

# DAC BEACHCROFT

Dated 26 November 2021

(1) **RLUKREF NOMINEES (UK) ONE LIMITED and  
RLUKREF NOMINEES (UK) TWO LIMITED**

- and -

(2) **WATCHES OF SWITZERLAND COMPANY  
LIMITED**

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**LEASE OF**  
22/24 Eastgate Street and 24, 26 and 28 Eastgate Row,  
Chester, CH1 1LF

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## PARTICULARS

## LAND REGISTRY REQUIRED WORDING FOR PRESCRIBED CLAUSES LEASE

LR1.	Date of lease:	26 November	2021
LR2.	Title number(s):		
LR2.1	Landlord's title number(s):	CH21673	
LR2.2	Other title number(s):	CH143226	
LR3.	Parties to this lease:		
	Landlord:	<b>RLUKREF NOMINEES (UK) ONE LIMITED</b> (Company Registration Number: 10840928) and <b>RLUKREF NOMINEES (UK) TWO LIMITED</b> (Company Registration Number: 10840992) both of whose registered office is at 8 Canada Square, London E14 5HQ in their capacity as nominees for and on behalf of HSBC Bank plc acting in its capacity as depositary for the Royal London UK Real Estate Fund	
	Tenant:	<b>WATCHES OF SWITZERLAND COMPANY LIMITED</b> (Company Registration number: 00146087) whose registered office is at Aurum House, 2 Elland Road, Braunstone, Leicester, LE3 1TT	
LR4.	Property:	<b>In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail</b>  The premises known as 22/24 Eastgate Street and 24, 26 and 28 Eastgate Row, Chester and defined as the <b>Premises</b> in clause 1  The Property is transferred without the benefit of any existing easements other than those which are expressly referred to in schedule 1 Part 1 to this lease	
LR5.	Prescribed statements etc:	None	
LR6.	Term for which the Property is leased:	From and including 26 November	2021 (the "Term Commencement Date")
		To and including 25 November	2031
LR7.	Premium:	None	
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 easement(s) set out in schedule 1 part 1 to this lease
- LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property:** The easement(s) set out in schedule 1 part 2 to this lease
- LR12. Estate rentcharge burdening the Property:** None
- LR13. Application for standard form of restriction:** None
- LR14. Declaration of trust where there is more than one person comprising the Tenant:** Not applicable

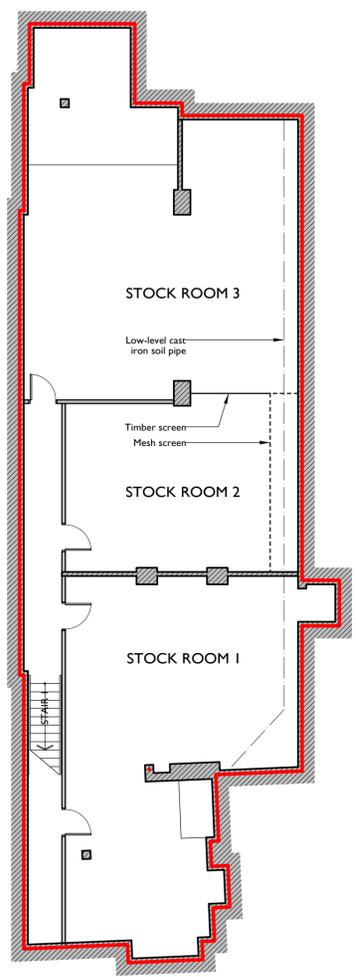
#### **OTHER PARTICULARS**

- Initial Rent:** the yearly rent of two hundred thousand pounds (£200,000)
- Rent Commencement Date:** the date three (3) months after the Term Commencement Date
- Review Date:** 26 November 2026 (being the fifth anniversary of the Term Commencement Date)
- Tenant's Break Date(s):** 25 November 2026 (being the day immediately before the fifth anniversary of the Term Commencement Date)
- 1954 Act contracted out?** No

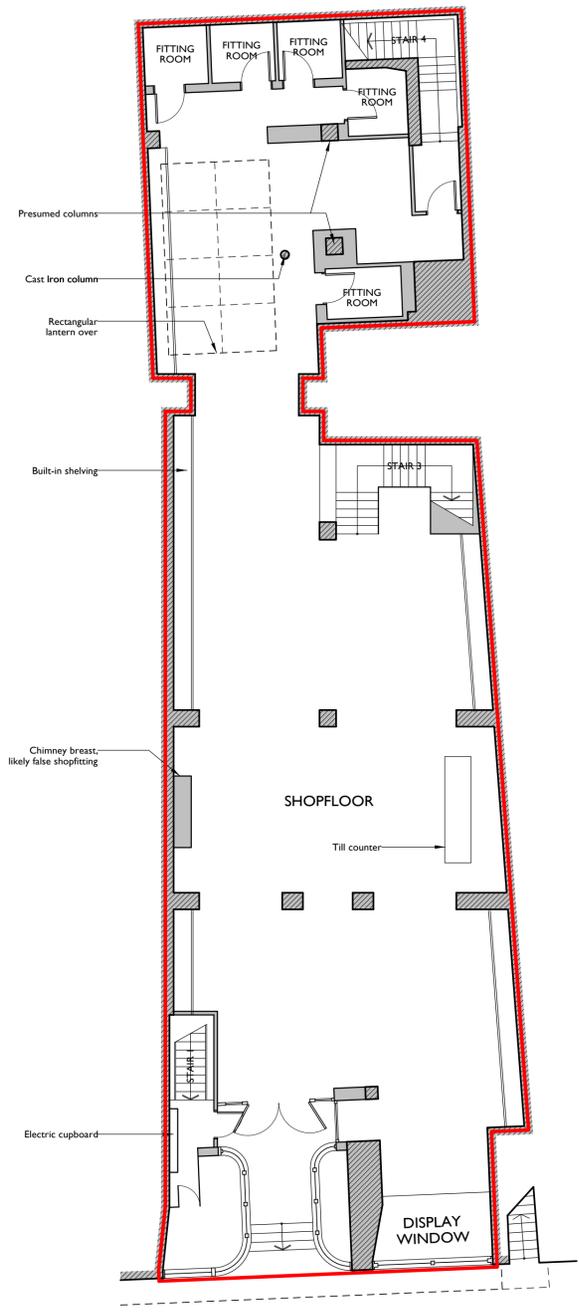
# DEMISE PLAN

COPYRIGHT IN THIS DRAWING REMAINS WITH KITSON ARCHITECTURE LIMITED		
DO NOT SCALE TO ASCERTAIN DIMENSIONS		
Rev.	Description	Date
A	Updated following site visit	15 03 2021
B	Amended red line to suit FRI type lease	06 04 2021

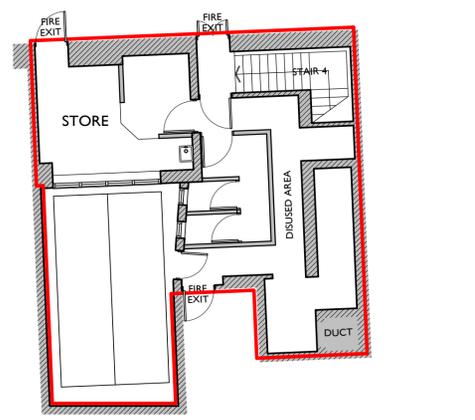
Craig Bolton



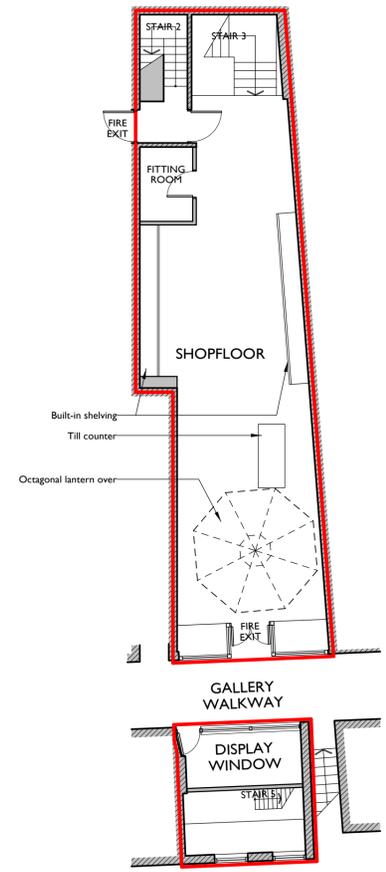
BASEMENT



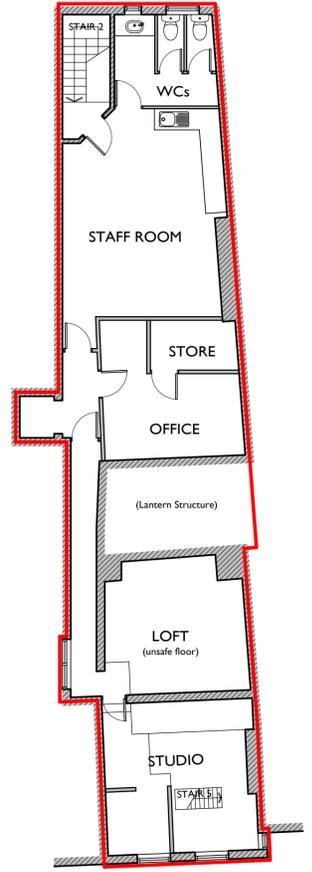
GROUND FLOOR



FIRST FLOOR

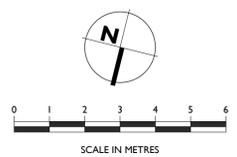


SECOND FLOOR



EASTGATE STREET

NOT FOR CONSTRUCTION



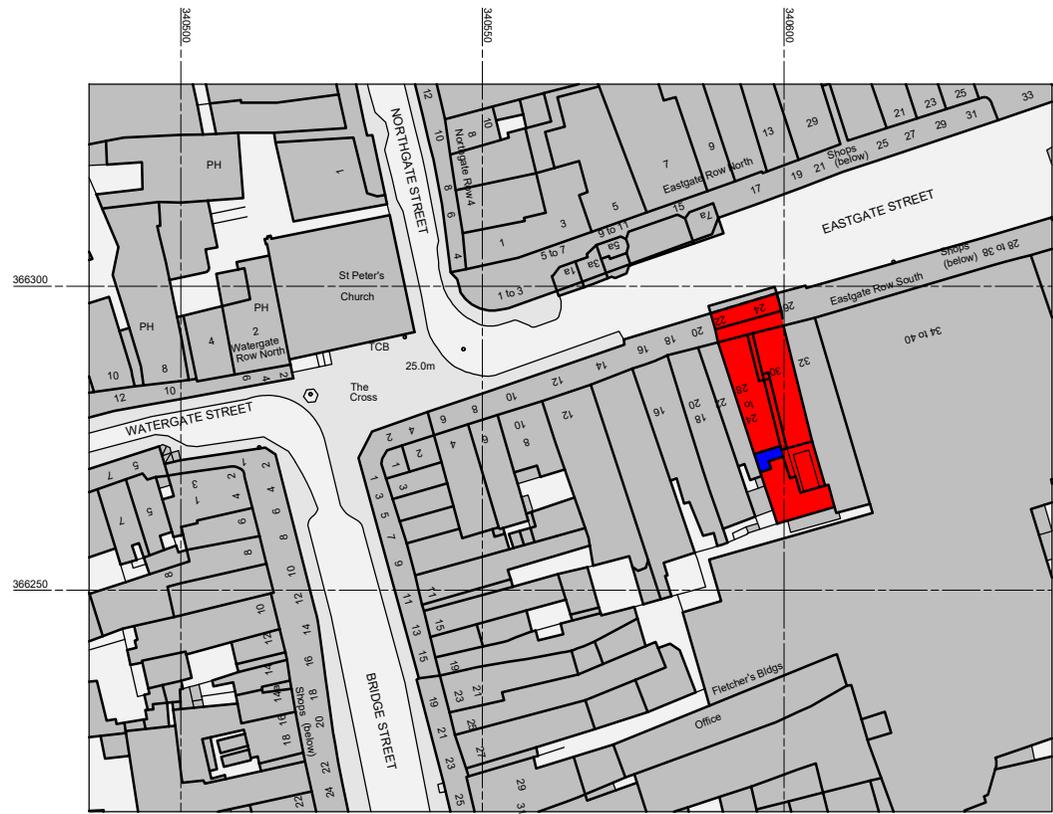
Client JLL	
Project 22-24 EASTGATE STREET, CHESTER	
Drawing Title DEMISE PLANS	
Drawing Number 437-010	Revision B
Status INFORMATION	Author DMP
Scale @ A1 1:100	Date 18 01 2021

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**KITSON**  
ARCHITECTURE

LOCATION PLAN

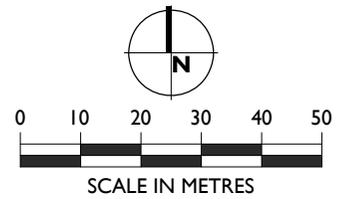
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DO NOT SCALE TO ASCERTAIN DIMENSIONS		
REV	DESCRIPTION	DATE
A	First floor courtyard area indicated	07 04 21

- EXTENT OF DEMISE AT STREET LEVEL (GROUND FLOOR)
- INTERNAL COURTYARD AREA AT FIRST FLOOR



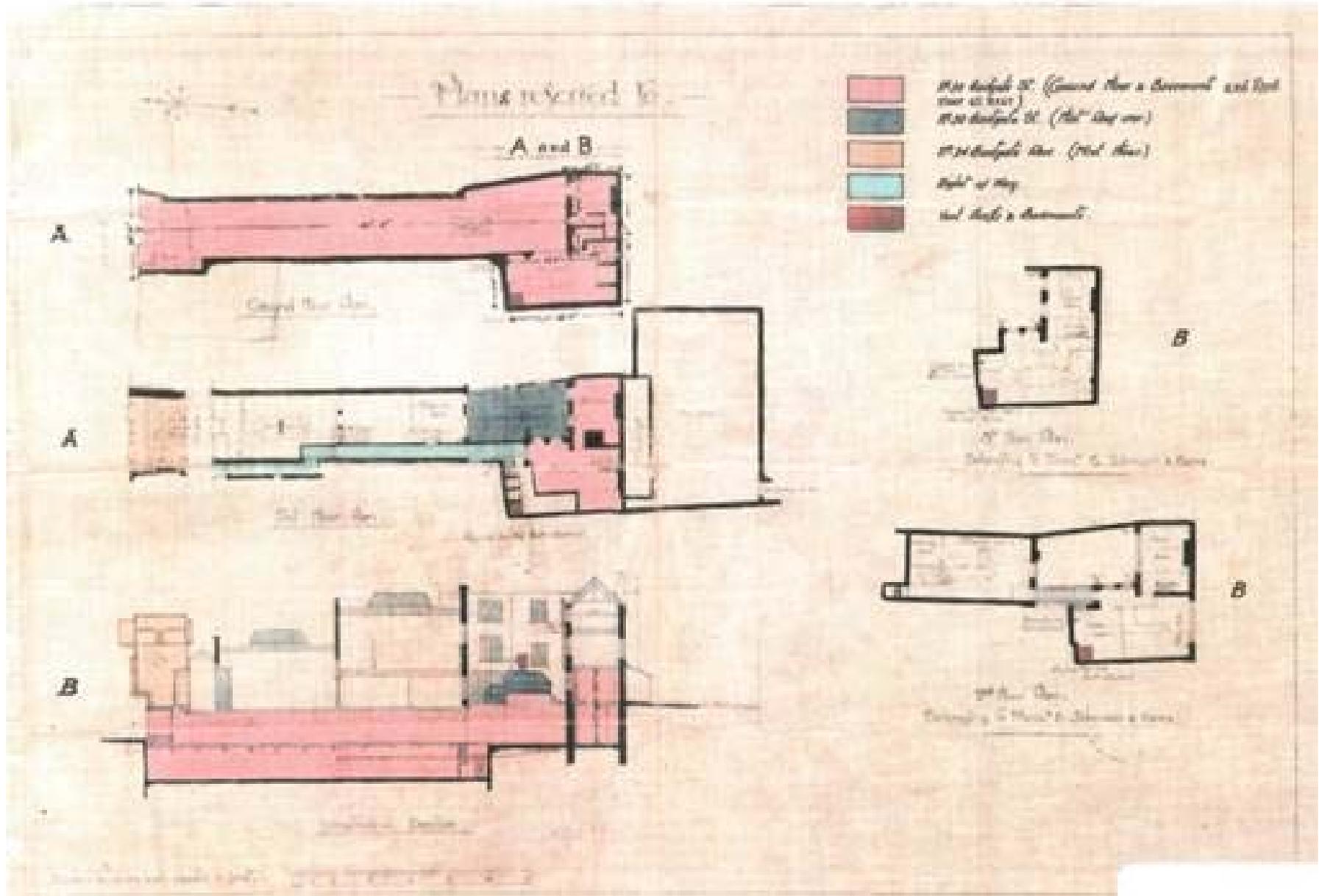
Client <b>JLL</b>	
Project <b>22-24 EASTGATE STREET, CHESTER</b>	
Drawing Title <b>LOCATION PLAN</b>	
Drawing Number <b>437-001</b>	Revision <b>A</b>
Status <b>INFORMATION</b>	Author <b>DMP</b>
Scale @ A4 <b>1:1250</b>	Date <b>16 03 2021</b>

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Passageway Plan

Craig Bolton



**THIS LEASE** is made between the Parties on the date stated in LR1.

## **PART 1 - DEFINITIONS AND INTERPRETATION**

### **1. DEFINITIONS**

In this Lease the following definitions apply:

**1954 Act** the Landlord and Tenant Act 1954;

**1986 Act** the Insolvency Act 1986;

**1995 Act** the Landlord and Tenant (Covenants) Act 1995;

**AGA** an authorised guarantee agreement (within section 16 of 1995 Act) in accordance with clause 11.4.2.1;

**Authority** any statutory, public, local or other competent authority or a court or tribunal of competent jurisdiction;

**Base Rate** the annual base rate from time to time of Barclays Bank plc (or of such other bank as the Landlord may give notice from time to time);

**Business Day** any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory bank holiday;

**Conduit** any media for the passage or transmission of substances, energy or information and any ancillary equipment or structures;

**Contractual Term** the term stated in LR6;

**Courtyard** the area shown coloured blue on the plan annexed and titled "Location Plan" and numbered 437-001, Revision A;

**Depositary** HSBC Bank PLC (company number 00014259) whose registered office is at 8 Canada Square, London E14 5HQ;

**End of the Term** the date of the expiry or earlier termination of the Term (however it arises);

**Environmental Performance** the efficiency of :

- (a) the consumption of energy and associated generation of greenhouse gas emissions;
- (b) the consumption of water;
- (c) waste generation and management; and
- (d) the consumption of other resources;

involved in the development, use and/or operation of the Premises measured by the extent to which the climatic or environmental impact of such development use and/or operation are minimised or ameliorated;

**EPC** an energy performance certificate and any recommendation report as defined in the Energy Performance of Buildings (England and Wales) Regulations 2012 including any associated reports and recommendations (and including any similar or subsequent rating documentation);

**External Decorating Years** every third year of the Term;

**Fund** Royal London UK Real Estate fund as registered with the Financial Conduct Authority on 3 February 2017;

**Group Company** a company that is a member of the same group as the Tenant as defined

by section 42 of 1954 Act;

**Guarantor** anyone stated to be "Guarantor" in LR3 and anyone else who enters into covenants with the Landlord to guarantee the Tenant's obligations in this Lease;

**Insolvent** any one or more of the following applies in relation to the Tenant or a Guarantor:

- (a) it is unable to pay its debts (as defined in the 1986 Act);
- (b) it is wound-up or it ceases to exist or is dissolved or is removed from the Register of Companies;
- (c) it has a subsisting winding up petition or an application for an administration order presented against it;
- (d) it is the subject of a notice of appointment of an administrator or a notice of intention to appoint an administrator;
- (e) it passes a winding-up resolution (except in connection with a members' voluntary winding up for the purposes of an amalgamation or reconstruction which the Landlord has previously approved);
- (f) it calls a meeting of its creditors to consider a resolution that it be wound-up voluntarily or resolves to present its own winding-up petition;
- (g) an administrative receiver or a receiver or a receiver and manager or any of them is appointed in respect of all or any part of its property;
- (h) it, or a nominee on its behalf, calls a meeting of its creditors or any of them or makes an application to the court under section 896 of the Companies Act 2006 or submits to its creditors or any of them a proposal pursuant to Part 1 of the 1986 Act or enters into any arrangement, scheme, compromise, moratorium or composition with its creditors or any of them;
- (i) he is an individual and he makes an application to the court for an interim order under Part VIII of the 1986 Act or convenes a meeting of his creditors or any of them or enters into an arrangement, scheme, compromise, moratorium or composition with his creditors or any of them or has a bankruptcy petition presented against him or is adjudged bankrupt in any jurisdiction;
- (j) it is the subject of the levying of any execution or other process taking control of possession of its goods at the Premises;
- (k) it suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business;

and in relation to each of those events mentioned above the occurrence of an analogous event in whatever jurisdiction applies to the Tenant or Guarantor (as applicable);

**Insurance** insurance with a reputable insurer subject to such excesses, exclusions and limitations as may apply covering:

- (a) the Premises against the Insured Risks for the full reinstatement cost including all applicable VAT and ancillary costs (including site clearance and professional fees) and appropriate allowance for inflation;
- (b) breakdown of Plant belonging to the Landlord not covered by paragraph (a);
- (c) Loss of Rent;
- (d) third party and public liability of the Landlord;

**Insurance Rent** all sums payable by the Tenant pursuant to clause 22.2;

**Insured Risks** risks of loss or damage by fire, aircraft, articles dropped from aircraft, explosion, earthquake, riot, civil commotion, storm, lightning, flood, escape of water, impact, malicious damage, terrorism and such other risks against which the Landlord insures (acting reasonably and in accordance with the principles of good estate management);

**Interest** interest at the Interest Rate (both before and after any judgment) calculated on a daily basis from the due date of the relevant payment to and including the date upon which payment is made;

**Interest Rate** four per cent (4%) per annum above Base Rate;

**Internal Area** the gross interior area (or, when implemented, the equivalent International Property Measurement Standard) measured in accordance with the edition of the Professional Statement for Property Measurement issued by the Royal Institution of Chartered Surveyors current at the date of the measurement;

**Internal Decorating Years** every fifth year of the Term;

**Landlord** as stated in LR3 and includes any person for the time being entitled to the immediate reversion to this Lease;

**Lease** this lease and any document supplemental or collateral to it whether or not expressly stated to be so;

**Legal Obligation** any obligation arising under any present or future statute, statutory instrument, directive, code of practice, regulation, order, notice, direction or requirement of any Authority or under common law, irrespective of the person on whom such obligation is imposed;

**Liabilities** costs, damages, losses and liabilities incurred or suffered by the Landlord;

**Loss of Rent** the loss of Yearly Rent (taking into account any estimated increase which might follow a review) during the Risk Period;

**Nominees** RLUKREF Nominees (UK) One Limited (Co No 10840928) and RLUKREF Nominees (UK) Two Limited (Co No 10840992) both of whose registered office is at 8 Canada Square, London E14 5HQ;

**Outgoings** all existing and future rates, levies, duties, financial impositions and taxes, and all charges for utilities and other services, and all other outgoings;

**Party** a party to this Lease;

**Passageway Plan** the plan annexed to this Lease and marked "Passageway Plan";

**Permitted Underlease** an underlease which:

- (a) is granted without any fine or premium payable by any party;
- (b) reserves a rent at least equal to the open market rent at the time of its grant;
- (c) incorporates provisions for the review of the rent at the same times and on the same basis as in this Lease;
- (d) incorporates the provisions contained in clause 11.6 of this Lease;
- (e) is in a form consistent with this Lease except that further underletting shall be prohibited;
- (f) requires the undertenant to obtain the Landlord's consent (as well as the Tenant's) to any proposed assignment of the underlet premises;

- (g) creates a tenancy which is excluded from the operation of sections 24-28 of the 1954 Act and the requirements in section 38A(3) of the 1954 Act are met before the earlier of the underlease being granted and the undertenant becoming contractually bound to enter into the underlease;

**Permitted Use** use as a high quality retail shop within paragraph (a) of Class A1 of the Schedule to the Town and Country Planning (Use Classes) Order 1987 (as that Order exists at 31 August 2020) for the retail sale of quality watches and associated merchandise together with ancillary offices and storeroom or such other use within paragraph (a) of Class A1 of the Schedule to that Order (as that Order exists at 31 August 2020) to which the Landlord may consent (such consent not to be unreasonably withheld or delayed but it shall not be deemed to have been unreasonably withheld if withheld on the ground that the Landlord considers (acting reasonably) the proposed new use to be contrary to the principles of tenant mix or good estate management);

**Plant** plant, machinery, equipment and systems;

**Premises** the premises known as 22/24 Eastgate Street and 24, 26 and 28 Eastgate Row, Chester as shown edged red on the plan annexed to this Lease and titled "Demise Plans" and numbered 437-010 Revision B and also shown for location purposes only on the plan annexed to this Lease and titled "Location Plan" and numbered 437-001, Revision A and all and any part of such property including:

- (a) the Conduits and Plant within or otherwise exclusively serving, the Premises except those belonging to the utility companies;
- (b) any fixtures, additions, alterations or improvements;

but excluding the airspace above the building on the land;

**Quarter Days** 25<sup>th</sup> March, 24<sup>th</sup> June, 29<sup>th</sup> September and 25<sup>th</sup> December in each calendar year and **Quarter Day** means any one of them;

**Regulations** any regulations for the management of the Premises and its use and occupation in the form supplied to the Tenant in writing from time to time and as varied or added to by the Landlord (acting at all times reasonably and in accordance with the principles of good estate management);

**Rent Commencement Date** as stated in the Other Particulars;

**Rents** the sums reserved by clause 3.3;

**Risk Period** the period of three (3) years or, if longer, the period for which the Landlord (acting reasonably) has effected insurance against Loss of Rent, in either case starting on the date of the relevant damage;

**Schedule of Condition** the schedule to be agreed between the parties as soon as practicable after the date of the lease and to be appended to this lease (and its counterpart);

**Tenant** as stated in LR3 and includes its successors in title;

**Tenant's Act** any act, neglect or default of the Tenant, anyone deriving title through the Tenant or anyone at the Premises with the authority of either of them;

**Term** the Contractual Term and any statutory continuation of it;

**Uninsured Risk** a risk specified in the definition of Insured Risks which is not insured because insurance is not available in the UK insurance market either at all or at a reasonable rate or on reasonable terms or is not insured by reason of any exclusion or limitation (other than any excess or deductible) imposed by the Landlord's insurers but does not include any risk arising by reason of a Tenant's Act;

**VAT** value added tax and any tax of a similar nature substituted for, or in addition to, it;

**Yearly Rent** the Initial Rent (subject to review in accordance with schedule 3 to this Lease).

## 2. INTERPRETATION

In this Lease:

- 2.1 Reference to a statute or statutory instrument includes all subordinate legislation made under it and any re-enactment, amendment or consolidation of it which is for the time being in force (unless expressly provided otherwise);
- 2.2 A consent of the Landlord shall not be valid unless it is given by deed or it:
  - 2.2.1 is given in writing and signed by a person duly authorised on behalf of the Landlord; and
  - 2.2.2 expressly states that the Landlord waives the requirement for a deed in that particular case;
- 2.3 If a waiver is given under clause 2.2.2, it will not affect the requirement for a deed for any other consent;
- 2.4 An approval of the Landlord shall not be valid unless it is in writing;
- 2.5 Where any provision in this Lease requires the consent or approval of the Landlord such provision shall be construed as also requiring (where applicable) the consent of any mortgagee of the Landlord and of any superior landlord but without implying any obligation on their part not unreasonably to withhold consent;
- 2.6 Reference to any right exercisable by the Landlord or any right exercisable by the Tenant in common with the Landlord is to be construed as including where appropriate reference to the exercise of the right by any superior landlord and all persons authorised by it in common with all other persons having a like right;
- 2.7 Any person undertaking an obligation under or by virtue of this Lease which is a 'landlord covenant' for the purposes of the 1995 Act does so only until the date of the transfer by deed or operation of law (and not, where applicable, the date of registration at the Land Registry) of the immediate reversion to this Lease to another person;
- 2.8 If a Party comprises more than one person their obligations and liabilities are joint and several, and any person who has executed this Lease (or a counterpart of it) shall be bound by its terms even if any other person may not have executed it or may not be so bound;
- 2.9 An obligation by a Party not to do something includes an obligation not to allow it to be done;
- 2.10 Any works (whether of repair, decoration, alteration or otherwise) that the Tenant is permitted or obliged to carry out in accordance with this Lease shall be carried out with good quality materials and in accordance with good modern practice;
- 2.11 A person exercising any right of entry granted or reserved under this Lease shall:
  - 2.11.1 give reasonable prior notice to the relevant Party (except in emergency);
  - 2.11.2 exercise the right in a manner which causes as little damage and inconvenience as is practicable in the circumstances; and
  - 2.11.3 make good any physical damage caused as soon as is reasonably practicable;

- 2.12 Headings are for ease of reference only;
- 2.13 References to a schedule are to a schedule to (and form part of) this Lease (unless expressly provided otherwise);
- 2.14 A provision of this Lease which is void or unenforceable shall be severed from all other provisions of this Lease and the remaining provisions shall continue to have effect;
- 2.15 The words and expressions contained in the Particulars and Other Particulars have the meanings specified there but as further defined (if applicable) in clause 1 and elsewhere in this Lease;
- 2.16 Any references to **includes**, **include** or **including** are deemed to be followed by the words "without limitation".

## **PART 2 - DEMISE**

### **3. DEMISE**

The Landlord demises the Premises to the Tenant with full title guarantee for the Contractual Term:

- 3.1 together with the rights set out in schedule 1 part 1 (but to the exclusion of all other rights) except and reserving to the Landlord as set out in schedule 1 part 2;
- 3.2 subject to all matters set out in the title number(s) specified in LR2.1 and all other rights, covenants, liabilities and other matters affecting the Premises;
- 3.3 yielding and paying as rent to the Landlord:
  - 3.3.1 the Yearly Rent by equal quarterly payments in advance on the Quarter Days in every year and proportionately for any part of a year, the first payment being a due proportion to be made on the Rent Commencement Date for the period commencing on the Rent Commencement Date and ending on the day before the next Quarter Day;
  - 3.3.2 the Insurance Rent in accordance with clause 22.2;
  - 3.3.3 any VAT chargeable on any supply of goods or services made pursuant to this Lease, such payment to be made at the same time as payment is due for the supply;
  - 3.3.4 any Interest payable under this Lease.

## **PART 3 - TENANT'S OBLIGATIONS**

### **4. PAYMENT OF RENTS**

- 4.1 The Tenant shall pay to the Landlord the Rents without deduction or set-off in accordance with clause 3.3 and, to the extent so required by the Landlord, by direct transfer of cleared funds to such bank account as the Landlord directs.
- 4.2 The Tenant shall ensure that all payments due to the Landlord under this Lease are accompanied by remittance advice specifying the name of the Landlord and the nature of the payment being made and the period to which it relates.
- 4.3 The Tenant shall comply with its obligations in relation to rent review in schedule 3.

### **5. OUTGOINGS**

- 5.1 The Tenant shall promptly pay (and where appropriate indemnify the Landlord against):

- 5.1.1 all Outgoings due in respect of or attributable to the Premises (except any Outgoings arising from any dealing with the reversion to this Lease or the receipt of the Rents); and
  - 5.1.2 the loss of rating relief available on unoccupied property at the End of the Term and which is not available by reason of any prior claim of the Tenant; and
  - 5.1.3 a fair proportion (to be determined by the Landlord acting reasonably and in accordance with the principles of good estate management) of the cost of inspecting, maintaining, repairing, lighting, cleaning and renewing all roads, paths, Conduits, walls, fences, structures and other areas or items common to or used, or available for use, in common by the Premises and other property.
- 5.2 The Tenant shall not make any proposal to alter the rateable value of the Premises or that value as it appears in any draft rating list without the prior approval of the Landlord.

## **6. REPAIR AND CONDITION**

- 6.1 The Tenant shall (subject to the provisions of clause 6.2):
- 6.1.1 keep the Premises in good and substantial repair and condition;
  - 6.1.2 keep all Plant and Conduits comprised in the Premises in good working order;
  - 6.1.3 replace where beyond economic repair any of the Landlord's fixtures in the Premises;
  - 6.1.4 maintain the Premises at all times in a clean, neat and tidy condition;
  - 6.1.5 clean the glass in the Premises as often as reasonably required;
  - 6.1.6 keep the Premises in good decorative condition and in any event in the Internal Decorating Years and the External Decorating Years and also in the last three (3) months of the Term, decorate the interior and the exterior of the Premises in accordance with the Landlord's reasonable requirements; and
  - 6.1.7 enter into contracts with such contractors as the Landlord shall stipulate or, if the Tenant so wishes, with such other contractors as the Landlord shall have first approved (such approval not to be unreasonably withheld or delayed) for the maintenance and regular servicing of all Plant exclusively serving the Premises.

Provided Always That the Tenant shall at no time be obliged to put or keep the Property in any better state of repair and/or condition than that evidenced by the Schedule of Condition.

- 6.2 The Tenant shall not be liable to repair the Premises where damaged by:
- 6.2.1 an Insured Risk unless and to the extent that the Insurance has been vitiated or any Insurance proceeds withheld in consequence of a Tenant's Act;
  - 6.2.2 an Uninsured Risk so as to render the Premises unfit for occupation or use or inaccessible.
- 6.3 The Tenant shall carry out the works required to remedy any breach of the Tenant's obligations relating to the repair and condition of the Premises within two (2) months

of receipt of notice from the Landlord of any such breach and, if the Tenant fails to do so and the Landlord enters the Premises and carries out such work, the Tenant shall within five (5) Business Days of written demand pay to the Landlord as a debt all costs which the Landlord so incurs.

## **7. ALTERATIONS**

- 7.1 The Tenant shall not make any addition or alteration to the Premises unless permitted by this clause 7.
- 7.2 The Tenant may with the Landlord's prior consent (which shall not be unreasonably withheld or delayed) make internal non-structural alterations to the Premises which do not:
- 7.2.1 affect structural integrity or the external appearance of the Premises;
  - 7.2.2 change the Internal Area of the Premises;
  - 7.2.3 interfere with the operation of Conduits or Plant; or
  - 7.2.4 have an adverse impact on the Environmental Performance of the Premises or Conduits or Plant within the Premises or invalidate, or adversely affect the asset rating in, any EPC for the Premises;
- 7.3 An application to the Landlord for consent shall be accompanied by drawings and specifications (in triplicate) showing the proposed alterations and the Landlord may when giving consent impose such conditions for carrying out the proposed alterations as the Landlord reasonably requires.
- 7.4 Notwithstanding clause 7.2, the Tenant may without the consent of the Landlord install and remove demountable partitioning if:
- 7.4.1 it does not interfere with the operation of Conduits or Plant;
  - 7.4.2 it does not have an adverse impact on the Environmental Performance of the Premises or Conduits or Plant within the Premises or invalidate, or adversely affect the asset rating in, any EPC for the Premises;
  - 7.4.3 it does not materially affect any means of escape from the Premises in case of emergency; and
  - 7.4.4 the Tenant provides drawings of the proposed partitioning to the Landlord no later than ten (10) Business Days before such installation;
- and any such partitioning installed by the Tenant shall be and remain a tenant's fixture for all purposes of this Lease.
- 7.5 Notwithstanding clause 7.2, the Tenant may without the consent of the Landlord make the following alterations to the Tenant's internal fit out of the Premises:
- 7.5.1 change any colour scheme;
  - 7.5.2 change internal display cabinets; and/or
  - 7.5.3 change window displays.
- 7.6 The Tenant shall not change the external appearance of the Premises without the Landlord's approval (such approval not to be unreasonably withheld or delayed).
- 7.7 The Tenant shall comply with any reasonable Regulations that the Landlord may reasonably require for the purpose of carrying out works to the Premises.

## **8. SHOP FRONT AND DISPLAYS**

The Tenant shall:

- 8.1 keep all display windows and showcases of the Premises clean, neat and tidy and attractively and suitably dressed;
- 8.2 keep the shop front and displays of the Premises illuminated at such times as the Landlord shall reasonably require;
- 8.3 not cause any spot or floodlights in the shop window of the Premises to face outwards from the Premises.

## **9. SIGNS**

The Tenant shall:

- 9.1 (save to the extent permitted by this clause 9 or by the Regulations) not, without the prior consent of the Landlord (not to be unreasonably withheld or delayed), erect or alter any exterior lighting, shade, canopy, awning, or window box or paint, affix, display or alter any sign which is visible from outside the Premises provided that no consent shall be required for professionally prepared:
  - 9.1.1 charge and credit card signs not exceeding fifteen (15) centimetres by twelve (12) centimetres in size; or
  - 9.1.2 temporary signs which do not obscure more than fifteen per cent (15%) of the shop front glazing so long as they are affixed on the inside surfaces of such glazing;
- 9.2 at all times display and maintain on the shop front fascia board of the Premises a high quality, suitable sign showing the Tenant's trading name of a design, specification and size and in a location within the shop front first approved by the Landlord (not to be unreasonably withheld or delayed);
- 9.3 not display any sign relating to the end of the Term or the closing down of the business conducted at the Premises.

## **10. USE**

10.1 The Tenant shall not:

- 10.1.1 use the Premises:
  - 10.1.1.1 otherwise than for the Permitted Use;
  - 10.1.1.2 in a manner which may be or become or cause an actionable nuisance, disturbance, injury or damage to the Landlord or to any other person or property;
  - 10.1.1.3 for any auction, public meeting, public exhibition or show;
  - 10.1.1.4 for any dangerous, noisy or offensive purpose or for anything illegal or immoral;
  - 10.1.1.5 for the business of a sex shop, betting office, charity shop, or undertakers or for use as a market;
  - 10.1.1.6 for a gaming arcade or premises where the visiting public is visiting primarily for the purpose of being entertained or gaming;
  - 10.1.1.7 for the sale or service of wines, spirits, beers or any

intoxicating liquor;

- 10.1.2 conduct or allow any closing down sale or liquidation sale in the Premises other than a bona fide closing down sale not exceeding three (3) months in length immediately prior to a permitted assignment of the Premises or the end of the Term;
  - 10.1.3 overload any part of the Premises;
  - 10.1.4 play or use any equipment or apparatus which produces sound which is audible outside the Premises;
  - 10.1.5 store or bring upon the Premises anything of a combustible or especially inflammable nature;
  - 10.1.6 use any Conduits or Plant serving the Premises beyond their capacity or in a manner which may interfere with their operation;
  - 10.1.7 discharge any noxious matter;
  - 10.1.8 leave, display or store anything outside the building(s) on the Premises;
  - 10.1.9 use Plant in the Premises in a manner which is audible outside the Premises;
  - 10.1.10 install within the Premises any electronic communications apparatus (as defined in the electronic communications code as set out in Schedule 3A of the Communications Act 2003 as amended by Schedule 1 of the Digital Economy Act 2017) other than a single cable used for the purposes of the Tenant's lawful business in connection with the Permitted Use;
  - 10.1.11 obstruct emergency escape doors or routes or use them except in emergency;
  - 10.1.12 load or unload goods or carry out servicing other than in accordance with the Regulations.
- 10.2 The Tenant shall:
- 10.2.1 comply with the Regulations;
  - 10.2.2 keep refuse in any refuse areas allocated from time to time by the Landlord in suitable containers available for collection in the manner specified from time to time by the Landlord;
  - 10.2.3 take due precautions to avoid water freezing in Conduits within the Premises;
  - 10.2.4 secure the Premises against intrusion when not in use.

## **11. ALIENATION**

### **Qualified Prohibition**

- 11.1 The Tenant shall not assign, underlet, charge, part with or share possession or occupation of the whole or any part of the Premises except in accordance with the following provisions of this clause 11.

### **Group Sharing**

- 11.2 The Tenant may share occupation of the Premises with a Group Company while that company remains a Group Company and provided that:

- 11.2.1 no tenancy is created;
- 11.2.2 the Premises retain the appearance of a single shop;
- 11.2.3 the Group Company shall carry on the same trade or business as that authorised by this Lease; and
- 11.2.4 within fifteen (15) Business Days of starting to share occupation, the Tenant gives notice to the Landlord of the name, company number and registered office of the Group Company.

### Assignment

- 11.3 The Tenant may assign the whole of the Premises with the prior consent of the Landlord (which shall not be unreasonably withheld or delayed) in accordance with this clause 11.
- 11.4 It is agreed that, for the purposes of section 19(1A) of the Landlord and Tenant Act 1927:
  - 11.4.1 the Landlord may withhold its consent to an assignment if the proposed assignee is:
    - 11.4.1.1 in the reasonable opinion of the Landlord unlikely to be able to comply with the Tenant's obligations in this Lease;
    - 11.4.1.2 a Group Company and in the Landlord's reasonable opinion the assignee when assessed together with any proposed guarantor (excluding any guarantor pursuant to an AGA) is unlikely to be able to comply with the Tenant's obligations in this Lease;
    - 11.4.1.3 a person who, immediately before the proposed assignment, is a guarantor of the Tenant's obligations under this Lease or a guarantor of the obligations given by a former tenant of this Lease under an AGA;
    - 11.4.1.4 domiciled overseas in the case of an individual or not incorporated in the United Kingdom in the case of a company or a limited liability partnership or other corporation unless:
      - 11.4.1.4.1 domiciled or incorporated in a jurisdiction where reciprocal enforcement of judgments exists; and
      - 11.4.1.4.2 on or before the date of the assignment the assignor Tenant enters into an AGA or the proposed assignee if reasonably required by the Landlord procures a deed of covenant with the Landlord in the form of the guarantor's covenants set out in clause 34 and schedule 2 with such amendments as the Landlord may reasonably require from a guarantor reasonably acceptable to the Landlord who is domiciled or which is incorporated in the United Kingdom;
  - 11.4.1.5 able to claim diplomatic or state immunity except where the proposed assignee is the government or any government department of the United Kingdom;

- 11.4.2 any consent to an assignment by the Landlord may be made subject to all or any of the conditions set out below:
- 11.4.2.1 where reasonably required by the Landlord in the circumstances, the assignor Tenant first enters into an AGA which:
- 11.4.2.1.1 relates to all of the Tenant's obligations in this Lease;
- 11.4.2.1.2 applies to the period beginning on the date on which the assignee becomes bound by the Tenant's obligations in this Lease and ending on the date on which the assignee is released from those obligations by virtue of the 1995 Act;
- 11.4.2.1.3 imposes principal obligor liability on the assignor Tenant;
- 11.4.2.1.4 requires (in the event of a disclaimer of this Lease) the assignor Tenant to enter into a new lease of the Premises for a term commencing on the date of the disclaimer and ending on the date when the contractual term of this Lease would have expired; and
- 11.4.2.1.5 is otherwise substantially in the form of the guarantor's covenants set out in clause 34 and schedule 2 with such amendments as the Landlord may reasonably require;
- 11.4.2.2 any guarantor for the assignor Tenant if reasonably required by the Landlord joins in the AGA to guarantee (in a form reasonably required by the Landlord) the obligations of the assignor Tenant under it;
- 11.4.2.3 the proposed assignee if reasonably required by the Landlord:
- 11.4.2.3.1 procures a deed of covenant with the Landlord from a guarantor for the assignee reasonably acceptable to the Landlord in the form of the guarantor's covenants set out in clause 34 and schedule 2 for a liability period starting on the date of the deed of assignment and with such amendments as the Landlord may reasonably require; or
- 11.4.2.3.2 deposits with the Landlord such sum as the Landlord reasonably requires as security for the performance by the assignee of its obligations under this Lease and enters into a rent deposit deed in such form as the Landlord reasonably requires;
- 11.4.3 the Landlord may, if it is reasonable to do so, withhold consent to an assignment of the Premises on a ground which is not referred to in clause 11.4.1 and grant consent subject to a condition which is not specified in

clause 11.4.2.

### **Charges**

11.5 The Tenant may charge the whole of the Premises with the prior consent of the Landlord (which shall not be unreasonably withheld or delayed).

### **Underlettings**

11.6 The Tenant may underlet the whole of the Premises:

11.6.1 only by a Permitted Underlease; and

11.6.2 if the proposed undertenant first covenants by deed with the Landlord to comply with the terms of the Permitted Underlease; and

11.6.3 if the Tenant first procures (where reasonably required by the Landlord) a deed of covenant with the Landlord in the terms set out in clause 33 and schedule 2 with such amendments as the Landlord may reasonably require from a guarantor for the undertenant reasonably acceptable to the Landlord; and

11.6.4 with the prior consent of the Landlord (which shall not be unreasonably withheld or delayed).

11.7 The Tenant shall enforce and shall not waive or vary the provisions of a Permitted Underlease without the approval of the Landlord (such approval not to be unreasonably withheld or delayed).

11.8 The Tenant shall not agree to commute the rent payable and shall operate at the relevant dates of review the rent review provisions contained in a Permitted Underlease but shall not agree the rent upon such a review without the prior approval of the Landlord (such approval not to be unreasonably withheld or delayed).

11.9 The Tenant shall not at any time accept a surrender of any underlease without the prior written consent of the landlord (such consent not to be unreasonably withheld or delayed).

### **Notification**

11.10 The Tenant shall give to the Landlord's solicitors notice within twenty (20) Business Days of any assignment, charge, underlease or other devolution of the Premises or any interest under them, together with a certified copy of the relevant document, and shall pay a reasonable registration fee of not less than Fifty Pounds (£50.00) (plus VAT).

11.11 On request at the time the Landlord, the Tenant shall give to the Landlord in writing the full names and addresses of everyone in occupation of the Premises together with the area occupied and a certified copy of all documents permitting the occupation or (if none) a written memorandum of any relevant agreement.

## **12. LEGAL OBLIGATIONS**

12.1 The Tenant shall:

12.1.1 comply with all Legal Obligations affecting the Premises or their use or occupation;

12.1.2 inform the Landlord in writing as soon as practicable upon becoming aware of any notice or claim affecting the Premises and provide a copy of it;

12.1.3 not do, or omit to do anything, in connection with the use or occupation of

the Premises, which may give rise to Liabilities;

- 12.1.4 not cause or permit a nuisance in the course of the use or occupation of the Premises and, if a nuisance occurs, shall immediately take all necessary action to abate it.
- 12.2 If the Tenant does not comply with a Legal Obligation relating to the Premises or their occupation or use or does not abate a nuisance, the Landlord may do what it reasonably considers necessary to remedy a breach of this clause 12 and the Tenant shall within five (5) Business Days of written demand pay to the Landlord all costs which the Landlord so incurs.
- 12.3 The Tenant shall make the health and safety file relating to the Premises available for the Landlord's inspection at all reasonable times and shall upon written request provide the Landlord with copies of all information from the health and safety file.
- 12.4 The Tenant shall promptly give notice to the Landlord of any defect in the Premises to which it becomes aware in respect of which the Landlord may have a duty of care or liability under any Legal Obligation.

### **13. PLANNING**

The Tenant shall:

- 13.1 not apply for or implement a planning permission in respect of the Premises until the Landlord has given consent (which shall not be unreasonably withheld or delayed if the Landlord has given consent to the change to which the application or permission relates) and, if the permission is implemented, the Tenant shall comply with all conditions in such permission but in any event before the End of the Term;
- 13.2 promptly supply the Landlord with a copy of any planning application made in respect of the Premises together with copies of any plans or drawings relating to it and to keep the Landlord informed of the progress of the application;
- 13.3 provide to the Landlord within five (5) Business Days of their issue copies of all documents evidencing the outcome of the application;
- 13.4 pay within five (5) Business Days of written demand and indemnify the Landlord against any charge or levy arising from the grant of planning permission which has been applied for by or on behalf of the Tenant or any undertenant or implemented by the Tenant or any undertenant.

### **14. ENERGY PERFORMANCE**

14.1 The Tenant shall not:

- 14.1.1 do or omit to do anything which invalidates, or adversely affects the asset rating in, any EPC for the Premises;
- 14.1.2 obtain or commission an EPC in respect of the Premises unless it has a Legal Obligation to do so and, if it does have such a Legal Obligation, shall (at the Landlord's option) either:
  - 14.1.2.1 obtain an EPC from an assessor approved by the Landlord (acting reasonably); or
  - 14.1.2.2 pay the Landlord's proper costs of obtaining an EPC for the Premises.

14.2 The Tenant shall:

- 14.2.1 co-operate with the Landlord, so far as is reasonably necessary, to allow the Landlord to obtain any EPC for the Premises;

- 14.2.2 provide the Landlord (at the Landlord's cost) with copies of any plans or other information held by the Tenant that would assist in obtaining that EPC;
- 14.2.3 allow such access to the Premises to any energy assessor appointed by the Landlord as is reasonably necessary to inspect the Premises for the purposes of preparing any EPC, subject to the Landlord providing the Tenant with reasonable prior notice (save in the case of emergency).
- 14.3 The Tenant shall within five (5) Business Days of written request by the Landlord, provide the Landlord with a copy of:
  - 14.3.1 any EPC issued to it in respect of the Property;
  - 14.3.2 any report issued to it on the air-conditioning system serving the Premises or for improving the energy performance of the Premises;
  - 14.3.3 data in respect of energy usage at the Premises.
- 14.4 The Landlord and the Tenant shall each give to the other written details on request of the unique reference number of any EPC obtained or commissioned in respect of the Premises.

**15. ENCROACHMENTS**

The Tenant shall not do anything which may restrict or extinguish any right that the Premises have and shall take appropriate measures to prevent anyone acquiring rights over the Premises.

**16. LANDLORD'S RIGHTS**

The Tenant shall permit the Landlord, any superior landlord and persons authorised by any of them to exercise any right specified in schedule 1 part 2.

**17. COSTS**

The Tenant shall pay to the Landlord within five (5) Business Days of written demand all reasonable and proper costs and disbursements which the Landlord properly incurs, or for which the Landlord is responsible, in connection with or in contemplation of:

- 17.1 any consent or approval applied for under this Lease (whether or not it is given or the application is withdrawn) except where the consent or approval is unlawfully withheld or delayed, or unreasonably withheld or delayed in circumstances where this Lease places an express obligation on the Landlord not to unreasonably withhold or delay such consent, or where such consent is granted subject to an unlawful condition and provided always that the costs and disbursements are reasonable and properly incurred;
- 17.2 preparing and serving a notice under a provision of this Lease or under sections 146 or 147 of the Law of Property Act 1925 and taking any subsequent proceedings whether or not those proceedings are settled;
- 17.3 preparing and serving a schedule of dilapidations that is served by no later than six (6) months after the End of the Term and relating in all cases only to such dilapidations which have accrued during the Term;
- 17.4 recovering arrears of Rents or other sums payable under this Lease;
- 17.5 enforcing any of the Tenant's obligations in this Lease;
- 17.6 complying with a Legal Obligation affecting the Premises or their occupation or use if the Tenant does not do so or carrying out works, providing information or taking other measures in connection with the Environmental Performance of the Premises.

**18. INTEREST**

The Tenant shall pay to the Landlord in cleared funds Interest on:

- 18.1 the Yearly Rent and any VAT on it if not paid on the due date (whether payment is formally demanded or not);
- 18.2 any other sum due under the terms of this Lease if not paid within five (5) Business Days after the due date.

**19. INDEMNITY**

The Tenant shall indemnify the Landlord against all Liabilities arising from:

- 19.1 the use, occupation or condition of the Premises;
- 19.2 any Tenant's Act or act of anyone else at the Premises;
- 19.3 a breach of any of the Tenant's obligations in this Lease.

**20. TITLE**

The Tenant shall:

- 20.1 apply to register and use reasonable endeavours to ensure that (if registrable) the grant or transfer of this Lease and any dealing with it or rights granted under it are registered at the Land Registry;
- 20.2 comply with all covenants and other provisions affecting the Landlord's title to the Premises;
- 20.3 not do or omit in relation to the Premises anything that would cause the Landlord to be in breach of any superior lease.

**21. AT THE END OF THE TERM**

At the End of the Term the Tenant shall:

- 21.1 remove:
  - 21.1.1 all tenant's chattels;
  - 21.1.2 unless and to the extent otherwise required by the Landlord:
    - 21.1.2.1 all tenant's fixtures;
    - 21.1.2.2 all signs installed by the Tenant;
    - 21.1.2.3 any works to which the Landlord has consented or for which the Landlord's consent is not required carried out during the Term or during any prior period of access or occupation by the Tenant;
    - 21.1.2.4 (without affecting the Landlord's other rights in relation to the breach), any works that have been carried out by the Tenant in breach of any of the Tenant's obligations in this Lease;
- 21.2 make good all damage caused to the Premises when complying with clause 21.1 and restore the Premises and any other areas affected to the same state and condition as they were in before the items removed were originally installed and as evidenced by the Schedule of Condition;

- 21.3 deliver to the Landlord:
  - 21.3.1 the health and safety file and all operating manuals for the Premises;
  - 21.3.2 any EPC in respect of the Premises;
  - 21.3.3 any assessments, surveys or reports undertaken pursuant to a Legal Obligation or which the Landlord reasonably requires;
- 21.4 give back the Premises:
  - 21.4.1 with vacant possession;
  - 21.4.2 with all keys or other means of entry;

in a state consistent with compliance by the Tenant with its obligations in this Lease;
- 21.5 hand over to the Landlord the original Lease, and all other title deeds and documents relating to the Premises and sign such documents as the Landlord shall reasonably require in order to cancel any entry or title relating to this Lease at the Land Registry and to indemnify the Landlord against the cost of so doing.

## **PART 4 - INSURANCE**

### **22. INSURANCE**

#### **22.1 Landlord's Insurance obligations**

The Landlord shall:

- 22.1.1 effect and maintain Insurance (but only so far as it is not vitiated by a Tenant's Act);
- 22.1.2 not be obliged to insure any tenant's fixtures;
- 22.1.3 produce to the Tenant upon reasonable request details of the policies of Insurance and evidence that they are in force.

#### **22.2 Tenant's Insurance obligations**

The Tenant shall:

- 22.2.1 pay to the Landlord within five (5) Business Days of written demand the whole or a fair proportion as attributable to the Premises to be determined by the Landlord (acting reasonably) of all:
  - 22.2.1.1 gross premiums and other costs (including valuation fees and insurance premium tax) incurred by the Landlord in effecting and maintaining Insurance; and
  - 22.2.1.2 monies which the Landlord cannot recover under a policy of Insurance because of a Tenant's Act (including any excess);
- 22.2.2 comply with the terms and conditions of all policies of Insurance and all other insurers' requirements which affect the Premises;
- 22.2.3 provide and maintain such fire detection, fire extinguishing and security equipment on the Premises as an insurer, the Landlord or an Authority may require;
- 22.2.4 notify the Landlord immediately on becoming aware of any damage affecting the Premises;

- 22.2.5 not effect any insurance equivalent to the Insurance but, if it does so, it shall pay to the Landlord all monies received under such insurance;
- 22.2.6 not do or omit to do anything which may make the Insurance void or voidable or increase the premium;
- 22.2.7 insure plate glass within the Premises with a reputable publicly quoted insurance company against breakage or damage for its full reinstatement cost;
- 22.2.8 effect third party and public liability insurance in respect of the Premises for such sum as may prudently be required to meet potential claims.

## **23. DAMAGE**

### **23.1 Damage by Insured Risks**

23.1.1 Following damage or destruction by an Insured Risk affecting the Premises and on receipt of monies from the insurer (other than for Loss of Rent), the Landlord shall:

- 23.1.1.1 take reasonable steps to obtain any consents necessary for making good such damage or destruction; and
- 23.1.1.2 subject to obtaining such consents, apply the insurance monies received for that purpose in making good such damage or destruction as soon as reasonably practicable (but the accommodation and any facilities need not be identical in layout or design so long as they are reasonably equivalent to that previously provided at the Premises).

23.1.2 If:

- 23.1.2.1 the Premises are damaged or destructed by an Insured Risk so as to make the Premises wholly or partially unfit for occupation or use or inaccessible; and
- 23.1.2.2 Insurance has not been vitiated nor any payment refused by the insurer by reason of a Tenant's Act;

the Yearly Rent, or a fair proportion of it according to the nature and extent of the damage sustained, shall cease to be payable until the Premises are again fit for occupation and use and are accessible to the extent only that such Loss of Rent is recoverable under Insurance.

23.1.3 A dispute as to the amount or duration of such suspension of Yearly Rent shall be referred to arbitration under the Arbitration Act 1996, the arbitrator to be appointed (failing agreement between the Parties) by the President of the Royal Institution of Chartered Surveyors upon the application of either the Landlord or the Tenant.

23.1.4 If, when the Risk Period expires, the Premises are still unfit for occupation or use or inaccessible:

- 23.1.4.1 the Landlord or (save where Insurance has been vitiated or any payment refused by the insurer by reason of a Tenant's Act) the Tenant may, by written notice to the other given at any time whilst the Premises are still unfit for occupation or use or inaccessible, terminate this Lease; and
- 23.1.4.2 such termination of the Lease shall be with immediate effect (but without prejudice to the rights of any Party against

another in respect of any antecedent breach of covenant) and the Landlord shall (where applicable) be entitled to retain all the proceeds of Insurance.

23.1.5 If the Premises are so substantially damaged that making good that damage is not practicable without the demolition of all or a substantial part of the Premises or if the Landlord believes it is unlikely to be able fully to make good the damage for any reason, the Landlord may terminate this Lease within twelve (12) months following the damage by not less than one (1) calendar month's written notice to the Tenant and the Landlord shall be entitled to retain all the proceeds of Insurance.

## 23.2 **Damage by Uninsured Risks**

23.2.1 If the Premises are damaged or destroyed by an Uninsured Risk which materially affects the Premises and its use then clause 23.1.2 shall apply as if such damage or destruction had been caused by an Insured Risk (but for the avoidance of doubt, for the purpose of this clause 23.2.1, such rent suspension shall not be limited to the extent that Loss of Rent is recoverable.

23.2.2 If the Premises are damaged or destroyed by an Uninsured Risk and within twelve (12) months after that damage the Landlord has notified the Tenant that it wishes to make good the damage or destruction, the Landlord shall:

23.2.2.1 take reasonable steps to obtain any consents necessary for making good that damage or destruction; and

23.2.2.2 subject to obtaining such consents, make good that damage or destruction so far as practicable (but the accommodation and any facilities need not be identical in layout or design so long as they are reasonably equivalent to that previously provided at the Premises).

23.2.3 If the Premises are damaged or destroyed by an Uninsured Risk so as to make the Premises wholly or partially unfit for occupation or use or inaccessible:

23.2.3.1 where the Landlord has not notified the Tenant pursuant to clause 23.2.2 that the Landlord wishes to make good the damage, this Lease will end on the last day of that twelve (12) month period;

23.2.3.2 where the Landlord has notified the Tenant during the twelve (12) month period referred to in clause 23.2.2 that the Landlord does not wish to make good the damage, this Lease will end on the date of that notification;

23.2.3.3 where the Landlord has notified the Tenant pursuant to clause 23.2.2 that it wishes to make good the damage but, on the expiry of the Risk Period (which shall be deemed to begin on the date of that notification), the Premises are still unfit for occupation or use or inaccessible, the Landlord or the Tenant may, by written notice to the other given at any time whilst the Premises are still unfit for occupation or use or inaccessible, terminate this Lease with immediate effect (but without prejudice to the rights of any Party against another in respect of any antecedent breach of covenant).

23.2.4 Where the Landlord has notified the Tenant pursuant to clause 23.2.2 that it wishes to make good the damage, the Yearly Rent, or a fair proportion of

it according to the nature and extent of the damage sustained, shall cease to be payable from the date of the damage or destruction until the earlier of the date on which the Premises are again fit for occupation and use and are accessible and the expiry of the Risk Period (which shall be deemed to begin on the date of the notification).

## **PART 5 - LANDLORD'S OBLIGATIONS**

### **24. QUIET ENJOYMENT**

The Landlord shall permit the Tenant quietly to enjoy the Premises without any interruption or disturbance from or by the Landlord or any person lawfully claiming under or in trust for the Landlord, except as permitted by this Lease.

## **PART 6 - PROVISOS**

### **25. VAT**

The Rents and any other sums payable under this Lease are exclusive of VAT and the Tenant shall:

- 25.1 pay any VAT properly chargeable on such sum, following receipt of which the Landlord shall provide to the Tenant a proper VAT invoice; and
- 25.2 indemnify the Landlord against any VAT incurred by the Landlord on any payment made by the Landlord where the Tenant is required under this Lease to reimburse or indemnify the Landlord except to the extent the Landlord can recover the VAT on any such payment.

### **26. SUSTAINABILITY**

- 26.1 The Landlord and Tenant wish in good faith (but without creating any legal obligation to do so) to promote energy efficiency at the Premises the reduction of any recycling of waste from the Property and to ensure the environmental sustainability of the Property. The provisions of this clause 26 are intended to achieve those aims (but without creating any legal obligation to do so);
- 26.2 In order to achieve the objectives set out in clause 26.2 (but without creating any legal obligation) the Landlord and Tenant shall share information about and give proper consideration to:
  - 26.2.1 environmental good practice;
  - 26.2.2 sustainability;
  - 26.2.3 reduction and recycling of waste;
  - 26.2.4 energy and water efficiency; and
  - 26.2.5 the Landlord's sustainability policy (if any).

### **27. NO WARRANTY**

The Landlord does not warrant that the Premises may lawfully be used for the Permitted Use or give any warranty as to the state or condition of the Premises or their fitness for purpose.

### **28. NO ACQUISITION OF EASEMENTS OR RIGHTS**

- 28.1 Unless they are expressly included in schedule 1 part 1, the grant of this Lease:
  - 28.1.1 does not include any liberties, privileges, easements, rights or advantages over the Premises any other property including any that would prevent or restrict building or the carrying out of works to the Premises or any other

property;

28.1.2 excludes any rights arising by operation of section 62 of the Law of Property Act 1925 or the rule in *Wheeldon v Burrows*.

28.2 The Tenant shall not be entitled to, and the Premises shall not enjoy, any right of light or air which might restrict or interfere with the free use of any other property for building or any other purpose.

28.3 The Tenant shall not knowingly do, or omit to do, anything that would or might result in the loss of any right enjoyed by the Premises.

## **29. POWER FOR LANDLORD TO DEAL WITH OTHER PROPERTY**

The Landlord may:

29.1 deal as it thinks fit with any adjoining or neighbouring property of the landlord (other than the Premises) and any other property for the Landlord's own or any other person's benefit (including developing and using such property and permitting its development and use);

29.2 grant to owners of interests in neighbouring property for the benefit of their buildings any rights of light or air over the Premises;

29.3 enforce, release or modify or prevent the release, enforcement or modification of any covenant or agreement entered into by any other tenant or occupier of the adjoining or neighbouring property of the Landlord any other person with the Landlord

without any obligation to obtain any consent from, or make any compensation to, the Tenant or any other authorised occupier of the Premises PROVIDED ALWAYS that the Tenant's beneficial use and enjoyment of the Premises for the Permitted Use is not materially adversely affected.

## **30. COMPENSATION**

Any right for the Tenant to claim compensation from the Landlord on vacating the Premises or otherwise is excluded to the extent that the law allows.

## **31. NOTICES**

31.1 All notices shall be in writing.

31.2 In addition to any other method of service permitted by law:

31.2.1 a notice to a company is validly served if addressed to it and left at, or sent by post to, its registered office;

31.2.2 a notice to a partnership (including a limited partnership and a limited liability partnership) is validly served if addressed to it and left at, or sent by post to, its last known business address;

31.2.3 a notice to an individual is validly served if addressed to him and left at, or sent by post to, his last known address.

31.3 Any notice sent by post is deemed served two (2) Business Days after the date of posting.

31.4 Service by fax or e-mail is not a valid form of service under this Lease.

## **32. RIGHT OF RE-ENTRY**

The Landlord may forfeit this Lease by proceedings or by re-entering the Premises if:

- 32.1 any part of the Yearly Rent (whether formally demanded or not) or other sums under this Lease remain unpaid ten (10) Business Days after they are due; or
- 32.2 the Tenant does not comply with any of its obligations in this Lease; or
- 32.3 the Tenant or any Guarantor (or any one person included within the definition of the either of them) becomes Insolvent, ceases to exist, is dissolved or is struck-off from the Register of Companies.

### **33. SCHEDULES**

The Parties shall comply with their respective obligations in any schedules to this Lease.

## **PART 7 - MISCELLANEOUS PROVISIONS**

### **34. GUARANTOR**

- 34.1 The Guarantor covenants with the Landlord to comply with its obligations set out in schedule 2.
- 34.2 The Tenant shall:
  - 34.2.1 give to the Landlord written notice if any Guarantor dies or is dissolved or becomes Insolvent within ten (10) Business Days of its happening; and
  - 34.2.2 arrange for some other party acceptable to the Landlord to enter into covenants with the Landlord in the form set out in schedule 2 (with such changes where appropriate) within twenty (20) Business Days of being so required by the Landlord.

### **35. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person who is not a Party has no right to enforce any term of this Lease under the Contracts (Rights of Third Parties) Act 1999.

### **36. GOVERNING LAW AND JURISDICTION**

This Lease shall be governed by and construed in accordance with the laws of England and Wales and the Parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

### **37. BREAK CLAUSE**

- 37.1 This Lease will terminate on a Tenant's Break Date if:
  - 37.1.1 the Tenant gives notice of termination to the Landlord not less than six (6) months before the Tenant's Break Date (time being of the essence); and
  - 37.1.2 the Yearly Rent due up to and including the Tenant's Break Date has been paid in full by the Tenant; and
  - 37.1.3 the Tenant gives up occupation of the Premises on or before the Tenant's Break Date with no continuing occupation or rights of occupation by third parties; and
  - 37.1.4 the Tenant has, on or before the Tenant's Break Date, paid to the Landlord the sum of one hundred thousand pounds (£100,000) (plus any VAT properly payable on that amount) which sum shall be paid into the same bank account as the Tenant is required to pay the Yearly Rent)
- 37.2 The Landlord may by notice to the Tenant expressly waive all or any of the conditions in clause 37.1.

- 37.3 If this Lease terminates in accordance with this clause 37 it shall be without prejudice to the rights of any Party against another in respect of any prior breach of an obligation or of any other liability in this Lease.
- 37.4 If this Lease terminates in accordance with this clause 37, the Landlord shall within fifteen (15) Business Days after the Tenant's Break Date reimburse to the Tenant an amount which equates to the proportion of the Yearly Rent and Insurance Rent paid in advance (if any) by the Tenant which is referable to any period falling after the Tenant's Break Date, calculated on a daily basis.
- 37.5 If this Lease does not terminate in accordance with this clause 37 because of a failure on the part of the Tenant to comply with either clause 37.1.1, 37.1.2 or 37.1.3 then the Landlord shall within fifteen (15) Business Days after the Tenant's Break Date reimburse any sum paid to the Landlord pursuant to clause 37.1.4.

**38. LIABILITIES**

- 38.1 It is hereby agreed and declared that notwithstanding anything to the contrary contained or implied in this Lease that the Nominees are entering into this Lease in their capacity as nominees for and on behalf of the Depositary acting as depositary of the Fund and as such any liability on their part pursuant to this Lease is limited to assets held by them in the Fund for the time being as nominees for and on behalf of the Depositary acting as depositary of the Fund.
- 38.2 The liabilities of the Depositary in respect of the obligations incurred by it under or in consequence of this Lease shall be limited to such liabilities as can and may lawfully and properly be met out of the net assets of the Fund for the time being in the hands of the Depositary as depositary of the Fund.
- 38.3 The Depositary shall be released from liability under this Lease if it ceases to be the depositary of the Fund and on such date as its successor as such depositary of the Fund has entered into a direct covenant with the Landlord to comply with the Depositary's obligations under this Lease.

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

## SCHEDULE 1

### Part 1

#### Rights Granted

The following rights are granted to the Tenant and (save where expressly stated) those authorised by it in common with others:

1. shelter, support and protection for the Premises from the remainder of the adjoining or neighbouring property of the Landlord to the extent provided at the date of this Lease;
2. the free and uninterrupted passage and running of substances, energy and information to and from the Premises through the Conduits within the adjoining or neighbouring property of the Landlord;
3. the right upon giving reasonable prior notice (except in case of emergency) to the Landlord and the occupier for the time being of the appropriate adjoining premises to enter (only so far as is necessary) the building of which the Premises forms part or if necessary the other adjoining or neighbouring premises belonging to the Landlord for the purposes of inspecting and executing repairs and other works to and on the Premises and otherwise for any other reasonable purpose connected with this Lease the Tenant causing as little damage or inconvenience as is reasonably practicable to the Landlord and the said occupier and the Tenant making good as soon as reasonably practicable all physical damage caused in the exercise of this right;
4. to erect scaffolding and oversail cranes over the adjoining and/or neighbouring property of the Landlord (provided that the Landlord legally owns the property and/or land over which scaffolding is to be erected or is capable of granting the same) for the purpose of repair and maintenance of the exterior of the Premises notwithstanding that such scaffolding or oversailing of cranes may temporarily interfere with the access to or the use and enjoyment of the Landlord's adjoining or neighbouring property provided that the Tenant shall use reasonable endeavours to ensure that in the exercise of this right such scaffolding and oversail cranes:
  - 4.1 are not erected or retained (unless in an emergency) during the months of January, November and December in any year;
  - 4.2 are removed as soon as reasonably practicable after such repair and maintenance has been completed and any damage to the Premises is made good as soon as reasonably practicable; and
  - 4.3 cause as little obstruction as is reasonably practicable to the entrance of the Premises;
5. subject to reasonable temporary interruption for inspections and works, a right of way on foot only over and along the passageway shown shaded blue on the Passageway Plan and the Courtyard at all times for the purposes of gaining access to and egress from the Premises and for waste removal from the Premises and for the avoidance of doubt the Landlord reserves the right to change the area over which this right is exercised as it sees fit (acting reasonably and provided that the change does not materially adversely affect the Tenant's access to or egress from or use and enjoyment of the Premises) in which case the right will apply to the changed area;
6. subject to reasonable temporary interruption for inspections and works, a right to place two refuse/recycling bins (the size of which is to be agreed with the Landlord (whose agreement is not to be unreasonably withheld or delayed)) in a suitable location within the Courtyard agreed with the Landlord (whose agreement is not to be unreasonably withheld or delayed) and for the avoidance of doubt the Landlord reserves the right to change the area over which this right is exercised as it sees fit (acting reasonably and provided that such area is of sufficient size to accommodate the Tenant's refuse/recycling bins in accordance with this right

and provided further that the change does not materially adversely affect the Tenant's use and enjoyment of the Premises) in which case the right will apply to the changed area.

## **Part 2**

### **Exceptions and Reservations**

The following rights are excepted and reserved to the Landlord and to all others authorised from time to time by the Landlord:

1. the free and uninterrupted passage and running of substances, energy and information through any Conduit on, under or through the Premises and to enter the Premises (subject to reasonable prior notice (save in the case of emergency)) in order to inspect, survey, clean, repair, maintain, renew, remove, divert or make connections to any Conduit or Plant or to install any new Conduit or Plant;
  2. shelter, support and protection afforded by the Premises for the adjoining or neighbouring property of the Landlord to the extent provided at the date of this Lease;
  3. light and air where such rights now exist or which might (but for this reservation) be acquired over any other property;
  4. to develop, or otherwise carry out works to, and use or permit the development and use of, adjoining or neighbouring property of the Landlord (other than the Premises) and any other property for the Landlord's own or any other person's benefit including making excavations and undermining, shoring up, underpinning and building on or into any structures bounding or forming part of the Premises (and to permit others to do so) notwithstanding that the exercise of any of these rights, or the works carried out pursuant to them, may interfere with the flow of light and air to the Premises but provided always that the Tenant's use and enjoyment of the Premises for the Permitted Use shall not be materially adversely affected;
  5. to vary or alter the layout of Conduits provided that sufficient means of access to and from the Premises and services to the Premises are maintained;
  6. to enter the Premises at all reasonable times on not less than forty-eight (48) hours' notice (or immediately in an emergency) with tools and equipment (if appropriate) to do any of the following:
    - 6.1 comply with any of its obligations and exercise any of its rights under this Lease;
    - 6.2 inspect or survey the Premises, take schedules or inventories, or show the Premises to prospective tenants or purchasers or for any other reasonable purpose;
    - 6.3 carry out works following the Tenant's failure to comply with a notice served under this Lease (without prejudice to any other remedy available to the Landlord);
    - 6.4 abate a nuisance if the Tenant does not do so;
    - 6.5 comply with, or assess liability for, a Legal Obligation relating to the Premises or their occupation or use;
    - 6.6 install in or on the Premises such reasonable equipment or devices as the Landlord may from time to time require for the better management, monitoring, control or protection of the Premises;
    - 6.7 for any other reasonable management purpose
- PROVIDED THAT the Landlord shall (save in emergency) use reasonable endeavours to exercise such rights of entry outside of the Tenant's usual trading hours and shall take such steps as may be reasonable in all the circumstances to minimise any disruption cause to the Tenant and its use of the Premises;
7. to affix to suitable parts of the Premises (but so as not to interfere with the Tenant's business or the visibility of the Tenant's signage) re-letting notices during the six (6) months preceding

the End of the Term provided always that the Tenant is not pursuing a bona fide renewal of this Lease;

8. to erect scaffolding and oversail cranes for the purpose of repairing, constructing, maintaining, cleaning or altering any adjoining or neighbouring property of the Landlord (other than the Premises) notwithstanding that such scaffolding or oversailing of cranes may temporarily interfere with the access to or the use and enjoyment of the Premises PROVIDED ALWAYS that the Landlord shall use reasonable endeavours to ensure that in the exercise of this right such scaffolding and oversail cranes:
  - 8.1 are not erected or retained (unless in an emergency) during the months of January, November and December in any year;
  - 8.2 are removed as soon as reasonably practicable after such repairing, maintaining, cleaning or altering has been completed and any damage to the Premises is made good as soon as reasonably practicable; and
  - 8.3 cause as little obstruction as is reasonably practicable to the entrance of the Premises; and
  - 8.4 If the Tenant's sign and fascia or display window is obstructed or materially interfered with by the scaffolding, the Landlord will permit the Tenant to display a sign (approved by the Landlord, such approval not to be unreasonably withheld or delayed) on the exterior of the scaffolding in front of the Premises so that it is visible to the public.
9. at the Landlord's sole cost to erect a hoarding or place or attach vinyl on, at, to or outside the Premises (and any displays on it) where the Tenant is not trading from the Premises for any reason and such hoarding or vinyl is required by the Landlord during the Term provided that (for the avoidance of doubt) where the Landlord erects any hoarding or places or attaches any vinyl in cases where the Premises have been left vacant the Landlord shall not be deemed to have taken a surrender of or to have forfeited this Lease;
10. to install, erect and attach Plant and other equipment including advertising hoardings, CCTV cameras and solar panels to the roof and exterior walls of the Premises (but not the shop front and fascia) and the right to access to such Plant and equipment (subject to reasonable prior notice to the Tenant (save in the case of emergency, where no notice shall be required) in order to maintain, repair and replace them as and when required by the Landlord (acting reasonably).

**SCHEDULE 2**  
**Guarantor's obligations**

**1. Definitions**

In this schedule the following definitions apply:

**Disclaimer** the disclaimer of this Lease;

**Event** any one or more of the following:

- (a) any time or waiver given by the Landlord;
- (b) any delay or omission by the Landlord in taking any steps in connection with a breach of a Party's obligations;
- (c) the Landlord's refusal to accept any rents or other payments due under this Lease where the Landlord believes that such acceptance may prejudice its ability to re-enter the Premises;
- (d) any variation of this Lease or any AGA;
- (e) any legal limitation, immunity, disability, incapacity or occurrence of insolvency of a Party;
- (f) a Party ceasing to exist;
- (g) a surrender of part of the Premises (except in relation to the part surrendered as from the date of the surrender);
- (h) the release of another person from liability under this Lease;
- (i) any other act, omission or thing which would (but for the provisions in this Lease) release a Party from liability under this Lease or diminish that liability;

**Guaranteed Obligations** the Tenant's obligations in this Lease and in any AGA which the Tenant may be required to enter into pursuant to clause 11.4.2.1;

**Liability Period** the period starting on the date of this Lease and continuing until the End of the Term or, if earlier, until the date on which the Guarantor is released pursuant to the 1995 Act.

**2. Guarantee and Indemnity**

During the Liability Period the Guarantor (as a principal obligor):

- 2.1 guarantees to the Landlord that the Tenant shall comply with the Guaranteed Obligations;
- 2.2 shall comply with the Guaranteed Obligations if the Tenant fails to do so; and
- 2.3 shall indemnify the Landlord against all Liabilities resulting from the Tenant:
  - 2.3.1 failing to comply with any of the Guaranteed Obligations; or
  - 2.3.2 proposing or entering into any company voluntary arrangement, scheme of arrangement or other scheme which has or purports to have the effect of releasing the Guarantor from liability under this Lease or which diminishes that liability.

### **3. New Lease**

- 3.1 On written notice from the Landlord, given within six (6) months after any date during the Liability Period on which a Disclaimer occurs or the Tenant ceases to exist, the Guarantor shall accept a new lease of the Premises containing the same covenants and other provisions as this Lease but which is:
- 3.1.1 for a term commencing on the date of the Disclaimer or cessation and ending on the date when the contractual term of this Lease would have expired; and
  - 3.1.2 at the rents reserved under this Lease immediately before the Disclaimer or cessation (except that, if there is a rent review outstanding under this Lease, the initial principal rent shall be agreed or determined in accordance with the rent review provisions of this Lease as if the Guarantor were the tenant under this Lease);
- 3.2 The Guarantor shall:
- 3.2.1 execute and deliver to the Landlord a counterpart of the new lease within ten (10) Business Days of its receipt; and
  - 3.2.2 pay on a full indemnity basis within ten (10) Business Days of demand by the Landlord, the Liabilities in connection with the grant of the new lease and any enforcement of the Guarantor's obligations under this Lease.

### **4. Liability of Guarantor**

Unless expressly released in writing by the Landlord, the Guarantor shall remain liable under this Lease despite the occurrence of an Event or a Disclaimer.

### **5. Additional Provisions**

- 5.1 Until the obligations of the Guarantor under this Lease have been fully discharged:
- 5.1.1 the Guarantor shall not:
    - 5.1.1.1 without the Landlord's prior written consent, exercise any right or remedy it may have against the Tenant or take any security from the Tenant or participate in any security held by the Landlord in respect of the obligations guaranteed under this Lease; or
    - 5.1.1.2 claim in competition with the Landlord in any insolvency proceedings or arrangement in respect of the Tenant;
  - 5.1.2 any payment received by the Guarantor in connection with its obligations under this Lease shall be remitted immediately to the Landlord to be applied towards satisfaction of those obligations; and
  - 5.1.3 any security the Guarantor does take from the Tenant shall be held for the benefit of the Landlord.
- 5.2 Any sum payable by the Guarantor shall be paid without any deduction, counterclaim or set-off against the Landlord or the Tenant.
- 5.3 The Landlord may enforce the obligations of the Guarantor under this Lease without first taking steps to enforce the Guaranteed Obligations against the Tenant or exercise any other rights.
- 5.4 Any payment received by the Landlord in connection with any insolvency proceedings or arrangement involving the Tenant shall not prejudice the Landlord's right to recover from the Guarantor to the full extent of its obligations under this Lease.

### SCHEDULE 3 Rent Review

#### 1. Definitions

In this schedule the following definitions apply:

**Open Market Rent** the yearly rent which would reasonably be expected to be payable in respect of the Premises at the Review Date:

- (a) upon a letting of the Premises:
  - (i) as a whole;
  - (ii) by a willing landlord to a willing tenant;
  - (iii) with vacant possession;
  - (iv) in the open market;
  - (v) without a fine or premium payable by any party;
  - (vi) for a term of five (5) years commencing on the Review Date;
  - (vii) where the Permitted Use is as a high quality shop within Class A1 of the Town and Country Planning (Use Classes) Order 1987 (as that Order exists at 31 August 2020); and
  - (viii) otherwise on the same terms as this Lease (except as to the amount of the Yearly Rent);
- (b) assuming that:
  - (i) the obligations on the part of the Tenant and the Landlord in this Lease have been fully performed and observed;
  - (ii) the Premises may be lawfully let to and used for, and the willing tenant has the benefit of all licences, permissions and approvals which may be required or appropriate in connection with, the Permitted Use;
  - (iii) if the Premises (or the means of access to it) have been destroyed or damaged, they have been rebuilt and reinstated;
  - (iv) the willing tenant has had the benefit of any rent-free period or concessionary rent period for fitting out (or has received any contribution to fitting out works or other inducement in lieu of such period) which would usually in the market be given on a letting of the Premises, so that no discount, reduction or allowance is made to reflect (or compensate the willing tenant for the absence of) any such rent free or concessionary rent period or contribution or other inducement;
  - (v) the Premises are otherwise ready to be fitted out and are available for immediate beneficial occupation and use;
  - (vi) no work has been carried out to the Premises which has reduced their rental value;
- (c) but disregarding:
  - (i) any effect on rent of the fact that the Tenant, any undertenant or any of their respective predecessors in title have been in occupation of the Premises;

- (ii) any goodwill attached to the Premises by reason of the carrying on of the business of the Tenant, a permitted undertenant or of any of their predecessors in title;
- (iii) any effect on rent attributable to any works to the Premises carried out by the Tenant, a permitted undertenant or by any of their predecessors in title with the Landlord's consent where required, except to the extent that it was done under an obligation to, or at the cost of, the Landlord or pursuant to a Legal Obligation;
- (iv) any obligation of the Tenant to reinstate the Premises to their condition or design before the carrying out of any works;
- (v) any temporary works, operations or other activities in the Premises;

**Review Date(s)** as specified in the Other Particulars.

## **2. Review of Yearly Rent**

With effect from the Review Date the Yearly Rent shall be the amount payable (but for any suspension of Yearly Rent or any rent-free period or other concessionary period in existence) immediately before the Review Date or, if greater, the Open Market Rent as agreed or determined under this schedule.

## **3. Procedure for Review**

- 3.1 If the Landlord and the Tenant do not agree the Open Market Rent by the date three (3) months before the Review Date, either may by notice to the other require the appointment of an independent chartered surveyor having at least ten (10) years' experience in the valuation and leasing of properties similar to the Premises acting as expert to determine the Open Market Rent.
- 3.2 If the Landlord and the Tenant do not agree on the joint appointment of an expert the appointment shall be made by the President (or other acting officer) of the Royal Institution of Chartered Surveyors on the application of either the Landlord or the Tenant.
- 3.3 The terms of the appointment shall be that
  - 3.3.1 the expert will:
    - 3.3.1.1 give the Landlord and the Tenant an opportunity to make representations to him;
    - 3.3.1.2 promptly pass details of one Party's representations to the other Party inviting within ten (10) Business Days comments in reply to matters raised in the initial representations of each Party;
  - 3.3.2 the fees of the expert shall be borne by the Landlord and Tenant in equal shares, or in such shares as the expert may direct and paid without delay.
  - 3.3.3 all other terms of the expert's appointment shall be as he specifies.
- 3.4 The expert shall give to the Landlord and the Tenant notice of the amount of the Open Market Rent as determined by him but, if he does not or if for any reason it becomes apparent that he will not be able to complete his duties in accordance with his appointment, the Landlord and the Tenant may agree upon, or either of them may apply for, the appointment of another expert (which procedure may be repeated as often as necessary) pursuant to the provisions of this schedule.
- 3.5 If an expert is ready to issue written notice of the amount of the Open Market Rent,

but is unwilling to do so due to the Tenant's failure to pay its share of the expert's fees, the Landlord may serve on the Tenant a notice requiring the Tenant to pay such fees within five (5) Business Days and, if the Tenant fails to comply with such notice, the Landlord may pay to the expert the Tenant's share of such fees and any amount paid shall be a debt due immediately from the Tenant to the Landlord.

3.6 The expert's decision shall be final and binding.

#### 4. **Delayed Review**

Where the Yearly Rent payable with effect from the Review Date is not ascertained before the Review Date the Tenant shall:

4.1 with effect from the Review Date pay an interim rent (the **Interim Rent**) at the rate at which Yearly Rent was payable (ignoring any suspension or other rent-free period as referred to in paragraph (b)(iv) immediately before the Review Date); and

4.2 if the Yearly Rent when ascertained exceeds the Interim Rent then within five (5) Business Days of the Yearly Rent being ascertained (the **Payment Date**) pay to the Landlord an amount equal to the aggregate of the sums by which each quarterly instalment of Yearly Rent would have exceeded each instalment of Interim Rent had the Yearly Rent been ascertained by the Review Date, together with interest on each of those sums from the date it would have been due to and including the Payment Date at a rate equal to the Base Rate.

#### 5. **Memorandum**

A memorandum recording the Yearly Rent on review shall be signed by the Landlord and the Tenant in a form reasonably required by the Landlord.

Time is not of the essence for any purposes of this schedule.

EXECUTED AS A DEED by

**WATCHES OF SWITZERLAND COMPANY LIMITED**

acting by a director:

Director ..... *Craig Bolton*

I confirm that the witness named below was physically present when I signed this deed

In the presence of:

Signature of Witness ..... *Sarah James*

Name (IN BLOCK CAPITALS) ..... SARAH JAMES

Address: ..... 61A LONG STREET, STONEY STANTON, LEICESTERSHIRE LE94DQ

I confirm that I was physically present when the above signatory signed this deed

**ANNEXURE**  
**Schedule of Condition**