

Lease of first and second Floors, 18 Clover Street London W2

THIS LEASE made the *29th* day of *March* *1997*

BETWEEN

[1] Satellite Property Company Limited of 87 Southampton Street London WC1 1VW
(hereinafter called the "the Landlord") of the one part and

[2] Lifestyle Mortgage and Insurance Brokers Limited of 85 Lampeter Street London
SW3 8EZ (hereinafter called "the Tenant") of the second part

WITNESSETH as follows:

1(1) In this Lease the following expressions shall have the following meanings:

- (a) "the Building" means the building known as 18 Clover Street London W2
- (b) "the demised premises" means the first and second floors of the Building to include all ceilings floors doors door frames windows window frames and plate glass and the internal surfaces of all walls but excluding joists immediately above the ceilings and supporting floors together with all landlord's fixtures and fittings and the conducting media therein and all alterations or additions thereto
- (c) "the conducting media" means all gutters sewers drains channels waste and water pipes ducts wires cables or pipes now or at any time during the Term hereby granted in or over passing through or under the demised premises or serving the same
- (d) "the insured risks" means fire storm flood tempest explosion aircraft (including articles dropped from aircraft) riot civil commotion malicious persons earthquake bursting and overflowing of water pipes tanks and other apparatus impact by road vehicles and such other risks or perils as may be covenanted to be insured against as hereinafter contained

- (e) "the Planning Acts" means the Town and Country Planning Acts 1977 to 1990
 - (f) "the Landlord" means the reversioner immediately expectant upon the determination of the Term hereby created for so long as he holds that interest
 - (g) "the Tenant" means his her its or their respective successors in title and assigns and where two or more persons are included therein shall also include (as the case may be) the survivor or the survivors of those persons and shall also include the personal representatives of a sole individual or last surviving individual Tenant
 - (h) "the Previous Landlord" means any person who has been but is no longer the Landlord which for the avoidance of doubt may include the Original Landlord
 - (i) "Tenant's Covenants" means all covenants and other obligations assumed by the Tenant pursuant to this lease
 - (j) "the Surety's covenants" shall mean the covenants set out in the Fifth Schedule hereto
- (2) In this Lease where the context so admits:
- (a) any reference to an Act of Parliament shall include any modification or re-enactment thereof for the time being in force and shall include all instruments orders plans regulations permissions consents and directions for the time being made issued or given thereunder or deriving validity therefrom
 - (b) where there are two or more persons included in the expression "the Tenant" covenants expressed to be made by such persons shall take effect as joint and several covenants
 - (c) words importing the singular number only shall include the plural number and vice versa
 - (d) any covenant by the Tenant not to do or omit any act or thing shall be

- construed as if it were a covenant not to do or permit or suffer it to be done or omitted
- (e) any approval or consent required of the Landlord and any easement right power or discretion excepted reserved or available to the Landlord where required by this Lease shall be deemed in addition to require the consent of and to except reserve and make the same available to any mortgagee and any Superior Landlord and any costs and expenses of the Landlord payable by the Tenant by virtue of this Lease shall include all costs and expenses that any Superior Landlord or mortgagee can recover from the Landlord
2. In consideration of the rents and Tenants covenants hereinafter reserved and contained the Landlord **HEREBY DEMISES** unto the Tenant **ALL THAT** the demised premises **TOGETHER WITH** (but to the exclusion of all other liberties easements rights or advantages) the rights specified in the First Schedule hereto **EXCEPT AND RESERVING** to the Landlord and all other persons entitled thereto the rights reserved by the Second Schedule hereto **TO HOLD** the demised premises unto the Tenant from the Twenty Fifth day of March One Thousand Nine Hundred and Ninety Seven for a term of 23 years ("the Term") Subject nevertheless to the proviso for re-entry hereinafter contained **YIELDING AND PAYING THEREFOR** during the Term the yearly rents ascertained in accordance with the Third Schedule hereto together with Value Added Tax thereon if chargeable by the Landlord such rent to be paid by equal quarterly payments in advance on the four usual quarter days without any deduction or set-off (such payment to be made by Bankers Standing Order if the Landlord so requires) the first payment (being an

apportioned sum) to be made on the date hereof **AND ALSO YIELDING AND PAYING** by way of further or additional rent from time to time on demand a sum equal to 66% of the amount which the Landlord shall from time to time pay by way of insurance premiums in respect of insurance as provided in Clause 4(2) hereof

3. The Tenant **HEREBY COVENANTS** with the Landlord as follows:
- (1) To pay during the Term the said yearly rent and the said further or additional rents at the times and the manner herein provided without any deduction or set-off
 - (2) To defray (or in the absence of direct assessment on the Tenant to repay to the Landlord) all existing and future rates taxes assessments charges duties impositions and outgoings of every kind and description payable by law in respect of the demised premises or any part thereof by the owner lessor lessee or occupier thereof except tax payable by the Landlord in respect of rents or other payments under this Lease or tax payable as a result of any dealing with any reversion expectant on the Term hereby granted
 - (3) To pay for all gas electricity and water consumed on the demised premises and all charges for the hire of meters in respect thereof and to observe all regulations and requirements of the relevant supply authorities
 - (4) At all times to keep the interior of demised premises including the shop front thereof in good and substantial repair order and condition throughout the Term (damage by the insured risks excepted save and to the extent that the insurance moneys shall be irrecoverable in consequence of any act or default of the Tenant) and to replace from time to time all Landlord's fixtures fittings

and appurtenances in the demised premises which may be or become beyond repair at any time during or at the expiration or sooner determination of the Term

- (5)(a) In the last year of the Term howsoever determined to paint or otherwise treat as the case may be all the outside wood metal and cement work of the demised premises previously so treated in a proper and workmanlike manner provided that the colour of the paint and materials used in such painting or treating shall be subject to the prior written approval of the Landlord and in the case of painting at least two coats of good quality paint shall be used
- (b) In the last year of the Term howsoever determined to paint with two good coats of good quality paint (the colour of the paint to be first approved by the Landlord) in a proper and workmanlike manner all the internal wood metal and other parts of the demised premises heretofore or usually painted and also with every such internal painting to wash varnish colour paper and otherwise decorate in a proper and workmanlike manner (the colour to be approved as aforesaid) all such internal parts of the demised premises as have been or ought properly to be so treated
- (6)(a) Not to commit or permit or suffer any waste spoil or destruction in or upon the demised premises or any part thereof nor to cut maim or injure or suffer to be cut maimed or injured any part of the walls timbers conducting media or appurtenances thereof
- (b) Not to erect or build any additional or substituted building or structure whatsoever upon the demised premises or any part thereof nor to alter or change the construction height elevation or external architectural appearance of the demised premises or any part thereof and not without the previous

written consent of the Landlord to make or suffer to be made any other alterations or additions to the demised premises **PROVIDED THAT** if any such consent is granted it may be subject to such conditions and be on such Terms as the Landlord may require and all such consents shall be deemed to include a covenant on the part of the Tenant (whether or not expressed in any such consent) that the Tenant shall (if the Landlord so requires) at the expiration or sooner determination howsoever effected of the Term hereby granted at the Tenant's expense remove all such alterations or improvements and reinstate the demised premises to their former state and condition as if such works had not been carried out and make good all consequential damage

- (c) On making application for any such consent as aforesaid and before commencing any such works to submit to the Landlord such plans drawings or specifications as the Landlord may require
- (7) At all times during the Term at the Tenant's expense to observe and comply with and do and execute or cause to be done and executed all such works and to do all such things as under or by virtue of any Act or Acts of Parliament are or shall be directed or in respect of the demised premises or any part thereof or in respect of the user thereof or the employment therein of any person
- (8) Within seven days of receipt of notice of the same to give full particulars to the Landlord of any permission notice order requisition direction or other thing and also to make or join in making such objections or other thing and also to make or join in making such objections or representations in respect thereof as the Landlord may reasonably require or deem expedient

- (9) To permit the Landlord its agents surveyors and others authorised by it at all reasonable times (upon previous notice except in the case of emergency) to enter upon and view the state and condition of the demised premises and to take schedules of the Landlords fixtures and fittings therein and as soon as possible after the Landlord or its agents surveyors or others authorised by it shall have given written notice to the Tenant of any defects decays wants of reparation found thereupon well and substantially to repair and make good the same in accordance with the covenants hereinbefore contained **PROVIDED THAT** if the Tenant shall not within twenty eight days after the service of such notice commence and proceed diligently with the execution of the works specified therein it shall be lawful for the Landlord (but without prejudice to any other rights or remedies) and its agents surveyors and workmen with all necessary appliances and equipment to enter upon the demised premises and execute such repairs and works and the cost thereof (which expression shall include but not be limited to all legal costs and surveyors fees and other expenditure whatsoever attendant thereon) shall be a debt payable by the Tenant to the Landlord on demand and in default shall be recoverable by the Landlord as rent in arrear
- (10)(a) Not to store or bring into the demised premises any articles of a specially combustible inflammable or dangerous nature and to observe and perform the conditions of the policy or policies of insurance for the time being in force in relation to the demised premises and not to do permit or suffer anything by reason whereof any insurance effected on the demised premises or any adjoining or neighbouring property may be rendered void or voidable or whereby the rate of premium thereon may be increased or which would be

likely to increase the risk of fire or explosion and to comply with all recommendations or requirements of the insurers and fire authorities as to fire precautions relating to the demised premises and to carry out all works necessary to comply with such recommendations or requirements at the Tenant's cost

- (b) To give notice to the Landlord forthwith of any damage to or destruction of the demised premises or any part thereof whether the same shall have been caused by an insured risk or otherwise
- (11) In the event of the demised premises or any part thereof being destroyed or damaged and the insurance money under any insurance in which the Landlord has an interest being wholly or partly irrecoverable by reason solely or in part of any act neglect or default of the Tenant or its servants agents tenants licensees or invitees then and in every such case the Tenant will forthwith (in addition to the said rents) pay to the Landlord the whole (or such part as may be irrecoverable) of the costs including Professional and other fees of completely rebuilding and reinstating the same
- (12) Not to carry on or permit or suffer to be carried on or upon the demised premises or any part thereof any noxious noisome noisy dangerous illegal immoral or offensive trade or business nor to use the same for any purpose other than for the professional offices of insurance and mortgage brokers or any other use as authorised by the consent in writing of the Landlord such consent not to be unreasonably withheld or delayed
- (13) Not to do or permit or suffer to be done upon the demised premises any act or thing which may endanger the safety or stability of any neighbouring property or which may be or become or grow to be a public nuisance or a danger or

disturbance to the Landlord or its tenants or to neighbouring property or persons

- (14) Not to affix erect attach or exhibit or permit or suffer to be affixed erected or attached or exhibited upon any part of the exterior of the demised premises or to or through any windows thereof any placard poster notice advertisement name sign pole or aerial whatsoever save that the name of the Tenant and nature of the trade or business carried on by the Tenant may be displayed at the expense of the Tenant in such form and character as shall have been previously approved in writing by the Landlord
- (15) Not to hold or permit or suffer to be held any sale by auction on the demised premises or use or permit the same to be used for residential purposes
- (16) Not to assign (which shall include any equitable assignment) underlet charge grant any security interest over or part with or share possession or occupation of the whole or any part or parts of the demised premises nor to hold its interest in the demised premises or any part thereof as nominee or upon trust for any third party PROVIDED THAT the Tenant may assign the whole of the demised premises where prior to such assignment all the conditions set out below have been complied with in relation to that assignment which conditions are as follows:
- (a) at the time of the assignment there are no arrears of rents or other monies due to the Landlord and there is no subsisting breach of any of the Tenant's Covenants; and
- (b) the Tenant has entered into an Authorised Guarantee Agreement with the Landlord pursuant to section 16 of the Landlord and Tenant (Covenants) Act 1995 guaranteeing the proposed assignee's performance of the Tenant's

Covenants in the form set out in the Fourth Schedule (the guarantor under such guarantee being referred to in this Lease as an “Authorised Guarantor”); and

- (c) the proposed assignee has provided references (and copies of the letters leading to the giving of such references) from its bank accountant solicitor and any current landlord in each case satisfactory to support payment by the assignee of sums equal to the current rents or an increased sum in respect of an imminent rent review as estimated by the Landlord acting reasonably; and
- (d) where the granting of consent by the Landlord would not place the Landlord in breach of any covenant or obligation under any Superior Lease or any restriction affecting the freehold title or mortgage; and
- (e) where an assignment to the proposed assignee would not materially reduce the value of the Landlord's interest in the demised premises or adversely affect the Landlord's ability to dispose of the reversion to all or any part of the demised premises; and

PROVIDED ADDITIONALLY THAT:

- (f) where the proposed assignee is a body corporate or partnership or other person (not being an individual nor a Government Department) formed more than four years prior to the application for consent to assignment (unless the said body is a non-profit-making organisation) then immediately preceding the time that the application for consent to assignment is made it has net profits before tax for each of the last three consecutive periods of account for which the accounts of the same are prepared which exceed the yearly rents (or an increased sum in respect or an imminent rent review as estimated by the Landlord acting reasonably) multiplied by a factor of three; and

- (g) where the proposed assignee is a body corporate or partnership or other person (not being an individual nor a Government Department formed less than four years prior to the application for consent to assignment:
- (i) it has provided all available accounts and draft accounts immediately preceding the time that the application for consent to assignment is made; and
 - (ii) two responsible and respectable directors of the body corporate or partnership or two officers of such other person have entered into a direct covenant with the Landlord to stand as personal guarantors to cover all obligations of the proposed assignee on the Terms set out in the Fourth Schedule

PROVIDED FINALLY THAT in every case and in addition to the above conditions the Landlord has given its consent to the Tenant's assignment

- (h) To provide the Landlord with a certified copy of all permitted assignments underleases or other instruments affecting the demised premises within one calendar month after the execution or making of such assignments underleases or other instruments for the purpose of being registered by the Landlord and to pay a reasonable fee for the registration thereof
- (17) Notwithstanding and without prejudice to any other provision contained in this Lease to reimburse the Landlord on demand all reasonable fees charges costs and expenses (including counsels solicitors surveyors and other professional costs charges and fees) incurred or suffered by the Landlord and arising out of or in connection with or incidental to:
- (a) Any application or request or proposed application or request by the Tenant in connection with the demised premises or the use thereof or any of the

- provisions of this Lease whether or not the same shall be proceeded with by the Tenant or shall be granted or refused or granted subject to conditions
- (b) The preparation and service of a notice under Section 146 of the Law of Property Act 1925 or incurred in or in contemplation of proceedings under Section 146 or 147 of the Act notwithstanding in any such case forfeiture is avoided otherwise than by relief granted by the court
 - (c) The preparation and service of all schedules relating to wants of repair to the demised premises and whether served during or after the expiration or sooner determination of the Term hereby granted (but relating in all cases to such wants of repair which accrued not later than the expiration or sooner determination as aforesaid) and agreeing such schedules with the Tenant
- (18) In relation to Planning Acts:
- (a) So often as occasion shall require at the expense in all respects of the Tenant to obtain all such licences consents and permissions as may be required for the carrying out by the Tenant of any operations on the demised premises or the institution or continuance by the Tenant of any use thereof which may constitute development within the meaning of the Planning Acts but so that the Tenant shall not make any application for planning permission without the previous written consent of the Landlord and
 - (b) Notwithstanding any consent which may be granted by the Landlord under this Lease not to carry out or make any alteration or addition to the demised premises or any change of use thereof before all necessary planning permissions thereof have been produced to the Landlord and acknowledged by it in writing as satisfactory to it but so that the Landlord may refuse so to express its satisfaction with any such planning permission on the ground that

- the period thereof or anything contained therein or omitted therefrom in the reasonable opinion of the Landlord or its surveyor would be or be likely to be prejudicial to its interest in the demised premises whether during the Term herein or following the expiration thereof and
- (c) Unless the Landlord shall otherwise direct to carry out by the expiration or sooner determination of the Term any work stipulated to be carried out to the demised premises by a date subsequent to such expiration or sooner determination as a condition of any planning permission which may have been granted to and implemented by the Tenant during the Term and
 - (d) If and when called upon so to do to produce to the Landlord all such plans documents and other evidence as the Landlord may reasonably require in order to satisfy itself that the provisions of this covenant have been complied with in all respects
 - (e) If the Tenant shall at any time carry out any development on or to the demised premises the Tenant shall indemnify the Landlord against all liability for any tax levy or charge of whatsoever nature for which the Landlord may become liable as a result of such development
- (19)(a) Not to do or permit or bring in or upon the demised premises anything which may throw on the floors ceilings or walls of the demised premises any excessive weight or strain and not to overload the electrical installations or other conducting media in or serving the demised premises
- (b) To comply with such regulations as the Landlord may think fit to make regarding the conduct or management of the demised premises
 - (c) Not to store any goods outside any buildings on the demised premises and not to allow rubbish of any description to accumulate upon the demised

- premises and to maintain in a clean and tidy condition free from obstruction all parts of the demised premises as shall not be built upon
- (d) To ensure that all plant apparatus and machinery on the demised premises is properly operated and to avoid damage to the demised premises by vibration or otherwise
- (20) Not to allow to pass into the sewers drains or watercourses serving the demised premises any noxious or deleterious effluent or other substances which may cause an obstruction or injury forthwith to make good any damage to the satisfaction of the Landlord's surveyor
- (21) Not to give any third party any acknowledgement that the Tenant enjoys the access of light or air to any windows or openings in the demised premises by the consent of such third party or to pay any sum of money to or enter into any agreement with such third party for the purpose of inducing or binding him to abstain from obstructing the access of light or air to any such windows or openings and in the event of any such third party doing or threatening to do anything which obstructs such access of light or air to notify the same forthwith in writing to the Landlord and to take such steps as may be necessary to prevent such obstruction or the acquisition of any easement
- (22) To permit the Landlord during the six months immediately preceding the determination of the said Term to affix and retain without interference upon any part of the demised premises a notice for reletting the same and during such period to permit persons with written authority of the Landlord or the Landlord's agent at reasonable times of the day to view the demised premises
- (23) To yield up the demised premises with the fixtures and fittings and additions thereto (Tenant's fixtures only excepted) at the expiration or sooner

determination of the Term in good and substantial repair order and condition (Landlord's fixtures fittings and appurtenances being duly replaced) in accordance with the several covenants hereinbefore contained and to remove all signs erected by the Tenant making good any damage caused by such removal

- (24) To observe and perform and to indemnify the Landlord against any breach by the Tenant its servants agents tenants licensees or invitees of any of the covenants on the part of the lessee contained in the Superior Lease so far as they relate to the demised premises and are not hereby expressly assumed by the Landlord
- (25) To indemnify and keep indemnified the Landlord and its estate and effects from and against all losses costs expenses damages claims demands proceedings and liabilities incurred or sustained by the Landlord as a consequence (whether directly or indirectly) of any breach non-observance or non-performance of any of the Tenant's covenants herein or of any act neglect or default of the Tenant its subtenants or their respective servants agents licensees or invitees
- (26) In additions to rents fees and other payments of whatsoever nature which are or shall be reserved or which are or may become payable pursuant to the provisions of this Lease by or on behalf of the Tenant to the Landlord or any person acting on its behalf to pay any Value Added Tax at the rate from time to time in force which is or may at any time hereafter become payable in respect of such rents fees and other payments
- (27) Without prejudice to any other rights or remedies of the Landlord if the Tenant shall make default in making payment to the Landlord within fourteen days of

the same becoming due of any rents fees or other payments of whatsoever nature payable by the Tenant to the Landlord pursuant to any of the provisions of this Lease the amount may be recovered by the Landlord by action or distress as if the same formed part of the rent payable hereunder or as liquidated damages and the moneys so due shall bear interest at the rate of five per centum per annum above the base rate of the Royal Bank of Scotland PLC from time to time in force as well after as before any judgement calculated from the date on which such moneys became due until the date of actual payment thereof

- (28) To pay to any Previous Landlord on demand all costs and expenses properly incurred by such Previous Landlord in performing or observing any of the Landlord's obligations under this Lease (excluding any payments made under clause 4(4) hereof
 - (29) To contribute 66% of the costs incurred by the Landlord in complying with his obligations under clause 4 (4) hereof such contribution to be payable on demand
 - (30) To pay the Landlords legal fees in connection with the preparation of this Lease and a counterpart thereof to include VAT thereon and £5.00 Stamp Duty on the counterpart Lease
4. The Original Landlord hereby covenants as a personal covenant with the Tenant while the Original Landlord is the Landlord and as long as the Tenant pays the Rents and performs and observes the Tenant's Covenants (and so that the covenant will not bind any successor in title to the Original Landlord save pursuant to the provisions of sub-clause 4(3) as follows:
- (1) That the Tenant paying the rents hereby reserved and observing and

performing all and singular the covenants and conditions hereinbefore contained and on the Tenant's part to be observed and performed shall and may during the continuance of the Term hereby granted peaceably and quietly hold and enjoy the demised premises without any lawful interruption or disturbance from or by the Landlord or any person or persons lawfully claiming under or in trust for it

- (2) To insure and (unless the insurance so effected shall become void or voidable or payment of the policy moneys withheld or refused in whole or in part through or by reason of any act neglect or default of the Tenant or its sub-tenants or their respective servants agents licensees or invitees) to keep insured or cause to be insured at all times throughout the Term
- (i) the Building and all fixtures of an insurable nature (other than those which the Tenant or any person deriving title under the Tenant are entitled to remove) against loss or damage by the insured risks and such other perils as the Landlord may from time to time reasonably decide to the full reinstatement and rebuilding cost including the cost of demolition shoring removal of debris and other expenses and an amount to cover architects and other fees and
- (ii) three years loss of rent in respect of the demised premises
- (3) To procure that on any assignment of the reversion of this Lease the assignee of the reversion executes and delivers to the Tenant a deed in which the assignee of the reversion enters into a personal covenant with the Tenant in the same Terms as that undertaken by the Original Landlord in this Clause 4 including the covenant contained in this sub-Clause 4(3)
- (4) To maintain the state and condition (including the decorations) of

- (a) the structure, outside, roof, foundations, joists, floor slabs, load bearing walls, beams and columns of the Building.
- (b) to pay or contribute to the cost of repairing, maintaining and cleaning party walls, party structures, yards, gardens, roads, paths, gutters, drains, sewers, pipes, conduits, wires, cables and other things used or shared with other property.

5. **PROVIDED ALWAYS** and it is hereby further agreed as follows:

- (1) If and whenever during the Term the said rents hereby reserved or any of them or any part thereof shall be in arrear and unpaid for twenty one days next after becoming payable (whether formally demanded or not) or if and whenever there shall be any breach or non-performance or non-observance of any of the covenants on the part of the Tenant herein contained or if the Tenant (being an individual) shall become bankrupt or if the Tenant (being a company) shall enter into liquidation whether compulsory or voluntary (save for the purpose of amalgamation or reconstruction of a solvent company) or if a receiver shall be appointed of its undertaking or if the Tenant for the time being shall enter into any arrangement or composition for the benefit of the Tenant's creditors or shall suffer any distress or execution to be levied on the Tenant's goods then and on any of the said cases it shall be lawful for the Landlord at any time thereafter and notwithstanding the waiver of any previous rights of re-entry to enter into and upon the demised premises or any part thereof in the name of the whole and thereupon the said Term shall absolutely cease and determine but without prejudice to any rights or remedies which may have accrued to either party against the other in respect of any antecedent breach of any of the covenants herein contained

- (2) In case the demised premises or any part thereof shall at any time during the said Term be so damaged or destroyed by the insured risks or other risks against which the Landlord shall have insured as to be unfit for occupation and use then (unless the insurance moneys shall be wholly or partially irrecoverable by reason solely or in part of any act or default of the Tenant) the rents hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the demised premises shall be rendered fit for occupation and use or until three years after such damage or destruction whichever is the shorter and any dispute with reference to this proviso shall be referred to arbitration in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force
- (3) The demand for and/or acceptance of rent by the Landlord or its agents shall not constitute a waiver of any of the covenants on the part of the Tenant herein contained or of the Landlord's remedies for the non-performance or non-observance thereof
- (4) Nothing herein contained or implied shall be taken to be a warranty or representation as to the purpose for which the demised premises may be lawfully used
- (5) For the purpose of the service of all notices hereby or by statute authorised to be so served the provisions contained in Section 196 of the Law of Property Act 1925 as amended by the Recorded Delivery Act 1962 shall be deemed to be incorporated herein
- (6) Subject to the provisions of sub-section (2) of Section 38 of the Landlord and Tenant Act 1954 neither the Tenant nor any assignee or underlessee of the demised premises shall be entitled on quitting the demised premises to any

compensation under Section 37 of the same Act or under any corresponding provision in any Act amending the or replacing the same

- (7) No receipt of rent or other payment paid by direct debit standing order or otherwise inadvertently accepted by the Landlord or its personnel after notice or knowledge of any breach of any of the Tenant's Covenants shall operate as a waiver wholly or partially of any such breach
- (8) Any walls dividing the demised premises from any adjoining building or premises shall be deemed to be party walls and shall be repaired and maintained accordingly
- (9) Any dispute arising between the Tenant and any owner or occupier of any neighbouring or adjacent land or premises as to any easement right or privilege or any quasi-easement right or privilege in connection with the demised premises or any adjoining or neighbouring land or premises or as to any party or other walls shall be determined by the Landlord or its surveyors or architect for the time being to whose decision the Tenant shall from time to time submit
- (10) This Lease is a new tenancy for the purposes of Section 1 of the Landlord and Tenant (Covenants) Act 1995
- (11) It is hereby certified that there is no agreement to which this Lease gives effect

IN WITNESS whereof the parties hereto have executed this Lease as a deed the day and year first before written

THE FIRST SCHEDULE before referred to

RIGHTS GRANTED

- (1) The right of free passage and of running of water soil gas electricity and other services in and through the conducting media so far as necessary for the enjoyment of the demised premises and in common with the Landlord and all other persons entitled thereto
- (2) The right of support and shelter and all rights of light air and other easements and rights now or hereafter belonging to or enjoyed by the demised premises over any adjoining or neighbouring land or building so far as the landlord is able to grant the same.
- (3) The right for the Tenant (so far as the Landlord is able to grant the same) to enter on to neighbouring premises at all times and from time to time upon reasonable notice (save in the case of emergency) for the purpose of
 - (i) repairing, maintaining, renewing, laying, altering, cleansing, examining or testing the conducting media and all parts thereof
 - (ii) carry out any work or doing anything whatsoever comprised within the Tenant's obligations or (whether or not comprised in the same) for which the Tenant is liable hereunder to make a contribution

The person exercising such rights causing as little damage and inconvenience as possible and making good any damage caused.

THE SECOND SCHEDULE before referred to

RIGHTS RESERVED

- (1) The free running and passing of water soil gas and electricity and other

services coming from or passing to any other building or land in and through any conducting media now on over or under the demised premises and the right to maintain alter or divert the same and to connect thereto

- (2) The right from time to time and at all times during the Term hereby created:
- (i) to fix construct place maintain install and use on over through or under the demised premises any conducting media may be necessary or convenient
 - (ii) to alter or divert any conducting media laid in or serving the demised premises and to connect thereto

The person exercising such rights causing as little damage and inconvenience as possible and making good any damage occasioned

- (3) Full right and liberty for the Landlord and its surveyors agents workmen and others and the tenants and occupiers of adjoining or neighbouring premises at all times and from to time upon reasonable notice (save in case of emergency) to enter into and upon the demised premises and all parts thereof for the purpose of:
- (i) repairing maintaining renewing laying altering cleansing examining or testing the conducting media and all parts thereof
 - (ii) carrying out any work or doing any thing whatsoever comprised within the Landlord's obligations or (whether or not comprised within the same) for which the Tenant is liable hereunder to make a contribution
 - (iii) inspecting repairing maintaining redecorating or altering any adjoining or neighbouring premises the person exercising such rights causing as little damage and inconvenience as possible and making good any damage occasioned

- (4) The right of support and shelter and all rights of light air and other easements and rights now or hereafter belonging to the or enjoyed by any adjacent or neighbouring land or building from or over the demised premises
- (5) The right to build or rebuild or alter or permit suffer to be built rebuilt or altered any adjacent or neighbouring land or building in any manner whatsoever and to let the same for any purpose or otherwise deal therewith notwithstanding the light or air to the demised premises is in any such case there by diminished or (save insofar as the same are hereby expressly granted or covenanted to be provided) any other liberty easement right or advantage belonging to the Tenant is thereby diminished or prejudicially affected

THE THIRD SCHEDULE

RENT REVIEW

1. In this Schedule "Review Date" means the 25th day of March in the year 2000 and the same day in every subsequent third year of the Term and the "Review Period" means the period starting with any Review Date up to the next Review Date or starting with the last Review Date up to the end of the Term hereof.
The yearly rent shall be:
 - (a) Until the first Review Date the rent of £100,000.00 per annum
 - (b) During each successive Review Period a rent equal to the rent previously payable hereunder or such revised rent as may be ascertained as herein provided whichever is the higher
2. Such revised rent for any Review Period may be agreed between the Landlord and the Tenant or (in the absence of agreement) determined not earlier than the relevant Review Date by an arbitrator acting as an expert such

arbitrator to be nominated in the absence of agreement by or on behalf of the President for the time being of the Royal Institution of Chartered Surveyors on the application of the Landlord or the Tenant made not earlier than six months before the relevant Review Date and so that in case of such arbitration the revised rent to be awarded by the arbitrator shall be such as he shall decide should be the yearly rent (exclusive of Value Added Tax) at the relevant Review Date for the demised premises

- (a) on the following assumptions at that date:
- (i) that the demised premises are fully fitted out to the requirements of the willing tenant and are fit for immediate occupation and use and that no work has been carried out thereon by the Tenant its sub-tenants or their predecessors in title during the Term which has diminished the rental value of the demised premises and that in case the demised premises or the access thereto or any conduits serving the demised premises have been destroyed or damaged by the insured risks that they have been fully restored
 - (ii) that the demised premises are available to let on the open market by a willing Landlord to a willing Tenant as a whole without a premium by either party but with vacant possession and subject to the provisions of this Lease (other than the amount of the rent hereby reserved but including the provisions for rent review) for a Term equal to the residue of the Term of this lease at the relevant Review Date with rent reviews at similar intervals
 - (iii) that no reduction is to be made to take account of any rental concession which on a new letting with vacant possession might be

granted to an incoming tenant for a period within which its fitting out works would take place or in respect of disturbance that may have been caused to the Tenant during refurbishment works carried out at the beginning of the Term

- (iv) that the covenants herein contained on the part of the Tenant have been fully performed and observed and having regard to the open market values current at the relevant Review Date
- (b) But disregarding:
- (i) any effect on the rent of the fact that the Tenant its sub-tenants or their respective predecessors in title have been in occupation of the demised premises
 - (ii) any goodwill attached to the demised premises by reason of the carrying on thereof of the business of the Tenant its sub-tenants or their predecessors on their respective businesses
 - (iii) any increase in the rental value of the demised premises attributable to the existence at the relevant Review Date of any improvement to the demised premises or any part thereof otherwise than in pursuance of an obligation to the Landlord or its predecessors in title (except obligations requiring compliance with statutes or directions of local authorities or other bodies exercising powers under statute or Royal Charter) by the Tenant its sub-tenants or predecessors in title during the Term but in such disregard no allowance shall be made for any notional loss of use whilst such improvements are being carried out
 - (iv) all tenants fixtures and fittings within the demised premises
 - (v) any adverse effect on rent of any temporary works, operations or other

activities on any neighbouring or adjoining property

3. **IT IS HEREBY FURTHER PROVIDED** in relation to the said revised rent as follows:
- (a) The arbitration shall be conducted in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force with the further provision that if the arbitrator nominated pursuant to paragraph 3 hereof shall die or decline to act the President for the time being of the Royal Institution of Chartered Surveyors or the person acting on his behalf may on the application of either the Landlord or the Tenant by writing discharge the arbitrator and appoint another in his place
 - (b) When the amount of any rent to be ascertained as hereinbefore provided shall have been so ascertained as memoranda thereof shall thereupon be signed by or on behalf of the Landlord and the Tenant and annexed to this lease and counterpart thereof and the parties shall bear their own costs in respect thereof
 - (c) (i) If revised rent payable on and from any Review Date has not been agreed by that Review Date rent shall continue to be payable at the rate previously payable and forthwith upon the revised rent being ascertained the Tenant shall pay to the Landlord any shortfall between the rent and the revised rent payable up to and on the preceding quarter day together with interest upon each instalment thereof from the date upon which the same would have been payable to the date of actual payment thereof at the Four per cent above the base rate from time to time of the Royal Bank Of Scotland PLC

- (ii) for the purpose of this proviso the revised rent shall be deemed to have been ascertained on the date when the same has been agreed between the parties or as the case may be the date of the determination by the arbitrator

THE FOURTH SCHEDULE

Form of AUTHORISED GUARANTEE AGREEMENT

1. In this Deed “the Assignee” means the person or persons company or companies which the Authorised Guarantor guarantees under the provision of this Schedule being the relevant Assignee as referred to in (as applicable) Section 16 (1) or Section 16(6) of the Landlord and Tenant (Covenants) Act 1995 (“the 1995 Act”)
2. To the extent (but only to the extent) that the provisions of this Deed are not an Authorised Guarantee complying with the provisions of Section 16 of the 1995 Act then the same shall not be enforceable but such unenforceability shall not prejudice the other parts of this Schedule
3. The Assignee shall at all time during the Term (but not for the avoidance of doubt so as to impose on the Authorised Guarantor any liability restriction or other requirement of whatever nature in relation to any time after the Assignee is released from its covenants in this Lease by virtue of the 1995 Act) pay rents and all other sums reserved and made payable by this Lease and in the manner and at the respective times appointed for their payment and shall perform and observe all the covenants on the part of the Tenant and the conditions and provisions contained in the Lease and the Authorised Guarantor will pay and make good to the Landlord on demand any losses damages costs and/or

expenses suffered or incurred by the Landlord by reason of any failure of the Assignee to do so Provided that any neglect delay or forbearance of the Landlord in enforcing or giving time to the Tenant for payment of such rents or other sums or the performance or observance of any such covenants conditions and provisions or (but subject to the overriding provisions of Section 18 of the 1995 Act) any variation in the Terms of this Lease (including but not by way of limitation any reviews of the rent or licences or consents given by the Landlord or Deeds of Variation entered into between the Landlord and the Tenant) or the transfer of the Landlord's reversion or the release of any one of the persons acting as Authorised Guarantor (if more than one) from the liability under this Lease or any other act omission matter or thing by which (but for this provision) the Authorised Guarantor would be exonerated either wholly or in part from this covenant and/or indemnified (other than a release under seal given by the Landlord) shall not release or in any way lessen or affect the liability of the Authorised Guarantor to the Landlord

4. If the Assignee goes into liquidation and the Liquidator disclaims this Lease or if the Tenant for the time being is an individual and becomes bankrupt and the Trustee in Bankruptcy disclaims this Lease the Authorised Guarantor shall if required by the Landlord within three months of such event accept from and execute and deliver to the Landlord a counterpart of a new lease of the demised premises for a Term continuing for the residue of the Term which (but for such disclaimer) would have then remained unexpired of the Term such new lease to be at the cost of the Authorised Guarantor and to reserve the same rents and other sums as were then reserved and made payable by this Lease and to contain Tenants covenants (as defined in the 1995 Act) as are no more onerous than those of this Lease (but incorporating for the avoidance of doubt the provisions of any Deeds or documents subsequently varying the Lease which are similarly no more onerous than the Tenants covenants)

THE FIFTH SCHEDULE

Covenants by the Surety

1. The Surety hereby irrevocably and unconditionally GUARANTEES to the Landlord as a continuing guarantee the payment when due of all sums due owing or outstanding from the Tenant to the Landlord under the Lease and the due performance by the Tenant of the Tenant's Covenants and agrees to indemnify the Landlord from and against all loss damage costs and expenses which the Landlord may suffer through or arising from any failure by the Tenant to perform any of the Tenant's Covenants or any failure by the Tenant duly fully and punctually to pay any such sum or any other sum required to be paid by it in relation to or otherwise to perform its said obligations.

2. The Surety HEREBY FURTHER COVENANTS irrevocably and unconditionally with the Landlord that if the Tenant shall become insolvent and/or the Lease is vested in the Crown as bona vacantia and/or the Lease is disclaimed and/or forfeited and/or the Term is otherwise determined prior to its contractual expiry the surety will (if so required by the Landlord within 1 year of the Landlord learning of the relevant event) accept from and execute and deliver to the Landlord a counterpart of a new lease of the Demised Premises for a Term commencing on the date of such disclaimer or other event putting an end to the effect of the Lease as aforesaid and continuing for the residue then remaining unexpired of the Term the Surety to be responsible for the costs of both parties in connection with such new lease (together with any Value Added Tax payable thereon) and to reserve the same rents and other sums as are then reserved and made payable by the Lease and to be subject to the same covenants conditions and provisions

(including the provisions for the review of rent at the times and in manner contained in the Lease) as are contained in the Lease PROVIDED THAT if the Lease was excluded from Sections 24 to 28 (inclusive) of the Landlord and Tenant Act 1954 the Surety shall if required by the Landlord obtain jointly with the Landlord a valid Court Order authorising the exclusion of such new lease therefrom (or from any enactment modifying replacing re-enacting or extending the same) prior to its completion and shall enter the appropriate declaration therein at completion to give effect to such authorisation and shall indemnify the Landlord against all expenses additionally thereby incurred.

3. All sums payable hereunder by the Surety shall be paid immediately on demand by the Landlord in full without any deduction withholding counter-claim or set off and if the Surety is compelled by law to make any deduction or withholding from any such sums or if any payment hereunder shall be or become subject to any tax duty levy or impost of any nature (whether before or after the same has been paid to the Landlord) excluding any tax (other than Value Added Tax) assessable on the Landlord in respect of any income from the Demised premises the Surety shall (insofar as permitted by law) immediately pay to the Landlord such additional amount or amounts as will result in payment to and retention by the Landlord of the full amount which would have been received and retained by the Landlord but for such deduction or withholding or the imposition of such tax duty levy or impost.

4. Without prejudice to the Landlord's rights against the Tenant as between the Landlord and the Surety the Surety shall be liable hereunder as if it were

solely and principally liable and not merely a surety and its liability hereunder shall not be released discharged or diminished by:

- (a) any legal limitation lack of capacity or authorisation or defect in the actions of the Tenant in relation to any invalidity or unenforceability of or any variation (whether or not agreed by the Surety) of any of the Terms of this Lease the insolvency (or in the case of an individual Tenant death) of the Tenant or any change in the Tenant's identity constitution status or control; or
- (b) any forbearance neglect or delay in seeking performance of the obligations of the Tenant any granting of time indulgence or other relief to the Tenant in relation to such performance or any composition with discharge waiver or release of the Tenant; or
- (c) any other act omission fact or circumstance which might otherwise release discharge or diminish the liability of a guarantor

5. Any release settlement or discharge between the Landlord and the Surety shall be conditional upon no security or payment made or given to the Landlord being avoided reduced set aside or rendered unenforceable by virtue of any provision or enactment now or hereafter in force relating to bankruptcy insolvency or liquidation and if any such security or payment shall be avoided reduced set aside or rendered unenforceable the Landlord shall be entitled to recover the full amount or value of any such security or payment from the Surety and otherwise to enforce this Schedule as if such release settlement or discharge had not taken place.

6. This guarantee is given to the Landlord by the Surety under seal and shall

enure for the avoidance of doubt not merely for the benefit of the Landlord but for the benefit of any successor in title (however such title devolves) of the Landlord.

7. The Surety HEREBY FURTHER COVENANTS with the Landlord
- (a) to notify the Landlord from time to time in writing forthwith of any change (in the case of a company) to the registered office of the Surety or (in the case of an individual) to the address of the Surety and any notice request application consent approval or other notification served by the Landlord on the Surety shall be deemed to have been given or delivered if by letter forty eight hours after posting it if by delivery when left at the relevant address and if by telex when transmitted and shall be effectual notwithstanding any change of address not so notified
- (b) to keep the Landlord fully and effectually indemnified from and against all actions demands claims liabilities losses damages costs and expenses whatsoever (including all interest penalties legal and other costs and expenses together with Value Added Tax thereon if applicable) arising directly or indirectly through the failure or omission by the Surety to comply with paragraph 7(a) above

Executed as a Deed)
By Satellite Property Company Limited)
Acting by its secretary and a)
Director or by two directors)

Director

Secretary/Director