in the case of fire

To allow the exhibition of notices for sale and reletting

3.24 During the six months immediately preceding the determination of the said term

to permit the Lessor or its agents to affix upon any part of the Demised Premises but not so as to obscure the shop front or fascia or materially interfere with the access of light or air a Notice as to the proposed reletting or other disposal thereof and to permit intending tenants or purchasers or others authorised by the Lessor upon a prior appointment being made at reasonable times of the day to view the Demised Premises by reasonable appointment

To advise as to the status of interested parties

3.25 Within twenty-eight days of the death during the said 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 made against them or being a company suffering a receiver to be appointed to any of the assets or undertakings of the Company or entering into compulsory liquidation or passing a resolution to wind up or enter into liquidation (otherwise than while solvent for the purposes of reconstruction or amalgamation) then to give notice thereof to the Lessor and if so required by the Lessor at the expense of the Lessee within twenty-eight days thereafter to procure some other party 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 more particularly specified in clause 5 hereof

Not to accumulate rubbish

3.26 Not to allow trade empties or rubbish of any description to accumulate on or outside the Demised Premises or elsewhere within the Overall Development or within or about the accessways passageways landings and other areas used or enjoyed or available for use and enjoyment with the Demised Premises or the

Overall Development but to place all refuse and rubbish in proper receptacles therefor and not to hang or place or allow to be hung or placed any articles or other goods of any description outside the Demised Premises or the entrance door and/or forecourt thereof

Not to stop up windows etc

3.27 Not to stop up or obstruct any windows or light belonging to the Demised Premises nor permit any new window light opening doorway path drain or encroachment or easement to be made into against or upon the Demised Premises and to give notice to the Lessor of any such which shall be made or attempted and which shall come to the Lessees 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

To advise as to defects

3.28 As soon as practicable upon becoming aware of the same to give notice in writing to the Lessor of any defects in the state of the Demised Premises which would 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 (or any Act or enactment from time to time augmenting or replacing the same) and at all times to display and maintain all notices (including the wordings thereof) which the Lessor may from time to time require to be displayed at the Demised Premises

To insure plate glass

3.29 To insure and keep insured in the joint names of the Lessor and the Lessee all the plate glass (if any) forming part of the Demised Premises against breakage for a sum not less than the full reinstatement value thereof from time to time

with the insurers and through such agency as shall from time to time be approved of in writing by the Lessor (such approval not to be unreasonably withheld or delayed) and will whenever reasonably required by the Lessor produce the said policy of insurance or a copy thereof (and if required leave a copy thereof with the Lessor) and the receipt for the current years premium pertinent thereto and will forthwith lay out all monies received under such insurance and such other monies as may be necessary in reinstating such plate glass with glass of the same quality and thickness PROVIDED ALWAYS that in the event of the Lessee failing to observe any of the covenants contained in this sub-clause then the Lessor shall be entitled to insure the said plate glass and to recover the cost of so doing from the Lessee

Lessor's Covenants quiet enjoyment

4 THE Lessor HEREBY COVENANTS with the Lessee as follows:-

- 4.1 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 and on the Lessee's part to be observed and performed shall and may peaceably and quietly hold and enjoy the Demised Premises without interruption by the Lessor or any person lawfully claiming through under or in trust for the Lessor
- 4.2 At all times to keep the Overall Development (including all fixtures therein but not the Lessee's trade fixtures) insured subject to such limitations or exclusions as the insurers may impose in some insurance office of repute or with underwriters and through such agency as the Lessor shall from time to time decide in such sum as shall in the Lessor's reasonable opinion represent the full reinstatement value thereof including architect's and surveyor's and other

professional fees and incidental expenses against loss or damage by the Insured Risks and against loss of three years rent from time to time payable hereunder and to pay to the insurers all premiums necessary for the above purpose upon the same respectively becoming payable AND on demand (but not more often than twice in any consecutive period of twelve calendar months) will produce or procure the production to the Lessee a certified copy of the Policy and evidence of the payment of the last premium therefor AND as often as the Demised Premises shall be destroyed or damaged by any of the Insured Risks and unless payment of the insurance monies or any part or parts thereof shall have been refused in whole or in part by reason solely or in part of any act or default of the Lessee its licensees agents servants or any other person under its control and subject to the Lessor being able to obtain any necessary planning consents and all other necessary licences approvals and consents to lay out such monies in the rebuilding and reinstatement of the Demised Premises in accordance with all statutory or other lawful requirements regulations or the like affecting the same and to make up from the Lessors own resources any deficiency in such monies for such purpose

- 4.3 to maintain and keep the main structure roof foundations and exterior and curtilage of the Overall Development and the Car Parking Areas in good and substantial repair and condition

To maintain the remainder of the Overall Development

- 4.4 At all times to procure that the remainder of the Overall Development not hereby demised shall be maintained in a good and substantial state of repair and condition so as adequately to afford the Demised Premises the several rights of shelter support and protection herein contained and in particular (without

prejudice to the generality of the foregoing) to use the Lessor's reasonable endeavours at all times to keep the common areas of the Overall Development over which the Lessee may enjoy rights from time to time and the car parking areas in the basement of the Overall Development in a clean and unobstructed condition so as to facilitate the use and enjoyment thereof on the part of the Lessee and those claiming through or under the Lessee

To enforce other Lessees Covenants

4.5 At all times to use the Lessor's reasonable endeavours to ensure that the occupiers of the remainder of the Overall Development not hereby demised so occupy their respective premises in a good tenant-like manner PROVIDED ALWAYS that nothing herein contained shall extend to requiring the Lessor to institute proceedings against any such occupier who the Lessee may allege is acting otherwise than in a good tenant-like manner unless the Lessor shall be advised by Counsel of the Lessor's choice that such proceedings are appropriate and the Lessee shall indemnify the Lessor on an indemnity basis against any costs or expenses thus incurred by the Lessor and provide adequate security and provision therefor

Surety Clauses

5 THE Surety HEREBY COVENANTS with the Lessor:-

5.1 That if at any time during the said term or any extension or renewal thereof the Lessee shall make default in payment of the rents hereby reserved or any part or parts thereof at the times hereinbefore fixed for payment thereof or in observing or performing the covenants and conditions herein contained or any of them THE SURETY will pay the rents or observe or perform the covenants or conditions in respect whereof the Lessee shall be in default as aforesaid notwithstanding any

time or indulgence granted by the Lessor to the Lessee or that the Lessee may have ceased to exist or any other act or thing whereby but for this provision the Surety would have been released and;

- 5.2 That if a liquidator or trustee in bankruptcy shall disclaim this Lease or any extension or renewal hereof the Surety will if the Lessor shall by notice in writing within three months after such disclaimer so require take from the Lessor a lease of the Demised Premises for a term commensurate with the residue of the term hereby granted or any extension or renewal thereof which would have remained had there been no disclaimer at the same rent and subject to the same covenants and conditions as are reserved by and contained in these presents with the exception of this clause the said Lease to take effect from the date of the said disclaimer and in such case the Surety shall pay the costs of such new lease and execute and deliver to the Lessor a counterpart thereof
- 5.3 That if the Lessor shall not require the Surety to take a Lease of the Demised Premises pursuant to sub-clause 5.2 above the Surety shall nevertheless upon demand pay to the Lessor a sum equal to the rent that would have been payable under this Deed but for the disclaimer in respect of the period from the date of the said disclaimer until the expiration of three months therefrom or until the Demised Premises shall have been relet by the Lessor whichever shall first occur

Provisos

- 6 PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:-

Provisions for forfeiture

- 6.1.1 These presents are upon the express condition that if any of the events specified in paragraph 6.1.3 of this sub-clause should occur then and in any of such circumstances and thenceforth it shall be lawfully for the

Lessor or any person or persons duly authorised by the Lessor in that behalf into or upon the Demised Premises or any part thereof in the name of the whole to re-enter and the same to repossess and enjoy as if these presents had not been made without prejudice to any right of action or remedy of the Lessor in respect of any antecedent breach or any of the covenants by the Lessee

6.1.2 "Insolvency Event" in relation to a company means any of the following events being:-

- 6.1.2.1 the Company being deemed unable to pay its debts as defined in Section 123 of the Insolvency Act 1986 (referred to as "the Act" in the remainder of this definition)
- 6.1.2.2 a proposal made for a voluntary arrangement under Part I of the Act
- 6.1.2.3 a petition being presented for an administration order under Part II of the Act
- 6.1.2.4 a receiver or manager being appointed whether under Part III of the Act (including an administrative receiver) or otherwise
- 6.1.2.5 the company going into liquidation as defined in Section 247(2) of the Act (other than a voluntary winding up solely for the purposes of amalgamation or reconstruction whilst solvent)
- 6.1.2.6 a provisional liquidator being appointed under Section 135 of the Act

- 6.1.2.7 a proposal being made for a scheme of arrangement under Section 425 of the Companies Act 1985
- 6.1.3 the events referred to in paragraphs 6.1.1 above are
 - 6.1.3.1 the rents reserved herein or any part thereof remaining unpaid for 14 days after becoming payable (whether formally demanded or not); or
 - 6.1.3.2 any covenant or stipulation by the Lessee contained in this Lease not being performed or observed; or
 - 6.1.3.3 in relation to the Lessee (or any one party included within the definition of the Lessee) an Insolvency Event as defined in clauses 6.1.2 and 6.1.4 occurs; or
 - 6.1.3.4 the Lessee (or any one party included within the definition of the Lessee) being a company is struck off the Register of Companies;
- 6.1.4 "Insolvency Event" in relation to an individual means:-
 - 6.1.4.1 an application being made for an interim order or a proposal being made for a voluntary arrangement under Part VIII of the Act;
 - 6.1.4.2 a bankruptcy petition being presented to the Court or his circumstances being such that a bankruptcy petition could be presented under Part IX of the Act;
 - 6.1.4.3 his entering into a deed of arrangement

Service of Notices

- 6.2 Any demand or notice requiring to be made given to or served on the Lessee (or any Surety) hereunder shall be duly and validly made given or served if

addressed to the Lessee (or any Surety respectively) (and if there shall be more than one of them then any one of them) if it is left at or sent by registered post or recorded delivery to its registered office or (in the case of a Notice to the Lessee) the Demised Premises. Any notice required to be given to the Lessor shall be well and sufficiently given if sent by registered post or recorded delivery addressed to the Lessor at its registered office or its last known address. Any demand or notice sent by post shall be conclusively treated as having been made given or served forty-eight hours after posting or where such would fall upon a non-working day then upon the following working day.

Force majeure

6.3 Nothing Herein contained shall render the Lessor or the Lessee liable in respect of any of the covenants conditions or provisions hereinbefore contained if and so far only as the performance and observance of such covenants conditions and provisions or any one or more of them shall hereafter become impossible or illegal under or by virtue of the provisions of the Planning Acts but subject as aforesaid the said term and the rents payable to the Lessor hereunder from time to time shall not determine by reason only of any change modification or restriction of use of the Demised Premises or obligations or requirements hereafter to be made or imposed under or by virtue of the Planning Acts.

To effect alterations & deal with adjacent premises

6.4 Notwithstanding anything herein contained or consequent hereto the Lessor and all persons authorised by it shall have power without obtaining any consent from or to deal as it may think fit with any of the land buildings or parts of buildings and hereditaments adjacent adjoining or near to the Demised Premises or any part thereof (subject to the making good of any damage caused thereby to the

Demised 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 land or buildings or any part or parts thereof 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 said term be enjoyed by the Lessee or the tenants or occupiers of the Demised Premises or any part or parts thereof PROVIDED THAT the enjoyment of the Demised Premises is not materially affected thereby

Determination of disputes

- 6.5 Any dispute arising between the Lessee and any owner or occupier of adjacent or 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 Lessors surveyor for the time being whose decision shall bind the Lessee and whose fees shall be payable as the Lessors surveyor may direct

Cesser of rent

- 6.6 In case the Demised Premises or any part thereof shall at any time during the said term be destroyed or damaged by any of the Insured Risks so as to be 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 or the servants agents or licensees of the Lessee then the rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the Demised Premises shall be again rendered fit for occupation and use 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 Acts 1950 and 1979 or any statutory modification thereof for the time being in force

Non waiver by demand/acceptance of rent

6.7 The demand for and/or the acceptance of rent by the Lessor or its agents shall not constitute and shall not be construed as constituting a waiver of any of the covenants on the part of the Lessee herein contained or of any financial consequence attaching to any non-performance thereof

Denial of grants

6.8 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

Identification of Lessors liability

6.9 The Lessor shall not in any event be liable to the Lessee in respect of any failure of the Lessor to perform any of its obligations to the Lessee hereunder (save in respect of the covenant to insure) whether express or implied unless and until the Lessee has previously notified the Lessor in writing of the facts giving rise to such failure and the Lessor shall have failed within a reasonable length of time thereafter to remedy the same and then in such case the Lessor shall be liable to compensate the Lessee only for loss or damage sustained by the Lessee after such reasonable time has elapsed

Party Structures

6.10 The walls dividing the Demised Premises from the remainder of the Overall Development shall be deemed to be party walls and maintainable as such

Lessee's Break Clause

6.11.1 Subject to the Lessee having observed the covenants on its part herein contained in all material respects up to the date of the expiration of the aforeafer mentioned notice the Lessee shall be entitled to determine this Lease on:-

6.11.1.1 the 17th day of February 2013, and

6.11.1.2 the 17th day of February 2018

upon the service of not less than nine months prior written notice upon the Lessor and provided that it has not served (or purported to have served) upon the Lessor a notice pursuant to Section 26 of Part II of the Landlord & Tenant Act 1954

6.11.2 Following the exercise by the Lessee of its right to determine this Lease in accordance with sub-clause 6.11.1 above this Lease shall determine but without prejudice to the rights and remedies of either party against any other in respect of any antecedent claim or breach of covenant

Notes

6.12 The marginal notes within these presents shall not be construed as comprising or having any effect upon the terms and interpretation thereof

Charitable Declaration

6.13 The Property demised by this Lease will as a result of this Lease be held by the Lessee which is an exempt charity

*RLS **
IN WITNESS whereof the parties hereto have executed these presents under Seal the day and year first before written

*RLS ** 6.14 If six months before the expiry of the period for which the Landlord has insured for loss of rent (commencing on the date of the damage or destruction) the Demised Premises and the proper means of access thereto have not been rebuilt or reinstated so as to be fit for the Tenant's occupation and use either party may by notice served at any time after the expiry of such period determine the Term and immediately upon service of such notice the Term will absolutely cease (but without prejudice to any rights or remedies that may have accrued to either party against the other)

THE FIRST SCHEDULE

("The Overall Development")

ALL THAT property (including the Demised Premises) comprising and situate at and known as 123 Old Brompton Road in the Royal Borough of Kensington & Chelsea as the same is more particularly delineated on the Plan "A" annexed hereto and thereon edged in Blue

THE SECOND SCHEDULE

("The Demised Premises")

FIRSTLY ALL THOSE self contained premises situate within and comprising the ground and lower ground floors of the Overall Development to include:-

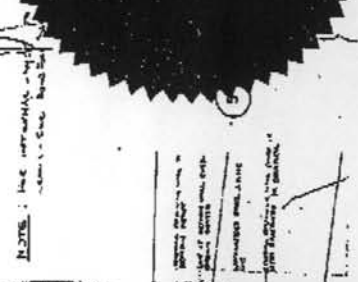
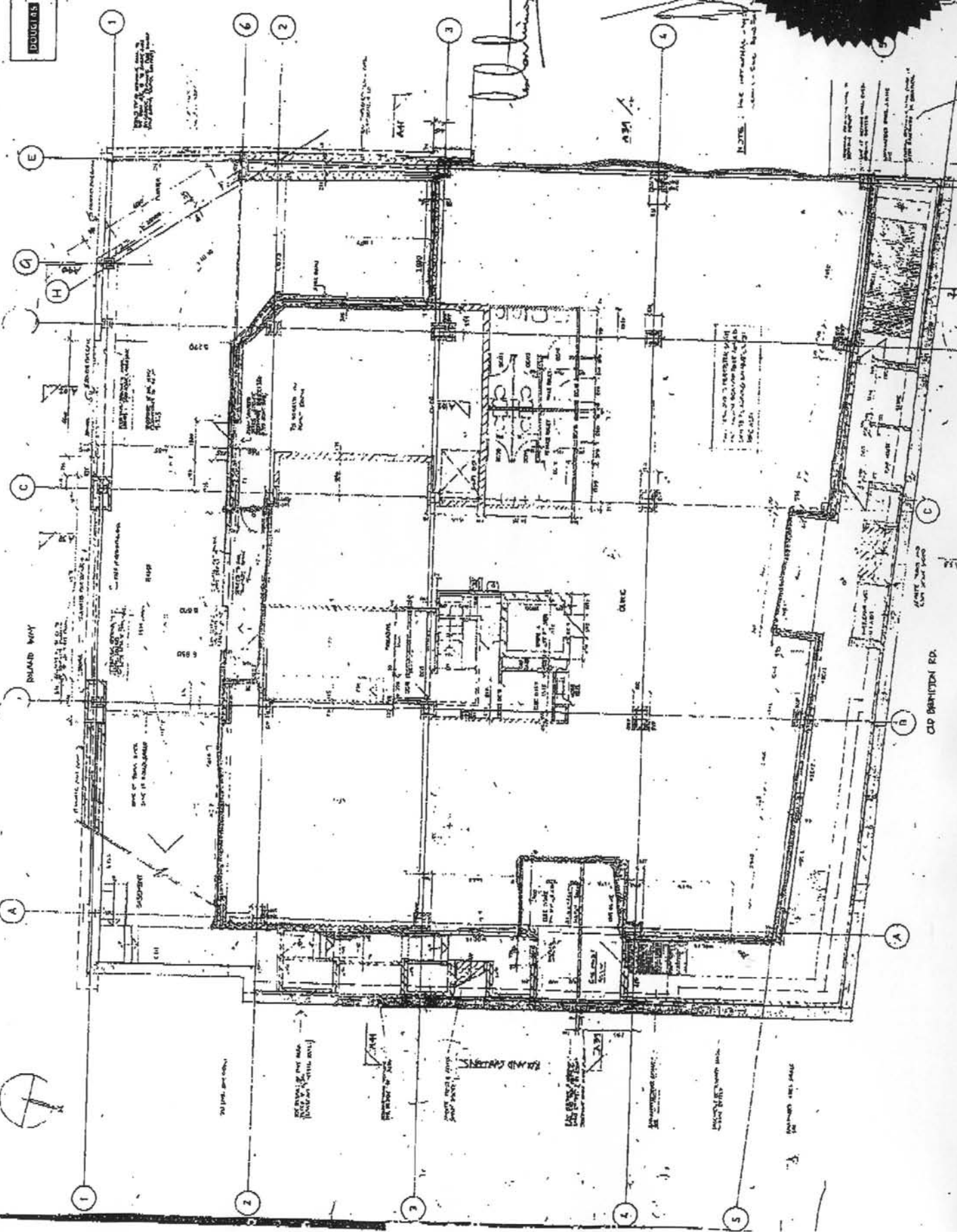
- 1 The whole of all of the non load bearing internal walls and
- 2 One half in thickness of all external non load bearing walls bounding the Demised Premises and
- 3 The plaster or other coverings of all external load bearing walls as aforesaid and of all loading bearing walls within the Demised Premises
- 4 The surfaces of all concrete screeds or other structures presently bounded by the aforesaid walls and presently comprising floors and ceilings and
- 5 All doors and windows and the frames thereof (including the interiors and exteriors thereof) serving the aforesaid areas and any glass therein and
- 6 All storage tanks sewers drains and watercourses cables pipes and wires and other conduits within the premises hereinbefore described which exclusively serve or are enjoyed for the benefit of such premises AND SECONDLY the surface of the six car parking spaces situate within the Basement of the Overall Development (herein called "the Car Parking Spaces") ALL OF WHICH premises firstly and secondly hereinbefore described are more particularly delineated on Plans "A" and "B" annexed hereto and thereon edged in red TOGETHER WITH the following rights (in common with all other

R. H. DONSLAS CO.
 ARCHITECTS
 246 BROADWAY, NEW YORK, N. Y.
 Telephone BR 1-1111

THIS PLAN IS THE PROPERTY OF R. H. DONSLAS CO. AND IS NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT THE WRITTEN CONSENT OF THE ARCHITECT.

NOTES:
 1. ALL WORK TO BE ACCORDING TO THE LATEST EDITIONS OF THE BUILDING CODES AND SPECIFICATIONS.
 2. ALL MATERIALS TO BE OF THE BEST QUALITY.
 3. ALL DIMENSIONS TO FACE UNLESS OTHERWISE NOTED.
 4. ALL FINISHES TO BE AS NOTED.
 5. ALL WORK TO BE ACCORDING TO THE LATEST EDITIONS OF THE BUILDING CODES AND SPECIFICATIONS.

1150



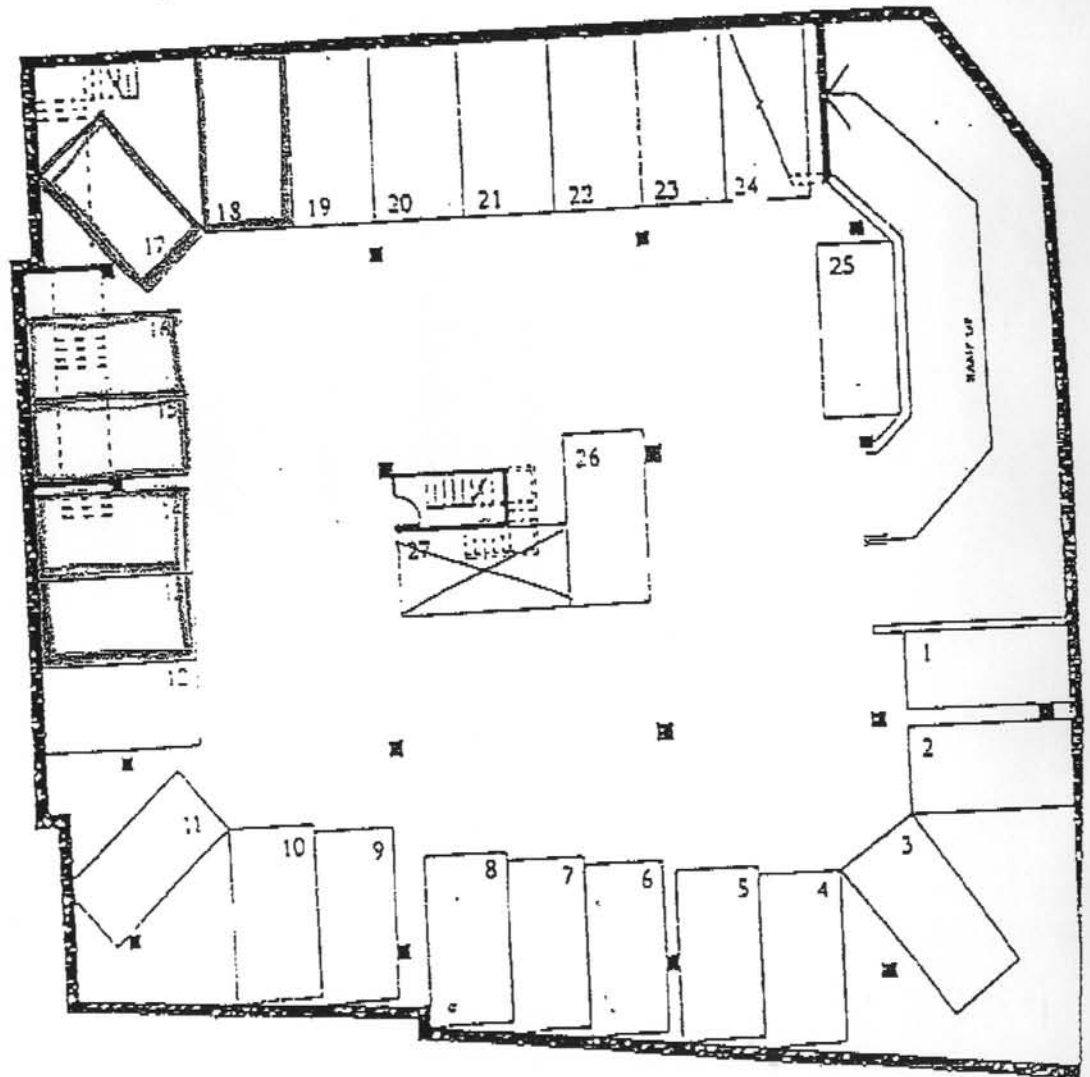
William Stoll

CAR PARKING SPACES

(Space Nos 13, 14, 15, 15, 17 & 18)

relating to

123 OLD BROMPTON ROAD, LONDON SW7 4RP



1/

PLAN B

parties entitled to the like rights) for the Lessee and all persons authorised by it:-

- 6.1 The right to pass and repass at all times in the case of emergency for the purposes of gaining egress from the Demised Premises over and along the stairways and passageways leading from the Demised Premises to other parts of the Overall Development and thence to the exterior thereof
- 6.2 The right to subjacent vertical and lateral support and to shelter and protection from those parts of the Overall Development as presently or at any time throughout the said term may afford the same
- 6.3 The right of free and uninterrupted passage and running of water soil gas and electricity from and to the Demised Premises through the storage tanks sewers drains and watercourses cables pipes and wires and other conduits which are now or may at any time during the said term be laid in or through the Overall Development and which may serve the Demised Premises
- 6.4 The right for the Lessee with servants workmen and others at all reasonable times upon giving three days previous notice in writing (or in the case of emergency at any time without notice) to enter into or upon the premises immediately adjoining or in the proximity of the Demised Premises (to the extent that the same comprise part of the Overall Development) for the purposes of:-
 - 6.4.1 Repairing cleansing maintaining or renewing any aforesaid storage tanks sewers drains and watercourses cables pipes and wires and other conduits
or
 - 6.4.2 Repairing and maintaining and carrying out permitted alterations or other building works to the Demised Premises or any part of any premises giving subjacent or lateral support shelter or protection to the Demised Premises

SUBJECT in either case to the Lessee causing as little disturbance as possible and making good any damage caused

- 6.5 The right for the Lessee and those authorised by the Lessee from time to time to gain pedestrian and vehicular access to and egress from the Car Parking Spaces over and along the roadways and access ways intended for such purposes from time to time
- 6.6 The benefit (in common with the other parties entitled thereto) of any covenants or agreements (save as regards the payment of monies) entered into by any Lessee of any other part of the Overall Development and being similar to those on behalf of the Lessee contained in these presents

Exceptions and reservations

EXCEPTING AND RESERVING for the benefit of the Lessor and the Lessees of other parts of the Overall Development and all persons authorised by them and others so entitled:-

- 6.7 easements rights and privileges over along through and in respect of the Demised Premises equivalent to those set forth in the foregoing paragraphs 6.2 6.3 and 6.4 of this Schedule and;
- 6.8 the full right and liberty for the Lessor in its absolute discretion to deal as it may think fit with any land or premises adjacent or near the Demised Premises (making good any damage caused thereby to the Demised Premises) and to erect thereon any buildings whatsoever and to make any alterations and to carry out any demolition rebuilding or other works which it may think fit or desire to do whether such buildings alterations or works shall or may affect or diminish the light or air which may now or at any time during the said term be enjoyed by the Lessee AND the Lessee shall permit such works to continue without interference

or objection PROVIDED THAT the enjoyment of the Demised Premises is not materially affected thereby

THE THIRD SCHEDULE

("The Rent Review Provisions")

1 In this Schedule the following expressions shall have the following meanings:-

1.1 "Review Date" means the ^{17th} day of ^{February} Two ^{Three} Thousand and ~~Two~~ and every fifth anniversary thereof and "Review Period" means the periods starting with any Review Date up to the end of the day immediately preceding the next Review Date or starting with the last Review Date up to the end of the Term

1.2 "Open Market Rent" shall mean the yearly rack rent for which the Demised Premises could be expected to be let with vacant possession on the relevant Review Date for a term equivalent to the residue of the term hereby granted or Ten years (if greater) as between a willing lessor and a willing lessee and upon the terms and conditions including these rent review provisions (save as to the amount of rent hereinbefore reserved) herein contained on the assumption (if not the fact) that:-

1.2.1 the covenants herein contained on the part of the Lessee have been fully performed and observed

1.2.2 the Demised Premises are fit and available for immediate occupation and beneficial use

1.2.3 the Demised Premises may be used for any of the purposes permitted by this Lease as varied or extended by any licence granted pursuant thereto

1.2.4 no work has been carried out to the Demised Premises by the Lessee which has diminished the rental value and in case the Demised Premises

have been destroyed or damaged they have been fully restored

but there being disregarding:-

1.2.5 any effect on rent of the fact that the Lessee its sub-lessees or their respective predecessors in title have been in occupation of the Demised Premises

1.2.6 any goodwill attached to the Demised Premises by reason of the carrying on thereof of the business of the Lessee its sub-lessees or their respective predecessors in title and their respective businesses and

1.2.7 any increase in rental value of the Demised Premises attributable to the existence at the relevant Review Date of any improvement to the Demised Premises or any part thereof otherwise than in pursuance of an obligation to the Lessor

2 From and after each Review Date the rent first hereinbefore reserved shall be reviewed to whichever is the higher of (i) the yearly rent operative immediately before that Review Date and (ii) the Open Market Rent of the Demised Premises on that Review Date (hereinafter in either event referred to as "the New Rent")

3 If the Lessor and the Lessee shall be able to agree upon the amount of the New Rent such agreement shall be embodied in a memorandum and counterpart under hand to be attached to this Deed and the counterpart hereof and signed by the Lessor and Lessee

4 If three months after the service of notice in writing by the Lessor or the Lessee upon the other of its desire to review the rent reserved herein on any Review Date (hereinafter referred to as "the Relevant Review Date") the Lessor and the Lessee shall not have agreed on the New Rent to operate from the Relevant Review Date the Lessor or the Lessee may at any time thereafter (but before the Review Date next following the Relevant Review Date) require an independent surveyor (hereinafter called "the

Surveyor") to determine the Open Market Rent

5 The Surveyor may be agreed upon by the Lessor and the Lessee and in default of such agreement shall be appointed by the President for the time being of the Royal Institution of Chartered Surveyors upon the application of the Lessor or the Lessee. If the said President shall for any reason not be available or be unable or unwilling to make such appointment at the time of the application therefor then the appointment may be made by the Vice President or next Senior Officer of the said Institution then available and able to make such appointment or if no such officer of the said Institution shall be so available and able by such officer or professional body of surveyors as the Lessor may designate and any reference herein to the said President shall be deemed to include a reference to such Vice President or other Officer

- 6.1 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 to him within a specified period (which shall not save by the discretion of the Surveyor exceed six weeks) a valuation accompanied if desired by a statement of reasons
- 6.2 The Surveyor shall act as an arbitrator and the arbitration shall be conducted in accordance with the provisions of the Arbitration Acts 1950 and 1979
- 6.3 The Surveyor shall give notice in writing of his decision to the Lessor and to the Lessee within two months of his appointment or within such extended period as the parties may agree in writing
- 6.4 If the Surveyor comes to the conclusion that the Open Market of the Demised 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") then the new rent shall be the Current Rent and the decision of the Surveyor shall so state

- 7 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 the Lessor or the Lessee may apply to the said president for a substitute to be appointed in his place which procedure may be repeated as many times as is necessary
- 8 In the event that by the Relevant Review Date the Lessor and the Lessee shall not have reached agreement as provided for in paragraph 3 of this Schedule and the Surveyor (if appointed) shall not have given the notice provided for in paragraph 6.3 of this Schedule then the Lessee shall continue to pay rent at the rate of the Current Rent on each day appointed by this Lease for payment of rent until such agreement shall be reached or the said notice shall have been given to the Lessee (as the case may be) the Lessee shall pay to the Lessor as arrears of rent an amount equal to the difference between the new rent and the rent actually paid for the period since the relevant review date **TOGETHER WITH** interest on the amount of such difference at the rate equivalent to the base rate from time to time of Barclays Bank plc calculated on a day to day basis
- 9 The fees of the Surveyor shall be borne as the Surveyor shall direct
- 10 If on any review date there shall be in force any enactment (which expression includes any Act of Parliament now or hereafter in force as well as any instrument regulation or order made thereunder or deriving validity therefrom) which shall relate to the control of rents and which shall restrict interfere with or affect the Lessor's right to review the rent hereby reserved in accordance with the terms hereof then the Lessor shall be entitled once following each removal or modification of such enactment to serve notice (hereinafter called "an Interim Notice") upon the Lessee and from and after the date of service of such Interim Notice until the new Review Date or the service of the next

Interim Notice (whichever shall first occur) the rent shall be increased to whichever is the higher of the Open Market Rent at the date of service of the Interim Notice or the rent payable immediately prior thereto and the provisions of this Schedule shall apply accordingly with the substitution of the date of service of the Interim Notice for the Relevant Review Date

THE FOURTH SCHEDULE

("the Service Charge")

PART I

- 1 In this Schedule the following expressions shall have the following meanings:-
 - 1.1 "Accounting Period" shall mean a period commencing on the 1st day of January and ending on the 31st day of December in every year or such other period as the Lessor may specify from time to time
 - 1.2 "Total Expenditure" means the total expenditure incurred by the Lessor in any accounting period in carrying out the works and providing the services and facilities and other matters specified in Part II of this Schedule
 - 1.3 "the Service Charge" means such percentage of each item of Total Expenditure as is specified in Part II of this Schedule or (in respect of the Accounting Period during which this Lease is executed) such proportion of such percentage as is attributable to the period from the date of this Lease to the last day of such Accounting Period and shall include such sums of money (not being an Interim Charge or Further Interim Charge as hereinafter defined) as the Lessor shall reasonably require to meet such future costs as the Lessor shall reasonably expect to incur in carrying out the works and providing the services

- 1.4 "the Interim Charge" means such sum to be paid on account of the Service Charge in respect of each Accounting Period as the Lessor or its managing agents shall specify to be a fair and reasonable interim payment
- 2 The first payment of the Interim Charge (on account of the Service Charge for the Accounting Period during which this Lease is executed) shall be made on the execution hereof and thereafter the Interim Charge shall be paid to the Lessor by equal payments in advance on the 25th day of March and the 29th day of September in each year
- 3 In the event that the costs to the Lessor of carrying out the works and providing the services and facilities and other matters as specified in Part II of this Schedule shall at any time during the Accounting Period exceed the Interim Charge (and any Further Interim Charge (as hereinafter defined) as may hitherto have been paid) then the Lessor shall be entitled by notice in writing served upon the Lessee to require payment by the Lessee to the Lessor within 14 days thereafter of a Further Interim Charge (herein called "the Further Interim Charge") in an amount not exceeding one hundred and ten per centum (110%) of the deficiency in question
- 4 In the event that the Interim Charge and Further Interim Charge (if any) are paid by the Lessee in respect of any Accounting Period exceeds the Service Charge for that period then the surplus of the Interim Charge and Further Interim Charge (if any) so paid over and above the Service Charge shall be carried forward by the Lessor and credited to the account of the Lessee in computing the Service Charge in succeeding Accounting Periods as hereinafter provided
- 5 In the event that the Service Charge in respect of any Accounting Period exceeds the Interim Charge and Further Interim Charge (if any) paid by the Lessee in respect of that Accounting Period together with any surplus from previous Accounting Periods carried forward as aforesaid then the Lessee shall pay the excess to the Lessor within twenty

eight days of service upon the Lessee of the certified referred to in the following paragraph

- 6 As soon as practicable after the expiration of each Accounting Period there shall be served upon the Lessee by the Lessor or their Chartered Surveyors a certificate signed by such Chartered Surveyors containing the following information:-
 - 6.1 the amount of the total expenditure for that Accounting Period
 - 6.2 the amount of the Interim Charge and Further Interim Charge (if any) paid by the Lessee in respect of that Accounting Period together with any surplus carried forward from any previous Accounting Period
 - 6.3 the amount of Service Charge in respect of that Accounting Period and of any excess or deficiency of the Service Charge over the Interim Charge and Further Interim Charge (if any)
- 7 The aforesaid certificate shall be conclusive and binding upon the parties hereto (otherwise than in the case of manifest error) save that the Lessee shall be entitled at the expense of the Lessee and upon prior payment of any costs to be incurred by the Lessor or its agents at any time within one month after service of such certificate to inspect the receipts and vouchers relating to payment of the Total Expenditure
- 8 Any monies recovered by the Lessor from the Lessee for the purposes of meeting future costs within the contemplation of Clause 1.3 of this part of this Fourth Schedule shall until expended be held in an interest earning deposit account with the interest earned thereon accruing to the benefit of the fund

PART II

Service Facilities or Other Matters	Percentage payable by Lessee
The maintenance of the main structure roof and foundations of the Overall Development	27.9%
The external redecoration and general maintenance of the exterior of the Overall Development	27.9%
The maintenance of the curtilage of the Overall Development	27.9%
The maintenance lighting and cleaning of the Car Parking Areas	27.9%
The insurance of the Overall Development in accordance with the Lessor's covenant	27.9%
All management professional and other fees incurred in respect of the provision of services facilities and other matters and the management of the whole Building save to the extent that the same are not included in the Service Facilities or other matters set out hereunder	27.9%

THE FIFTH SCHEDULE
("Authorised Guarantee Agreement")

DATED _____ 199

-and-

AUTHORISED GUARANTEE AGREEMENT

Re: Ground and Lower Ground Floors
Zakhem House 123 Old Brompton Road
London SW7

JULIAN HOLY
31 BRECHIN PLACE
LONDON SW7 4QD
DX 35765 SOUTH KENSINGTON

Tel: 0171 370 5443
Fax: 0171 373 0877

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PARTICULARS

1:	DATE	:		199*
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2:	LANDLORD	:		LIMITED
			whose registered office is situate at	
			(a company registered in England with number	
			[]	

3:	GUARANTOR	:		LIMITED
			whose registered office is situate at	
			(a company registered in England with number	
			[]	

4:	ASSIGNEE	:	[]	LIMITED
			whose registered office is at []	
			(a company registered in England with number	
			[]	

5:	LEASE	:	a lease of the Premises dated and made between (1) Zakhem Properties Limited and (2) The Institute of Cancer Research : The Cancer Hospital	
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6:	TERM	:	25 years [] days from and including []	(as further defined in the Lease)
			Expiring: []	

7:	PREMISES	:	Zakhem House 123 Old Brompton Road London SW7	
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THIS DEED OF GUARANTEE is made the day and year first appearing in the Particulars
B E T W E E N (1) the Landlord and (2) the Guarantor

RECITALS

- A. The Premises were demised by the Lease for the Term subject to the payment of the rent(s) thereby reserved and the observance and performance of the covenants on the lessee's part and other terms therein contained
- B. The reversion immediately expectant on the determination of the Term (which is registered at H.M. Land Registry with title number NGL63402 is vested in the Landlord and the unexpired residue of the Term [(which is registered at H.M. Land Registry with Title number)] is vested in the Guarantor
- C. The Lease contains provisions prohibiting the Guarantor from assigning the Premises without first entering into a deed of guarantee in the form of this deed and the Guarantor has applied for licence to assign its estate and interest in the Premises to the Assignee

DEFINITIONS AND INTERPRETATION

- 1 The Particulars are incorporated in and form part of this deed so that in this deed the words and expressions set out in Particulars shall have the meanings ascribed to them therein
- 2 In this deed (unless otherwise specified or unless the context otherwise requires):
 - 2.1 "the Act" means the Landlord and Tenant (Covenants) Act 1995
 - 2.2 "the Landlord" includes the person in whom the reversion immediately expectant on the determination of the Term is for the time being vested
 - 2.3 "the Guarantee Period" means a period of time commencing on the date of assignment of the benefit of the Lease to the Assignee and continuing until the date that the Assignee shall itself assign the benefit of the Lease save

- where such assignment is made in breach of covenant or by operation of law
- 2.4 "the Guarantor" includes (in the case of an individual) its personal representatives
- 2.5 "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 in each case arising out of the Assignee's breach non-observance non-performance or part performance of the covenants on the part of the tenant and/or the stipulations and conditions on the part of the tenant to be observed and performed as are contained in the Lease
- 2.6 "the Rents" means the rents reserved by the Lease
- 2.7 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
- 2.8 if at any time more than one person is included in any of the expressions "the Landlord" "the Guarantor" or "the Assignee" such expression shall include all or any of such persons and obligations owed to or by the Landlord the Guarantor or the Assignee as the case may be shall be owed to or by such persons jointly and severally
- 2.9 words importing one gender include any other gender words importing the singular include the plural and vice versa and any reference to a persons includes a reference to a firm company authority board department or other body and vice versa
- 2.10 the headings and clause numberings herein are intended to facilitate

references only and are not in any way to affect the construction of this deed or any clause herein

OPERATIVE PROVISIONS

Guarantee of Assignee's Performance

- 3 THE GUARANTOR as principal debtor and not merely as surety or guarantor and by way of full indemnity covenants with the Landlord that during the Guarantee Period:
- 3.1 if the Assignee does not pay the Rents or any other sum due under the Lease it will pay to the Landlord on demand the Rents or other sum
- 3.2 if the Assignee is in breach of any provision of the Lease capable of remedy by the Guarantor to remedy that breach on demand and (in any event) to indemnify and keep indemnified the Landlord against all Losses suffered by the Landlord as a result (directly or indirectly) of that breach
- 3.3 in addition to the obligations set out in clauses 3.1 and 3.2 and if the Lease is disclaimed by the Assignee's trustee in bankruptcy or liquidator:
- 3.3.1 to pay to the Landlord on demand an amount equal to the Rents and other sums of a recurring nature that would have been payable under the Lease for the period beginning on the date of disclaimer and ending on the earliest of:
- 3.3.1.1 the grant of a new lease to the Guarantor pursuant to clause 3.4 of this deed
- 3.3.1.2 the date upon which the Premises are re-let and
- 3.3.1.3 the expiry of the Term
- 3.4 if the Lease is disclaimed under any statutory or other power to take from the Landlord if so required by notice to the Guarantor on or before the date

of expiry of a period of three calendar months from (but excluding) the date of such disclaimer a new lease of the Premises for the residue of the Term unexpired at the date of such disclaimer and at the Rents then payable (or where a rent review is pending at the date of disclaimer at the Rents that are subsequently agreed or determined to have been payable at the time of disclaimer) and upon the same terms as those contained in the Lease with all provisions of a periodical nature (including those relating to review of the Rents) expressed to apply on the actual dates that would have applied if the Lease had not been disclaimed and to execute and deliver to the Landlord a counterpart thereof

- 3.5 to pay the costs and disbursements of the Landlord incurred in relation to the disclaimer and where appropriate the grant of the lease to the Guarantor

No Discharge

- 4 The obligations of the Guarantor shall continue to apply and the Guarantor shall not be discharged from liability under this deed even if:

- 4.1 the Landlord grants any time or indulgence to the Assignee or fails to enforce payment of the Rents or other sum or the performance of the terms of the Lease
- 4.2 the Landlord refuses to accept the Rents tendered when the Landlord was entitled (or would after the service of a notice under the Law of Property Act 1925 section 146 be entitled) to re-enter the Premises
- 4.3 the terms of the Lease are varied except that where a variation increases an obligation of the Assignee (other than the obligation to pay a revised rent referred to in clause 3.4) or imposes a new obligation on the Assignee the Guarantor will not be liable in respect of that variation but will continue to

- be liable on the terms of the Lease without that variation
- 4.4 revised Rents have been agreed or determined including any stepped rent phased rent or other rental formula that may be agreed
 - 4.5 the Assignee surrenders part of the Premises and where this happens the liability of the Guarantor under the Lease continues for the part of the Premises not surrendered after making any necessary apportionments under Section 140 of the Law of Property Act 1925
 - 4.6 the transfer of the Landlord's reversion or an "excluded assignment" of the Lease (as defined in the Act) or the release of any other guarantor
 - 4.7 the dissolution amalgamation reconstruction or reorganisation of the Assignee or other change in its constitution structure or powers
 - 4.8 any other act or thing by which but for this provision the Guarantor would have been released

Security

- 5 During the Guarantee Period so long as any sum is or may be owed by the Assignee under the Lease or the Assignee is under any obligation under the Lease any right of the Guarantor by reason of performance of any of its obligations under this deed to be indemnified by the Assignee or to take the benefit of or to enforce any security or other guarantee or indemnity will be exercised and enforced by the Guarantor only in such manner and on such terms as the Landlord may require or approve

Avoidance

- 6 If any payment received by the Landlord 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 payment shall not be considered as having discharged or diminished the liability of the Guarantor and this guarantee will

continue to apply as if such payment had at all times remained owing by the Assignee

Additional Obligations

- 7 The Guarantor's 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 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 Guarantor or otherwise

Waiver

- 8 The Guarantor waives any right it may have of first requiring the Landlord to proceed against or enforce any other rights or security or claim payment from the Assignee or any other person before claiming from the Guarantor under this deed

Transfer of Reversion

- 9 The Guarantor agrees that the benefit of the provisions of this deed shall pass automatically to the Landlord's successors in title without the need for express assignment and without any consent being given by the Guarantor

Severability

- 10 If any provision of this deed shall be prohibited or unlawful or unenforceable under any applicable law it shall to the extent required by such law (but no further) be ineffective without invalidating the remaining provisions of this deed provided that if such provision may be waived it is hereby waived by the parties to this deed to the full extent permitted by such law to the intent that the remainder of this deed shall be valid binding and enforceable so far as is possible in accordance with its terms

Notices

- 11 Every notice demand or other communication under this deed shall be:

11.1 in writing and may be delivered personally or by first class registered or recorded post or by facsimile transmission despatched as follows:

11.1.1 if to the Landlord to its address specified in the Particulars or to the following facsimile number:

(01[]) []

for the attention of: []

11.1.2 if to the Guarantor to [*its address specified in the Particulars OR the address of its agents appointed pursuant to clause 15*] or to the following facsimile number:

(01[]) []

for the attention of: []

or to such other address and/or facsimile number as may be notified in accordance with this clause by the relevant party to the other party for such purpose

11.2 deemed to have been received (if sent by post in accordance with sub-clause 14.1) 24 hours after despatch and (if delivered personally or despatched by facsimile transmission) at the time of delivery or despatch if during normal business hours in the place of intended receipt on a working day in that place but otherwise at the opening of business in that place on the next succeeding such working day

Applicable Law

12 This deed shall be governed by and construed in accordance with English law and the parties submit to the [*exclusive / non-exclusive*] jurisdiction of the English Courts

IN WITNESS whereof this guarantee has been duly executed by the Landlord and the Guarantor as their Deed and delivered the day and year first above written

THE COMMON SEAL of

was hereunto affixed
in the presence of:-

Director

Director/Secretary

SIGNED AS A DEED
by the said

acting by a director
and its secretary
or by two directors

Director

Director/Secretary

THE COMMON SEAL of
ZAKHEM PROPERTIES LIMITED
was hereunto affixed
in the presence of:-

Director



Secretary

