

Dated 18th July

2005

- (1) BARCLAYS BANK PLC
- (2) PLATINUM INSURANCE
SOLUTIONS LIMITED

UNDERLEASE
of
2nd Floor Offices The Old Courthouse
High Street Dorking Surrey RH4 1RY

Denton Wilde Sapte
Regency Court
206/208 Upper Fifth Street
Milton Keynes MK9 2HR

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(Ref: SYYS/CJD/25681.2837)

Certified True Copy of the Original

PWS
Denton Wilde Sapte
Regency Court
206 Upper Firth Street
Milton Keynes MK9 2HR

THIS LEASE is made on

18th July 2005

BETWEEN:

- (1) **BARCLAYS BANK PLC (Landlord)** (Company Registration No 1026167) whose registered office is at 54 Lombard Street London EC3P 3AH
- (2) **PLATINUM INSURANCE SOLUTIONS LIMITED (Tenant)** (Company Registration No. 3711798) whose registered office is at Carlton House, High Street, Higham Ferrers, Rushden, Northamptonshire NN10 8BW

1. INTERPRETATION

In this Lease (including any Schedule):

- 1.1 where the context admits the following expressions shall have the meanings set opposite them:

Act means every Act of Parliament (whether specifically named in this Lease or not) which may be relevant to the Premises its user or any persons or things thereon the persons employed or having recourse thereto in force at the date hereof and any reference to an Act shall include any statutory re-enactment or modification thereof and any order regulation directive bye-law rule regulation consent or licence granted or required thereunder or drawing validity therefrom or by any public or local authority or by any court of competent jurisdiction

Building means the building known as The Old Courthouse High Street Dorking Surrey RH4 1RY and the surrounding land and more particularly described in the Superior Lease

Car Parking Spaces means the 23 (numbered 1-8, 13-22 and 23-27) parking spaces abutting the vehicle access way coloured brown on the plan marked '4'

Common Parts means the toilet accommodation in the Building as is from time to time reasonably designated by the Landlord as being for general use and the approaches entrance hall reception passages landing stairs and lift (if any) at the Building and shown for the purposes of identification only edged and hatched blue on Plan Numbers 1, 2, 3 and 4 and the fire escape and fire corridors if any.

Conduits means pipes wires cables sewers drains ducts flues gutters gullies and other service media

Deed of Guarantee means a deed of guarantee in respect of the obligations of an assignee of the Premises containing such terms as the Landlord may from time to time reasonably determine

Environmental Law means all statutes, regulations and sub-ordinate legislation, European laws, treaties and common law which at any time relate to the pollution or protection of the environment or harm to or the protection of human health and safety or the health of animals and plants

Inherent Defects means any defects or malfunction in the Building and/or the Premises arising from all or any of the following (whether alone or in combination) materials, workmanship,

design, specification, supervision of works, combination of materials, site suitability, ground condition and/or preparation.

Insured Risks means the same as "Insured Risks" in the Superior Lease

Landlord means includes any other person for the time being entitled to the immediate reversion expectant on the determination of the term granted by this Lease

Landlord's Surveyor means (at the Landlord's absolute discretion) a chartered surveyor in the employment of the Landlord or a surveyor or firm of surveyors appointed by the Landlord from time to time for the purposes mentioned in this Lease

Lease means this Lease and includes any Schedule hereto any licence granted pursuant to this Lease and any deed of variation of the provisions hereof and any deed or instrument supplemental hereto

Planning Acts means the **consolidating Acts** as defined in the Planning (Consequential Provisions) Act 1990 and any other legislation relating to town and country planning in force from time to time

Premises means part of the Building being office accommodation on the second floor the extent of which part is shown for identification only edged red on the plan marked '3' annexed hereto which part shall;

- (a) extend vertically from and include the floor surface of the part demised up to and shall include the underside of the structure of the ceiling over the part demised and
- (b) horizontally shall extend from and include the plaster on the walls of the part demised and
- (a) include all fixtures and fittings in or forming part of the Premises and all additions to the Premises and all Conduits now or hereafter in or about the same and exclusively serving the same

Prescribed Rate means four percent (4%) per annum above Barclays Bank PLC's Base Rate (or any rate of interest published by Barclays Bank PLC as a substitute for the aforesaid Base Rate for the purposes of this provision and any other provision by virtue of which rates of interest are to be calculated) for the time being and from time to time in force

Rent means £14,340.00 FOURTEEN THOUSAND THREE HUNDRED AND FORTY POUNDS) per annum inclusive of VAT

Service Charge means the sum as is payable as the Basic Service Charge as defined in Schedule I hereto

Superior Landlord means the person or persons for the time being entitled to the reversion immediately expectant on the term granted by the Superior Lease

Superior Lease means a lease of the Building dated 4 August 1988 and made between Marlborough Property Developments Limited (1) and the Landlord (2) as varied by a deed dated 10 March 1989 between Hearts of Oak Trustees Limited (1) and the Landlord (2) the leasehold interest of which remains vested in the Landlord

Tenant means includes the successors in title of the Tenant to the term created by this Lease and the Tenant for the time being and from time to time under this Lease

Term means the term of years from and including the date hereof and expiring on 24 March 2008

Termination of the Term means the determination of the Term whether by effluxion of time re-entry or otherwise under the provisions hereof notice surrender by operation of law or otherwise or by any other means or cause whatsoever

- 1.2 The masculine includes the feminine and the singular the plural and vice versa
- 1.3 Obligations undertaken by more than a single person are joint and several obligations
- 1.4 Any covenant by the Tenant not to do an act or thing shall be construed as if it were a covenant not to do or permit or suffer such act or thing
- 1.5 Rights excepted reserved or granted to the Landlord shall be construed as excepted reserved or granted to the Landlord and all persons authorised by the Landlord
- 1.6 The clause headings and the Schedule headings in this Lease are for reference only and shall not be deemed to form part of this Lease nor shall they affect the construction of this Lease
- 1.7 Any approval or consent required of the Landlord and any easement right power or discretion excepted reserved or available to the Landlord where required by this Lease shall be deemed in addition to require the consent of and to except reserve and make the same available to any mortgagee the Superior Landlord and any other superior landlord and any costs and expenses of the Landlord payable by the Tenant by virtue of this Lease shall include all costs and expenses that the Superior Landlord or any other superior landlord or mortgagee can recover from the Landlord

2. DEMISE AND RIGHTS

- 2.1 **Demise** The Landlord demises the Premises to the Tenant TOGETHER WITH the rights specified in sub-clause 2.2 EXCEPTING AND RESERVING the rights specified in sub-clause 2.3 but SUBJECT TO the matters mentioned in sub-clause 2.4 for the Term the Tenant YIELDING AND PAYING by way of rent yearly and proportionately for any fraction of a year:
 - (a) the Rent payable by equal quarterly payments in advance on the 25th day of March the 24th day of June the 29th day of September and the 25th day of December in each year with the first payment being for the period from and including the date hereof to the next succeeding quarter day thereafter (being an appropriate apportionment) to be made on the date hereof
 - (b) the Service Charge payable by equal quarterly payments in advance on the usual quarter days subject to review in accordance with the provisions of Schedule I to this Lease the first payment of the Service Charge for the period from and including the date hereof to the next succeeding quarter day thereafter (being an appropriate apportionment) to be made on the date hereof

2.2 **Rights for the Tenant** The following rights (which are common to the Tenant and other occupiers of the Building) are included in the letting:

- (a) the free and uninterrupted (subject to minimum temporary interruption for repair alteration or replacement) running of water soil electricity and other services through the Conduits in the Building so far as is necessary for the use of the Premises by the Tenant for the use hereby permitted
- (b) the right to use all approaches to the Building coloured yellow on the plans numbered 1 and 4 and all forecourts passageways landings stairs lifts corridors and other accessways within the Common Parts for access to the Premises and to the toilet accommodation within the Common Parts
- (c) the right to use for the purpose of escape in the case of emergency any fire escape and fire corridor in the Building as are from time to time designated by the Landlord for use by the Tenant
- (d) the exclusive right to park 4 private motor vehicles within such area of the Car Parking Spaces numbered 19-22 inclusive or as the Landlord shall from time to time designate for the exclusive use (being not less than 4 spaces) in writing to the Tenant
- (e) the rights of support protection and shelter belonging to or enjoyed by other parts of the Building
- (f) a right of way 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 Premises and in common with others over along and across the vehicle access ways coloured brown on plan no. 4 annexed hereto and the rear access road shown shaded brown on Plan No. 5 together with a right to pass and re-pass on foot only at all times in common with others over those parts of the Building shown coloured yellow on plan nos. 1 and 4 and a right of access onto or over those parts of the Building shown coloured yellow hatched black on plan nos 1 and 4 in order to comply with the Tenant's obligations in this Lease 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 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 the Superior Landlord provides a temporary means of access thereover to the Premises
 - (iii) 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

2.3 **Exceptions and Reservations** There are excepted and reserved to the Landlord (and where appropriate to the Superior Landlord) the following rights:

- (a) the free and uninterrupted use of all Conduits which are in the Premises and serve other premises

- (b) to enter upon the Premises at all reasonable times upon reasonable notice (except in case of emergency when no notice shall be required) for the purpose of:
 - (i) inspecting viewing and recording the condition of the Premises
 - (ii) repairing maintaining altering or cleaning any part of the Building or premises adjoining the Building
 - (iii) inspecting maintaining cleansing repairing renewing and replacing the Conduits and making connections thereto
 - (iv) executing or permitting or suffering the execution of works or alterations to any premises forming part of the Building or to any premises adjoining the Building in such manner as the Landlord shall think fit
 - (v) complying with any of its obligations under this Lease or under the Superior Lease or for any other reasonable purpose connected with the management of the Building (including entry provided for in any other provision of this Lease)
 - (vi) using or obtaining access to any of the fire escapes or routes of escape in the Building (whether or not in existence at the date hereof)

the person or persons exercising such rights making good any damage caused to the Premises

- (c) all rights of light and air support shelter and protection which the Building (including the Premises) enjoys over any other property
- (d) the rights excepted and reserved by the Superior Lease
- (e) full right and liberty at any time or times hereafter to build upon rebuild or alter in height or otherwise the Building or any nearby building notwithstanding that the access of light and air to the Premises and the lights windows and openings thereon or any other liberty easement right or advantage belonging to the Tenant or the enjoyment of the Premises may be diminished or interfered with or prejudicially affected
- (f) all rights of entry mentioned in Clause 3.8 of this Lease

3. TENANT'S COVENANTS

The Tenant covenants with the Landlord as follows:

3.1 Pay rents

- (a) To pay the Rent and the Service Charge at the times and in the manner described in Clause 2.1 (without any deduction or set-off whether legal or equitable) such payment if required by the Landlord to be made by bankers order or credit transfer to such bank and account as the Landlord shall from time to time nominate

- (b) For the avoidance of doubt the Tenant from time to time shall be liable for and pay all rents and other sums which first fall due whilst the Term is vested in such Tenant whether or not such rents and other sums relate to a period before the Term became vested in such Tenant

3.2 Pay Outgoings

- (a) To pay on demand all existing and future rates taxes assessments impositions and outgoings whatsoever assessed or imposed on or in respect of the Premises (whether assessed or imposed on the Landlord or the Tenant and whether or not of a capital or non-recurring nature). This obligation does not require the Tenant to pay any such costs resulting from any dealing by the Landlord with its interest in the demised premises or to income or corporation tax payable by the Landlord or any rent or other sums due under this Lease.
- (b) If any general rate water rate cost of supply of gas or electricity or other outgoing is assessed on the Building and paid by the Landlord to repay to the Landlord on demand such proportion of it as is fair in the reasonable opinion of the Landlord

3.3 **Interest on late payment** If any rent or other sums payable by the Tenant to the Landlord under this Lease shall be due but unpaid for seven (7) days with the exception of Rent after formally demanded in writing) to pay on demand to the Landlord interest at the Prescribed Rate from time to time (after as well as before any judgment of the Courts) on such money from the due date until payment PROVIDED THAT this sub-clause shall not prejudice any other right or remedy of the Landlord in respect of such money

3.4 **Repair and Decoration** To put and keep the Premises in good and substantial repair and decorative condition and to keep the same clean AND at the Termination of the Term to give up the Premises and the Landlord's fixtures and fittings duly repaired and decorated in accordance with the provisions of this sub-clause reasonably clean and tidy and clear of any furniture goods or refuse and any Tenant's signs and to return to the Landlord all keys to the Premises PROVIDED THAT:

- (a) in the last three months of the Term the Tenant shall properly repair and paint with at least two coats of good quality paint and paper the Premises as the same are now painted and papered and such painting and papering shall be done in colours first approved in writing by the Landlord and the Superior Landlord
- (b) damage by any of the Insured Risks is excepted from the Tenant's liability under this sub-clause unless the whole or any part of the insurance money is irrecoverable by reason of any act or default of the Tenant or its invitees
- (c) the Tenant shall make good to the reasonable satisfaction of the Landlord any damage caused to the Premises by the removal of the Tenant's fixtures fittings furniture and effects
- (d) the Tenant shall pay a sum equivalent to the loss of rent incurred by the Landlord during such period as is reasonably required for the carrying out of works after the end of the Term by reason of any breach of this sub-clause
- (e) the Tenant shall make good all damage caused to the Landlord's and the Superior Landlord's fixtures and fittings and if any of them shall become lost destroyed or beyond repair shall replace the same with articles of a similar description and value

3.5 Conduits and Windows

- (a) To keep the Conduits which solely serve the Premises clear and unobstructed and not to do anything which causes an obstruction in any drain or pipe in or serving the Building
- (b) To take all necessary precautions against frost damage to any Conduits or other water apparatus in the Premises
- (c) To clean the windows and any glass in the doors and skylights of the Premises at least once in every month

3.6 Notifying Landlord To notify the Landlord of any defect or lack of repair in the Building of which the Tenant becomes aware

3.7 Compliance with Acts and other requirements

- (a) To comply with all mandatory requirements of all Acts and do all things on or in respect of the Premises which are required by the Acts and to keep indemnified the Landlord against all reasonable and properly incurred claims demands costs expenses and liability in respect of any breach of this obligation or any matter arising from the Acts
- (b) To comply with all mandatory requirements and regulations of the relevant supply authority as to the electrical or other service installation in the Premises
- (c) To comply with all mandatory requirements from time to time of the appropriate competent authority in relation to fire precautions affecting the Premises
- (d) In relation to any work that the Tenant carries out to or upon the Premises to which the Construction (Design and Management) Regulations 1994 (**CDM Regulations**) apply the Tenant shall:
 - (i) as soon as reasonably practicable and in any event before the commencement of such work make a declaration to the Health and Safety Executive in accordance with Regulation 4 of the CDM Regulations stating that it shall be the only client in relation thereto
 - (ii) upon completion of such work supply to the Landlord (without charge and so far as it is able to procure subject to an irrecoverable royalty fee licence in favour of the Landlord and/or its agents to use the same for any purpose connected with the Building) a copy of the health and safety file relating to such work and any other information relevant to health and safety and make the health and safety file available for inspection as soon as reasonably practicable after a request from the Landlord and
 - (iii) as soon as reasonably practicable after it becomes aware of any information relevant to health and safety in relation to the Premises provide such information to the Landlord
- (e) If any works are carried out to or upon the Premises (including any repairs decorative works alterations or additions) to ensure that the environmental impact (including both harm to the environment and to human health and safety) is minimised insofar as is reasonably practicable and in particular to ensure that:

- (i) reasonable skill care and diligence is used in the selection of the materials and products to be used; and
 - (ii) good practice is used as measured against the relevant profession in the United Kingdom; and
 - (iii) any materials or products used are suitable with regard to their impact on the environment and with regard to the durability of the Premises
- (f) Not to cause or suffer any poisonous noxious contaminative polluting or offensive substance to be produced upon or emitted or discharged from the Premises

3.8 **Landlord's entry** To permit entry to the Landlord and all others so entitled at reasonable times upon reasonable notice (except in case of emergency when no notice shall be required) for the purpose of exercising the rights excepted and reserved in Clause 2.3 or for any purpose connected with the Landlord's obligations in the Superior Lease or in this Lease

3.9 **Assignment underletting etc:** Save as permitted by the following provisions of this Lease not to assign underlet mortgage charge or share or part with the possession of the whole or any part of the Premises or share the occupation of the Premises nor permit any person deriving title from the Tenant to do so:

- (a)
 - (i) Not to assign the whole of the Premises without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) PROVIDED THAT (for the purposes of sub-section 19(1A) of the Landlord and Tenant Act 1927) the Landlord shall be entitled:
 - (aa) to withhold its consent in any of the circumstances set out in sub-clause 3.9.(a)(iii)
 - (bb) to impose all or any of the matters set out in sub-clause 3.9(a)(iv) as a condition of its consent
 - (ii) The proviso to clause 3.9(a)(i) shall operate without prejudice to the right of the Landlord to withhold such consent on any other ground or grounds where such withholding of consent would be reasonable or to impose any further condition or conditions upon the grant of consent where the imposition of such condition or conditions would be reasonable
 - (iii) The circumstances referred to in clause 3.9(a)(i)(aa) above are as follows:
 - (aa) where in the reasonable opinion of the Landlord the proposed assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in the Lease throughout the residue of the Term
 - (bb) where the proposed assignee can claim diplomatic or state immunity (but to avoid doubt this circumstance shall not apply where the proposed assignee is the Government of the United Kingdom of Great Britain and Northern Ireland or any department thereof)

- (cc) where the proposed assignee is not (in the case of a corporation) registered or (in any other case) resident in the European Union
 - (dd) where the proposed assignee is a Group Company (unless the condition set out in Clause 3.9(a)(iv)(ee) can be fulfilled)
 - (ee) where in the reasonable opinion of the Landlord the value of the Landlord's interest in the Premises would be substantially diminished or otherwise substantially adversely affected by the proposed assignment on the assumption (whether or not a fact) that the Landlord wished to sell its interest the day following completion of the assignment of this Lease to the proposed assignee
 - (ff) the Superior Landlord refuses to grant its consent
- (iv) The conditions referred to in clause 3.9(a)(i)(bb) (and which are to be fulfilled prior to completion of the proposed assignment) are as follows:
- (aa) the delivery to the Landlord of a deed (being an authorised guarantee agreement within section 16 of the Landlord and Tenant (Covenants) Act 1995) entered into by the Tenant as Covenantor in such form as the Landlord may reasonably determine)
 - (bb) the payment to the Landlord of all rents and other sums which have fallen due under the Lease prior to the date of the proposed assignment
 - (cc) the giving of any requisite consent of any superior landlord or mortgagee and the fulfilment of any lawful condition of such consent including compliance with Clause 3(19) of the Superior Lease
 - (dd) where the Landlord reasonably so requires the delivery to the Landlord of a deed of guarantee entered into by one or more third party guarantors reasonably acceptable to the Landlord in such form as the Landlord may from time to time reasonably determine
 - (ee) where the proposed assignment is to a Group Company which is not an Acceptable Group Company the delivery to the Landlord of a Deed of Guarantee entered into by an Acceptable Group Company
 - (ff) where the Tenant's obligations under this Lease are guaranteed by a Group Company and the proposed assignee is not a Group Company the delivery to the Landlord of a deed of guarantee entered into by an Acceptable Group Company
- (b) Not without the Landlord's prior written consent (which shall not be unreasonably withheld or delayed):
- (i) to mortgage or charge the Premises as a whole or
 - (ii) to allow any person deriving title from the Tenant to mortgage or charge the Premises as a whole

- (c) Not to underlet the whole of the Premises without the Landlord's prior written consent which shall not be unreasonably withheld where the following conditions are met:
- (i) the underletting shall be at the open market rent and on the same terms (*mutatis mutandis*) as this Lease and no premium shall be taken from the undertenant or any other person in respect of the underletting;
 - (ii) the provisions of Clause 3(19) of the Superior Lease are complied with;
 - (iii) the underlease shall provide:
 - (aa) that the undertenant shall not assign underlet mortgage charge or part with the possession of part only of the Premises or share the occupation of the Premises;
 - (bb) that the undertenant shall not underlet or part with possession of the whole of the Premises (save by way of an assignment of the whole as mentioned below)
 - (cc) that the undertenant shall not assign the Premises as a whole without the prior written consent of both the Landlord and the Tenant under this Lease (which consent shall not be unreasonably withheld or delayed) and subject to the provisions for assignment reflecting the terms of sub-clause 3.9
 - (dd) that the provisions of sections 24-28 of the Landlord and Tenant Act 1954 are validly excluded in relation to the tenancy created by the underlease
- (d) Not to vary the terms of any underlease or take a surrender of part of the Premises comprised in any underletting but to take all necessary steps to enforce the covenants on the part of the undertenant in any underlease
- (e) Upon every underletting if so required by the Landlord to procure that the intending undertenant shall join in the licence to underlet to give a direct covenant to the Landlord to perform and observe the covenants by the Tenant in this Lease (other than for payment of the Rent and the Insurance Rent and the Service Charge)
- (f) Upon every application for consent required by the foregoing sub-clauses to disclose to the Landlord such information as to the terms of the proposed transaction as the Landlord shall require
- (g) Within one month after its date to produce to the Landlord every underlease assignment charge mortgage or document evidencing a devolution of this Lease or the Premises paying a reasonable fee of not less than Thirty-five Pounds (£35.00) plus Value Added Tax for each such registration and at the same time to provide the Landlord with a certified copy of such underlease assignment charge mortgage or other document
- (h) To supply to the Landlord in writing whenever requested the names and addresses of any tenant deriving title from the Tenant together with details of the rent payable by any such tenant and the other terms of such tenancy

3.10 Alterations

- (a) Not to make any alteration or additions whatsoever to the Premises other than in accordance with Clause 3(22) of the Superior Lease
- (b) At the Termination of the Term (unless otherwise directed by the Landlord) substantially to reinstate the Premises to the same condition as they were in prior to the carrying out of any alterations such reinstatement to be carried out to the reasonable satisfaction of the Landlord or Landlord's Surveyor

3.11 **Signs** Not without the Landlord's written consent to place or display on the Premises so as to be visible from the outside any poster notice advertisement name or sign except the name of the Tenant displayed in a position and in a manner first approved in writing by the Landlord such approval not to be unreasonably withheld or delayed at the entrance to the Premises

3.12 **Nuisance** Not to do anything upon the Premises which is likely to become a nuisance damage or annoyance to the Superior Landlord the Landlord or to the tenant or occupier of any adjoining or nearby premises and not to install or use in or upon the Premises any machinery equipment or apparatus which causes noise (including music) or vibration which can be heard or felt outside the Premises or in adjoining premises

3.13 User

- (a) Not to use the whole or any part of the Premises:
 - (i) for any illegal or immoral purpose or for any offensive noisy or dangerous trade business or manufacture
 - (ii) for any purpose other than as high class business or professional offices within Class B1 of the Town and Country Planning (Use Classes) Order 1987
- (b) Not to allow any person to reside or sleep on the Premises

3.14 Use of Common Parts

- (a) To make good immediately any damage done to the Common Parts by the Tenant or any employee or invitee of the Tenant and not to place or leave anything in the Common Parts or otherwise obstruct them; and
- (b) Not to use (except in the case of fire or other emergency) or obstruct the fire escapes in the Building and to comply with the Fire Authority's regulations relating to their use

3.15 **Not to overload structure etc** Not to overload the floors or structure of the Premises or the electrical or other services in the Premises

3.16 Notices served on Tenant

- (a) To supply the Landlord with a copy of any notice order or proposal for a notice or order affecting the Premises served on the Tenant by any competent authority (or received by the Tenant from any undertenant or other person) as soon as is practicable after it is received by the Tenant and without delay to take all reasonable or necessary steps to comply with any such notice or order (so far as the Tenant is liable so to do)

- (b) At the expense of the Landlord to make or join with the Landlord in making such objections or representations against or in respect of any such notice or order or proposal for the same as the Landlord shall reasonably require
- (c) Forthwith upon becoming aware of the same to give full details to the Landlord of any damage to or any defect or want of repair in the Building which may give rise to a duty or obligation on the Landlord or of anything which may adversely affect the Landlord's interest in the Building

3.17 Planning Applications

- (a) Not without the Landlord's written consent to make any application for planning permission affecting the Premises or to implement any such permission
- (b) Not at any time during the said Term to apply for consent or to begin or carry out on the Premises any development which might involve the Landlord in payment of any tax levy charge or other fiscal liability as a result of such development

3.18 **Preserve easements** To preserve so far as the Tenant is able all rights of light and other easements enjoyed by the Premises and at all times to afford to the Landlord such facilities and assistance as may enable the Landlord to prevent anyone acquiring any right of light or other easement over the Premises

3.19 **Landlord's expenses** To pay the Landlord's reasonable and proper expenses (including without limitation the reasonable and proper legal costs and architects and surveyors' fees):

- (a) incidental to any actual notice or proceedings preparatory to forfeiture of this Lease for a breach of its terms even if forfeiture is avoided without a court order
- (b) incidental to the preparation and service of all notices and Schedules relating to wants of repair to the Premises and whether served during or after the Termination of the Term (but relating in all cases to such wants of repair that accrued not later than the Termination of the Term)
- (c) resulting from all applications by the Tenant for any consent required by this Lease (whether or not such consent is granted)
- (d) resulting from any breach by the Tenant of any of its obligations under this Lease

3.20 Remedy of Breaches

- (a) The Tenant shall remedy all breaches of covenant (in particular but without limitation breaches of the Tenant's covenant in sub-clause 3.4) notified by the Landlord to the Tenant in writing as soon as possible and in any event within one month after service of the notice (or sooner if reasonably considered necessary by the Landlord)
- (b) If the Tenant fails to remedy the relevant breach within the specified period the Landlord may enter the Premises and remedy the breach and all reasonable and proper costs and expenses incurred by the Landlord shall be a debt due to the Landlord and paid by the Tenant on demand

- (c) The Landlord shall not be obliged to compensate the Tenant for any loss suffered by the Tenant for any nuisance annoyance inconvenience noise or vibration caused as a result of any such proper entry and the remedying of such breach

3.21 **Indemnity** To indemnify the Landlord against all losses damages proceedings actions claims demands costs and expenses properly incurred or suffered by the Landlord as a result of any breach by the Tenant of any of the Tenant's obligations contained in this Lease

3.22 **Comply with Regulations** To comply with all such regulations (consistent with the terms of this Lease) for the proper management of the Building as the Landlord shall make from time to time and communicate in writing to the Tenant (including without prejudice to the generality of the foregoing regulations as to the security of the Building and the manner of use of the Common Parts)

3.23 **Landlord's Title** Not to do any act or thing which would constitute a breach of the covenants on the part of the lessee contained in the Superior Lease or contained in the documents referred to in Schedule II hereto

3.24 **Value Added Tax**

In every case where the Tenant has agreed to reimburse the Landlord in respect of any payment made by the Landlord under the terms of or in connection with this Lease that the Tenant shall also reimburse any Value Added Tax paid by the Landlord on such payment

3.25 **Superior Lease** At all times during the Term to observe and perform the covenants on the part of the lessee contained in the Superior Lease (and as though every matter requiring the consent or approval of the Superior Landlord shall also require the consent or approval of the Landlord) so far as they relate to the Premises (save as to payment of rent) and at all times to indemnify the Landlord and keep the Landlord so indemnified from and against the said covenants so far as aforesaid and all actions proceedings costs claims demands expenses and liability in respect thereof but so that this covenant shall nevertheless take effect as a covenant of obligation with the Landlord as well as a covenant of indemnity

3.26 **Environmental Law** Notwithstanding any other provision in this Lease the Tenant shall not be responsible nor incur any liability for any breach of Environmental Law not caused by the Tenant nor the expenses of remedying such reaches of Environmental Law whether by service charge or otherwise

3.27 **Inherent Defects**

Notwithstanding any other provision in this Lease, the Tenant shall not be responsible for the repair of nor the expense of remedying Inherent Defects (or damage caused by inherent defects) in the Premises or in the Building whether by service charges or otherwise

4. **LANDLORD'S COVENANTS**

The Landlord covenants with the Tenant as follows:

4.1 **Quiet Enjoyment** That as long as the Tenant pays the rents reserved by this Lease and complies with the terms of this Lease the Tenant may enjoy the Premises peaceably during the Term without any interruption by the Landlord or any person lawfully claiming under or in trust for the Landlord

4.2 **Provision of Services** If and so long as and to the extent that the Tenant shall pay the Service Charge to use best endeavours:

(a)

(i) to provide sufficient supplies of cold water to the toilet accommodation and hot water to the hot water taps in the basins installed in the toilet accommodation in the Common Parts

(ii) to maintain the lift in the Building in good repair

(iii) to supply heat to the existing space heating system (if any) in the Premises and in the Common Parts during the cold season between dates to be determined at the discretion of the Landlord

(b) to keep the Common Parts adequately repaired decorated lighted cleaned and furnished

(c) to carry out such repairs to the roof exterior and main structure and external areas of the Building and to the Conduits serving the Building as are reasonably necessary for the proper enjoyment of the Premises by the Tenant

PROVIDED THAT the Landlord shall not be liable for any failure or interruption of any service or the failure to carry out any work as aforesaid due to necessary repair replacement or maintenance of any apparatus or installation or unavoidable shortage of fuel materials water or labour or any cause beyond the Landlord's control and provided further that the Landlord may at its discretion extend diminish or otherwise vary the services provided in the Building so long as any such variation to the services shall not be any less convenient to the Tenant

4.3 **Superior Landlord** At the request and cost of the Tenant to use reasonable endeavours to procure that the Superior Landlord observes and performs its covenants for insurance and reinstatement contained in Clause 5(1) of the Superior Lease

4.4 **Superior Lease** To pay the rent(s) reserved by and to perform and observe the covenants on the part of the lessee in the Superior Lease so far as the same are not the responsibility of the Tenant under the provisions of this Lease

5. INSURANCE

It is hereby agreed as follows:

5.1 Tenant's Obligations

(a) The Tenant shall not (by act or omission) do anything which may invalidate any insurance policy effected by the Landlord in respect of the Building or increase the premium for it

- (b) Without prejudice to the rights of the Landlord in respect of any breach of sub-clause 5.1(a) the Tenant shall repay to the Landlord or the Superior Landlord (as appropriate) on demand all sums paid by way of increased premiums and all losses or damages suffered by the Landlord and/or the Superior Landlord by reason of any breach by the Tenant of the said sub-clause
- (c) In the event of the Premises or any part thereof or any other part of the Building being damaged or destroyed by any of the Insured Risks and the insurance money under any insurance against the same effected thereon by the Landlord or the Superior Landlord being wholly or partly irrecoverable by reason solely or in part of any act or default of the Tenant then and in every such case the Tenant shall forthwith pay to the Landlord or the Superior Landlord a fair proportion of the irrecoverable cost of the insurance monies

5.2 **Rent Suspension** Where the rent (and other payments due to the Superior Landlord) payable under the Superior Lease shall be cancelled suspended abated or reduced during the period when all or part of the Premises cannot be put to its accustomed use because of damage by an Insured Risk then the rent firstly reserved hereunder shall be to the same extent cancelled suspended abated or reduced (as appropriate) unless or to the extent that the insurers properly withhold payment under the policy because of something done or not done by the Tenant PROVIDED THAT any dispute concerning this sub-clause shall be referred to a single arbitrator appointed (in default of agreement) by the President (or other the Chief Officer or Acting Chief Officer) of the Royal Institution of Chartered Surveyors in accordance with the Arbitration Act 1996

5.3 **Termination in the event of destruction or damage**

- (a) If the whole or a substantial part of the Premises shall be destroyed or damaged by any of the Insured Risks so as to be rendered unfit for use then:
 - (i) the Landlord or Tenant may within six months of the date of such destruction or damage terminate this Lease by service on the other of not less than six months' notice in writing and on the expiry of such notice this Lease shall determine
 - (ii) if such destruction or damage shall not have been reinstated by the date two years following the date of such destruction or damage either the Landlord or Tenant may terminate this Lease by service of six months' notice in writing to the other and on the expiry of such notice this Lease shall determine
- (b) Any determination of this Lease pursuant to sub-clause 5.3(a) shall be without prejudice to any right or remedy of the Landlord against the Tenant in respect of any antecedent breach by the Tenant of his obligations contained in this Lease and in the case of such determination all insurance monies shall (for the avoidance of doubt) belong to and be paid to the Landlord absolutely

6. **GENERAL PROVISIONS**

It is hereby agreed and declared as follows:

6.1 **Forfeiture** This Lease is made on the express condition that if:

- (a) any of the rents hereby reserved shall be in arrear and unpaid for twenty-one days next after the same shall become due (whether legally demanded or not)
- (b) there shall be a breach or non-performance or non-observance of any of the covenants or agreements on the part of the Tenant or conditions herein contained
- (c) the Tenant (being a company) shall go into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction not involving the return of capital) or have a winding-up order made against it or have a receiving order made against it or shall have a receiver or administrator of it or any of its assets appointed or
- (d) the Tenant (being an individual) be adjudicated as bankrupt or commit an act of bankruptcy
- (e) the Tenant shall suffer any distress or execution to be levied on the Premises or the contents thereof or make any composition arrangement or assignment for the benefit of creditors or shall take the benefit of any Act for the relief of debtors

then and in any such case the Landlord or its agents may forthwith (or at any time thereafter) notwithstanding the waiver or implied waiver of any previous right of re-entry arising under this Lease re-enter upon the Premises or any part thereof in the name of the whole whereupon the Term shall absolutely determine but without prejudice to any rights or remedies which may have then accrued to the Landlord in respect of arrears of rent or other subsisting breach of any condition or covenant or agreement on the part of the Tenant herein contained

- 6.2 **Exclusion of rights to light** The Landlord shall be entitled to alter add to and execute works on other parts of the Building and the Landlord's adjoining and nearby premises notwithstanding that the access of light and air to the Premises may be interfered with and the Landlord shall not be liable to pay any compensation by virtue of its exercising these rights
- 6.3 **Modification of Common Parts** The Landlord and the Superior Landlord shall be entitled at their discretion
- (a) to alter the arrangement of the Common Parts or
 - (b) where it is reasonably necessary to do so in connection with any works of repair renewal maintenance decoration or alteration to suspend use of the Common Parts
- 6.4 **Exclusion of Landlord's liability** The Landlord shall not be responsible to the Tenant nor to any other person in the Premises or the Building for any:
- (a) accident happening or injury suffered in the Building; or
 - (b) damage to or loss of any goods or property sustained in the Building; or
- 6.5 **Tenant's property at the end of the Term** If at the end of the tenancy any furniture or effects belonging to the Tenant are left in the Premises for more than seven days the Landlord shall have power to sell the same as agent for and on behalf of the Tenant and the Landlord shall pay or account to the Tenant on demand for the proceeds of sale (but not any interest thereon) less any costs of storage and sale reasonably incurred by the Landlord and any other sums still remaining due to the Landlord under the terms of this Lease

- 6.6 **Modification of Covenants** The Landlord and the Superior Landlord shall be entitled at their discretion to deal with modify or vary all or any covenants of which the Building has the benefit
- 6.7 **Exclusion of Statutory Compensation** Neither the Tenant nor any assignee or undertenant shall be entitled to any compensation whether under the Landlord and Tenant Act 1954 or otherwise upon quitting the Premises
- 6.8 **Superior Lease ceasing to exist** If this Lease shall be subsisting at any time when the Superior Lease has for any reason ceased to exist then with effect from and including the date of such cesser the covenants and provisions of the Superior Lease incorporated herein by reference shall nevertheless continue in force by reference to the terms of the Superior Lease
- 6.9 **Admission** The Tenant admits that it has seen a copy of the Superior Lease
- 6.10 **Contracts (Rights of Third Parties) Act 1999** It is hereby agreed and declared that no party who is not a party to this Lease shall be entitled in its own right to enforce any of the terms of this Lease pursuant to the Contracts (Rights of Third Parties) Act 1999

7. EXCLUSION OF STATUTORY PROVISIONS

- 7.1 The Tenant confirms that before it became contractually bound to enter into the tenancy created by this Lease:
- SJK
- (a) The Landlord served on the Tenant a notice ("the Notice") dated [17th May 2005] 2005 in relation to the tenancy created by this Lease in a form complying with the requirements of Schedule 1 to the Regulatory reform (Business Tenancies) (England and Wales) Order 2003 ("the Order").
- (b) The Tenant, or a person duly authorised by the Tenant, in relation to the Notice made a statutory declaration ("the Declaration") dated [25th May 2005] 2005 in a form complying with the requirements of Schedule 2 of the Order
- 7.2 The Tenant further confirms that, where the Declaration was made by a person other than the Tenant, the declarant was duly authorised by the Tenant to make the Declaration on the Tenant's behalf.
- 7.3 The Landlord and the Tenant confirm that the agreement to which this Lease gives effect was made on [28th June] 2005.
- 7.4 The Landlord and Tenant agree to exclude the provisions of Section 24 to 28 (inclusive) of the 1954 Act in relation to the tenancy created by this Lease.

SCHEDULE I
Service Charge

1. In this Schedule:

"**Basic Service Charge**": means £3,736.00 (THREE THOUSAND SEVEN HUNDRED AND THIRTY SIX POUNDS) per annum

"**Date of Review**": means the anniversary of the Term and every subsequent anniversary thereafter

"**Index**" : means the all items index figure of the General Index of Prices published by the Department of Employment or any successor Ministry or Department

"**Index A**": means the Index published for the month in which the term commencement date falls

"**Index B**": means the Index published for the month preceding the last day of the year of the Term in which the Service Charge is to be calculated

2. The Service Charge shall be increased at the date of Review by reference to the Index using the following formula:

$$\frac{\text{Basic Service Charge} \times \text{Index B}}{\text{Index A}}$$

2.1 In the event of any change after the date hereof in the reference base used to compile the Index the figure taken to be shown in the Index after such change shall be the figure which would have been shown in the Index if the reference base current at the date of execution hereof had been retained


2.2 In the event of it becoming impossible by reason of any change after the date hereof in the methods used to compile the Index or for any other reason whatsoever to calculate the revised Service Charge by reference to the Index or if any dispute or question whatsoever shall arise between the Landlord and the Tenant with respect to the amount of the revised Service Charge or with respect to the construction or effect of this paragraph 3 the determination of the revised Service Charge or other matter in difference shall be determined by a single arbitrator in accordance with the Arbitration Act 1996 who shall have full power to determine on such dates as he shall deem apposite what would have been the increase in the Index had it continued on the base current at the date of execution hereof and given the information assumed to be available for the operation of this paragraph or (if that determination shall also be impossible) shall determine a reasonable revised Service Charge having regard to the purposes and intent of the provisions in the Lease for the review of the Service Charge

SCHEDULE II
Details of covenants and other obligations

Such as are contained or referred to in the registers of Title No. SY588893:

IN WITNESS whereof the parties to this Lease have caused this document to be executed as a Deed (but not delivered until this Lease is dated)

EXECUTED as a DEED by the said)
PLATINUM INSURANCE SOLUTIONS LIMITED)
in the presence of:)

Director X 
Director/Secretary 