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DATED

18th May

2012



COPY

LEASE



SEQ28

First Floor Flat, Lime Wharf, Vyner Street, London E2 9DJ

between

ALAN GEOFFREY DREW

and

UGO THOMAS ERMACORA

We certify this to be a true copy of the original.
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PRESCRIBED CLAUSES

LR1. Date of lease 18th May 2012

LR2. Title number(s)

LR2.1 Landlord's title number

EGL312327

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

ALAN GEOFFREY DREW of Lime Wharf, Vyner Street, London E2 9DJ

Tenant

UGO THOMAS ERMACORA of Flat 2, 50 Elgin Crescent, London W11 2JJ

Other parties

None

LR4. Property

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

See the definition of "Property" in clause 1.1 of and Schedule 1 to this lease.

LR5. Prescribed statements etc.

None.

LR6. Term for which the Property is leased

The term as specified in this lease at clause 1.1 in the definition of "Term".

LR7. Premium

TWO MILLION ONE HUNDRED AND EIGHTY FIVE THOUSAND POUNDS (£2,185,000.00)

LR8. Prohibitions or restrictions on disposing of this lease

This lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

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

None.

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

None.

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

None.

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

None.

LR11. Easements

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

The easements granted in clause 3.1 and set out in Schedule 2 to this lease.

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

The easements reserved in clause 4 and set out in Schedule 3 to this lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

The parties to this lease apply to enter the following standard form of restriction [against the title of the Property] **OR** [against title number]

None.

LR14. Declaration of trust where there is more than one person comprising the Tenant

THIS LEASE is dated

18th May

2012

PARTIES

- (1) **ALAN GEOFFREY DREW** of Lime Wharf, Vyner Street, London E2 9DJ
(Landlord).
- (2) **UGO THOMAS ERMACORA** of Flat 2, 50 Elgin Crescent, London W11 2JJ
(Tenant)

AGREED TERMS

1. INTERPRETATION

- 1.1 The definitions and rules of interpretation in this clause apply to this lease.

Building: the land and building known as Lime Wharf, Vyner Street, London E2 9DJ registered at HM Land Registry with title number EGL312327 coloured red on Plan 2.

Commercial Premises: the premises on the ground floor of the Building from time to time.

Commercial Tenant: the tenant/licensee for the time being of the Commercial Premises.

Conditions for Entry: the conditions to which any right to enter granted in Schedule 2 or excepted and reserved by Schedule 3 is subject, namely that the right shall be subject to the person exercising the right:

- (a) effecting entry at a reasonable time (or at any time in an emergency);
- (b) giving reasonable notice to the person whose premises are being entered (except in the case of emergency when no notice is required);
- (c) causing as little damage as possible to the premises being entered and promptly making good any damage caused to the reasonable satisfaction of the person whose premises are being entered; and
- (d) complying with any reasonable requirements of the person whose premises are being entered in relation to the exercise of the right of entry.

Default Interest Rate: 4% above the base lending rate from time to time of HSBC Bank Plc or, if that base lending rate is no longer used or published, a comparable commercial rate reasonably determined by the Landlord.

Insurance Rent:

- (a) a fair and reasonable proportion determined by the Landlord of the cost of any premiums (including any IPT) that the Landlord expends (after any discount or commission is allowed or paid to the Landlord), and any fees and other expenses that the Landlord reasonably incurs, in effecting and

maintaining insurance of the Building in accordance in with its obligations in paragraph 2 of Schedule 6 including any professional fees for carrying out any insurance valuation of the Reinstatement Cost;

- (b) the cost of any additional premiums (including any IPT) and loadings that may be demanded by the Landlord's insurer as a result of any act or default of the Tenant, any undertenant, their workers, contractors or agents or any person at the Property with the express or implied authority of any of them.

Insured Risks: fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, escape of water or oil, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, theft or attempted theft, falling trees and branches and aerials, subsidence, heave, landslip, collision, accidental damage to underground services, public liability to anyone else and any other risks which the Landlord reasonably decides to insure against from time to time and any other risks required by the Council of Mortgage Lenders and **Insured Risk** means any one of the Insured Risks.

IPT: Insurance Premium Tax chargeable under the Finance Act 1994 or any similar replacement or additional tax.

Landlord Covenants: the covenants on the part of the Landlord set out in Schedule 6.

Permitted Use: as residential flat.

Plan 1: the plan attached to this lease marked "Plan 1".

Plan 2: the plan attached to this lease marked "Plan 2".

Property: parts of the ground floor and the first floor of the Building known as Lime Wharf, Vyner Street, London E2 9DJ shown coloured yellow on Plan 1 and more particularly described in Schedule 1.

Refuse Area: the refuse area in such area as the Landlord shall from time to time designate.

Regulations: the covenants on the part of the Tenant set out in Schedule 5.

Reinstatement Cost: the full cost of reinstatement of the Building as reasonably determined by the Landlord from time to time, taking into account inflation of building costs and including any costs of demolition, site clearance, site protection, shoring up, professional fees and expenses and the costs of any other work to the Building that may be required by law and any VAT on any such costs, fees and expenses.

Rent: Peppercorn.

Rent Payment Dates: 25 March.

Reservations: the rights excepted and reserved to the Landlord in clause 4 and listed in Schedule 3.

Retained Parts: all parts of the Building other than the Property and the Commercial Premises including:

- (a) the main structure of the Building including the roof and roof structures, the foundations, the external walls and internal load bearing walls, the structural timbers, the joists and the guttering;
- (b) all parts of the Building lying below the floor surfaces or above the ceilings;
- (c) all external decorative surfaces of the Building, external doors, door frames and window frames;
- (d) the Service Media at the Building which do not exclusively serve either the Property or the Commercial Premises; and
- (e) all boundary walls fences and railings of the Building.

Rights: the rights granted by the Landlord to the Tenant in clause 3 and listed in Schedule 2.

Service Charge: a fair and reasonable proportion determined by the Landlord of the Service Costs.

Service Costs: the total of:

- (a) all of the costs reasonably and properly incurred of:
 - (i) providing the Services; and
 - (ii) complying with all laws relating to the Retained Parts;
- (b) the reasonably and properly incurred costs fees and disbursements of any managing agent or other person retained by the Landlord to act on the Landlord's behalf in connection with the Building or the provision of the Services;.

Service Media: all media for the supply or removal of heat, smoke, electricity, gas, water, sewage, air-conditioning, energy, telecommunications, television, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

Services

- (a) cleaning, maintaining, repairing, decorating, lighting, securing, heating and replacing the Retained Parts; and
- (b) any service or amenity that the Landlord may in its reasonable discretion (acting in accordance with the principles of good estate management) provide for the benefit of the tenants and occupiers of the Building.

Tenant Covenants: the covenants on the part of the Tenant set out in Schedule 4 and the Regulations.

Tenant's Proportion such reasonable percentage as the Landlord may notify the Tenant from time to time.

Term: a term of 999 years from and including 25 March 2012.

Third Party Rights: all rights, covenants and restrictions affecting the Building.

VAT: value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to the Tenant's personal representatives, successors in title and assigns.
- 1.4 Any obligation in this lease on the Tenant not to do something includes an obligation not to permit or allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.5 Unless the context otherwise requires, references to the **Building**, the **Commercial Premises** and the **Property** are to the whole and any part of it.
- 1.6 Any phrase introduced by the terms **including**, **include**, **in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 A **person** includes a corporate or unincorporated body (whether or not having separate legal personality).
- 1.8 A reference to **writing** or **written** excludes faxes or e-mail.
- 1.9 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.10 A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.11 A reference to a statute or statutory provision shall include any subordinate legislation made from time to time under that statute or statutory provision.
- 1.12 A reference to the **end of the term** is to the end of the term however it ends.
- 1.13 The Schedules form part of this lease and shall have effect as if set out in full in the body of this lease. Any reference to this lease includes the Schedules.

1.14 Clause, Schedule and paragraph headings shall not affect the interpretation of this lease.

1.15 References to clauses and Schedules are to the clauses of and schedules to this lease and references to paragraphs are to paragraphs of the relevant Schedule.

2. GRANT

2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Permitted Use for the Term.

2.2 The grant is made together with the Rights, excepting and reserving the Reservations, and subject to the Third Party Rights.

2.3 The grant is made in consideration of the Tenant paying to the Landlord the sum of **Two Million one hundred and eighty five thousand pounds** (receipt of which the Landlord acknowledges) and covenanting to pay the Landlord the following sums as rent:

- (a) the Rent;
- (b) the Insurance Rent;
- (c) the Service Charge;
- (d) all interest payable under this lease; and
- (e) all other sums due under this lease.

3. THE RIGHTS

3.1 The Landlord grants the Tenant the Rights for all purposes connected with the Permitted Use of the Property, but in each case subject to complying with any Regulations relating to that Right.

3.2 The Rights are granted subject to the Third Party Rights and in so far as the Landlord is able to grant them and in common with:

- (a) the Landlord and all persons authorised by the Landlord; and
- (b) the Commercial Tenant.

3.3 The Tenant shall not be deemed to have acquired any other easement or right over the Building or any neighbouring property other than the Rights and section 62 of the Law of Property Act 1925 shall not apply to this lease.

4. THE RESERVATIONS

- 4.1 The Reservations are excepted and reserved from this lease for the benefit of the Building and to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the Term.
- 4.2 The Reservations may be exercised by the Landlord notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them may result in a reduction in the flow of light or air to the Property or loss of amenity for the Property provided that they do not materially adversely affect the use and enjoyment of the Property for the Permitted Use.
- 4.3 The Reservations shall be construed as extending to the Landlord and all persons authorised by the Landlord or otherwise entitled to exercise the Reservations.

5. TENANT COVENANTS

The Tenant covenants:

- (a) with the Landlord to observe and perform the Tenant Covenants; and
- (b) with the Commercial Tenant to observe and perform the Regulations.

6. LANDLORD COVENANTS

- 6.1 Subject to clause 6.2, the Landlord covenants with the Tenant to observe and perform the Landlord Covenants.
- 6.2 The Landlord shall not be liable to the Tenant for any failure or interruption in the Services where the failure or interruption is outside the Landlord's reasonable control
- 6.3 In any case where the Tenant is aware or should reasonably be aware of a failure or interruption in the Services, the Landlord shall not be liable to the Tenant for the failure or interruption unless and until the Tenant has given the Landlord notice of it and the Landlord has not remedied the failure or interruption within a reasonable time.

7. DESTRUCTION OF BUILDING

- 7.1 If:
- (a) the Building is damaged or destroyed by an Insured Risk;
 - (b) the Property is wholly or partly unfit for occupation and use are damaged or destroyed so as to make the Property inaccessible or unusable; and

- (c) the payment of the insurance monies is not wholly or partly refused because of any act or omission of the Tenant or any undertenant or their respective workers, contractors or agents or any other person at the Property or the Building with the express or implied authority of any of them,

then payment of the Rent, Insurance Rent and Service Charge, or a fair proportion of them according to the nature and extent of the damage, shall be suspended until the Building has been reinstated so as to make the Property fit for occupation and use accessible and usable.

7.2 If for any reason the repair, rebuilding or reinstatement of the Building shall be impossible following damage or destruction by any of the Insured Risks:

- (a) the Landlord's obligation to reinstate the Building contained in paragraph 3 of Schedule 6 shall be deemed to have been discharged;
- (b) the Landlord shall hold all proceeds of the insurance policy of the Building on trust for the Landlord and the Tenant in proportion to their respective interests in the Building at the time of the damage or destruction, as agreed in writing between the Landlord and the Tenant or failing agreement as determined pursuant to clause 7.3; and
- (c) the Landlord shall pay such sums due to the Tenant within three months of agreement or on determination pursuant to clause 7.3.

7.3 Any dispute arising regarding this clause 7 shall be finally determined by arbitration in accordance with the provisions of the Arbitration Act 1996. The tribunal shall consist of one arbitrator appointed by the President for the time being of the Royal Institution of Chartered Surveyors.

8. SET-OFF

The Rent, Insurance Rent, Service Charge and all other amounts due under this lease shall be paid by the Tenant in full without any deduction or withholding other than as required by law. The Tenant shall not be entitled to assert any credit, set-off or counterclaim against the Landlord to justify withholding payment of any sum due.

9. LANDLORD'S CONSENT

9.1 Any consent given by the Landlord under this lease may be granted subject to reasonable conditions.

9.2 No consent given by the Landlord under this lease shall imply that any consent required from a third party has been given and shall not obviate the need to obtain any consent required from a third party.

10. DISPUTES BETWEEN TENANTS

Save for any dispute arising under clause 7, any dispute between the Tenant and the Commercial Tenant in relation to this lease, including any payment of costs, shall be resolved by the Landlord (or such other person as the Landlord shall appoint) whose decision shall be final and binding on the Tenant except on questions of law.

11. JOINT AND SEVERAL LIABILITY

At any time when the Landlord or the Tenant is more than one person, those persons shall in each case be jointly and severally liable for their respective obligations and liabilities arising under this lease. The Landlord may take action against, or release or compromise the liability of, any one of those persons, or grant any time or other indulgence to any one of them, without affecting the liability of any other of them.

12. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

12.1 This lease constitutes the whole agreement between the parties and supersedes all previous agreements between the parties relating to its subject matter.

12.2 Nothing in this clause shall limit or exclude any liability for fraud.

13. NOTICES

13.1 Except where notice is given in an emergency, any notice required to be given under this lease shall be in writing and shall be delivered personally, or sent by pre-paid first class post or recorded delivery, to the other party at its address set out above or as otherwise specified by the relevant party by notice in writing to the other party.

13.2 A correctly addressed notice sent by pre-paid first class post or recorded delivery shall be deemed to have been duly received 48 hours after posting.

13.3 A notice required to be given under this lease shall not be validly given if sent by fax or e-mail.

13.4 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists, or is available, apart from under that Act.

15. VAT

Any obligation to pay money refers to a sum exclusive of VAT and the amount of any VAT payable in addition (whether by the Landlord or by the Tenant) shall be paid by the Tenant to the Landlord.

16. LANDLORD AND TENANT (COVENANTS) ACT 1995

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

17. GOVERNING LAW AND JURISDICTION

17.1 This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

17.2 Save for any dispute arising under clause 7, the parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 The Property

Part of the ground floor and the first floor of the Building known as Lime Wharf, Vyner Street, London E2 9DJ shown coloured yellow on Plan 1 including:

- (a) the internal plaster, plasterboard and surface finishes of all walls;
- (b) the whole of any internal, non-load bearing walls that are entirely within the Property;
- (c) the inner half (severed medially) of the non-load bearing walls dividing the Property from any other parts of the Building;
- (d) the floorboards or other floor surfaces above the joists or other structural floor supports supporting them;
- (e) the ceiling plaster, plasterboard or other ceiling surface below the joists or other structural ceiling supports supporting them;
- (f) the doors and windows and their frames, fittings and glass except the external decorative surfaces and fittings set in external walls;
- (g) all Service Media exclusively serving the Property;
- (h) all Landlord's fixtures and fittings in the Property;

2. The Property shall not include any of the Retained Parts.

Schedule 2 The Rights

1. SHELTER AND PROTECTION

The right of support, shelter and protection from other parts of the Building, to the extent existing at the date of this lease.

2. ACCESS TO AND FROM THE PROPERTY

A right of way for the Tenant and all persons authorised by the Tenant at all times on foot only, over and along those parts of the Common Parts which afford access to and egress from the Property Provided that the Landlord may, at its reasonable discretion, change the route of any means of access to or egress from the Property by giving notice to the Tenant provided it does not make access or egress more difficult.

3. USE OF RETAINED PARTS

The right for the Tenant and all persons authorised by the Tenant:

- (a) to keep and use a dustbin in the Refuse Area for the purpose of depositing normal domestic rubbish;

4. SERVICE MEDIA

The right to use and to connect into any Service Media in the Building that serve the Property and which are in existence at the date of this lease or are installed during the period of [seventy years] from the commencement of the Term (provided that the Landlord may, at its discretion, re-route or replace any such Service Media at any time and the right shall then apply in relation to the Service Media as re-routed or replaced).

5. ACCESS TO OTHER PARTS OF THE BUILDING

The right to enter other parts of the Building with or without agents, professional advisers, workmen and equipment so far as is reasonably necessary to inspect or carry out any works to the Property required or permitted by this lease but at all times subject to compliance with the Conditions for Entry.

Schedule 3 The Reservations

1. SHELTER AND PROTECTION

All rights of support, shelter and protection from the Property to the extent those rights are capable of being enjoyed at any time during the Term.

2. LIGHT AND AIR

All rights of light and air to the extent those rights are capable of being enjoyed at any time during the Term.

3. SERVICE MEDIA

The right to use and to connect into any Service Media at the Property which serve other parts of the Building and which are in existence at the date of this lease or are installed during the period of [seventy years] from the commencement of the Term.

4. ACCESS TO THE PROPERTY

Subject to compliance with the Conditions for Entry, the right to enter the Property with or without agents, professional advisers, workmen and equipment so far as is reasonably necessary:

- (a) to inspect or carry out works to the Retained Parts or the Commercial Premises;
- (b) to inspect, repair, maintain, install, re-route or replace any Service Media serving any other part of the Building;
- (c) to inspect the state of repair and condition of the Property (following which the Landlord may give the Tenant notice of any breach of the Tenant Covenants relating to the repair or condition of the Property);
- (d) to carry out any works needed to remedy the breach set out in any notice served under paragraph 4(c) if the works have not been carried out by the Tenant to the reasonable satisfaction of the Landlord within the time period specified in the notice;
- (e) for any other purpose mentioned in or connected with this lease, the Reservations or the Landlord's interest in the Building.

5. DEVELOPMENT

The full and free right at any time during the Term to develop any part of the Building (other than the Property) and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit.

6. ALTERATION AND SUSPENSION OF RIGHTS

The right to re-route and replace any Service Media at the Building over which Rights are granted.

Schedule 4 Tenant Covenants

1. RENT

- 1.1 To pay the Rent to the Landlord in advance on or before the Rent Payment Date by standing order or by any other method that the Landlord from time to time requires by giving notice to the Tenant.
- 1.2 The first instalment of the Rent shall be paid on the date of this lease and shall be the proportion, calculated on a daily basis, of the Rent payable from the date of this lease until the day before the next Rent Payment Date.

2. SERVICE CHARGE

To pay to the Landlord the Service Charge demanded by the Landlord under paragraph 4 of Schedule 6 by the date specified in the Landlord's notice being no less than 14 days after the date of the notice.

3. INSURANCE

3.1 To pay to the Landlord:

- (a) the Insurance Rent demanded by the Landlord under paragraph 2 of Schedule 6 by the date specified in the Landlord's notice being no less than 14 days after the date of the notice;
- (b) on demand a fair and reasonable proportion, determined by the Landlord of any excess payable under the insurance policy of the Building following the occurrence of an Insured Risk; and
- (c) on demand an amount equal to any insurance money that the insurers of the Building refuse to pay by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Building with the express or implied authority of any of them.

3.2 To give the Landlord notice immediately that:

- (a) any matter occurs in relation to the Tenant or the Building that any insurer or underwriter may treat as material in deciding whether or on what terms, to insure or continue insuring the Building;
- (b) any damage or loss occurs that relates to the Building and arises from an Insured Risk; and
- (c) any other event occurs which might affect any insurance policy relating to the Building.

- 3.3 Not to insure the Building or the Property against any of the Insured Risks in such a manner as would permit the Landlord's insurer to cancel the Landlord's insurance or to reduce the amount of any money payable to the Landlord in respect of any insurance claim.

4. INTEREST ON LATE PAYMENT

To pay interest to the Landlord at the Default Interest Rate on any Rent, Insurance Rent, Service Charge or other payment due under this lease and not paid within twenty one days of the date it is due, for the period from the due date until the date of actual payment, whether before or after judgment.

5. RATES AND TAXES

- 5.1 To pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:

- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; and
- (b) any taxes, other than VAT and IPT, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

- 5.2 To pay:

- (a) a fair and reasonable proportion determined by the Landlord of any such rates, taxes or other impositions that are payable in respect of the Building; and
- (b) a fair and reasonable proportion determined by the Landlord of any such rates, taxes or other impositions that are payable in respect of the Property together with other land (whether or not including any other part of the Building).

6. UTILITIES

- 6.1 To pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

- 6.2 To comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities and the Service Media at or serving the Property.

7. COSTS

To pay to the Landlord on demand the costs and expenses (including any solicitors', surveyors' or other professionals' fees, costs and expenses and any VAT on them) reasonably and properly incurred by the Landlord (both during and after the end of the Term) in connection with or in contemplation of any of the following:

- (a) the enforcement of any of the Tenant Covenants;
- (b) preparing and serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
- (c) preparing and serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- (d) preparing and serving any notice under paragraph 4(c) of Schedule 3; or
- (e) any consent applied for under this lease, whether or not it is granted (except to the extent that the consent is unreasonably withheld or delayed by the Landlord in circumstances where the Landlord is not entitled to unreasonably withhold or delay consent).

8. ASSIGNMENT AND UNDERLETTING

8.1 Within one month of any assignment, underletting, charge, parting with possession of or any other devolution of title to this lease or the Property to serve notice on the Landlord or (if required by the Landlord) the Landlord's solicitors giving details and to:

- (a) provide a certified copy of the transfer or other instrument of devolution of title; and
- (b) pay the Landlord's or the Landlord's solicitor's, reasonable registration fee which shall be no less than Fifty Pounds plus VAT in respect of each document produced.

9. REPAIR AND DECORATION

9.1 To keep the Property in good repair and condition throughout the Term (provided that the Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person at the Property with the express or implied authority of any of them).

9.2 To renew and replace from time to time all Landlord's fixtures and fittings at the Property which may become beyond repair at any time during the Term.

- 9.3 As often as is reasonably necessary and at least every five years, to decorate or treat as appropriate all parts of the inside of the Property that are usually decorated or treated in a good and proper manner, using good quality, suitable materials that are appropriate to the Property and in the last year of the Term to use materials, designs and colours approved by the Landlord.

10. COMPLIANCE WITH LAWS AND NOTICES

- 10.1 To comply with all laws relating to the Property, its use by the Tenant and any works carried out at it.
- 10.2 To comply with all laws relating to the use of the Retained Parts by the Tenant.
- 10.3 To carry out all works that are required under any law to be carried out at the Property (without prejudice to any obligation on the Tenant to obtain any consent under this lease).
- 10.4 Within one week after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) to:
- (a) send a copy of the relevant document to the Landlord; and
 - (b) in so far as it relates to the Property or the Tenant's use of the Retained Parts, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may reasonably require.

11. NOTIFY DEFECTS

To give notice to the Landlord of any defect in or want of repair or damage to the Property or Building for which the Landlord may be responsible under this lease or any law, as soon as the Tenant becomes aware of it.

12. THIRD PARTY RIGHTS

- 12.1 To comply with all obligations on the Landlord relating to the Third Party Rights insofar as they relate to the Property (and the exercise by the Tenant of the Rights) and not do anything (even if otherwise permitted by this lease), that may interfere with any Third Party Right.
- 12.2 To allow the Landlord and any other person authorised by the terms of any Third Party Right to enter the Property in accordance with its terms.

13. REMEDY BREACHES

- 13.1 If the Landlord has given the Tenant notice of any breach of any of the Tenant Covenants relating to the repair or condition of the Property under paragraph 4(c) of Schedule 3, to carry out all works needed to remedy that breach as quickly as possible, and in any event within the time period specified in the notice (or immediately if works are required as a matter of emergency) to the reasonable satisfaction of the Landlord.
- 13.2 If the Tenant has not begun any such works within the time specified in the notice or is not carrying out the works with due speed or has not completed such works to the reasonable satisfaction of the Landlord, to permit the Landlord (without prejudice to the Landlord's other rights in this lease) and all persons authorised by him, to enter the Property and carry out the works needed.
- 13.3 To pay to the Landlord on demand the costs properly incurred by the Landlord in carrying out any works pursuant to this clause (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis).

14. PERMIT ENTRY

To permit all those entitled to exercise any right to enter the Property to do so subject to their compliance with the Conditions for Entry.

15. INDEMNITY

To indemnify the Landlord against all claims, liabilities, costs, expenses (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a standard basis), damages and losses (including any diminution in the value of the Landlord's interest in the Building and loss of amenity of the Building) arising out of or in connection with:

- (a) any breach of any of the Tenant Covenants; or
- (b) any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person at the Property or the Building with the express or implied authority of any of them.

16. RETURNING THE PROPERTY TO THE LANDLORD

At the end of the Term to return the Property to the Landlord in good and substantial repair, condition and decoration and in accordance with the Tenant Covenants.

Schedule 5 The Regulations

1. Not to use the Property for any purpose other than for the Permitted Use or carry on any trade or business at the Property.
2. Not to hold any political meeting or sale by auction at the Property.
3. Not to use the Property for any noisy, offensive, illegal or immoral purpose.
4. Not to do anything at the Property which may be or become a nuisance or annoyance, or cause loss, damage or injury, to the Landlord or the Commercial Tenant or the occupiers of any neighbouring property.
5. Not to bring or keep any inflammable, explosive, dangerous or offensive substances or goods onto the Property or Building.
6. Not to do anything which may cause any insurance of the Building to become void or voidable or which may cause an increased premium to be payable in respect of it (unless the Tenant has previously notified the Landlord and has paid any increased premium).
7. To comply with the requirements and recommendations of the insurers relating to the Property and the exercise by the Tenant of the Rights.
8. Not to overload any structural part of the Building nor any Service Media at or serving the Property or the Building.
9. Not to do anything which may lessen the support or protection given by the Property to other parts of the Building.
10. Not to hang or expose clothes or other articles outside the Property or on any balcony or shake anything out of the windows of the Property.
11. Not to stop up, darken or obstruct any windows at the Property or Building or do anything else which may obstruct the flow of light or air to the Property or any other part of the Building.
12. To clean the windows of the Property as often as is reasonably necessary.

13. Not to sing or dance or play any musical instrument or equipment for making or reproducing sound or to act in such a manner so as to cause annoyance to the Commercial Tenant or any other occupiers of the Building.
14. Not to throw any dirt, rubbish, rags or other refuse into the sinks, baths, lavatories, cisterns or waste soil pipes in the Property.
15. Not to keep or deposit any rubbish at the Building except suitably wrapped and sealed and placed in a dustbin in the Refuse Area.
16. Not to place any "For Sale" or "To Let" sign on the Building without the Landlord's prior written consent.
17. Not to park any vehicles on the external areas of the Retained Parts.
18. To observe and perform the Tenant Covenants contained in:
 - (a) paragraph 9 of Schedule 4; and
 - (b) paragraph 14 of Schedule 4.
19. To comply with all variations of these Regulations and all other reasonable and proper regulations made by the Landlord or its agents from time to time in accordance with the principles of good estate management and notified to the Tenant that relate to:
 - (a) the use of the Retained Parts;
 - (b) the management of the Building and the welfare of its occupants; and
 - (c) the use of any Service Media, structures or other items outside the Building that are used or capable of being used by the Building in common with other land.

Schedule 6 Landlord Covenants

1. QUIET ENJOYMENT

So long as the Tenant pays the rents reserved by and complies with its obligations and covenants in this lease, the Tenant shall have quiet enjoyment of the Property without any lawful interruption by the Landlord or any person claiming under or in trust for the Landlord.

2. INSURANCE

2.1 To effect and maintain insurance of the Building against loss or damage caused by any of the Insured Risks with reputable insurers, on fair and reasonable terms that represent value for money, for an amount not less than the Reinstatement Cost subject to:

- (a) any exclusions, limitations, conditions or excesses that may be imposed by the Landlord's insurer; and
- (b) insurance being available on reasonable terms in the London insurance market.

2.2 To serve on the Tenant a notice giving full particulars of the gross cost of the insurance premium payable in respect of the Building (after any discount or commission but including IPT). Such notice shall state:

- (a) the date by which the gross premium is payable to the Landlord's insurers; and
- (b) the Insurance Rent payable by the Tenant, how it has been calculated and the date on which it is payable.

2.3 In relation to any insurance effected by the Landlord under this clause, the Landlord shall:

- (a) at the request of the Tenant supply the Tenant with:
 - (i) a copy of the insurance policy and schedule; and
 - (ii) a copy of the receipt for the current year's premium
 - (iii)
- (b) notify the Tenant of any change in the scope, level or terms of cover as soon as reasonably practicable after the Landlord has become aware of the change;
- (c) use reasonable endeavours to procure that the insurance policy contains a non-invalidating provision in favour of the Landlord in respect of any act or default of the Tenant or any other occupier of the Building; and

- (d) procure that the interest of the Tenant and its mortgagees are noted on the insurance policy, either by way of a general noting of tenants' and mortgagees' interests under the conditions of the insurance policy or (provided that the Landlord has been notified of any assignment to the Tenant pursuant to paragraph 8.1 of Schedule 4) specifically.

3. REBUILD FOLLOWING DAMAGE OR DESTRUCTION

If the Building or any part of it is damaged or destroyed by an Insured Risk, the Landlord shall:

- (a) promptly make a claim under the insurance policy for the Building;
- (b) notify the Tenant immediately if the Landlord's insurer indicates that the Reinstatement Cost will not be recoverable in full under the insurance policy, and, where appropriate, pursue the Commercial Tenant in respect of any monies that the insurers of the Building refuse to pay by reason of any act or omission of the Commercial Tenant or any undertenant, their workers, contractors or agents or any person at the Building with the express or implied authority of any of them;
- (c) promptly take such steps as may be necessary and proper to obtain all planning and other consents to repair (or as the case may be) rebuild the Building;
- (d) subject to obtaining such consents, use any insurance money received (other than for loss of Rent and any money received from the Tenant under paragraph 3.1(c) of Schedule 4 promptly to repair the damage in respect of which the money was received or (as the case may be) to rebuild the Building; and
- (e) subject to obtaining such consents, provide premises or facilities equivalent in size, quality and layout to those previously at the Building but if the relevant consents cannot be obtained for premises or facilities equivalent in size, quality and layout to those previously at the Building to provide premises and facilities that are reasonably equivalent to those previously at the Building.

4. SERVICES AND SERVICE COSTS

- 4.1 Subject to the Tenant paying the Service Charge, to provide the Services.
- 4.2 To serve on the Tenant a notice giving full particulars of the Service Costs and stating the Service Charge payable by the Tenant and the date on which it is payable as soon as reasonably practical after incurring, making a decision to incur, or accepting an estimate relating to, any of the Service Costs.

- 4.3 To keep accounts, records and receipts relating to the Service Costs incurred by the Landlord and to permit the Tenant, on giving reasonable notice, to inspect the accounts, records and receipts.

5. LEASE OF COMMERCIAL PREMISES

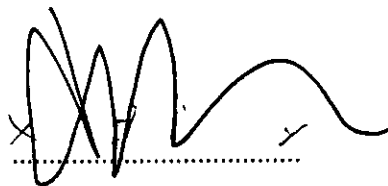
- 5.1 To ensure that every lease of the Commercial Premises granted by the Landlord contains covenants no less onerous than those contained in paragraph 3, paragraph 4, paragraph 6, paragraph 7, paragraph 8, paragraph 9, paragraph 15, paragraph, paragraph 17, and paragraph 19 of the Regulations and appropriate rights of entry for the purposes of repair and maintenance of the Retained Parts and the Property and appropriate provisions for the payment of Service Costs and Insurance Rent failing which the Landlord shall bear such costs in respect of the Commercial Premises.
- 5.2 Until such time as the Landlord grants a lease of the Commercial Premises to maintain and repair the Commercial Premises to the extent that no physical damage is caused to the Property. For the avoidance of doubt, this covenant will automatically lapse once a lease of the Commercial Premises been granted provided such lease requires the Commercial Tenant to maintain and repair the Commercial Premises.

6. ENFORCEMENT OF COVENANTS AGAINST THE COMMERCIAL TENANT

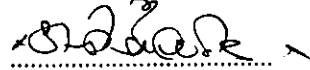
At the written request of the Tenant to enforce or assist the Tenant in enforcing the covenants referred to in paragraph 5.1 against the Commercial Tenant, provided that:

- (a) the Tenant shall indemnify the Landlord in writing against all costs and expenses of such enforcement (including any solicitors', surveyors' or other professionals' costs and expenses, and any VAT on them, assessed on a full indemnity basis);
- (b) the Landlord shall not be required to take any action or incur any costs under this clause until the Tenant has given to the Landlord such security as the Landlord shall in its reasonable discretion require;
- (c) the Tenant shall join in any action or proceedings if so requested by the Landlord.

Executed as a deed by **ALAN**
GEOFFREY DREW
in the presence of:

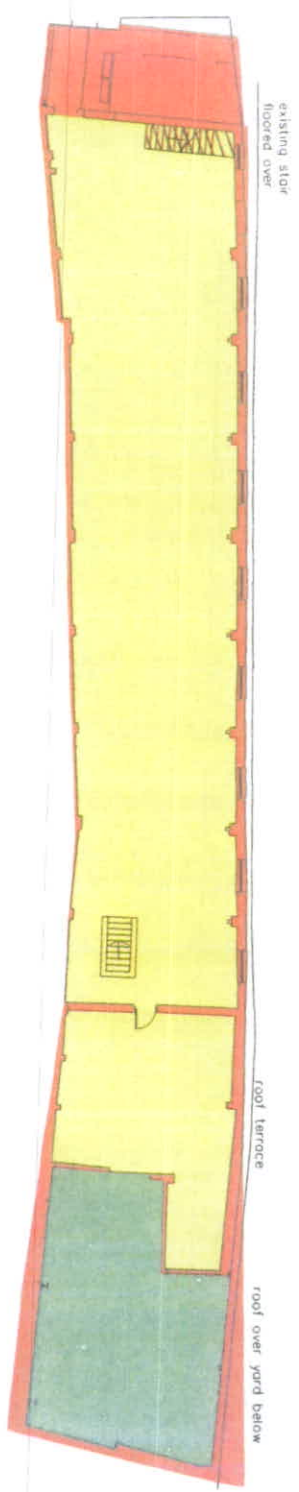


WITNESSES

Signature 
Name ✓ S J COOTE ✓
Address ✓ 64 WAPPING HIGH ST
E1W 2PT
Occupation ✓ BUILDING MANAGER

PLAN No.1

[Handwritten signature]



first floor plan



ground floor plan



Lime Wharf, Vyner Street E2 9DJ
Ground and First Floor Plans

- freehold demise
- leasehold demise 01
- leasehold demise 02
- leasehold demise 03

