Wilsons

Counterpart Lease

32 High Street Winchester

CONTENTS

CLAUSE

1	Interpretation
2	Grant
3	Ancillary rights
4	Rights excepted and reserved
5	Third Party Rights
6	The Annual Rent
7	Review of the Annual Rent
8	Insurance
9	Rates and taxes
10	Utilities
11	Common items
12	VAT
13	Default interest and interest
14	Costs
15	Compensation on vacating
16	No deduction, counterclaim or set-off
17	Registration of this lease
18	Assignments
19	Underlettings
20	Sharing occupation
21	Charging
22	Prohibition of other dealings
23	Registration and notification of dealings and occupation
24	Closure of the registered title of this lease
25	Repairs
26	Decoration
27	Alterations
28	Signs
29	Returning the Property to the Landlord
30	Use
31	Compliance with laws
32	Energy performance certificates
33	Encroachments, obstructions and acquisition of rights
34	Breach of repair and maintenance obligation
35	Indemnity
36	Landlord's covenant for quiet enjoyment
37	Guarantee and indemnity
38	Re-entry and forfeiture
39	Liability
40	Entire agreement
41	Notices, consents and approvals
42	Early termination
43	Governing law and jurisdiction
43	Contracts (Rights of Third Parties) Act 1999
44	Landlord and Tenant (Covenants) Act 1995

PRESCRIBED CLAUSES

LR1. Date of lease 28 October 2013

LR2. Title number(s)

LR2.1 Landlord's title number(s)

HP506925

LR2.2 Other title numbers

None

LR3. Parties to this lease

Landlord

SHIRLEY PATRICIA ORCHARD-LISLE of Woolpack Croft, Westmill, Buntingford, Hertfordshire, SG9 9LJ

Tenant

JEREMY FRANCE JEWELLERS LIMITED whose registered office is at 18 Canterbury Road, Whitstable, Kent, CT5 4EY

(Company Registration Number 03145475)

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 this lease.

LR5. Prescribed statements etc.

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.

None.

LR5.2 This lease is made under, or by reference to, provisions of:

None.

LR6. Term for which the Property is leased

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

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

None.

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

The easements as specified in clause 4 of 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

THIS LEASE is dated 28th October 2013

PARTIES

(A) **SHIRLEY PATRICIA ORCHARD-LISLE** of Woolpack Croft, Westmill, Buntingford, Hertfordshire, SG9 9LJ (Landlord).

(B) **JEREMY FRANCE JEWELLERS LIMITED**, incorporated and registered in England and Wales with company number 03145475 whose registered office is at 18 Canterbury Road, Whitstable, Kent, CT5 4EY (Tenant).

AGREED TERMS

1 **Interpretation**

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

1.1.1 "Act of Insolvency" means

1.1.1.1 the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or any guarantor; or

1.1.1.2 the making of an application for an administration order or the making of an administration order in relation to the Tenant or any guarantor; or

1.1.1.3 the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant or any guarantor; or

1.1.1.4 the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or any guarantor; or

1.1.1.5 the commencement of a voluntary winding-up in respect of the Tenant or any guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or

1.1.1.6 the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or any guarantor; or

1.1.1.7 the striking-off of the Tenant or any guarantor from the Register of Companies or the making of an application for the Tenant or any guarantor to be struck-off; or

1.1.1.8 the Tenant or any guarantor otherwise ceasing to exist (but excluding where the Tenant or any guarantor dies); or

1.1.1.9 the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant or any guarantor.

1.1.2 The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (*SI 1994/2421*) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (*SI 2001/1090*) (as amended).

1.1.3 Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction.

1.1.4 "Annual Rent" means rent at an initial rate of £135,000 per annum and then as revised pursuant to this lease and any interim rent determined under the LTA 1954.

1.1.5 "Contractual Term" means a term of 15 years beginning on, and including the Term Commencement Date and ending on, and including 27 October 2028.

1.1.6 "CDM Regulations" means the Construction (Design and Management) Regulations 2007 (*SI 2007/320*).

1.1.7 "Default Interest Rate" means four percentage points above the Interest Rate.

1.1.8 "Energy Assessor" means an individual who is a member of an accreditation scheme approved by the Secretary of State in accordance with regulation 22 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118) or regulation 30 of the Building Regulations 2010 (SI 2010/2214).

1.1.9 "Energy Performance Certificate" means a certificate as defined in regulation 2(1) of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

1.1.10 "Insurance Rent" means the aggregate in each year of the gross cost of the premium before any discount or commission for the insurance of:

1.1.10.1 the Property, other than any plate glass, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses,

1.1.10.2 loss of Annual Rent of the Property for three years or for such longer period (not exceeding five years) as the Landlord (acting reasonably)may decide in its absolute discretion, and

1.1.10.3 any insurance premium tax payable on the above.

1.1.11 "Insured Risks" means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion subsidence land slip and heave, and any other risks against which the Landlord decides to insure against from time to time and Insured Risk means any one of the Insured Risks and the Landlord confirms that any further damage caused by the subsidence which has caused the Specified Defects is covered under the Landlord's current building's insurance policy.

1.1.12 "Interest Rate" means interest at the base rate from time to time of Barclays Bank plc, or if that base rate stops being used or published then at an equivalent commercial rate of a bank that is a member of the British Bankers Association (or any equivalent organisation nominated by the Landlord (acting reasonably), if that Association should cease to exist) as reasonably determined by the Landlord.

1.1.13 "Loss of Rent Insurance Period" means the period following damage or destruction by any Insured Risks (which shall not exceed five years from the date of any such damage or destruction) for which the Landlord has insured against loss of the Annual Rent.

1.1.14 "LTA 1954" means Landlord and Tenant Act 1954.

1.1.15 "Permitted Use" means use as a jewellery shop together with ancillary office, storage and staff accommodation, or for such other use within Class A1 of the Town and Country Planning Use Classes Order 1987 (in its form at the date of this lease) as approved by the Landlord (such approval not to be unreasonably withheld or delayed) following an application by the Tenant to the Landlord for such approval.

1.1.16 "Property" means the whole of the land and building at 32 High Street Winchester as is registered at the Land Registry under title number HP506925.

1.1.17 "Recommendation Report" means a report as defined in regulation 4 of the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).

1.1.18 "Rent Commencement Date" means 21 February 2014.

1.1.19 "Rent Payment Dates" means the first day of each calendar month.

1.1.20 "Reservations" means all of the rights excepted, reserved and granted to the Landlord by this lease.

1.1.21 "Review Date" means 28 October 2018 and every fifth anniversary of that date.

1.1.22 "Service Media" means all media for the supply or removal of heat, electricity, gas, water, sewage, air, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

1.1.23 "Specified Defects" means those of the defects of or at the Property as described in the section of the Schedule of Condition headed 'Schedule of Condition - Evidence of Subsidence'.

1.1.24 "Schedule of Condition" means the schedule of condition annexed to this lease (if any) or any other schedule of condition relating to the Property which the parties have confirmed in writing is to replace it as the Schedule of Condition referred to in clause 1.1.24 of this lease.

1.1.25 "Term Commencement Date" means the date of this lease.

1.1.26 "Third Party Rights" means all rights, covenants and restrictions affecting the Property and the rights affecting the Property granted by the 2004 Licence and (if and for so long as it still subsists) the 1989 Agreement.

1.1.27 "Uninsured Risks" means any risk against which insurance for properties similar to, and in the same general location as, the Property is normally available in the London insurance market but against which the Landlord does not insure the Property or the Property is not fully insured against because insurance cover for that risk ceases to be available on normal commercial terms in the London insurance market or is available there only at a premium or subject to conditions which the Landlord (acting reasonably) considers are unacceptable (unless the Tenant is prepared to reimburse the Landlord for such premium by way of Insurance Rent).

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

1.1.29 "1989 Agreement" means the agreement dated 30 October 1989 permitting British Telecommunications Plc to install and maintain a small satellite dish and associated mounting and downlead at the Property.

1.1.30 "2004 Licence" means the licence permitting the retention of air-conditioning equipment at the rear of the Property dated 8 November 2004 and made between (1) the Landlord (2) The Outdoor Group Limited and (3) Cadogan James Limited.

1.2 A reference to this lease, except a reference to the date of this lease or to the grant of the lease, is a reference to this deed and any deed, licence, consent, approval 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 its successors in title and assigns. A reference to a guarantor is

to any guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.

1.4 In relation to any payment, a reference to a fair proportion is to a fair proportion (properly and reasonably attributable to Property) of the total amount payable, determined (except as to questions of law) by the Landlord (acting reasonably).

1.5 The expressions landlord covenant and tenant covenant each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.

1.6 Unless the context otherwise requires, a reference to the Property is to the whole and any part of it.

1.7 A reference to the term is to the Contractual Term and statutory continuation of this lease.

1.8 A reference to the end of the term is to the end of the term however it ends.

1.9 References to the consent of the Landlord are to the consent of the Landlord given in accordance with clause 41.5 and references to the approval of the Landlord are to the approval of the Landlord given in accordance with clause 41.7.

1.10 A working day is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.

1.11 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time beihg, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.

1.12 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.

1.13 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.

1.14 Unless the context otherwise requires, where the words include(s) or including are used in this lease, they are deemed to have the words "without limitation" following them.

1.15 A person includes a corporate or unincorporated body.

1.16 References to writing or written do not include faxes or email.

1.17 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule.

1.18 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.

2 **Grant**

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

2.2 The grant is made excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.

2.3 The grant is made with the Tenant paying the following as rent to the Landlord:

2.3.1 the Annual Rent and all VAT in respect of it;

2.3.2 the Insurance Rent; and

2.3.3 all interest payable under this lease; and

2.3.4 all other sums due under this lease.

3 **Ancillary rights**

Neither the grant of this lease nor anything in it confers any right over neighbouring property nor is to be taken to show that the Tenant may have any right over neighbouring property, and section 62 of the LPA 1925 does not apply to this lease.

4 **Rights excepted and reserved**

4.1 The following rights are excepted and reserved from this lease to the Landlord to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:

4.1.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;

4.1.2 the right to use and to connect into Service Media at the Property;

4.1.3 at any time during the term, the full and free right to develop and any neighbouring or adjoining property in which the Landlord acquires an interest during the term as the Landlord may think fit; and

4.1.4 the right to build on or into any boundary wall of the Property in connection with any of the Reservations.

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property.

4.2 The Landlord reserves the right, subject to the provisions of Clause 4.4, to enter the Property:

4.2.1 to repair, maintain or replace any Service Media or structure relating to any of the Reservations; and

4.2.2 for any other purpose mentioned in or connected with:

4.2.2.1 this lease;

4.2.2.2 the Reservations; and

4.2.2.3 the Landlord's interest in the Property.

4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord in writing.

4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property during usual business hours (except in case of emergency) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant and in all cases in the presence of a representative of the Tenant if the Tenant so requires, and promptly provides, such representative, and all those entering the Property shall comply with all conditions and requirement regarding security as the Tenant (acting reasonably) shall require.

4.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of those Reservations except for:

4.5.1 physical damage to the Property or any property or contents therein; or

4.5.2 any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability.

4.5.3 any loss, damage, injury, nuisance or inconvenience caused by or arising from any negligent act or omission or wilful default of the Landlord or its workers, contractors, agents and professional advisors.

5 Third Party Rights

5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.

5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

6 The Annual Rent

6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it in monthly instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord (acting reasonably) requires at any time by giving notice to the Tenant.

6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the Rent Commencement Date and shall be the proportion, calculated on a daily basis, in respect of the period from the Rent Commencement Date until the day before the next Rent Payment Date.

7 **Review of the Annual Rent**

7.1 In this clause the President is the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf, and the Surveyor is the independent valuer appointed pursuant to clause 7.7.

7.2 The amount of Annual Rent shall be reviewed on each Review Date to equal:

7.2.1 the Annual Rent payable immediately before the relevant Review Date (or which would then be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) or, if greater;

7.2.2 the open market rent agreed in writing or determined pursuant to this clause.

7.3 The open market rent may be agreed in writing between the Landlord and the Tenant at any time before it is determined by the Surveyor.

7.4 If the open market rent is determined by the Surveyor, it shall be the amount that the Surveyor determines is the open market annual rent (excusive of any VAT) at which the Property might be expected to be let:

7.4.1 in the open market;

7.4.2 at the relevant Review Date;

7.4.3 on the assumptions listed in clause 7.5; and

7.4.4 disregarding the matters listed in clause 7.6.

7.5 The assumptions are:

7.5.1 the Property is available to let in the open market at the relevant Review Date:

7.5.1.1 by a willing lessor to a willing lessee;

7.5.1.2 as a whole by one lease;

7.5.1.3 with vacant possession;

7.5.1.4 without a fine or a premium being paid by any party to any other party;

7.5.1.5 for a term of ten years commencing on the relevant Review Date but with the right for the tenant to terminate the lease after five years on giving the landlord not less than 6 months notice and otherwise on the terms contained in clause 42 (mutatis mutandis) and

7.5.1.6 otherwise on the terms of this lease other than as to the amount of the Annual Rent but including the provisions for review of the Annual Rent, and other than the provision in this lease for a rent-free period;

7.5.2 the willing lessee has had the benefit of any rent-free or other concession or contribution which would be offered in the open market at the relevant Review Date in relation to fitting out works at the Property;

7.5.3 the Property may lawfully be used, and is in a physical state to enable it to be lawfully used, by the willing lessee (or any potential undertenant or assignee of the willing lessee) for the Permitted Use or for any other use to which the Landlord has given its consent in response to an application by the Tenant;

7.5.4 the Tenant has fully complied with its obligations in this lease;

7.5.5 if the Property, or any means of access to it or any Service Media serving the Property, has been destroyed or damaged, it has been fully restored;

7.5.6 no work (except work carried out pursuant to an obligation to comply with any law and which the Tenant is obliged to comply with pursuant to the provisions of this lease) has been carried out on the Property that has diminished its rental value;

7.5.7 any fixtures, fittings, machinery or equipment supplied to the Property by the Landlord that have been removed by or at the request of the Tenant, or any undertenant or their respective predecessors in title (otherwise than to comply with any law) remain at the Property; and

7.5.8 the willing lessee and its potential assignees and undertenants shall not be disadvantaged by any actual or potential election to waive exemption from VAT in relation to the Property.

7.6 The matters to be disregarded are:

7.6.1 any effect on rent of the fact that the Tenant or any authorised undertenant or their respective predecessors in title or any lawful occupier has been in occupation of the Property;

7.6.2 any goodwill attached to the Property by reason of any business carried out there by the Tenant or by any authorised undertenant or by any of their predecessors in business;

7.6.3 any effect on rent attributable to any improvement to the Property carried out during the term or (but only if carried out with the written consent of the Landlord (where required under the terms of this lease) before the commencement of the term by or at the expense of the Tenant or any authorised undertenant or their respective predecessors in title or any lawful occupier with all necessary consents, approvals and authorisations (where required) and not pursuant to an obligation to the Landlord or her predecessor (other than an obligation to comply with any law and which the Tenant is obliged to comply with pursuant to the provisions of this lease);

7.6.4 any effect on rent of any obligation on the Tenant to reinstate the Property to the condition or design it was in before any alterations or improvements were carried out; and

7.6.5 any statutory restriction on rents or the right to recover them.

7.6.6 the taxable status of the Landlord and the Tenant for purposes of VAT.

7.7 The Surveyor shall be an independent valuer who is a Member or Fellow of the Royal Institution of Chartered Surveyors. The Landlord and the Tenant may, by agreement in writing, appoint the Surveyor at any time before either of them applies to the President for the Surveyor to be appointed. Any application to the President may not be made earlier than three months before the relevant Review Date.

7.8 The Surveyor shall act as an expert and not as an arbitrator. The Surveyor shall determine the open market rent and shall have power to determine any issue involving the interpretation of any provision of this lease, his jurisdiction to determine the matters and issues referred to him or his terms of reference. The Surveyor's decision shall be given in writing, and the Surveyor shall provide reasons for any determination. The Surveyor's written decision on the matters referred to him shall be final and binding in the absence of manifest error or fraud.

7.9 The Surveyor shall give the Landlord and the Tenant an opportunity to make written representations to the Surveyor and to make written counter-representations commenting on the representations of the other party to the Surveyor. The parties will provide (or procure that others provide) the Surveyor with such assistance and documents as the Surveyor reasonably requires for the purpose of reaching a decision.

7.10 If the Surveyor dies, or becomes unwilling or incapable of acting, or unreasonably delays in making any determination, then either the Landlord or the Tenant may apply to the President to discharge the Surveyor and clause 7.7 shall then apply in relation to the appointment of a replacement.

7.11 The fees and expenses of the Surveyor and the cost of the Surveyor's appointment and any counsel's fees, or other fees, incurred by the Surveyor shall be payable by the Landlord and the Tenant in the proportions that the Surveyor directs (or if the Surveyor makes no direction, then equally). If either the Landlord or the Tenant does not pay its part of the Surveyor's fees and expenses within ten working days after written demand by the Surveyor then:

7.11.1 the other party may pay instead; and

7.11.2 the amount so paid shall be a debt of the party that should have paid due and payable on written demand to the party that actually made the payment.

The Landlord and the Tenant shall otherwise each bear their own costs in connection with the rent review.

7.12 If the revised Annual Rent has not been agreed in writing by the Landlord and the Tenant or determined by the Surveyor on or before the relevant Review Date, the Annual Rent payable from that Review Date shall continue at the rate payable immediately before that Review Date. No later than five working days after the revised Annual Rent is agreed in writing or the Surveyor's determination is notified to the Landlord and the Tenant, the Tenant shall pay:

7.12.1 the shortfall (if any) between the amount that it has paid for the period from the Review Date until the Rent Payment Date following the date of agreement in writing or notification of the

revised Annual Rent and the amount that would have been payable had the revised Annual Rent been agreed in writing or determined on or before that Review Date; and

7.12.2 interest at the Interest Rate on that shortfall calculated on a daily basis by reference to the Rent Payment Dates on which parts of the shortfall would have been payable if the revised Annual Rent had been agreed in writing or determined on or before that Review Date and the date payment is received by the Landlord.

7.13 Time shall not be of the essence for the purposes of this clause.

7.14 If at any time there is a guarantor, the guarantor shall not have any right to participate in the review of the Annual Rent.

7.15 As soon as practicable after the amount of the revised Annual Rent has been agreed in writing or determined, a memorandum recording the amount shall be signed by or on behalf of the Landlord and the Tenant and endorsed on or attached to this lease and its counterpart. The Landlord and the Tenant shall each bear their own costs in connection with the memorandum.

8 Insurance

8.1 Subject to clause 8.2, the Landlord shall keep the Property (other than any plate glass at the Property) insured against loss or damage by the Insured Risks for the sum which the Landlord (acting reasonably) considers to be its full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure any part of the Property installed by the Tenant.

8.2 The Landlord's obligation to insure is subject to:

8.2.1 any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and

8.2.2 insurance being available in the London insurance market on reasonable terms acceptable to the Landlord (acting reasonably); and

8.2.3 insurance being available in the London insurance market at premium acceptable to the Landlord (acting reasonably) unless the Tenant specifically requests the Landlord to do so and agrees to pay the requisite premium or additional premium;

8.3 The Tenant shall pay to the Landlord within 7 days of a written demand:

8.3.1 the Insurance Rent;

8.3.2 any amount that is properly deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy Provided Always That the Tenant shall not be liable for any excess in the event of any claim being made in relation to the Specified Defects (or any of them); and

8.3.3 any proper costs that the Landlord incurs in obtaining a valuation of the Property for insurance purposes Provided such valuation shall not occur more frequently than once in any period of 2 years.

If the Landlord insures the Property together with other land, the amount of the Insurance Rent shall be a fair proportion (properly and reasonably attributable to the Property and the Permitted Use) of the total for the Property and the other land.

8.4 The Tenant shall:

8.4.1 give the Landlord notice immediately if any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property;

8.4.2 not do or omit anything as a result of which any policy of insurance of the Property or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased or additional insurance premium may become payable;

8.4.3 comply at all times with the requirements and recommendations of the insurers relating to the Property Provided Always That such compliance shall not extend or increase the Tenants liability to carry out works of repair to the Property beyond that provided for elsewhere under the terms of this lease;

8.4.4 give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;

8.4.5 not effect any insurance of the Property (except any plate glass at the Property), but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property (other than in respect of plate glass) pay those proceeds or cause them to be paid to the Landlord; and

8.4.6 pay the Landlord an amount equal to any insurance money that the insurers of the Property 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 Property with the actual or implied authority of any of them.

8.5 The Landlord shall, subject to obtaining all necessary planning and other consents (which the Landlord shall use all reasonable endeavours to obtain as soon as reasonably practicable after the occurrence of any damage or destruction), use all insurance money received (other than for loss of rent) to repair the damage for which the money has been received or (as the case may be) in rebuilding or re-instating the Property. The Landlord shall not be obliged to:

8.5.1 provide accommodation identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property is provided; or

8.5.2 repair or rebuild the Property after a notice has been served pursuant to clause 8.7 or clause 8.8.

8.6 If the Property is damaged or destroyed:

8.6.1 by an Insured Risk against which the Landlord is obliged to insure so as to be unfit for occupation and use then, unless the policy of insurance of the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them, payment of the Annual Rent and the insurance Rent , or a fair proportion of it or them according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use, or until the end of the relevant Loss of Rent Insurance Period, if sooner or

8.6.2 by an Uninsured Risk so as to render the whole or substantially the whole of the Property unfit for occupation and use or inaccessible then:

8.6.2.1 for the purpose of the Tenant's repairing obligations under this Lease such destruction or damage shall be deemed to have been caused by an Insured Risk.

8.6.2.2 within 12 months of the damage or destruction in question the Landlord shall give written notice to the Tenant stating whether or not the Landlord proposes to rebuild or reinstate the Property.

8.6.2.3 if the Landlord's notice served pursuant to clause 8.6.2.2 states that the Landlord does propose to rebuild or reinstate the Property then, for all purposes of this Lease, the damage or destruction shall be deed to have been caused by Insured Risks in respect of which the full insurance monies are recoverable by the Landlord so that, in particular, the Landlord shall repair or rebuild the Property in accordance with the provisions of clause 8.5 and payment of the Annual Rent and the Insurance Rent, or a fair proportion of it or them according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use.

8.6.2.4 if the Landlord's notice served pursuant to clause 8.6.2.2 states that the Landlord does not propose to rebuild or reinstate the Property or if no notice is served under clause 8.6.2.2 within the specified 12 month period then either party may determine this lease by service of a notice on the other party and this lease will determine with immediate effect on the service of such notice, but this shall be without prejudice to any right or remedy of either party in respect of any breach of the covenants on the part of the other party in this lease.

8.6.2.5 For avoidance of doubt unless caused by the Tenant the Tenant shall have no obligation or liability to repair or make good repair or remedy any damage or loss caused by or resulting from an Uninsured Risk

8.7 If, following damage to or destruction of the Property, the Landlord (acting reasonably) considers that it is impossible or impractical to reinstate the Property in a accordance with its obligations under clause 8.5 prior to the end of the relevant Loss of Rent Insurance Period, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of either party in respect of any breach of the covenants on the part of the other party in this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

8.8 Provided that the Tenant has substantially complied with its obligations in this clause in all material respects, the Tenant may terminate this lease by giving notice to the Landlord if, following damage or destruction by an Insured Risk, the Property has not been reinstated so as to be fit for occupation and use within the relevant Loss of Rent Insurance Period. On giving this notice this lease shall determine but this shall be without prejudice to any right or remedy of either party in respect of any breach of the covenants of the other party in this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

9 Rates and taxes

9.1 The Tenant shall 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:

9.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or

9.1.2 any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

9.2 If any rates, taxes or other impositions are payable in respect of the Property together with other property, the Tenant shall pay a fair proportion of the amount payable.

9.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord (such approval not to be unreasonably withheld or delayed).

9.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

10 Utilities

10.1 The Tenant shall 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.

10.2 If any of those costs are payable in relation to the Property together with other property, the Tenant shall pay a fair proportion (according to use) of all those costs.

10.3 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

11 Common items

11.1 The Tenant shall pay the Landlord within 7 days of a written demand a fair proportion of all costs payable for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items used or capable of being used by the Property in common with other property.

11.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items Provided Always that in case of any conflict between any such regulation and the provisions of this lease, the provisions of this lease shall prevail.

12 VAT

12.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.

12.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

13 Default interest and interest

13.1 If any Annual Rent (whether it has been formally demanded or not) or if any other money payable under this lease has not been paid within 14 days of the date it is due, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment.

13.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

14 Costs

14.1 The Tenant shall pay the costs and expenses properly incurred by the Landlord including any solicitors' or other professionals' costs and expenses incurred (both during and after the end of the term) in connection with or in contemplation of any of the following:

14.1.1 the enforcement of the tenant covenants of this lease;

14.1.2 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;

14.1.3 serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;

14.1.4 the preparation and service of a schedule of dilapidations in connection with this lease; or

14.1.5 any consent or approval applied for under this lease, whether it is granted refused or offered subject to any lawful qualification or condition or the application is withdrawn unless the refusal qualification or condition is unlawful because it is unreasonable or otherwise.

Provided that in the case of the costs and expenses referred to in clause 14.1.5 the Tenant shall only be obliged to pay them to the extent they have been reasonably incurred.

14.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

15 Compensation on vacating

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the LTA 1954 is excluded, except to the extent that the legislation prevents that right being excluded.

16 No deduction, counterclaim or set-off

The Annual Rent and all other money due under this lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off (unless otherwise permitted by law).

17 Registration of this lease

17.1 Promptly following the grant of this lease, the Tenant shall apply to register this lease at HM Land Registry. The Tenant shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly. Within one month after completion of the registration, the Tenant shall send the Landlord official copies of its title.

17.2 The Tenant shall not:

17.2.1 apply to HM Land Registry to designate this lease as an exempt information document;

17.2.2 object to an application by the Landlord to HM Land Registry to designate this lease as an exempt information document;

18 Assignments

18.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

18.2 The Tenant shall not assign part only of this lease.

18.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to a condition that the assignor enters into an authorised guarantee agreement which:

18.3.1 Is in respect of all the tenant covenants of this lease.

18.3.2 Is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995.

18.3.3 Imposes principal debtor liability on the assignor.

18.3.4 requires (in the event of a disclaimer of liability under this lease) the assignor to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term.

18.3.5 Is otherwise in a form reasonably required by the Landlord.

18.4 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if any of the following circumstances exist at the date of the Tenant's application for consent to assign this lease:

18.4.1 the Annual Rent or any other money due under this lease is outstanding or there has been a material breach of covenant by the Tenant that has not been remedied to the reasonable satisfaction of the Landlord; or

18.4.2 in the Landlord's reasonable opinion the assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants and conditions contained in the lease.

18.5 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

19 Underlettings

19.1 The Tenant shall not underlet the whole of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

19.2 The Tenant shall not underlet part only of the Property.

19.3 The Tenant shall not underlet the Property:

19.3.1 together with any property or any right over property that is not included within this lease;

19.3.2 at a fine or premium or reverse premium; nor

19.3.3 allowing any rent free period to the undertenant that exceeds the period as is then usual in the open market in respect of such a letting.

19.4 The Tenant shall not underlet the Property unless, before the underlease is granted, the Tenant has given the Landlord:

19.4.1 a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be created by the underlease; and

19.4.2 a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the LTA 1954.

19.5 Any underletting by the Tenant shall be by deed and shall include:

19.5.1 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;

19.5.2 the reservation of a rent which is not less than the open market rental value of the Property at the date the Property is underlet and which is payable at the same times as the Annual Rent under this lease (but this shall not prevent an underlease providing for a rent-free period of a length permitted by clause 19.3.3);

19.5.3 provisions for the review of rent at the same dates and on the same basis as the review of rent in this lease, unless the term of the underlease does not extend beyond the next Review Date;

19.5.4 a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and

19.5.5 provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease,

and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the Annual Rent) than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.

19.6 In relation to any underlease granted by the Tenant, the Tenant shall:

19.6.1 not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed;

19.6.2 enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease without the Landlords consent (such consent not to be unreasonably withheld or delayed in cases where the waiver or non-enforcement would not cause any material breach of the tenant covenants in this lease); and

19.6.3 ensure that in relation to any rent review the revised rent is not agreed without the approval of the Landlord, such approval not to be unreasonably withheld or delayed.

20 Sharing occupation

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement.

21 Charging

21.1 The Tenant shall not charge the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

21.2 The Tenant shall not charge part only of this lease.

22 Prohibition of other dealings

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at HM Land Registry or by reason only of joint legal ownership).

23 Registration and notification of dealings and occupation

23.1 In this clause a Transaction is:

23.1.1 any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or

23.1.2 the creation of any underlease or other interest out of this lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or

23.1.3 the making of any other arrangement for the occupation of the Property.

23.2 In respect of every Transaction that is registrable at HM Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall (or shall procure that) any requisitions raised by HM Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title (and where applicable of the undertenant's title).

23.3 No later than one month after a Transaction the Tenant shall:

23.3.1 give the Landlord's solicitors notice of the Transaction; and

23.3.2 deliver a certified copy of any document effecting the Transaction to the Landlord's solicitors; and

23.3.3 pay the Landlord's solicitors a registration fee of £30 (plus VAT).

23.4 If the Landlord so requests in writing, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

24 Closure of the registered title of this lease

Within one month after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

25 Repairs

25.1 Subject to clauses 25.2 and 25.3, the Tenant shall keep the Property clean and tidy and in good and substantial repair and condition Provided Always that the Tenant shall have no obligation or liability to put or keep the Property in any better state of repair and condition than the Property is in as evidenced by the Schedule of Condition annexed to this Lease.

25.2 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:

25.2.1 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 on the Property with the actual or implied authority of any of them; or

25.2.2 the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 8.2

or by an Uninsured Risk where the damage is such as to prevent use and occupation of the whole or any part of the Property, unless and to the extent that the damage is caused by or in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them.

25.3 The Tenant shall not be liable to make good, remedy or rectify any of the existing items of disrepair detailed in the Schedule of Condition (including without prejudice to the generality of the foregoing the Specified Defects) and, in addition, and without prejudice to the provisions of clause 25.2, in relation to the Specified Defects the Tenant shall not be liable to:

25.3.1 make good, remedy or rectify any source or cause of any of the Specified Defects; or

25.3.2 remedy, repair, redecorate, replace, rebuild, renew or otherwise make good any part of the Property where such works are required as a result of or in consequence of the Specified Defects or any of them

save where such works are required to be carried out as a direct consequence of any of the activities of, or the carrying out of any other works to the Property by, or on behalf of, the Tenant any subtenant or other lawful occupier of the Property and then only to the extent required in consequence of such activities and works.

26 **Decoration**

26.1 The Tenant shall decorate the outside of the Property in 2016 and in every third year thereafter and the inside of the Property in 2013 and in every fifth year thereafter and also in the last three months before the end of the term unless it has done so within the preceding 12 months.

26.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.

26.3 All decoration carried out in the last three months of the term shall also be carried out to the reasonable satisfaction of the Landlord and using materials, designs and colours approved by the Landlord (acting reasonably).

27 **Alterations**

27.1 Save to the extent provided for in clauses 27.2 and 27.3 the Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property.

27.2 the Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

27.3 The Tenant shall not make any internal, non-structural alterations, and alterations to the shop front, fascia and signage to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

27.4 The Tenant shall not carry out any alteration to the Property which would, or may reasonably be expected to, have an adverse effect on the asset rating in any Energy Performance Certificate commissioned in respect of the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

28 **Signs**

28.1 In this clause Signs include signs, fascia, placards, boards, posters and advertisements.

28.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside without Landlords consent, such consent not to be unreasonably withheld or delayed. The Tenant shall, however, not be required to obtain any consent from the Landlord for the usual trade window displays consistent with the Tenant's obligations under this lease.

28.3 Before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal to the reasonable satisfaction of the Landlord.

28.4 The Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board as the Landlord reasonably requires provided the same shall not interfere with the access of light or air to the Property or materially interfere with the Tenant's use and enjoyment of the Property.

29 **Returning the Property to the Landlord**

29.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.

29.2 Unless the Landlord has given the Tenant notice not less than 3 months before the end of the term that it does not require the Tenant to do so, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal to the reasonable satisfaction of the Landlord.

29.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.

29.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

30 **Use**

30.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.

30.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, its other tenants or any other owner or occupier of neighbouring property Provided always that use of the Property for the Permitted Use shall not in itself be a breach of this covenant.

30.3 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property.

31 **Compliance with laws**

31.1 Subject to the proviso to clause 31.2 the Tenant shall comply with all laws relating to:

31.1.1 the Property and the occupation and use of the Property by the Tenant;

31.1.2 the use of all Service Media and machinery and equipment at or serving the Property;

31.1.3 any works carried out at the Property; and

31.1.4 all materials kept at or disposed from the Property

31.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier Provided That the Tenant shall not have any obligation to the Landlord pursuant to this clause 31 to:

31.2.1 make good, remedy or rectify any of the Specified Defects; or

31.2.2 make good, remedy or rectify any source or cause of any of the Specified Defects; or

31.2.3 remedy, repair, redecorate, replace, rebuild, renew or otherwise make good any part of the Property where such works are required as a direct result of or in direct consequence of the Specified Defects or any of them

save where such works are required to be carried out as a direct consequence of any of the activities of, or the carrying out of any other works to the Property by, or on behalf of, the Tenant any subtenant or other lawful occupier of the Property and then only to the extent required in consequence of such activities and works.

31.3 Within five working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:

31.3.1 send a copy of the relevant document to the Landlord; and

31.3.2 subject to the proviso to clause 31.2 take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord (acting reasonably) may require.

31.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent (such consent not to be unreasonably withheld or delayed in relation to any application relating to the carrying out of any works which the Tenant is permitted, or obliged, to carry out to the Property and/or the Permitted Use).

31.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term.

31.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.

31.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.

31.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.

32 **Energy performance certificates**

32.1 The Tenant shall:

32.1.1 cooperate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate and Recommendation Report for the Property including providing the Landlord with copies of any plans or other information held by the Tenant that would assist in obtaining an Energy Performance Certificate; and

32.1.2 allow such access to any Energy Assessor appointed by the Landlord as is reasonably necessary to inspect the Property for the purposes of preparing an Energy Performance Certificate and/or Recommendation Report for the Property.

32.2 The Tenant shall not commission an Energy Performance Certificate for the Property without the Landlord's consent (such consent not to be unreasonably withheld or delayed).

33 **Encroachments, obstructions and acquisition of rights**

33.1 The Tenant shall not grant any right or licence over the Property to a third party.

33.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, as soon as reasonably practicable after becoming aware of the same the Tenant shall:

33.2.1 immediately give notice to the Landlord; and

33.2.2 at the Landlords written request and (unless the encroachment has resulted from any breach of the tenant covenants in this lease or other negligent act or omission on the part of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property with the actual or implied authority of any of them, in which case the Tenant shall be responsible for all such costs) cost take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.

33.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property.

33.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party.

33.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property, as soon as reasonably practicable after becoming aware of the same the Tenant shall:

33.5.1 immediately notify the Landlord; and

33.5.2 at the Landlords written request and (unless the obstruction has resulted from any breach of the tenant covenants in this lease or other negligent act or omission on the part of the Tenant or any or any undertenant, their workers, contractors or agents or any person at the Property with the actual or implied authority of any of them in which case the Tenant shall be responsible for all such costs) cost take all steps (including proceedings) the

Landlord reasonably requires to prevent or secure the removal of the obstruction.

34 **Breach of repair and maintenance obligation**

34.1 The Landlord may enter the Property on not less than 7 days prior notice (except in case of emergency when as much notice (which need not be in writing) as possible shall be given to the Tenant) and at all times in the presence of a representative of the Tenant if the Tenant so requires, and promptly provides, such a representative, and all those entering the Property shall comply with all conditions and requirement regarding security as the Tenant (acting reasonably) shall require, in order to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.

34.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.

34.3 The costs properly incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable within 7 days of a written demand.

34.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 38.

35 **Indemnity**

Save to the extent that the same shall be caused or contributed towards by any acts omissions negligence or wilful neglect of the Landlord or her workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them the Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them.

36 **Landlord's covenant for quiet enjoyment**

The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.

37 **Guarantee and indemnity**

37.1 If an Act of Insolvency occurs in relation to a guarantor, or if any guarantor (being an individual) dies or becomes incapable of managing his affairs the Tenant shall, if the Landlord (acting reasonably) requests in writing, procure that a person of standing acceptable to the Landlord (acting reasonably) enters into a replacement or additional guarantee and indemnity of the tenant covenants of this lease in the same form as that entered into by the former guarantor.

37.2 Clause 37.1 shall not apply in the case of a person who is guarantor by reason of having entered into an authorised guarantee agreement.

37.3 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests in writing, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

38 Re-entry and forfeiture

38.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

38.1.1 any rent is unpaid 21 days after becoming payable (in the case of the Annual rent whether it has been formally demanded or not);

38.1.2 any breach of any condition of, or tenant covenant, in this lease;

38.1.3 an Act of Insolvency.

38.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of either party in respect of any breach of covenant by the other party or any guarantor.

39 Liability

39.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

39.2 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

39.3 The Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease, unless and until the Tenant has given the Landlord notice of the failure and the Landlord has not remedied the failure within a reasonable time of service of that.

40 Entire agreement

40.1 This lease constitutes the whole agreement between the parties and supersedes all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to its subject matter.

40.2 Each party acknowledges that in entering into this lease it does not rely on, and shall have no remedies in respect of, any representation or warranty (whether made innocently or negligently) other than those contained in any written replies that the Landlord's solicitors have given to the Tenant's solicitors before the date of this lease or contained in correspondence passing between the Landlord's solicitors and the Tenant's solicitors.

40.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.

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

41 **Notices, consents and approvals**

41.1 A notice given under or in connection with this lease shall be:

41.1.1 in writing unless this lease expressly states otherwise and for the purposes of this clause an e-mail is not in writing;

41.1.2 given by hand or by pre-paid first-class post or other next working day delivery service at the party's registered office address (if the party is a company) or (in any other case) at the party's principal place of business.

41.2 If a notice is given in accordance with clause 41.1, it shall be deemed to have been received:

41.2.1 if delivered by hand, at the time the notice is left at the proper address; or

41.2.2 if sent by pre-paid first-class post or other next working day delivery service, on the second working day after posting.

41.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

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

41.5 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless it is given in writing and signed by a person duly authorised on behalf or the Landlord.

41.6 If a waiver is given, it shall not affect the requirement for a deed for any other consent.

41.7 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

41.7.1 the approval is being given in a case of emergency; or

41.7.2 this lease expressly states that the approval need not be in writing.

41.8 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

42 **Early termination**

42.1 Subject to clause 42.2, the Tenant may terminate this lease on the tenth anniversary of the Term Commencement Date (the 'Break Date') by giving

notice to the Landlord of its intention to terminate this lease on the Break Date such notice to be served no later than 5pm on 28 October 2022 (the 'Break Notice'), time to be of the essence.

42.2 The Break Notice shall have no effect if at the Break Date:

42.2.1 the Tenant has not paid any part of the Annual Rent, or any VAT in respect of it, which was due to have been paid prior to the Break Date; or

42.2.2 vacant possession of the whole of the Property is not given.

42.3 Termination of this lease pursuant to this clause 42 shall be without prejudice to any right or remedy of either party in respect of any antecedent breach by the other of their obligations under this lease, including any covenants expressed to be complied with before the end of the term.

42.4 The Landlord shall pay or refund to the Tenant forthwith following the Break Date any Annual Rent, Insurance Rent or other sums or payments paid or made by the Tenant that relate to any period after the Break Date.

43 **Governing law and jurisdiction**

43.1 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.

43.2 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).

44 **Contracts (Rights of Third Parties) Act 1999**

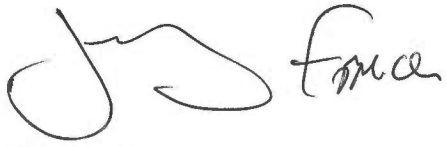
A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999.

45 **Landlord and Tenant (Covenants) Act 1995**

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

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

Executed as a deed by **JEREMY FRANCE JEWELLERS LIMITED** acting by a director the presence of:-



Witness signature:

Witness name:

Witness address:

LORNE CAMPBELL
SOLICITOR
23 ST PETER STREET
WINCHESTER, HAMPSHIRE

Witness occupation: