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DATED 7th April 1988

MARLBOROUGH PROPERTY DEVELOPMENTS
LIMITED

- and -

KING & CHASEMORE

COUNTERPART
L E A S E
of Office No.2
The Old Court House High Street
Dorking Surrey

Bartletts de Reya
70 Fleet Street
London EC4 Y1EU

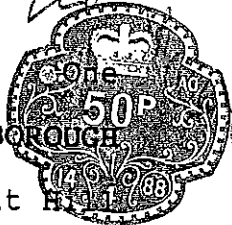
Robertson

10/2/88

-Ref: 878199/HED159

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THIS LEASE is made the *Seventh* day of *April*,
thousand nine hundred and eighty-eight BETWEEN (1) MARLBOROUGH
PROPERTY DEVELOPMENTS LIMITED whose registered office is at 
House, 1 Little New Street London EC4 3TR (hereinafter called
"the Landlord") and (2) KING & CHASEMORE (an unlimited company
registered in England under No. 206006) whose registered office
is at Chesterfield House Bloomsbury Way London WC1 (hereinafter
called "the Tenant")

WITNESSETH as follows:-

Interpretation

1. In this Lease and in the Schedules hereto:-
 - (1) Words importing one gender shall include all other genders and words importing the singular shall include the plural and vice versa
 - (2) The headings to the clauses hereof and schedules hereto shall be deemed not to form any part hereof and shall not affect the interpretation hereof in any way
 - (3) Where the Tenant or the Surety (whether under this Lease or under these presents as hereinafter defined) consists of two or more persons covenants and agreements by and with the Tenant or the Surety shall be construed as covenants and agreements by and with such persons jointly and severally
 - (4) Where the context so requires or admits the following

words and expressions shall have the following meanings:-

- (a) "the Landlord" shall include the estate owner or owners for the time being of the reversion immediately expectant on the term hereby granted and shall where the context admits also include all superior landlords (if any)
- (b) "the Tenant" shall include the Tenant's successors in title
- (c) "the Surety" shall include the Surety's successors in title
- (d) "the Estate" shall mean the area shown edged blue on Plan No. 1 annexed hereto the Landlord reserving to itself by notice in writing to the Tenant the right from time to time of altering the general layout and extent of the Estate but not so as materially or adversely to diminish the Tenant's express rights granted hereunder
- (e) "the Building" shall mean the office building of which the demised premises form part and any alterations additions and improvements PROVIDED that the Landlord reserves to itself by notice in writing to the Tenant the right from time to time of altering the general layout of the Building and its extent and the means of access subject as aforesaid
- (f) "the demised premises" shall mean the property

including but not exclusively :

- (i) as well as the whole or any part or parts thereof as appropriate
- (ii) all walls wholly within the demised premises which are not load bearing walls
- (iii) the internal plaster coverings and plaster work of the walls surrounding the demised premises and the doors and door frames and window frames and fascias of the demised premises and the glass in the windows thereof
- (iv) the plaster coverings and plaster work of the load bearing walls and partitions lying within the demised premises and the doors and door frames and other installations fitted in such walls and partitions
- (v) the plaster coverings and plaster work of the ceilings screeds and/or floorboards and any other surfaces of the floors of the demised premises the horizontal division where overlaying other parts of the Building being the underside of the floor joists or structure and the vertical division between the demised premises and any other parts of the Building being deemed to be a party structure and maintainable accordingly

- (vi) all Conduits to the extent that they are situated within the demised premises and exclusively serve the same
- (vii) any alteration reconstruction rebuilding addition or improvement to the demised premises
- (viii) all fixtures (other than trade or tenant's fixtures) in the demised premises including carpets but excluding :
 - (1) the Exterior Walls
 - (2) the load bearing walls (including any load bearing party walls) joists beams foundations and other load bearing parts of the Building
 - (3) all roofs and any roof space or void of the Building
 - (4) any Conduits which do not exclusively serve or are outside the demised premises
- (g) "the Exterior Walls" means any external wall or walls or part of any external wall or walls of the Building:
- (h) "Conduits" means flues ventilating ducts cisterns tanks radiators water and gas and electricity supply pipes sewers drains tubes meters soil pipes waste water pipes and also wires or cables used for the conveyance of

electrical current and all valves traps and switches appertaining thereto

- (i) "the said term" shall mean the term hereby granted and any statutory continuation or extension thereof
- (j) "determination of the said term" shall mean the determination of the said term whether by effluxion of time re-entry notice surrender or any other means or cause whatsoever
- (k) "the specified period" shall mean the period of eighty years from the date of this Lease which shall be the perpetuity period applicable to these presents
- (l) "the Planning Acts" shall mean the Town and Country Planning Acts 1971 and 1972 the Town and Country Planning (Amendment) Act 1977 the Town and Country Amenities Act 1974 and the Local Government Planning and Land Act 1980
- (m) "these presents" shall mean this Lease and the Schedules thereto any licence granted pursuant thereto any deed of variation of the provisions hereof and any instrument made supplemental hereto
- (n) "insured risks" shall mean the risks from time to time covered by the policy or policies of insurance effected by the Landlord pursuant to its covenant hereinafter contained
- (o) "prescribed rate" shall mean interest at an

annual rate of 4% above the base lending rate of Midland Bank plc applicable from time to time during any period during which any payment of interest accrues due under these presents

(p) "the car-parking spaces" shall mean the parking spaces abutting the vehicle access way coloured brown on Plan No.1 annexed hereto including the car-parking spaces edged red thereon

(q) "the rear access road" means the access road shown coloured brown hatched black on Plan No.3 annexed hereto

(5) These presents shall unless the context otherwise requires be construed on the basis that:-

(a) any reference to an enactment or any Act or any section of any Act shall be deemed to include any amendment modification or re-enactment thereof and any statutory instrument bye-law rule directive order or regulation or licence consent permission and conditions made thereunder for the time being in force

(b) any covenant by the Tenant not to do any act or thing shall be deemed to include a covenant not to suffer or permit the doing of that act or thing

(c) any reference to the doing or permitting of any act or thing by the Landlord shall be deemed to include the doing or permitting of that act or thing by the agents workmen servants or other

employee or agent of or any contractor engaged or any other party engaged or authorised by the Landlord in each case with or without equipment plant or machinery

(d) covenants and obligations made or assumed by any party shall be binding and enforceable against his personal representative

Demise and Rents

2. IN consideration of the rents covenants and conditions hereinafter reserved and contained and on the part of the Tenant to be paid performed and observed the Landlord **HEREBY DEMISES** unto the Tenant **ALL THAT** the demised premises **TOGETHER WITH** (in common with the Landlord and all other persons entitled thereto and subject to the exceptions reservations and provisions hereinafter contained) the rights and privileges set out in the Second Schedule hereto **EXCEPT AND RESERVING** unto the Landlord and its lessees tenants agents servants licensees and other persons claiming through or under the Landlord and all other persons who now have or may hereafter be entitled to or are granted by the Landlord a similar right or rights the easements rights and privileges specified in the Third Schedule hereto **TO HOLD** the same unto the Tenant Subject (a) to any rights of statutory or other undertakings in respect of services and (b) so far as the same relate to the demised premises and are still subsisting and capable

of being enforced to the matters contained or referred to in the documents (apart from financial charges) specified in the Fourth Schedule hereto (hereinafter together called "the encumbrances") from the twenty-fifth day of March One thousand nine hundred and eighty seven for a term of **TWENTY FIVE YEARS PAYING** therefor throughout the said term and so in proportion for any less time than a year **FIRST** the yearly rent of **FIFTEEN THOUSAND TWO HUNDRED AND THIRTY SIX POUNDS (£15,236)** (subject to revision as hereinafter provided) by four equal quarterly payments in advance on the usual quarter days (by Bankers Standing Order if the Landlord shall so require) in every year without deduction whatsoever **SECONDLY** by way of further rent the cost incurred by the Landlord from time to time in complying with the covenants in clause 5 (1) hereof (including valuations from time to time) for the insurance of the demised premises such rent to be paid on demand **AND THIRDLY** the contributions payable by the Tenant under Clause 3 (3) and 3 (38) hereof the first payment of rents under this Lease in respect of the period from the date hereof to the next ensuing quarter day being made on the execution hereof **PROVIDED ALWAYS** that in the event of the said rents or any part thereof being in arrear for more than fourteen days whether lawfully demanded or not the Tenant shall pay interest calculated on a daily basis with quarterly rests at the prescribed rate on the amount in arrear from the day on which it became payable until the day payment is made and to be payable to the Landlord on demand without

prejudice to any other rights the Landlord may enjoy and aggregate amount for the time being so payable shall at the option of the Landlord be recoverable by action or as rent in arrear

Tenants Covenants

3. THE Tenant HEREBY COVENANTS with the Landlord as follows:-

To pay rent

- (1) To pay the rents hereby reserved and any interest on arrears of rent as hereinbefore provided on the days and in the manner aforesaid without any deduction whatsoever

Outgoings

- (2) To bear pay and discharge all existing and future rates taxes levies assessments duties outgoing charges and impositions whatsoever (whether imposed by statute or otherwise and whether of a national or local character) now or at any time or times during the said term assessed imposed or charged upon or payable in respect of the demised premises or any part or parts thereof arising from any act commission or omission whatsoever of the Tenant or any party under the control or on behalf of the Tenant and whether payable by the Landlord or Tenant or by the owner or occupier thereof save only such occasioned

by any disposition of or dealing with or the ownership of the estates and interests expectant in reversion on this Lease

Service Charge

(3) To pay forthwith upon demand (or as the case may be) to repay forthwith upon demand a fair contribution to be determined by the Landlord's Surveyor of the expense and cost from time to time expended or incurred or to be expended or to be incurred by the Landlord in respect of any of the following:-

(a) the repair renewal replacement maintenance cleansing landscaping decorating washing down or otherwise suitably treating (as and when the Landlord considers necessary) of

(i) the rear access road

(ii) the car-parking spaces

(iii) all parts of the Estate the use of which is common to the demised premises and other premises forming part of the Estate (including without prejudice to the generality of the foregoing all conduits so used in common the vehicle access way coloured brown on Plan No. 1 annexed hereto and the pedestrian access ways coloured yellow on Plans Nos. 1 and 2 annexed hereto) PROVIDED THAT the Tenant shall be liable to pay as aforesaid the

whole cost of maintaining that part of the pedestrian access way as is coloured yellow hatched black on the said Plan No.2

(iv) all parts (whether internal or external) of the Building not demised or intended to be or capable of being specifically demised by the Landlord on terms equivalent (mutatis mutandis) to the terms of this Lease as to the extent of such demise including without prejudice to the generality of the foregoing the Exterior Walls and the load bearing walls including any load bearing party walls joists foundations and beams and other load bearing parts of the Building the roofs and all Conduits situated outside the demised premises or situate within the demised premises but not exclusively serving the demised premises or any other part of the Building which is demised or intended to be or capable of being (subject as aforesaid) demised by the Landlord

(b) the payment and discharge of any general or water rates taxes duties charges impositions and outgoings whatsoever whether parliamentary local or otherwise and whether of a capital or recurring or non-recurring nature assessed

charged or imposed on the Building and/or the Estate and/or the rear access road and not otherwise payable by any lessee of the Landlord or which would be so payable by any lessee if let as aforesaid

- (c) any contribution towards the Landlord's share of the cost or expense from time to time of supporting repairing maintaining and cleansing and renewing all walls Conduits the rear access road and any other things the use of which is common to the Building and/or the Estate and to other adjoining or neighbouring property including but not only the rear access road
- (d) compliance by the Landlord with every notice regulation or order of any competent local or other authority affecting the demised premises or the Building and/or the Estate or the accesses or the rear access road where such compliance is not the responsibility of any lessee of the Landlord or would be if all parts of the Estate capable of being let on terms equivalent (mutatis mutandis) to this Lease were so let and insofar as such costs are not recoverable from any third party
- (e) the taking out and maintaining in force of an effective insurance policy or policies against any or every liability of the Landlord for

injury to or death of any person (including every agent servant and workman of the Landlord) any damage to or destruction of the property of any such person arising out of the management and/or maintenance and/or occupation of the Building and/or the Estate and/or the rear access road and without limiting the generality of the foregoing the cost of insurance against such injury death damage or destruction as aforesaid due to the act neglect default or misconduct of any agent servant or workman of the Landlord employed in connection with the management and/or maintenance of the Building and/or the Estate and/or the rear access road

(f) the opening and maintenance of a bank account and (where reasonably necessary) the obtaining of overdraft or other loan facilities and payment of interest thereon for the purpose of providing funds to defray the costs and expenses incurred by the Landlord arising hereunder in advance of the recovery of the contribution from the Tenant and the other lessees of the Building and/or the Estate PROVIDED THAT the Tenant shall not be liable to contribute to the cost of such overdraft or loan facilities as aforesaid to the extent that the necessity for obtaining the same

from the delay or default of other lessees in so contributing

(g) the doing of all such other acts matters and things as may in the Landlord's reasonable discretion be necessary or advisable for the proper maintenance management and administration of the demised premises the Building and/or the Estate and/or the rear access road including but not exclusively the appointment of managing or other agents solicitors surveyors engineers and architects and the payment of their proper fees and of carrying out inspections valuations works or services of any kind whatsoever which the Landlord may on reasonable grounds consider desirable for any of the aforesaid purposes PROVIDED ALWAYS that and for the avoidance of doubt it is hereby agreed

(i) the Landlord shall be entitled from time to time to demand from the Tenant a contribution as aforesaid in anticipation of and as a reasonable provision for any ascertained costs or expenses to be incurred by the Landlord and further that the Landlord will use its reasonable endeavours to maintain the aforesaid costs or expenses at such a reasonable level as is consistent with due performance and observance of its

obligations and powers hereunder but the Tenant shall not be entitled to object to any item comprised therein by reason only that the materials works or services in question might have been provided or performed at a lower cost and in particular the Landlord shall be entitled to provide any materials and perform any particular works or service itself and charge a proper sum or sums therefor and

(ii) the expression 'ascertained costs and expenses' shall mean and include any estimate quotation for or bill of quantities in respect of any works which the Landlord proposes to undertake at the date of such demand for contribution by the Tenant as aforesaid AND if the Landlord shall not have accepted such estimate quotation or bill of quantities within four months of the said contribution being made then the said contribution shall immediately be repaid to the Tenant

VAT

(4) To pay to the Landlord or (as the case may be) to its solicitors surveyors or other agents to whom any payment is due under the covenants agreements and provisions herein contained or implied which is a payment whereon Value Added Tax or other similar

fiscal charge is chargeable the amount of irrevocable Value Added Tax or other similar fiscal charge chargeable in respect of the payment at the rate applicable to that payment

Gas electricity and water charges

- (5) To pay for all gas and electricity and water consumed on or by the demised premises and all telephone charges and to observe and perform at the Tenant's expense all present and future regulations and requirements of the gas and electricity and water supply authorities and the Post Office or British Telecom concerning the demised premises and to keep the Landlord indemnified in respect thereof

Repair

- (6) At all times during the said term to keep and maintain (and where appropriate renew rebuild and replace subsidiary parts) the whole of the demised premises in good and substantial order repair and condition (except damage by the insured risks provided such policy or policies shall not have become vitiated or payment of the policy monies refused in whole or in part in consequence of some act neglect or default of the Tenant or any person for whom the Tenant is responsible or who is under the control of the Tenant). Without prejudice to the generality of the foregoing to procure that all

electrical and mechanical installations and equipment within or on and serving the demised premises shall be properly and regularly serviced and maintained by qualified persons approved by the manufacturers of such installations and equipment and by the insurers of the demised premises. As soon as practicable after the date hereof at the Tenant's own expense to fit-out (and thereafter occupy) the demised premises in a good and workmanlike manner with good quality materials in accordance with plans and specifications previously approved by the Landlord or its surveyors to a standard in keeping with the remainder of the Estate and the locality and if so required by the Landlord to install to the Landlord's specification a sign (the style and size of which shall first be approved by the Landlord) in the position agreed with the Landlord

Decoration

- (7) Without prejudice to the generality of the next preceding sub-clause to the reasonable satisfaction of the Surveyor for the time being of the Landlord in every fifth year of the said term (to run from the commencement date of the said term) and also in the year preceding the determination of the said term to paint in a proper and workmanlike manner all the inside wood iron and other parts heretofore or usually painted of the demised premises with a

sufficient number (not being less than two) coats of good quality paint and so that such internal painting in the last year of the said term shall be of a tint or colour approved in writing by the Landlord such approval not to be unreasonably withheld and also with every such internal painting to clean wash whitewash colourwash grain varnish or wax polish paper stop white distemper and otherwise decorate and treat in a proper and workmanlike manner all such internal parts of the demised premises that have been or ought properly to be so treated AND ALSO throughout the said term and the year preceding the determination of the said term if necessary to replace the carpet laid to the floor of the demised premises with carpet of similar quality and also to keep the windows of the demised premises properly cleaned inside and outside and to keep the car-parking spaces edged red on Plan No.1 annexed hereto in a clean neat and tidy condition and free from weeds to the reasonable satisfaction of the Landlord

Yield Up

- (8) At the determination of the said term quietly to yield up to the Landlord the demised premises duly painted repaired rebuilt renewed cleaned maintained amended and kept in all respects consistent with a full and due performance of the covenants in that behalf herein contained Provided however that the

Tenant may prior to the date of such determination remove all tenants or trade fixtures making good nevertheless at the expense of the Tenant and to the reasonable satisfaction of the Landlord any damage to the demised premises caused by such removal and shall remove all the Tenant's furniture fittings papers and refuse and so that the Landlord may treat as abandoned by the Tenant and may arrange for the removal and destruction of any such fixtures and other items not removed by the Tenant within 14 days after having given notice to the Tenant requesting such removal after the said determination and the cost of such removal and destruction shall be paid by the Tenant to the Landlord on demand AND PROVIDED FURTHER that if the Tenant shall fail to leave the demised premises in such condition as aforesaid then and in such case the Landlord may do or effect all such repairs replacements renovations and decorations for which the Tenant shall be liable hereunder and the cost thereof shall be paid by the Tenant to the Landlord on demand and the certificate of the Landlord's Surveyor certifying the cost to the Landlord shall be final and binding on the Tenant

Fire Fighting Equipment

- (9) To keep the demised premises sufficiently supplied and equipped with fire fighting and extinguishing apparatus and appliances which shall be open to the

inspection and maintained to the reasonable satisfaction of the Landlord's insurers and of the local fire authority and also not to obstruct the access to or means of working of such apparatus and appliances

Entry for Repairs

(10) To permit the Landlord and any person authorised by it upon prior reasonable notice (except in emergency) to enter upon the demised premises at all convenient hours during the daytime to view the state and condition and user of the same and the fixtures and fittings therein and to take a plan thereof or to make any inspection which may be required for the purposes of the Landlord and Tenant Acts 1927 and 1954 or any other Act for the time being affecting the demised premises or to deal with the assessment of and review of rent pursuant to Clause 4 of this Lease and of all defects decays and wants of reparation there found for which the Tenant shall be responsible hereunder to give notice in writing to the Tenant and within three months next after every such notice as aforesaid (or immediately in case of need) to repair well and substantially and make good all such defects decays and wants of reparation to the demised premises and the fixtures and fittings therein for which the Tenant is liable hereunder PROVIDED ALWAYS that if the Tenant shall make default

in the execution of the repairs and works referred to in such notice it shall be lawful for the Landlord and any persons authorised by the Landlord (but without prejudice to the right of re-entry hereinafter contained) to enter upon the demised premises and execute such repairs and works and restore the same and the cost thereof (including any surveyor's or other fees incurred and whether or not such repairs and works are executed by the Landlord) shall be repaid by the Tenant to the Landlord on demand as liquidated damages together with interest on the expenses incurred by the Landlord under this proviso in accordance with the terms of the proviso to Clause 2 of this Lease relating to late payment of rents

Taking Inventories

(11) To permit the Landlord and any person authorised by the Landlord to enter upon the demised premises upon prior reasonable notice in writing at all reasonable hours during the daytime to take schedules or inventories of fixtures and fittings and things to be yielded up at the determination of the said term

Acts of Parliament

(12) Insofar as they relate to matters otherwise falling within the ambit of the Tenant's covenants contained herein to observe and comply with the provisions and

requirements of every Act of Parliament already or hereafter to be passed (whether or not being a modification of re-enactment) as every instrument rule notice order regulation and bye-law already or hereafter to be made under or in pursuance of any such Act and without prejudice to the generality of the foregoing specifically includes the Factories Acts the Offices Shops and Railway Premises Act 1963 the Health and Safety at Work etc Act 1974 so far as they relate to or affect the demised premises or any part thereof and maintain all arrangements which by or under any enactment or bye-law are or may be required at any time during the said term to be executed provided or maintained whether by the Landlord or the Tenant and to indemnify the Landlord at all times against all costs charges and expenses of or incidental to the execution of any works of the provision or maintenance of any arrangements so required as aforesaid and so far as aforesaid 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 Landlord may under any enactment incur or have imposed upon it or become liable to pay any penalty damages compensation costs charges or expenses

Planning Acts

- (13) (i) Insofar as they relate to matters otherwise falling within the ambit of the Tenant's

covenants contained herein to comply in all respects during the currency of this Lease with the provisions and requirements of the Planning Acts and all licences consents permissions and conditions (if any) granted or imposed thereunder so far as the same respectively relate to or affect the demised premises or any part thereof or any operations works acts or things already or hereafter to be carried out executed done or omitted thereon or the use thereof for any purpose and to pay any development charge or other charge imposed in respect of any such matter arising from any act commission or omission whatsoever of the Tenant or any party under the control of or on behalf of the Tenant and so far as aforesaid indemnify the Landlord against all proceedings expenses claims and demands in respect of any contravention by the Tenant of any provision of the said Acts.

- (ii) Insofar as aforesaid not to do or permit anything to be done on or in relation to the demised premises or the Building on the Estate by reason of which the Landlord may under any enactment whatever become liable to pay any penalty damages costs compensation charge levy tax or other monies and in any event to pay and satisfy any charge levy tax or other monies

which may now or hereafter be imposed whether on the Landlord or the Tenant under any such enactment in respect of any development or alteration or any change or continuation of use or other like matter relating to the demised premises which shall occur during the said term

Copies of Notices

- (14) Within seven days of the receipt by the Tenant of the same to supply a copy to the Landlord of any notice or order or proposal for a notice or order or licence consent permission or direction given or made under any enactment and any regulations orders and instruments made thereunder and relating to the demised premises and to permit the Landlord and all persons authorised by it at all reasonable times upon prior reasonable notice (except in case of emergency) to enter upon the demised premises to inspect the same for any purpose in connection with any such notice order proposal licence consent permission or direction

Join with Landlord in making Appeals etc

- (15) At the request of the Landlord and at the joint cost of the Landlord and the Tenant to make or join with the Landlord in making any objection representation or appeal in respect of any such notice order

proposal or direction as aforesaid or any refusal of or condition imposed under any such licence consent or permission as aforesaid

No application for Planning Permission

(16) Not to make or suffer to be made any application for consent or permission to carry out or commence any development (within the meaning of the Planning Acts) on or by reference to the demised premises or any part thereof nor carry out any operations works acts or things in the demised premises or any part thereof or make any change of use of the same for which planning permission needs to be obtained

Complete Developments within Term

(17) Unless the Landlord shall otherwise direct to carry out before the determination of the said term any works (the carrying out of which is otherwise permitted hereunder) required to be carried out in or on the demised premises by a date subsequent to such determination as a condition of any planning permission which may have been granted to and implemented by the Tenant during the said term

Purchase Notice

(18) Not to serve any purchase notice under the Planning Acts requiring any local authority to purchase the Tenant's interest in the demised premises or any part thereof

Compensation

(19) If the Tenant shall receive any compensation because of any restriction placed upon the user of the demised premises or any part thereof under or by virtue of the Planning Acts then if and when its interest hereunder shall be determined under the power of re-entry herein contained or otherwise forthwith to make such provision as is just and equitable for the Landlord to receive its due benefit from such compensation unless the compensation authority shall otherwise order

Assignment and Underletting

(20) (a) Save as hereinafter mentioned not to part with the possession or share the occupation of the whole of the demised premises or any part or parts thereof nor to assign transfer or underlet or part with the whole or any part or parts of the demised premises

(b) Not to assign the demised premises (here meaning the whole thereof) without the previous consent in writing of the Landlord which consent shall not be unreasonably withheld or delayed in the case of a respectable and responsible assignee and of a financial status

reasonably acceptable to the Landlord subject to such assignee if the Landlord so requires first entering into a direct covenant with the Landlord to observe and perform the covenants on the part of the Tenant herein contained during the residue of the said term and to pay the rents hereby reserved and not further to assign or underlet or part with or share the possession or occupation of the demised premises or any part thereof except on the same terms as are herein contained and also subject in the case of an assignee who shall be a private limited company if the Landlord shall reasonably require to not more than two of its directors (of a responsible and respectable status reasonably acceptable to the Landlord) entering into a direct covenant with the Landlord for the observance and performance of the covenants on the part of the Tenant herein contained in a form similar (mutatis mutandis) to that set forth in the Fifth Schedule of this Lease

- (c) Not to underlet the demised premises (here meaning the whole thereof) without the previous consent in writing of the Landlord which consent shall not be unreasonably withheld or delayed in the case of a respectable and responsible Tenant of a reasonably acceptable

financial status and all underlettings shall be at a full market rent (all premiums and fines being prohibited) and not being less than that reserved by this Lease which shall be reviewed in an upwards direction only at intervals of not less than five years with reviews in any event co-terminous with those of this Lease the terms of the sub-lease to be first approved in writing by the Landlord (such approval not to be unreasonably withheld or delayed) and the form of the sub-lease shall with such amendments as may be necessary follow the terms of this Lease

- (d) Provided further that any sub-leases granted under this sub-clause shall contain
- (1) An unqualified covenant on the part of the underlessee not to assign transfer or underlet or part or parts only of the demised premises
 - (2) A covenant on the part of the underlessee that the underlessee will not assign the whole of the demised premises or underlet or part with the possession or occupation of the whole of the demised premises without obtaining the previous written consent (not to be unreasonably withheld or delayed) of the Landlord of this Lease and to provide in such underlease that

any sub-underleases granted out of such underlease whether immediate or mediate shall contain similar provisions to those contained in this sub-paragraph (d)

(e) Upon every application for consent required by this sub-clause (20) to disclose to the Landlord such information as to the terms proposed by the Tenant as the Landlord may reasonably require and whenever required by the Landlord to provide in writing full details of the actual occupation of the demised premises and all derivative interests however remote or inferior

(f) In the event of a breach non-performance or non-observance of any of the covenants conditions agreements and provisions contained or referred to in these presents by any underlessee or other person holding the demised premises as underlessee (whether immediate or not) forthwith upon discovering the same to take and institute at the Tenant's own expense all reasonable steps and (if necessary) proceedings to remedy such breach non-performance or non-observance

Register Assignments etc

(21) Within one month after any charge or mortgage or assignment or underletting or sub-underletting of the demised premises or any devolution of any interest

therein or any parting with possession or occupation whether immediate mediate or derivative to give notice thereof in writing to the Landlord or its solicitors and to produce to them a certified copy of the assignment transfer counterpart underlease sub-underlease or other instrument under which such charge or mortgage or devolution shall have occurred and pay a reasonable fee of not less than Fifteen Pounds (plus Value Added Tax) for registration thereof by the Landlord's solicitors and in addition such registration fee as may be payable to any superior landlord

User

- (22) (a) To use and occupy the demised premises for the purpose only of high class offices within Class 2 as defined by the Town & Country Planning (Use Classes) Order 1972 or such other use as the Landlord may previously have approved in writing such consent not to be unreasonably withheld or delayed
- (b) Not to use or allow the demised premises or any part thereof to be used for residential or sleeping purposes

Alterations

- (23) Not at any time during the said term to do or suffer in or upon the demised premises any wilful or

voluntary waste or spoil nor damage interfere with or make any addition to or alteration in the demised premises or any party wall or any Conduit apparatus or installation therein unless for the purpose of supplying and making good any defect therein but nothing herein contained shall prevent the Tenant with the prior written consent of the Landlord (which shall not be unreasonably withheld or delayed) from making internal non-structural alterations or from erecting or removing from time to time such temporary partitioning as may be necessary for the reasonable occupation of the demised premises PROVIDED ALWAYS that at the determination of the said term the Tenant shall at the request of the Landlord dismantle and remove all or any of such internal non-structural alterations and temporary partitioning then in the demised premises and forthwith reinstate the demised premises and make good any damage caused

Advertisements

(24) Not to exhibit affix to or display or permit or suffer to be exhibited affixed to or displayed on or from the exterior of the demised premises or on the external walls rails or fences or on the inside of any windows thereof any sign signboard pole fascia placard figure lettering inscription notice price label blind flag pennant sky-sign or any advertisement of any kind whatsoever except such as

shall have been previously approved in writing by the Landlord (such approval not to be unreasonably withheld or delayed) and in the event of any such approval where required being given to observe the terms thereof and at the determination of the said term to remove every such thing so approved and make good the demised premises

Floor Loading

(25) Not to place or suspend or suffer to be placed or suspended any object or weight on or from the floors ceilings or walls or structure of the demised premises which may put thereon any weight or impose strain in excess of that which the demised premises are calculated to bear with due margin for safety nor without the Landlord's prior written consent to set up or permit the setting up on any part of the demised premises any steam gas or electric or other boiler engine machine or mechanical contrivance other than the Tenant's usual office business machinery

Not to prejudice insurance

(26) (a) Not to do or allow to be done or omitted in or on the demised premises anything whereby the insurance of the demised premises the Building or any adjoining property of the Landlord against the insured risks may be vitiated or prejudiced nor without the consent of the

Landlord do or allow to be done anything whereby any additional premium may become payable for the insurance of the demised premises and in the event of any Landlord's insurance policy for the demised premises or any part thereof being vitiated in consequence of any act action or omission of the Tenant fully and effectually to indemnify the Landlord against all cost claims proceedings or losses resulting from any damage or injury to the demised premises or any part thereof in respect of which compensation is not forthcoming from the Landlord's insurance company as a result of such vitiation and against all costs of any increased or additional premiums incurred by the Landlord in respect of any adjoining or neighbouring property whether or not comprised within the Building or the Estate.

- (b) To notify the Landlord forthwith it comes to the attention of the Tenant of any damage to or destruction of the demised premises or any part thereof occasioned by the occurrence of any of the insured risks
- (c) In the event of the demised premises the Building or the Estate or any part thereof being damaged or destroyed by any of the insured risks at any time during the said term and the insurance money under any insurance

effected thereon by the Landlord being wholly or partially irrecoverable by reason of any act or default of the Tenant then and in every such case the Tenant will forthwith (in addition to the said rents) pay to the Landlord the whole (or as the case may require) a fair proportion of the cost of rebuilding and reinstating the same any dispute as to the proportion to be so contributed by the Tenant or otherwise in respect of or arising out of this provision to be referred to arbitration in accordance with the provisions of the Arbitration Act 1950 or any statutory modification or re-enactment thereof for the time being in force

- (d) Not at any time without the prior written consent of the Landlord to effect any insurance (other than plate glass insurance) in respect of the insured risks but if at any time the Tenant is entitled to the benefit of any other insurance on the demised premises then to apply all moneys received by virtue of such other insurance towards making good with all speed the loss or damage in respect of which the same shall have been received

Nuisance

- (27) Not to carry on or permit to be carried on upon the demised premises or any part thereof the business to be carried on thereon in a noisy noisome offensive or

dangerous manner or do or permit or suffer to be done in or upon the demised premises or any part thereof any act matter or thing which may in the reasonable opinion of the Landlord be or grow to be or become or cause damage or a nuisance or an annoyance or a disturbance to or to the prejudice of the Landlord or its tenants or lessees or the owners lessees or occupiers for the time being of the Building or any premises in the neighbourhood or on the Estate AND in particular but without prejudice to the generality of the aforesaid not to play or use or permit to be played or used or broadcast any musical instrument television radio loudspeaker or mechanical or other noise so as to be audible outside the demised premises

Auctions

(28) Not at any time during the said term to hold or permit any sale by auction to be held upon the demised premises or any part thereof without the written consent of the Landlord for that purpose first obtained

Obstruction etc

(29) (a) Not (save as may be expressly permitted by these presents) to do nor permit any act or thing whereby any things used or capable of use in common with others (in particular but

without prejudice to the generality thereof the access ways and the rear access road) may be damaged interfered with or obstructed or the fair use thereof by others may be damaged hindered impeded obstructed or interfered with in any manner whatsoever and in particular not to leave or permit or consent to be left therein or thereon any vehicles goods or articles of any kind nor to loiter or permit any person to loiter therein or thereby

- (b) Not to allow nor permit to remain in or upon the parking spaces edged red on the said Plan No.1 or any areas used or capable of use in common with others any goods packaging packing cases waste trade empties or any materials or other things of any kind whatsoever
- (c) Not to park vehicles other than upon the spaces shown edged red on the said Plan No.1 which shall be used for the purpose only of parking private motor vehicles and light commercial vehicles belonging to persons owning or occupying the demised premises or any part thereof or their visitors or invitees and without prejudice to the generality of the foregoing not to carry out any repairs or work to any vehicles thereon or on the said parking area except in emergency nor to wash down or clean vehicles thereon

- (d) Not to permit any deliveries to or loading or unloading at the front of the demised premises nor upon or from the rear access road but only to allow deliveries and load and unload at the rear of the Building but then not so as to take longer than is reasonably necessary so that the rights of others granted over the accesses shall not be unreasonably or unduly obstructed or impeded or interfered with

Fire Regulations

- (30) (a) Not to use or permit or suffer to be used on any account except in case of fire or other emergency any doors or special exits provided for escape in case of fire
- (b) At all times to comply with and observe the requirements of the relevant authorities having power to deal with means of escape from buildings in the event of fire so far as such requirements affect the demised premises or the fixtures fittings or furniture therein
- (c) Not to place or store or suffer to be placed or stored in the demised premises or any part thereof any article or thing which is or may become dangerous offensive combustible inflammable or explosive

Encroachments etc

(31) Not to stop up darken or obstruct or suffer to be stopped up darkened or obstructed any windows lights ventilators or other openings belonging to the demised premises nor to permit any new windows lights ventilators passage drainage or other encroachment or easement to be made or acquired into on or over the demised premises or any part thereof and that in case any encroachment or easement shall be made or acquired or attempted to be made or acquired the Tenant will give immediate notice thereof to the Landlord and at the request of the Landlord and at the joint cost of the Landlord and the Tenant will adopt such means as may be reasonably required or deemed proper for preventing any such encroachment or the acquisition of any such easement

Let or Sale Boards

(32) To permit the Landlord and any persons authorised by it to enter upon the demised premises and affix and retain without interference upon some mutually convenient part or parts thereof (but not so as to obstruct the access of light and air to or the fascia signs of the demised premises) such notice as the Landlord may reasonably consider desirable for reletting or selling the same and generally to permit all persons with authority from the Landlord upon prior reasonable notice in writing at all reasonable

hours during normal office hours Monday to Friday to enter and view the demised premises

Permit entry for repairing adjoining premises

(33) To permit the Landlord and such others as may from time to time be so authorised by the Landlord so to do to enter and remain upon the demised premises or any part or parts thereof (including the right to erect and maintain scaffolding and other temporary structures upon the demised premises or any part thereof) in order to build walls (including party walls) or to stop up any openings in walls dividing the demised premises from other premises or to repair or alter or rebuild any part of any adjoining or contiguous premises or any other parts of the Building and/or the Estate or to cleanse lay re-lay connect or reconnect to maintain renew empty or repair any of the Conduits machinery equipment and apparatus and the access ways the rear access road roads pavements and ways belonging to the same or at any time within the perpetuity period in or through the demised premises and thereafter the right to retain any such so laid or connected or reconnected and for all purposes connected with the Landlords and other obligations and rights under these presents including without prejudice to the generality of the aforesaid the right of inspection maintenance repair renewal or repointing of any structure upon any

adjoining or neighbouring premises or any wall or any structure forming the boundary of the demised premises the Landlord or other party exercising such rights doing as little damage as reasonably practicable and making good all damage to the demised premises or any chattels thereon occasioned by the exercise of such rights AND ALSO that in case any dispute or controversy shall at any time or times arise between the Tenant and the tenants or occupiers of any adjoining or contiguous premises belonging to the Landlord the same may from time to time be settled and determined by the Landlord in such manner as it in writing shall reasonably direct in that behalf to which determination the Tenant shall from time to time submit

Prevention of damage by effluent etc., discharge

- (34) (a) Not to permit but to take such measures as may be necessary to ensure that any effluent discharged from the demised premises into the watercourses drains or sewers which belong or are used for the demised premises whether or not in common with other premises will not be corrosive noxious deleterious or in any way harmful to the said watercourses drains or sewers or cause any obstruction or deposit therein and to keep all pipes watercourses

gullies and drains belonging to the demised premises properly flushed cleansed and free from obstruction and if any such obstruction or injury shall occur forthwith to remove the same and make good any damage caused thereby whether to the structure of the demised premises or otherwise and to indemnify and keep entirely harmless the Landlord against any claims damage or liability arising from damage caused by such obstruction or injury to adjoining or neighbouring premises and/or the rest of the Estate

(b) Not to discharge or allow to be discharged from the demised premises any fluid or anything of a poisonous deleterious or noxious nature of a kind that might or does in fact contaminate or pollute the air or water and to indemnify the Landlord against any claims damage or liability arising from damage caused by such contamination or pollution

(c) To take at all times throughout the said term all such steps as are necessary and proper to prevent the emanation from the demised premises of noise fumes heat or excessive vibration especially but not only where such emanation will or might be to the detriment of the Landlord or any others owners or occupiers of the adjoining or neighbouring premises or the rest of the Estate

Cost of Notices

(35) To pay all costs charges and expenses (including reasonable solicitor's costs and surveyor's fees) incurred by the Landlord for the purpose or in contemplation of or incidental to any proceedings under Section 146 or 147 of the Law of Property Act 1925 and the preparation and service of any notice in respect thereof requiring the Tenant to remedy a breach of any of the covenants herein contained notwithstanding forfeiture for such breach shall be avoided otherwise than by relief granted by the Court or for the purpose or in contemplation of or incidental to the preparation and service of schedules of dilapidations or notice under the foregoing provisions of this sub-clause during the said term (or following the determination thereof)

Costs of Licences

(36) To pay the reasonable legal charges and surveyor's fees of the Landlord and any superior landlord resulting from all applications by the Tenant for any consent or approval or permission of the Landlord required by this Lease and also the reasonable legal charges and surveyor's fees incurred by the Landlord or any superior landlord in cases where consent or approval or permission is lawfully refused or the application is withdrawn

Legal Charges

(37) To pay to the Landlord's solicitors their reasonable charges for the preparation of this Lease and the Counterpart thereof and the Stamp Duties thereon

Contributions

(38) When required and on demand to contribute and pay to the Landlord or as it may direct and to keep the Landlord indemnified in respect thereof (save to the extent that the same may form part of any contribution paid or payable by the Tenant under Clause 3(3)) a fair proportion as reasonably determined by the Landlord of the cost and expenses of inspecting repairing maintaining connecting reconnecting renewing rebuilding making and laying and cleansing all party walls fences conduits the accesses the rear access road ways roads pavements sewers drains watercourses and other easements or structures or other items used in common with the occupiers of the Building and/or the Estate or any neighbouring or adjoining premises and to keep the Landlord indemnified against such proportion of such costs and expenses

(39) With the object and intent of affording to the Landlord a full and sufficient indemnity in respect of the encumbrances but not further or otherwise henceforth to observe and perform the same (so far as

aforesaid) and to indemnify the Landlord from and against all actions claims demands and liability in respect thereof

(40) (a) To indemnify and keep indemnified the Landlord from liability in respect of any injury to or the death of any person damage to any property movable or immovable the infringement disturbance or destruction of any right easement or privilege or otherwise by reason of or arising directly or indirectly out of the repair state of repair condition or any alteration to or to the user hereinbefore permitted of the demised premises and from all proceedings costs claims and demands of whatsoever nature in respect of any such liability or alleged liability

(b) To be responsible for and to indemnify the Landlord against all damage occasioned to the demised premises or any adjacent or neighbouring premises or to any person caused by any act default or negligence of the Tenant or the servants agents licensees or invitees of the Tenant

Landlords Regulations

(41) To perform and observe such reasonable rules and regulations as the Landlord may from time to time

make for the general management and conduct of the Building and/or the Estate including in particular but not exclusively the access ways and the rear access road (particularly but without prejudice to the generality of the aforesaid relating to the direction and flow of traffic) and the appurtenances thereof and such regulations and all amendments modifications or additions thereto when communicated in writing to the Tenant shall be deemed to be incorporated in this Lease PROVIDED THAT no such rules or regulations shall materially or adversely affect the express rights granted to the Tenant

Rent Review Clause

4. IT IS HEREBY AGREED as follows:-

- (1) The amount of the yearly rent firstly hereinbefore reserved shall be reviewed at the end of the fifth year of the said term and at the end of each subsequent period of five years of the said term (each period of five years after the end of the said fifth year of the said term or (as the case may be) the last period ending with the determination of the said term being hereinafter called a "Review Period") and after the said fifth year of the said term the amount of the yearly rent payable hereunder shall be:
 - (a) For the first Review Period (the five years commencing at the end of the fifth year of the

said term) the amount of the yearly rent firstly hereinbefore reserved aforesaid or such amount (whichever shall be the greater) as shall be assessed (in manner hereinafter appearing) as a reasonable yearly rent in respect of that first Review Period and

(b) For each successive subsequent Review Period the amount of the yearly rent payable during the immediately preceding Review Period or such amount (whichever shall be the greater) as shall be assessed (in manner aforesaid) as a reasonable yearly rent in respect of the relevant Review Period

(2) Every such assessment shall be made in the following manner:-

(i) Such assessment shall be agreed in writing between the Landlord and the Tenant on or before the date of commencement of the relevant Review Period (or such later date as may be agreed by them in writing) but

(ii) If such assessment shall for any reason not to be agreed as aforesaid then (whether or not any negotiations to reach such an agreement have been or are being conducted) the assessment of the amount of a reasonable yearly rent for the relevant Review Period shall be made by a single arbitrator appointed for that purpose by

the Landlord and the Tenant within thirty days (or such greater period as may be agreed by them in writing) after the commencement of the said Review Period or failing such appointment then to be appointed (upon the application of the Landlord or the Tenant within thirty days (or such greater period as may be agreed by them in writing) after the commencement of the said Review Period or failing such appointment then to be appointed (upon the application of the Landlord or the Tenant) by the President for the time being of the Royal Institution of Chartered Surveyors such arbitration to be conducted in all respects in accordance with the provisions of the Arbitration Act 1950 or any statutory modification or re-enactment thereof for the time being in force AND the assessment so made by such arbitrator shall be communicated to the Landlord and the Tenant in writing and shall be final and binding as to matters of fact

- (iii) The amount of the yearly rent so assessed as a reasonable yearly rent in respect of the relevant Review Period shall if it is greater than the amount of the yearly rent payable hereunder immediately before the commencement of such Review Period become and be the yearly rent payable hereunder for that Review Period

and shall have effect from the commencement of that Review Period and be payable accordingly

(iv) The fees payable to such arbitrator and the costs of his appointment shall be in the award of the arbitrator

(v) PROVIDED ALWAYS that any failure by the Landlord or the Tenant to initiate negotiations with the other of them under paragraph (i) of this sub-clause prior to the commencement of the relevant Review Period or to negotiate with the other of them on the appointment of an arbitrator under paragraph (ii) hereof shall not prejudice the right of the Landlord or the Tenant after the commencement of such Review Period to require the assessment of a reasonable yearly rent for such Review Period to be made under paragraph (ii) aforesaid by an arbitrator appointed by the President of the Royal Institution of Chartered Surveyors as therein provided Nor shall the right of the Landlord or the Tenant to have the yearly rent reviewed as provided by this clause be prejudiced by any delay or omission whatsoever in the appointment of any such arbitrator as aforesaid

(3) In this clause and for all the purposes thereof the expression 'a reasonable yearly rent' means the fair rental value of the demised premises together with

the rights but except and reserved as set out in the Second Schedule hereto (including the Landlord's fixtures and fittings) at the commencement of the relevant Review Period on the basis of a letting in the open market by a willing lessor to a willing lessee on the terms and conditions of this Lease other than the amount of yearly rent hereby reserved but including the provisions for rent review and without fine or premium for a term of years equal to the residue of the said term unexpired on the date of the relevant Review Period or for a term of 15 years whichever shall be the greater and with vacant possession but disregarding:-

- (i) any effect on rent of the occupation of the demised premises by the Tenant or any subtenant
- (ii) any goodwill attached to the demised premises by reason of the business carried on thereat by the Tenant or any subtenant
- (iii) any improvements carried out at the cost of the Tenant or any subtenant with the prior consent in writing of the Landlord and otherwise than in pursuance of an obligation to the Landlord and further any works carried out at the demised premises which may diminish the letting value thereof whether in the nature of Tenant's improvements or otherwise
- (iv) any diminution in the value of the demised

premises attributable to non-compliance with or non-performance of any of the covenants on the part of the Tenant herein contained

(v) the fact (if it is a fact) that the making good of the demised premises or any part thereof following destruction or damage by any of the risks to be insured against under the provisions of this Lease has not been commenced or completed so that in all respects the demised premises shall be deemed fit and ready for immediate occupation and use

(vi) any effect on rent of any law for the time being in force which imposes a restraint upon increase in the rent of the demised premises and assuming for purposes of user that the demised premises are available to be let for whichever of the following carries the higher rental value namely (a) the user herein stipulated or (b) any other use for which the demised premises are at the time of the relevant assessment being used in accordance with any consent in that behalf given by the Landlord

(4) If at the commencement of any Review Period a reasonable yearly rent in respect thereof shall not yet have been assessed under the foregoing provisions of this clause then until a reasonable yearly rent in respect thereof greater than the yearly rent payable

immediately prior to the commencement of such Review Period shall have been assessed under the said provisions (and thus become the yearly rent payable for that Review Period) the Tenant shall continue to pay rent at the rate of that payable immediately prior to such commencement and as soon as the said assessment shall have been made the Tenant shall pay the excess of the aggregate amount of rent which would have been payable hereunder for the period from the commencement of the said Review Period until the said quarter day next following if the said assessment had been made at or prior to the said commencement over and above the aggregate amount of rent actually paid by the Tenant during the said period together with interest upon the said excess at 4% less than the rate applicable to rents in arrear as stated in the proviso to Clause 2 of this Lease

- (5) If and whenever the amount of the yearly rent payable hereunder is increased under the foregoing provisions of this clause the Landlord and the Tenant shall cause a Memorandum of the amount of such increased yearly rent to be endorsed on the Lease and the Counterpart thereof and for such Memoranda to be signed by or on behalf of the Landlord and the Tenant respectively
- (6) If at any material time there shall be no President of the said Royal Institution of Chartered Surveyors or if the said President shall for any reason not be

available or be unable or unwilling to make such an appointment as aforesaid the said appointment may be made by the Vice-President or next senior officer of the said Institution then available and able and willing to make such appointment

(7) If any arbitrator appointed in accordance with this clause shall fail to make an assessment as 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 Landlord or the Tenant may apply to the said President or other person as hereinbefore provided for a substitute to be appointed in his place which procedure may be repeated as many times as necessary and the appointment of any such substitute shall be of the same effect as if it were an original appointment hereunder by the President for the time being of the said Institution

(8) If at any time or times during the said term ascertainment of the rent payable hereunder in manner above provided shall in any respect be unlawful so that the Landlord is precluded from taking the necessary steps to secure a rent review as from the commencement of each review period the Landlord shall be entitled at any time after the date when ascertainment again becomes lawful (without prejudice to its right if any to recover any rent the payment of which has only been deferred by law) to have the

rent for the time being payable hereunder reviewed at the date last aforesaid in manner and according to the principles set out above (mutatis mutandis) and the rent so ascertained shall be the rent payable until the commencement of the next rent review period (calculated as aforesaid and as from the date of such interim review) or until the rent payable hereunder shall next be increased (if later)

5. Landlords Covenants

The Landlord HEREBY COVENANTS with the Tenant as follows :

Insurance

(1) (a) Subject to compliance by the Tenant with the provisions of clause 3(26) hereof and payment of the rent secondly reserved by this Lease at all times during the said term to keep or cause to be kept the demised premises insured (subject to acceptance of such risks by insurers) against

(1) loss or damage by fire storm tempest flood lightning earthquake explosion aircraft articles dropped therefrom riot or civil commotion malicious damage impact subsidence bursting and overflowing of pipes and such other risks as the Landlord or the Tenant shall from time to time reasonably require in such amount as shall be sufficient to cover

the full amount of the costs (including reasonable provision for escalation of such costs between the date of destruction or damage and the date of rebuilding or reinstating the demised premises) of completely rebuilding or reinstating the demised premises or in such higher amount as the Tenant shall by notice in writing to the Landlord from time to time reasonably specify

(2) professional fees on such amount assessed according to the scales or other method for the time being adopted by the Royal Institute of British Architects and the Royal Institution of Chartered Surveyors the cost of site clearance (including demolition shoring up and debris removal) and three years rent of the demised premises at the rate for the time being payable or prospectively payable.

(3) (to the extent to which the same is not covered by paragraph (a) of this sub-Clause) breakdown of the boilers lifts and other plant (if any) in the demised premises

and to effect such insurance with an insurance company or underwriters of repute and through such agency as the Landlord from time to time

deem fit and proper and to produce to the Tenant within fourteen days of the request a digest of the policy or policies (together with all relevant endorsements thereto) of such insurance and the receipt for the current premium or premiums

(b) If the demised premises shall be destroyed or damaged by any of the risks against which the Landlord has covenanted to insure

(1) if so required as soon as reasonably practicable to join with the Tenant in making application for any planning or other permission necessary for rebuilding or reinstating the demised premises and

(2) as soon as reasonably practicable after such permissions shall have been obtained or immediately where no such permissions are required to apply the insurance monies received by the Landlord (other than money received for loss of rent) towards reinstating the demised premises

(c) If upon the expiry of a period of three years commencing on the date of the damage or destruction the demised premises have not been re-built or re-instated so as to be fit for the Tenant's occupation and use either party may by notice served at any time within six months of the expiry of such period invoke the provisions of sub-clause (d) below

(d) Upon service of the notice in accordance with sub-clause (c):-

- (1) the term of this Lease will absolutely cease but without prejudice to any rights or remedies that may have accrued to either party against the other including (without prejudice to the generality of the above) any right that the Tenant might have against the Lessor for a breach of the Landlord's covenants set out in sub-clause (b)(1) and (2) above
- (2) the money received in respect of the insurance effected by the Landlord pursuant to this Lease shall be apportioned between and paid to the parties proportionately to the market values as between willing Vendors and Purchasers of their respective interests in the demised premises immediately prior to the date of such damage or destruction provided that if the parties shall fail to agree upon the apportionment within three months of the date upon which this Lease is determined by notice under sub-clause (c) an independent valuer shall be appointed either by agreement between the parties or in default of agreement by the President for the time being of the Royal

Institution of Chartered Surveyors or his deputy or anyone nominated by him to make appointments on his behalf who (acting as an expert and not as arbitrator) shall determine the market values referred to in this sub-clause

Quiet Enjoyment

- (2) That the Tenant paying the rents hereby reserved and observing and performing the Tenant's covenants hereinbefore contained shall and may peaceably hold and enjoy the demised premises during the said term without any interruption or disturbance from or by the Landlord or any person lawfully claiming through under or in trust for it

Services etc

- (3) SUBJECT to the payment of the contribution by the Tenant in accordance with the terms of Clauses 3(3) and 3(38) to perform the services and exercise the powers specified or implied in the said Clause 3(3) PROVIDED that the Landlord shall not be liable for failure to provide the said services or exercise the said powers unless such failure shall be attributable to the act negligence or wilful default of the Landlord or the servants agents licensees or

invitees of the Landlord and in particular but not exclusively the Landlord shall not be liable for any failure breakdown defect or want of repair arising as a result of any matters beyond its control nor for any other thing constituting a breach of this covenant unless the Landlord shall have received previous notice thereof in writing from the Tenant or the owner or occupier of any other part of the Estate

6. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED that

Re-entry

- (1) If the said rents hereby reserved or any part thereof shall at any time be in arrear and unpaid for twenty one days after the same shall have become due (whether any formal or legal demand therefore shall have been made or not) or if there shall be any breach of any of the covenants conditions or agreements herein contained and on the part of the Tenant to be performed and observed or if the Tenant or other person or persons in whom for the time being the said term shall be vested (being an individual or individuals) or any of them shall become bankrupt or have a receiving order made against him her or them or make any arrangement or composition with or for the benefit of his her or their creditors or suffer any execution to be levied at the demised premises or

if the Tenant or any assignee of the Tenant being a company shall enter into liquidation whether compulsory or voluntary (not being merely a voluntary liquidation for the purpose of amalgamation or reconstruction) or suffer any execution to be levied at the demised premises or have a Receiver or Manager appointed then and in such case it shall be lawful for the Landlord or any person or persons duly authorised by the Landlord in that behalf into or upon the demised premises or any part thereon in the name of the whole to re-enter and the demised premises peaceably to hold and enjoy thenceforth as if these presents had not been made without prejudice to any right of action or remedy of either party against the other in respect of any antecedent breach of any covenant or condition herein contained PROVIDED that the Landlord will not exercise the right of re-entry conferred upon it by this Clause against any mortgagee or chargee of these presents who shall have given notice in writing to the Landlord of its mortgage or charge and who shall at its expense and within two months after written notification from the Landlord that the right of re-entry has arisen enter into a binding agreement with the Landlord either to procure an assignment to itself of the benefit of these presents within one month thereafter (subject to the provisions hereinbefore contained as to obtaining consent of the Landlord to any such assignment) or to procure within

one month thereafter a surrender of these presents by the Tenant and a contemporaneous grant to the mortgagee or chargee of a new lease of the premises for a term commensurate with the then unexpired residue of the term of these presents at the same rent and subject to the same covenants and conditions as are reserved by and contained in these presents such new lease to take effect as from the date of such surrender with any such agreement to provide that such mortgagee or chargee shall pay all costs and expenses incurred by the Landlord in respect of any matters arising under this proviso

Notices

- (2) Any notice required to be given or served under these presents and not otherwise provided for shall be served or deemed to be served on the Tenant if served in accordance with Section 196 of the Law of Property Act 1925

Landlord's development

- (3) Nothing herein contained or implied shall impose or be deemed to impose any restriction on the use of any land or building not comprised in these presents or give the Tenant the benefit of or the right to enforce or to have enforced or to permit the release or modification of any covenant agreement or condition entered into by any purchaser from or by

any lessee or occupier of the Landlord in respect of property not comprised in these presents or to prevent or restrict in any way the development of any land not comprised in these presents and further that nothing herein contained shall by implication of law or otherwise operate or be deemed to confer upon the Tenant any easement right or privilege whatsoever (except as specifically granted by these presents) over or against the remainder of the Building or the Estate or any adjoining or neighbouring property which now does or within the specified period shall belong to the Landlord which would or might restrict or prejudicially affect the future rebuilding alteration or development of the remainder of the Building or the Estate or such adjoining or neighbouring property and that the Landlord shall have the right at any time to make such alterations to or to pull down and rebuild or redevelop the remainder of the Building or the Estate or any such adjoining or neighbouring property as it may deem fit without obtaining any consent from or making any compensation to the Tenant PROVIDED that nothing contained in this sub-clause shall entitle the Landlord to do anything which shall materially or adversely affect the express rights granted to the Tenant

Suspension of Rent

- (4) In case the demised premises or any part thereof shall at any time be destroyed or so damaged by any of the insured risks as to be wholly or partially unfit for occupation or use then and in any such case (unless the insurance of the demised premises shall have been vitiated by the act neglect default or omission of the Tenant) the rents hereby reserved (including rents paid in advance) or a fair and just proportion thereof according to the nature and extent of the damage sustained shall be suspended and cease to be payable from the date of such destruction or damage aforesaid until the demised premises shall again be fit for use and occupation or for a period of three years therefrom whichever period is the shorter and such proportion in case of disagreement shall be referred to a single arbitrator in accordance with and subject to the provisions of the Arbitration Act 1950 or any statutory modification or re-enactment thereof PROVIDED always that in case the demised premises shall be destroyed or so damaged by any insured risk as to render the demised premises totally unfit for occupation or use and in the reasonable opinion of the Landlord or its surveyor or architect to necessitate demolition or complete reconstruction or rebuilding of the whole of the demised premises which the Landlord could not reasonably do without obtaining possession of the

demised premises then this Lease may at the option of the Landlord be determined by the Landlord giving to the Tenant six months written notice expiring at any time (such notice to be given within three months after such destruction or damage) and in the event of such determination the money received in respect of the insurance effected by the Landlord pursuant to this Lease shall be apportioned between and paid to the parties proportionately to the market values as between willing Vendors and Purchasers of their respective interests in the demised premises immediately prior to the date of such damage or destruction provided that if the parties shall fail to agree upon the apportionment within three months of the date upon which this Lease is determined by notice as aforesaid an independent valuer shall be appointed either by agreement between the parties or in default of agreement by the President for the time being of the Royal Institution of Chartered Surveyors or his deputy or anyone nominated by him to make appointments on his behalf who (acting as an expert and not an arbitrator) shall determine the market values referred to in this sub-clause

Acceptance of Rent

- (5) Notwithstanding the acceptance of or demand for rent by the Landlord or its agent with knowledge of a breach of any of the covenants on the part of the

Tenant herein contained the Landlords right to forfeit this Lease on the ground of such breach shall remain in force AND the Tenant shall not in any proceedings for forfeiture be entitled to rely upon any such acceptance or demand as aforesaid as a defence PROVIDED THAT this provision shall have effect in relation only to an acceptance of or demand for rent made during such period (if any) as may in all the circumstances be reasonable for enabling the Landlord to conduct any negotiations with the Tenant for remedying the breach which shall have been commenced by either party upon the Landlord becoming aware of the said breach

Statutory Compensation

- (6) Except where any statutory provision prohibits the Tenant's right to compensation being reduced or excluded by agreement the Tenant shall not be entitled to claim from the Landlord on quitting the demised premises or any part thereof any compensation under the Landlord and Tenant Act 1954 or any statute modifying or re-enacting the same

Exclusion of any warranty of fitness

- (7) Neither the granting of this Lease nor any provision herein contained shall operate or be construed as warranting that the demised premises are suitable for the purpose or purposes of the Tenant and that the

use to which the Tenant proposes now or hereafter to put the demised premises or that any use to which (whether subject to conditions or not) the Tenant may be at liberty or may be required under the provisions of this Lease to put the demised premises is or may be or become legally permitted whether under the provisions of the Planning Acts or otherwise

IN WITNESS whereof these presents have been entered into the day and year first before written

THE FIRST SCHEDULE

"the demised premises"

ALL THOSE premises shown edged red on the Plan No.2 annexed hereto on the ground floor of the Building and known or to be known as Office Number Two The Old Court House High Street Dorking in the County of Surrey as the Building is comprised within the Landlord's Title Number SY527764 TOGETHER WITH with the exclusive use of the four car spaces shown edged red on the Plan No.1 annexed hereto

THE SECOND SCHEDULE

Rights and Privileges

(a) Subject to the payments by the Tenant of its contribution under Clause 3(3) and 3(38) hereof the right to use and the benefit of all Conduits subsisting or maintained for

the benefit of the demised premises in over under or against the remainder of the Building and/or the Estate to the extent that the same are necessary for the reasonable enjoyment of the demised premises

(b) A right of way (so far in the case of the rear access road as the Landlord is able to grant the same) with or without vehicles for the Tenant and those authorised by the Tenant at all times required in connection with the reasonable use and enjoyment of the demised premises and in common with others over along and across the vehicle access way coloured brown on Plan No.1 annexed hereto and the rear access road together with a right as aforesaid to pass and repass on foot only at all times in common with others over those parts of the Estate shown coloured yellow on the said Plan No.1 ^{and Plan No.2} and an exclusive right over that part coloured yellow ^{on the said Plan No 2} hatched black ~~thereon~~ provided always that the said rights shall always be subject:-

- (i) to the Tenant not damaging in any way whatsoever the same save for fair wear and tear
- (ii) to the payment by the Tenant of its contribution under Clause 3(3) and 3(38) hereof and
- (iii) to temporary disruption or obstruction while works are being carried out thereto save that the Landlord will as far as practicable use reasonable endeavours to procure that temporary means of access are maintained thereover to the demised premises
- (iv) to temporary obstruction to the accesses and the rear access road resulting from the loading or unloading of vehicles serving other owners or occupiers of the Building or the Estate

THE THIRD SCHEDULE

Exceptions and Reservations

- (a) all rights of light air and easements now or within the specified period belonging to or enjoyed by the remainder of the Building and/or the Estate or any adjacent or neighbouring land or building from over or against the demised premises
- (b) the right to build or rebuild or alter the remainder of the Building or the Estate or any adjacent or neighbouring land or building now or within the specified period belonging to the Landlord in any manner whatsoever and to let the same for any purpose or otherwise deal therewith notwithstanding the light or air to the demised premises is in any such case thereby diminished or any other liberty easement right or advantage belonging to the Tenant is thereby materially diminished or prejudicially affected PROVIDED THAT nothing in this sub-clause shall entitle the Landlord to do anything which shall materially or adversely affect the express rights granted to the Tenant hereunder
- (c) the right of support and shelter and protection and all other easements and rights now or within the specified period belonging to or enjoyed by the remainder of the Building and/or the Estate and all adjacent or neighbouring land or buildings
- (d) the free passage and running of air gas electricity water and soil telephone and other services through or along the pipes wires channels drains and watercourse already or

within the specified period to be built or placed in through over or under the demised premises to and from the remainder of the Building and/or the Estate and any adjoining or neighbouring property and the right to connect up or reconnect to the same

(e) the right in cases of emergency only to use the emergency or escape routes now or within the specified period enjoyed or required over or through the demised premises

(f) the right to retain and keep and building or buildings erected upon other parts of the Estate (which may in part underlie or overhang the demised premises) insofar as they underlie or overhang the demised premises

THE FOURTH SCHEDULE

The entries contained in the Charges Register of the Landlord's said Title Number SY527764

THE FIFTH SCHEDULE

"The Surety HEREBY COVENANTS with the Landlord that the Tenant will during the said term pay the rents hereby reserved and made payable in manner aforesaid and will perform and observe all the covenants on the part of the Tenant and the conditions contained in these presents and that in case of default in payment of the rents hereby reserved and made payable or in the performance or

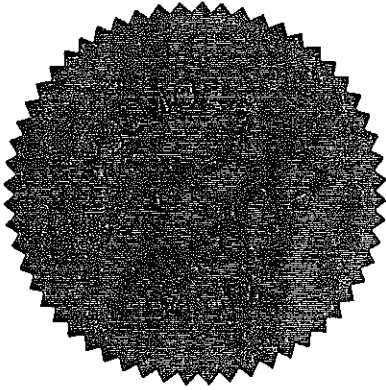
observance of such covenants the Surety will pay during the said term and make good to the Landlord on demand for a period of four months or until the demised premises shall have been re-let whichever shall be the lesser as well after as before any disclaimer all losses damages costs and expenses thereby arising or incurred by the Landlord PROVIDED ALWAYS that any neglect or forbearance of the Landlord in endeavouring to obtain payment of the rents hereby reserved and made payable when the same becomes payable or to enforce performance of the said covenants on the part of the Tenant or the conditions or any time which may be given to the Tenant by the Landlord or any revision or variation to this Lease or these presents made between the Landlord and the Tenant shall not release or exonerate or in any way affect the liability of the Surety under this covenant AND in the event of the Tenant during the said term becoming bankrupt or entering into liquidation and the trustee in such bankruptcy or the liquidator as the case may be disclaiming these presents the Surety hereby covenants with the Landlord to accept from the Landlord a new lease of the demised premises for a term equal in duration to the residue remaining unexpired of the said terms in all respects (including the proviso for re-entry) as are contained in these presents PROVIDED that the Landlord within the period of six months after such disclaimer shall serve upon the Surety notice so to do"

THE COMMON SEAL of KING & CHASEMORE)
was hereunto affixed in the presence)
of:-)

W. E. Seal
[Signature]

Director

~~Secretary~~
~~DIRECTOR~~

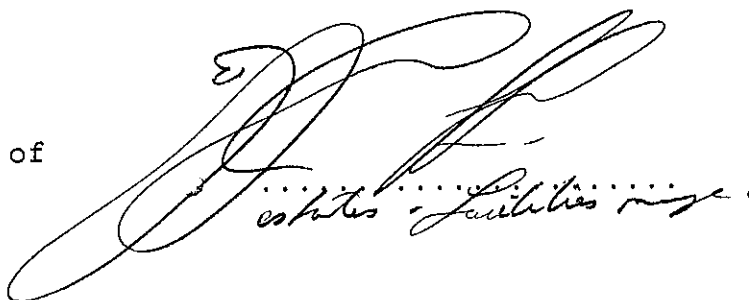


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In this Memorandum dated the *Sixth* day of *November*
One thousand nine hundred and ninety-two HEARTS OF OAK TRUSTEES
LIMITED whose registered office is situate at 84 Kingsway
London WC2B 6NF the Trustee of the Hearts of Oak Benefit
Society a Society registered under the Friendly Societies Acts
and whose registered office is situate at 84 Kingsway aforesaid
and NATIONWIDE ESTATE AGENTS whose registered office is situate
at 136 High Holborn London WC1V 6PW desire to record the fact
that the rent first reserved and made payable under a Lease of
Office No. 2 The Old Court House High Street Dorking Surrey
(now known as 275 High Street Dorking aforesaid) dated the
Seventh day of April One thousand nine hundred and eighty-eight
made between Marlborough Property Developments Limited (1)
and King & Chasemore (2) has been reviewed pursuant to the
provisions of Clause 4 thereof and fixed in accordance with
those provisions at an annual sum of TWENTY ONE THOUSAND TWO
HUNDRED AND FIFTY POUNDS (£21,250) (which sum is for the
avoidance of doubt exclusive of Value Added Tax) per annum from
and including the Twenty-fifth day of March One thousand nine
hundred and ninety-two being the first date for review for such
rent under the provisions of the said Clause and subject to
further review in accordance with the said Clause

SIGNED by
~~a Director~~ for and on behalf of
NATIONWIDE ESTATE AGENTS



estates - facilities - rise