

DATED

17th MAY

2018

THROGMORTON PROPERTIES LIMITED

-and-

BLANK GALLERY LIMITED

OVERRIDING LEASE

of

Unit C

Basement and ground floor (plus other premises)

27 Throgmorton Street

London

EC2N 2AQ

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PRESCRIBED CLAUSES

LR1. Date of lease 17th MAY 2018

LR2. Title number(s)

LR2.1 Landlord's title number(s)

NGL362486

LR2.2 Other title numbers

AGL264042

LR3. Parties to this lease

Landlord

Throgmorton Properties Limited

Quadrant House, [REDACTED] Thomas More Street, Thomas More Square,
London, E1W 1YW

5795357

Tenant

Blank Gallery Limited

[REDACTED] Seymour Place, London, W1H 4AT

09437753

Other parties

None

Guarantor

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.

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

The easements as specified in *Clause 3* of this lease.

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

The Parties to this lease apply to enter the following standard form of restriction against the title of the Property:

“No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge not being a charge registered before the entry of this restriction is to be registered without a certificate signed by the proprietor for the time being of the estate registered under title number NGL362486 or their conveyancer that the provisions of clauses 19 and 20 of this lease have been complied with”.

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

None

This lease is dated

17th MAY

2018

PARTIES

- (1) **THROGMORTON PROPERTIES LIMITED** incorporated and registered in England and Wales with company number 05795357 whose registered office is at Quadrant House, [REDACTED] Thomas More Street, Thomas More Square, London, E1W 1YW (**Landlord**).
- (2) **BLANK GALLERY LIMITED** incorporated and registered in England and Wales with company number 09437753 whose registered office is at [REDACTED] Seymour Place, London, W1H 4AT (**Tenant**).

AGREED TERMS

1. INTERPRETATION

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

Action of the Tenant: any act neglect or default of the Tenant or other occupier from time to time of the Property.

Agreement for Lease: an agreement for lease dated the 21st day of March 2017 and made between (1) the Landlord and (2) the Tenant as amended by the addendums dated 20th December 2017, 19th January 2018 and 9th February 2018 made between (1) the Landlord and (2) the Tenant.

Annual Rent: From the Rent Commencement Date the rent at an initial rate of £[REDACTED] per annum exclusive and then as revised pursuant to this lease and provide always that the Annual Rent shall also be a peppercorn for a period of six calendar months from the later of:

- a) the date that the Tenant certifies and as agreed and approved by the Landlord that the Property is open to the general public for trade in accordance with clause 6.3 and
- b) the date that the Tenant or its surveyor as agreed and approved by the Landlord certifies that the Tenant's Works have been substantially completed in accordance with clause 6.4.

Building: 27 c - g & 28 Throgmorton Street London EC2N 2AN shown edged red on Plan 2.

Common Parts: the Building other than the Property and the Lettable Units.

Contractual Term: a term of ~~Thirty Five (35) years~~ ^{of year} beginning on, and including the date of this lease and ending on, and including [REDACTED] 2053
[23rd MARCH]

Default Interest Rate: three percentage points above the Interest Rate.

Drapers and Lyons Lease: a lease of 27c-g and 28 Throgmorton Street dated 8th March 1979 and made between the Master and Wardens and Bretheren and Sisters of the Guild or Fraternity of the Blessed Mary of the Mystery of Drapers (1) and J.Lyons & Company Limited & J.L. Catering Limited a copy of which is annexed to this lease.

EPC Regulations: the Energy Performance of Buildings (England and Wales) Regulations 2012, SI2012/3118

Superior Landlord: the person entitled to the reversion of the Superior Lease from time to time

Superior Lease : a lease of the Building dated 1 November 1979 and made between (1) The Master, Wardens, Brethren and Sisters of the Guild or Fraternity of the Blessed Mary The Virgin of the Mystery of Drapers of the City of London and (2) B.B.A Pension Fund Limited as varied by a Deed of Variation dated 19 November 1980 and made between The Master and Wardens and Brethren and Sisters of the Guild or Fraternity of The Blessed Mary The Virgin of The Mystery of Drapers of The City of London (1) B.B.A Pension Fund Trustees, Limited (2) Bellwood Properties Limited (3) and Haslemere Estates Limited (4)

Insurance Rent: the aggregate in each year of:

- (a) A fair and reasonable proportion of the gross cost of the premium before any discount or commission for:
 - (i) the insurance of the Building, 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, reasonable and proper professionals' and statutory fees and incidental expenses in relation to works of debris removal and reinstatement the cost of any work which may be required under any law in relation to works of debris removal and reinstatement and VAT in respect of all those costs, fees and expenses; and
- (b) the gross cost of the premium before any discount or commission for insurance for loss of Annual Rent from the Property for three years; and
- (c) any insurance premium tax payable on the above.

Insured Risks: means loss damage or destruction whether total or partial caused by 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 and

damage to underground water oil and gas pipes or electricity wires and cables subsidence ground slip and heave (including for the avoidance of doubt where such loss damage or destruction is caused by a Terrorist Act) and any other risks against which the Landlord reasonably decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Interest Rate: interest at the base lending rate from time to time of National Westminster Bank plc, or if that base lending rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord.

Lettable Unit: a floor or part of a floor of the Building other than the Property, that is intended by the Landlord to be let and occupied on terms similar to those of this lease.

Permitted Use: (i) the use permitted by the Headlease or (ii) as a restaurant and bar (with ancillary use for table tennis and ten pin bowling) within Use Classes A3 and A4 of the Town and Country Planning Act (Use Classes) Order 1987 (as amended) as at the date of this Lease or with the landlord's consent not to be unreasonably withheld or delayed any other use within those use classes.

Plan 1: the plan attached to this lease each of which is marked "Plan 1".

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

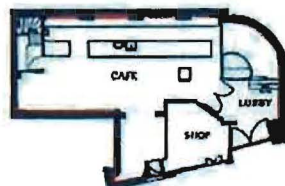
Property: the sub-basement, the basement, the lower ground floor, the ground floor and all that land coloured blue and yellow on the middle basement floor and upper basement floor on Plan 1 (the floor plans of which are shown edged red on Plan 1) in respect of each of those floors and being part of the Building bounded by and including:

- (a) the floorboards floor screed or other floor covering;
- (b) the interior plaster finishes of the ceiling
- (c) the interior plaster finishes of exterior walls and columns;
- (d) the plaster finishes of the interior structural load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts;
- (e) the interior doors and interior windows within the interior and structural load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts and their frames and fittings together with the glass/plate glass contained therein;
- (f) one half of the thickness of the interior, non-structural non-load-bearing walls and columns that adjoin another Lettable Unit or the Common Parts;
- (g) the doors and windows within the interior, non-structural walls and columns that adjoin the Common Parts and their frames and fittings;

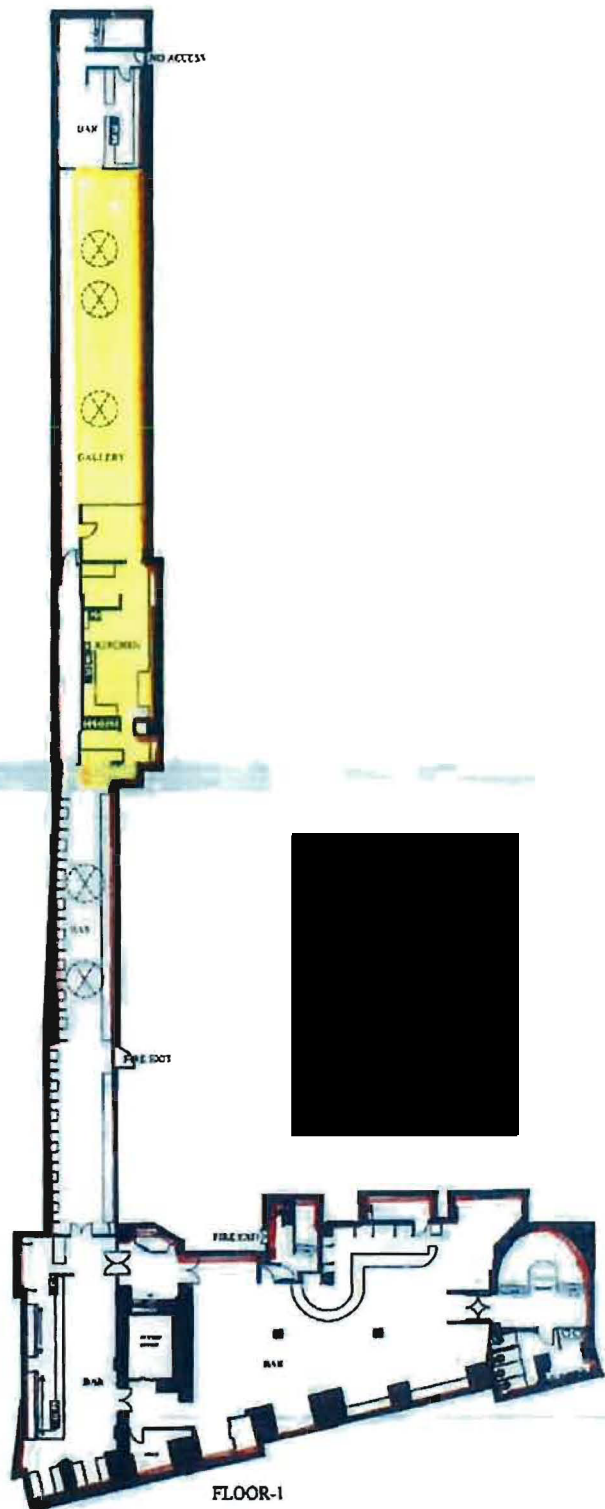


GROUND FLOOR

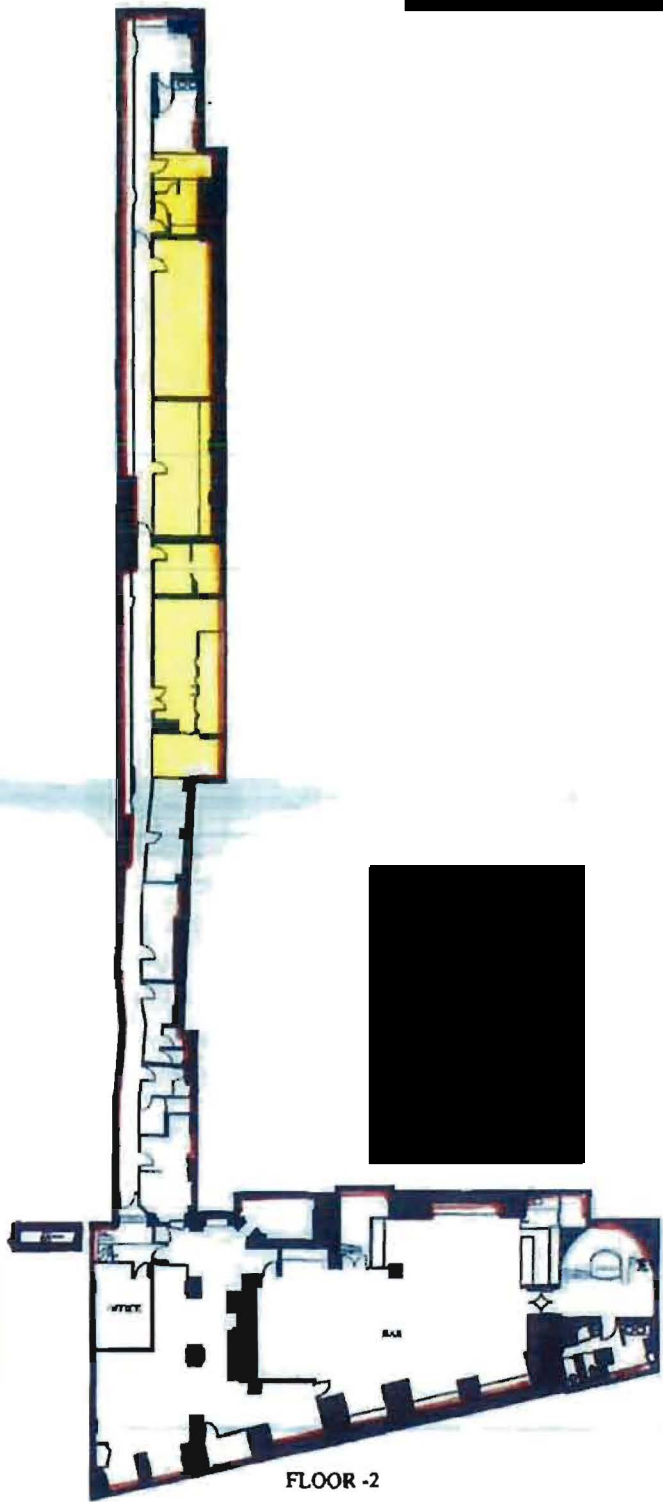
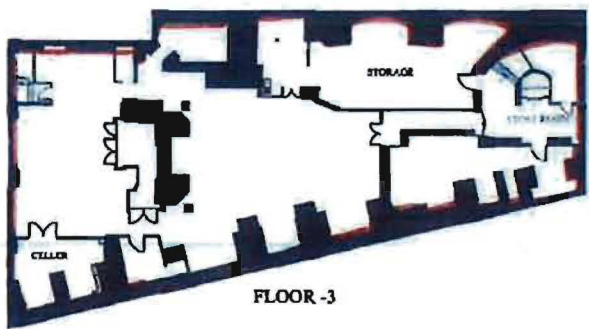
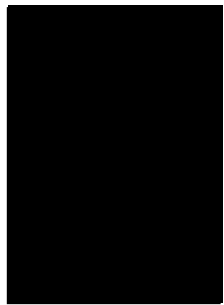
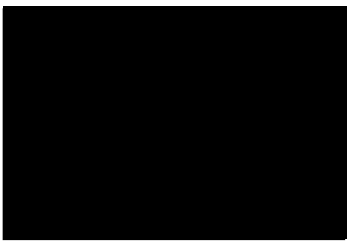
27A THROGMORTON STREET
LONDON EC2
Gross Internal Area: 2006 Sq. metres
21595 Sq. feet
SCALE 1:260



GROUND FLOOR

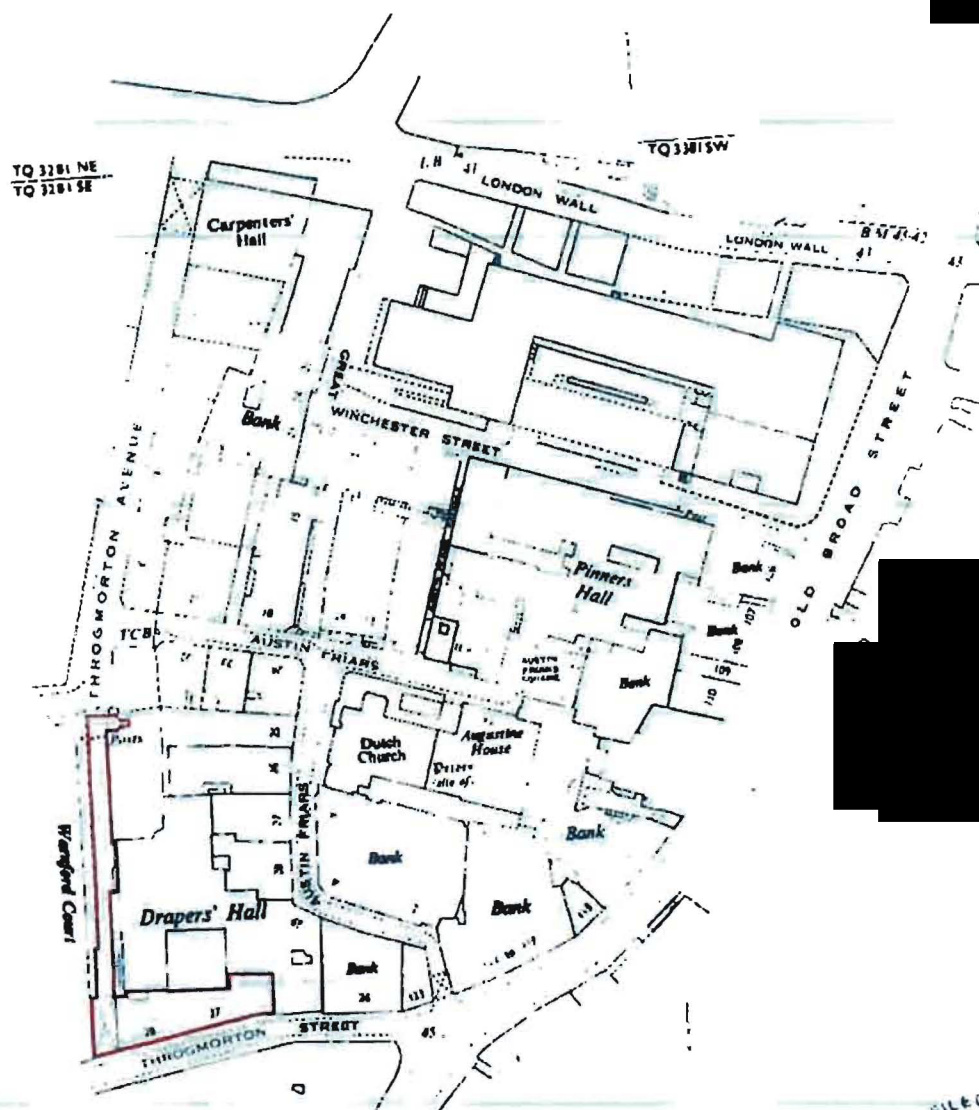


FLOOR-1



H.M. LAND REGISTRY		TITLE NUMBER	
		NGL362486	
ORDNANCE SURVEY PLAN REFERENCE	COUNTY	SHEET	NATIONAL GRID
	GREATER LONDON		TQ 3281
			SECTION
			V
Scale: 1:1250		© Crown Copyright 1974.	

CITY OF LONDON



- (h) all Service Media which are designed to serve the said property exclusively

but excluding:

- (a) the windows (including plate glass) in the exterior walls and their frames and fittings;
- (b) the whole of the interior structural load-bearing walls and columns within that part of the Building other than their plaster finishes and other than the doors and windows and their frames and fittings within such walls; and
- (c) all Service Media within that part of the Building but which do not exclusively serve that part of the Building.

Rent Commencement Date: 17th NOVEMBER 2018

Rent Free Period: 6 months from the date hereof

Rent Payment Dates: 25 March, 24 June, 29 September and 25 December.

Review Date: 17th MAY 2023 and every fifth anniversary of that date.

Service Charge: a fair and reasonable proportion attributable to the Property of the Service Costs.

Service Charge Year: is the annual accounting period relating to the Services and the Service Costs beginning on 1st January 2018 and each subsequent year during the term.

Service Costs: the costs listed in clause 8.2.

Service Media: all media for the supply or removal of heat electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media (including for the avoidance of doubt any air-conditioning ventilation and extraction apparatus and conducting media).

Services: the services listed in clause 8.1.

Tenant's Works: the works to be carried out by the Tenant as defined in the Agreement for Lease.

Terrorist Act: an act or acts of person or persons acting on their behalf or on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence Her Majesty's Government in the United Kingdom or any other government de jure or de facto

Third Party Rights: all rights, covenants and restrictions affecting the Building including the matters referred to at the date of this lease in the property register and charges register of title number NGL362486 excluding financial charges

Underlease: the lease of ground floor Unit D, Ground Floor 27 Throgmorton Street, London EC2N 2AQ dated 31 May 2012 registered under title number AGL264042 and made between (1) Throgmorton Properties Limited and (2) Nadeem Malik

Underlease Premises: the ground floor, Unit D 27 Throgmorton Street, London EC2N 2AQ as is more particularly identified in the Underlease.

Undertenant: Mr Nadeem Malik and/or the Tenant for the time being of the Underlease, and this expression shall include the assigns and/or successors in title of the Tenant to the Underlease

Uninsured Risks: all or any Insured Risks which shall be excluded from the Landlord's insurance obligation where insurance cover in respect of the risk in question is not for the time being available in the London insurance market on reasonable commercial terms.

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

1954 Act: Landlord and Tenant Act 1954.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, 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 a reference to any guarantor includes a reference and 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 and reasonable proportion of the total amount properly payable, determined conclusively (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, references to the **Building**, the **Common Parts**, a **Lettable Unit** and the **Property** are to the whole and any part of them or it.
- 1.7 The expression **neighbouring property** does not include the Building.

- 1.8 A reference to the **term** is to the Contractual Term.
- 1.9 A reference to the **end of the term** is to the end of the term however it ends.
- 1.10 References to the **perpetuity period** are to the period of 125 years from the commencement of the term and that period is the perpetuity period for the purposes of section 5.1 of the Perpetuities and Accumulations Act 2009.
- 1.11 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 43.4 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 43.5. A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.12 Unless otherwise specified, a reference to a particular law is a reference to it as it is 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 it and all orders, notices, codes of practice and guidance made under it.
- 1.13 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.
- 1.14 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.
- 1.15 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.
- 1.16 A **person** includes a corporate or unincorporated body.
- 1.17 References to **writing** or **written** do not include faxes or email.

- 1.18 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.
- 1.19 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.
- 1.20 where the Tenant is under an obligation to indemnify the Landlord, the Landlord shall be under an obligation to use reasonable endeavours to mitigate any loss so indemnified.

2. GRANT

- 2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights in so far as they affect the Property.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
- (a) the Annual Rent and all VAT chargeable by the Landlord in respect of it;
 - (b) the Service Charge and all VAT chargeable by the Landlord in respect of it;
 - (c) the Insurance Rent; and
 - (d) all interest payable under this lease;

3. ANCILLARY RIGHTS

- 3.1 The Landlord grants the Tenant the following rights (the **Rights**):
- (a) the right to support and protection from the Building to the extent that the Building provides support and protection to the Property to the date of this lease;
 - (b) the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease or are installed during the perpetuity period;

- (c) the right for the Tenant its servants and duly authorised agents and workmen to enter the Common Parts or any other Lettable Unit so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease or to otherwise observe and perform the obligations on the Tenant's part contained in this lease;
- (d) the right to retain affix inspect maintain replace and renew air-conditioning ventilation and extracting apparatus and conducting media exclusively serving the Property on or at the Building in the same position and along the same route as such plant apparatus and air conditioning exists at the date of this lease or in such other position or positions or along such other route or routes as the Landlord shall approve (such approval not to be unreasonably withheld or delayed) together with the right to full and free uninhibited flow of air to and from such plant apparatus and conducting media.
- (e) the right to erect signage displaying the name and /or business of the Tenant (which if illuminated shall require the Landlord's prior written consent not to be unreasonably withheld or delayed) in a position or positions on the exterior of the Building first approved by the Landlord (such approval not to be unreasonably withheld or delayed)
- (f) the right to erect affix maintain replace and renew aerials or satellite dishes or similar apparatus on the exterior of the Building in such a position or positions as the Landlord shall reasonably designate and which provide(s) a good signal.
- (g) The right in case of emergency only (and also for the purposes of fire drills and practices as required by law) for the Tenant its servants and duly authorised agents invitees and visitors to use any fire escapes over through or in the Building belonging to the Landlord or any neighbouring property belonging to the Landlord or in respect of which the Landlord enjoys a similar right
- (h) The right for the Tenant its servants and duly authorised agents and workmen to enter the Common Parts and if reasonably necessary any other Lettable Unit for the purposes of access to and egress from the Property
- (i) The right to retain maintain and use (and where necessary renew and replace) the ventilation trunking referred to in clause (c) of the First Schedule to the Drapers and Lyons Lease
- (j) The Licences contained in pages 5 to 7 of the Drapers and Lyons Lease
- (k) All necessary rights of escape that are required in order to vacate the Property through other parts of the Building in the event of a fire or other event requiring the evacuation of the Property

- 3.2 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.
- 3.3 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Building and/or Common Parts and the Tenant shall not do anything that may interfere with any Third Party Right.
- 3.4 The Tenant shall exercise the Rights (other than the Right mentioned in clause 3.1(a)) only in connection with its use of the Property for the Permitted Use and in accordance with any regulations made by the Landlord as mentioned in clause 32.1.
- 3.5 The Tenant shall comply with all laws relating to its use of the Common Parts pursuant to the Rights.
- 3.6 In relation to the Rights, the Landlord may, at its discretion, re-route or replace any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced provided that the Service Media as re-routed or replaced are no less useful or convenient to the Tenant than they were previously.
- 3.7 Where the Tenant requires the consent of the Landlord to carry out the works to the Property, the Tenant may only exercise that Right when that consent has been granted and in accordance with the terms of that consent unless the Landlord has unreasonably withheld consent.
- 3.8 In exercising the Right mentioned in clause 3.1(c), the Tenant shall:
- (a) except in case of emergency, give reasonable notice to the Landlord and any occupiers of the relevant Lettable Unit(s) of its intention to exercise that Right;
 - (b) where reasonably required by the Landlord or the occupier of the relevant Lettable Unit(s), exercise that Right only if accompanied by a representative of the Landlord and/or the tenant and/or the occupier of the relevant Lettable Unit(s);
 - (c) cause as little damage as possible to the Common Parts and the other Lettable Units and to any property belonging to or used by the Landlord or the tenants or occupiers of the other Lettable Units;
 - (d) cause as little inconvenience as possible to the Landlord and the tenants and occupiers of the other Lettable Units as is reasonably practicable; and

- (e) promptly make good (to the reasonable satisfaction of the Landlord) any damage caused to the Common Parts (or to any property belonging to or used by the Landlord) by reason of the Tenant exercising that Right.

3.9 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over the Common Parts or any Lettable Unit or any neighbouring property nor is to be taken to show that the Tenant may have any right over the Common Parts or any Lettable Unit or any neighbouring property, and section 62 of the Law of Property Act 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 (the **Reservations**):

- (a) rights of light, air, support and protection as those rights are capable of being enjoyed at any time during the term;
- (b) the right to use and to connect into Service Media at, but not forming part of, the Property; the right to install and construct Service Media at the Property to serve any part of the Building or any neighbouring property (whether or not such Service Media also serve the Property); and the right to re-route any Service Media mentioned in this paragraph;
- (c) the right to develop any neighbouring property (whether or not belonging to the Landlord);
- (d) the right to attach any structure, fixture or fitting to any boundary of the Property Provided that reasonable and sufficient means of access to and egress from and servicing to the Property is maintained;
- (e) the right for the Landlord and the owners and occupiers of the remainder of the Building or of any neighbouring property authorised by the Landlord to use any fire escapes in case of emergency only which are now or which may during the Contractual Term be provided or cross any part of the Property
- (f) the right to re-route and replace any Service Media over which the Rights mentioned clause 3.1(b) are exercised Provided That the Service Media as re-routed or replaced are no less useful or convenient to the Tenant than they were previously subject to the Tenant's use and enjoyment of the Property not being materially diminished and the landlord making good any damage caused to the Property and to the Tenant's goods;

- (g) The right to erect scaffolding at, and attach it to any part of the Building in connection with any of the other Reservations Provided That reasonable and sufficient means of access to and egress from and servicing to the Property is maintained and Provided Further that such scaffolding remains in place for as short a period as is reasonably practicable and does not unduly interfere with the Tenant's use and enjoyment of the Property or the operation of its business);
- (h) the right to enter the Property on 48 hours written notice except in the case of emergency:
 - (i) to repair, maintain, install, construct, re-route or replace any Service Media or structure relevant to any of the other Reservations; or
 - (ii) to carry out any works to any other Lettable Unit; or
 - (iii) in connection with any of the Services; or
 - (iv) for any other purpose mentioned in this lease; or
 - (v) for any other purpose connected with this lease or with the Landlord's interest in the Building or any neighbouring property.

Provided That none of the above rights shall be exercised unless such works and other matters cannot reasonably be effected without entry onto the property.

- 4.2 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.
- 4.3 The Reservations mentioned in clause 4.1(b) apply to Service Media in existence at the date of this lease and to any that are installed or constructed during the perpetuity period.
- 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 at any reasonable time on 48 hours previous written notice (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable written notice) to the Tenant. Provided That all such persons cause as little disturbance to the Tenant and the Tenant's business as reasonably possible and make good any damage caused to the Property and/or to the Tenant's goods

- 4.5 The Tenant shall permit the Superior Landlord and their tenants and their respective officers servants and workmen or any of them at all convenient times during the term of the Superior Lease on previous reasonable notice (save in case of emergency) to enter upon the Property in order to examine repair alter and maintain any of the remaining parts of adjoining premises belonging to the Superior Landlord or the drain running from Drapers' Hall under the Property to the sewer under Throgmorton Avenue or for any other necessary or desirable purpose the person exercising such right causing as little inconvenience and being as expeditious as possible making good any injury or damage thereby caused to the Landlord the Superior Landlord or the Property and so that neither the business being carried on in the Property or the means of access thereto or the approved signboards outside the Property shall be impeded in any way;

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 whether formally demanded or not and any VAT chargeable by the Landlord in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order.
- 6.2 The first instalment of the Annual Rent and any VAT chargeable by the Landlord 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 following the Rent Commencement Date.
- 6.3 Upon the opening of the Property for trade for Permitted Use, the Tenant shall serve notice in writing on the Landlord certifying that the Property is open for trade.

- 6.4 Upon substantial completion of the Tenant's Works, the Tenant or its surveyor shall serve notice in writing on the Landlord certifying that the Tenant's Works are substantially completed. The Landlord shall be given at least 5 working days' prior notice of the Tenant's intention to serve such notice and the Tenant must pay regard to any comments raised by the Landlord prior to serving such notice. Any Action of the Tenant following notice served in respect of this sub- clause should not prejudice the Landlord's rights and obligations in respect of this clause.

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 the greater of:
- (a) 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); and
 - (b) the open market rent agreed or determined pursuant to this clause.
- 7.3 The open market rent may be agreed 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 best annual rent (exclusive of any VAT) at which the Property could reasonably be expected to be let:
- (a) in the open market;
 - (b) at the relevant Review Date;
 - (c) on the assumptions listed in clause 7.5; and
 - (d) disregarding the matters listed in clause 7.6.
- 7.5 The assumptions are:
- (a) the Property is available to let in the open market:
 - (i) by a willing lessor to a willing lessee (which may be the Tenant);
 - (ii) as a whole;

- (iii) with vacant possession;
 - (iv) without a fine or a premium;
 - (v) for a term equal to the unexpired residue of the Contractual Term at the relevant Review Date or a term of 10 years commencing on the relevant Review Date, if longer; and
 - (vi) 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 any provision in this lease for a rent-free period;
- (b) the Property may lawfully be used, and is in a physical state to enable it to be fitted out and lawfully used, by the willing lessee (or any potential undertenant or assignee of the willing lessee) for any purpose permitted by this lease Provided That in so far as this assumption would have the affect of assuming the existence of a justices licence or licences or other permit for the sale of alcoholic beverages this assumption shall only apply to such parts of the Property as actually benefit from such justices licence licences or other permit at the relevant Review Dat and on the basis that the premium or goodwill value attaching to such licence or licences or permit or permits belong(s) entirely to the Tenant and without prejudice to the assumption that the Property is in a condition ready to be fitted out;
- (c) the Landlord and the Tenant have fully complied with their obligations in this lease (except where the Landlord is in material breach of any of its obligations on its part to be performed and observed);
- (d) if the Property or any other part of the Building or any Service Media serving the Property, has been destroyed or damaged by an Insured Risk, it has been fully restored;
- (e) no work has been carried out on the Property or any other part of the Building during the Term that has diminished the rental value of the Property;
- (f) 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
- (g) 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:

- (a) any effect on rent of the fact that the Tenant or any authorised undertenant or their respective predecessors in title has been in occupation of the Property;
 - (b) 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;
 - (c) any effect on rent attributable to any physical improvement to the Property carried out after the date of this lease, by or at the expense of the Tenant or any authorised undertenant with all necessary consents, approvals and authorisations and not pursuant to an obligation to the Landlord (other than an obligation to comply with any law);
 - (d) any statutory restriction on rents or the right to recover them.
- 7.7 Without prejudice to the ability of the Landlord and Tenant to mutually agree the Open Market Rent at any time the Landlord and the Tenant may appoint an independent valuer at any time before either of them applies to the President for an independent valuer to be appointed. The Landlord or the Tenant may apply to the President for an independent valuer to be appointed at any time after the date which is three months before the relevant Review Date. The independent valuer shall be an associate or fellow of the Royal Institution of Chartered Surveyors having not less than 10 years practice in England and recent substantial experience in valuing premises of the kind and character similar to those of the Property (in the locality of the Property) and who is a member of a leading firm or company of chartered surveyors having a specialist market and valuation knowledge of such premises.
- 7.8 The Surveyor shall act as an expert and not as an arbitrator.
- 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.
- 7.10 If the Surveyor dies delays or becomes unwilling or incapable of acting, 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 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 the Tenant does not pay its part of the Surveyor's fees and expenses within twenty working days after demand by the Surveyor, the Landlord may pay that part and the amount it pays shall be a debt of the Tenant due and payable on demand to the Landlord. 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 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 ten working days after the revised Annual Rent is agreed or the Surveyor's determination is notified to the Landlord and the Tenant, the Tenant shall pay:

- (a) 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 or notification of the revised Annual Rent and the amount that would have been payable had the revised Annual Rent been agreed or determined on or before that Review Date; and
- (b) 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 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 No guarantor shall 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 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. SERVICES AND SERVICE CHARGE

8.1 The **Services** are:

- (a) cleaning, maintaining and repairing the structural parts of the Building including windows on the exterior walls and their frames

and fittings including all Service Media forming part of the Common Parts and serving the Property;

(b) any other service or amenity that the Landlord acting reasonably may from time to time provide and which shall be:

- (i) reasonably capable of being enjoyed by the Tenant or occupier or occupiers of the Property; or
- (ii) reasonably calculated to be for the benefit of the Tenant or occupier or occupiers of the Property and other tenants in the Building; or
- (iii) appropriate for the maintenance and upkeep of the structure of the Building

and which are in all cases in keeping with the principles of good estate management

(c) The **Service Costs** in respect of any Service Charge Year are the total of:

(e) the whole of the reasonable and proper costs of:

- (i) providing the Services;
- (ii) the supply and removal of electricity, gas, water, sewage and other utilities to and from the Property to the extent that the Tenant does not pay for these directly;
- (iii) complying with the recommendations and requirements of the insurers of the Building (insofar as those recommendations and requirements relate to the Property);
- (iv) complying with all laws and responsibilities where it is not the responsibility of any occupational tenant under a lease of part of the Building;
- (v) complying with the Third Party Rights insofar as they relate to the Common Parts; and
- (vi) and taking any steps (including proceedings) that the Landlord considers necessary to prevent or remove any encroachment over the Common Parts or to prevent the acquisition of any right over the Common Parts (or the Building as a whole) or to remove any obstruction to the flow of light or air to the Common Parts (or the Building as a whole);

(d) the reasonable costs, fees and disbursements reasonably and properly incurred on a reasonable fixed fee basis of:

- (i) managing agents employed by the Landlord for the carrying out and provision of the Services or, where managing

agents are not employed, a reasonable management fee for the same Provided That the Service Costs shall not include any costs associated with the collection or review of rents or the letting or re-letting of any Lettable Unit; and

- (ii) accountants employed by the Landlord to prepare and audit the service charge accounts;
 - (e) any VAT payable by the Landlord in respect of any of the items mentioned above except to the extent that the Landlord is able to recover such VAT and subject to the Tenant being supplied with a valid VAT invoice addressed to the Tenant within 14 days of the Tenant having made payment to the Landlord.
- 8.2 Subject to the Tenant paying the Service Charge, the Landlord shall provide or procure the provision of the services in an economic and efficient manner and in accordance with the principles of good estate management and in any event shall:
- (a) to repair (and where beyond economic repair) the structural parts of the Building;
 - (b) to keep the internal areas of the Common Parts clean, and to clean the outside of the windows of the Building as often as the Landlord considers appropriate;
- 8.3 The Landlord shall not be liable for:
- (a) any interruption in, or disruption to, the provision of any of the Services for any reason that is outside the reasonable control of the Landlord Provided That the Landlord has acted reasonably to minimise such injury loss or damage;
 - (b) any interruption in, or disruption to, the provision of any of the Services serving the Property due to the Action of the Tenant or
 - (c) any injury, loss or damage suffered by the Tenant as a result of any absence or insufficiency of any of the Services or of any breakdown or defect in any Service Media, except where due to the negligence of the Landlord.
- 8.4 Before or as soon as possible after the start of each Service Charge Year, the Landlord shall prepare and send the Tenant an estimate of the Service Costs for that Service Charge Year and a statement of the estimated Service Charge for that Service Charge Year.
- 8.5 The Tenant shall pay the estimated Service Charge for each Service Charge Year in four equal instalments on each of the Rent Payment Dates.

- 8.6 In relation to the Service Charge Year current at the date of this lease, the Tenant's obligations to pay the estimated Service Charge and the actual Service Charge shall be limited to an apportioned part of those amounts, such apportioned part to be calculated on a daily basis for the period from the date of this lease to the end of the Service Charge Year. The estimated Service Charge for which the Tenant is liable shall be paid in equal instalments on the date of this lease and the remaining Rent Payment Days during the period from the date of this lease until the end of the Service Charge Year.
- 8.7 As soon as reasonably practicable after the end of each Service Charge Year, the Landlord shall prepare and send to the Tenant a certificate (certified by the Landlord's Managing Agents) showing the Service Costs and the Service Charge for that Service Charge Year. The certificate shall be in accordance with the service charge accounts prepared by the Landlord's managing agents. The Tenant may inspect the accounts and the supporting invoices and receipts by appointment with the Landlord (or its managing agents).
- 8.8 If any cost is omitted from the calculation of the Service Charge in any Service Charge Year, the Landlord shall be entitled to include it in the estimate and certificate of the Service Charge in any following Service Charge Year. Otherwise, and except in the case of manifest error, the Service Charge certificate shall be conclusive as to all matters of fact to which it refers.
- 8.9 Without prejudice to clause 9.4(f), where the Landlord provides any Service by reason of the damage to or destruction of the Building by an Insured Risk or Terrorist Act, the costs of that Service shall not be included in the Service Charge.
- 8.10 If, in respect of any Service Charge Year, the Landlord's estimate of the Service Charge is less than the Service Charge, the Tenant shall pay the difference within 10 working days demand failing which it shall be liable to pay interest calculated at the prescribed rate from the date of such demand. If, in respect of any Service Charge Year, the Landlord's estimate of the Service Charge is more than the Service Charge, the Landlord shall credit the difference against the Tenant's next instalment of the estimated Service Charge (and where the difference exceeds the next instalment then the balance of the difference shall be credited against each succeeding instalment until it is fully credited).
- 8.11 Provided always that the Tenant's proportion of the Service Charge shall exclude any liability or expense attributable to the lettable part of the

Building (whether or not the same is vacant) and whether or not the Landlord can recover the same from such lettable part

9. INSURANCE

9.1 Subject to clause 9.2, the Landlord shall keep the Building insured against loss or damage by the Insured Risks for the sum which the Landlord reasonably and properly 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 insured by the Tenant or the Tenant's plant and equipment and trade fixtures. The Landlord shall provide particulars of the policy of insurance and evidence of payment of the current year's premium to the Tenant following annual renewal and in any event shall notify the Tenant promptly of any material change in its policy or its terms and conditions and shall ensure that the Tenant's interest is noted on the Policy unless such interest is automatically noted on the Policy by the Insurers

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

- (a) any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
- (b) insurance being available in the London insurance market on reasonable commercial terms acceptable to the Landlord

9.3 The Tenant shall pay to the Landlord within 10 working days of demand:

- (a) the Insurance Rent;
- (b) any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy; and
- (c) a fair proportion of any costs that the Landlord incurs in obtaining a valuation of the Building for insurance purposes (but not more than once in every 2 years during the Term.

If payment shall not have been made by the Tenant within 10 working days of such a demand, the Tenant shall also pay interest at the Prescribed Rate on the amount so demanded from the date of the demand until the date of payment

9.4 The Tenant shall:

- (a) give the Landlord prompt notice on becoming aware of any matter occurring in relation to the Tenant or the Property that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Building;

- (b) not knowingly do or omit anything as a result of which any policy of insurance of the Building 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 insurance or additional premium may become payable;
- (c) comply at all times with the requirements and recommendations of the insurers relating to the Property and the use by the Tenant of the Common Parts (subject to the Landlord having notified the Tenant of the same);
- (d) give the Landlord prompt notice on becoming aware of the occurrence of any damage or loss relating to the Property arising from an Insured Risk;
- (e) 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
- (f) pay the Landlord an amount equal to any insurance money that the insurers of the Building refuse to pay (in relation to the Building) by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property or the Common Parts with the actual or implied authority of any of them.

9.5 The Landlord shall, subject to obtaining all necessary planning and other consents (for which it shall promptly apply and use reasonable endeavours to obtain and shall notify the Tenant regularly of its progress in so obtaining) use all insurance money received (making good any shortfall out of its own monies) (other than for loss of rent) in connection with any damage to the Building to repair the damage for which the money has been received or (as the case may be) in rebuilding the Building. The Landlord shall not be obliged to:

- (a) provide accommodation or facilities identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property and its access, services and amenities is provided; or
- (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent and that failure has not been remedied; or
- (c) repair or rebuild the Building after a notice has been served pursuant to clause 9.7.

9.6 If the Property is damaged or destroyed by an Insured Risk so as to be unfit for occupation and use or if the Building or any services to it is

damaged or destroyed by an Insured Risk so as to make the Property inaccessible or unusable then, unless the policy of insurance in relation to the Property or the Building 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 or the Building with the actual or implied authority of any of them, payment of the Annual Rent and Service Charge, or a fair proportion of 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 the Building or services to it has been reinstated so as to make the Property accessible or useable (as the case may be), or until the end of three years from the date of damage or destruction, if sooner.

- 9.7 If, following damage to or destruction of the Building by an Insured Risk such that the Property is unfit for occupation and use or is inaccessible and the Property has not been made substantially fit for use and occupation or accessible by the date 3 years after the date of such damage or destruction either party may at any time (but not after the Property has been made substantially fit for use and occupation and accessible) by serving written notice on the other determine this lease and from the giving of such notice the Landlord's obligations under clause 9.5 shall cease and this lease shall immediately determine without prejudice to any rights or remedies which may then have accrued in respect of any breach of the covenants or provisions contained in this lease and the Landlord shall be entitled to retain the insurance money Provided That the Landlord shall not be entitled to serve notice under this clause if it is in breach of its obligations under clause 9.5.
- 9.8 Subject to the provisions of clause 9.8(e) if the Property is damaged or destroyed by an Uninsured Risk so that the Property is incapable of occupation and use or is inaccessible
- (a) Clause 9.6 shall apply as if the Property were unfit for occupation and use or inaccessible because of damage or destruction by an Insured Risk but so that (subject to clause 9.8(c) (ii) if applicable) the Annual Rent shall be suspended until the Property has been reinstated and made fit for occupation and use or the Building has been reinstated so as to make the Property accessible or useable (as the case may be)
 - (b) The Landlord may by way of service of notice in writing ("an Election Notice") to the Tenant given within the period of six months following the date of such damage or destruction ("the Election Period")
 - (i) either elect to rebuild or re-instate the Property
 - (ii) or forthwith determine this lease

If the Landlord shall serve a notice electing to rebuild or re-instate the Property

- (iii) clause 9.5 shall apply as if the Property was unfit for occupation and use or inaccessible because of damage or destruction by an Insured Risk; and
 - (iv) clause 9.6 and 9.7 shall apply as if the Property were unfit for occupation and use or inaccessible because of damage or destruction by an Insured Risk but substituting in Clause 9.7 the period of three years from the date of the Election Notice for the period of three years from the date of such damage or destruction.
- (c) If the Landlord shall not have served an Election Notice in accordance with clause 9.8(b) either the Landlord or the Tenant may on the service of notice in writing given to the other within the period of 3 months following the expiration of the Election Period forthwith determine this Lease
- (d) If notice to determine the Lease is served pursuant to either to the provisions of clause 9.8(a)(ii) or to the provisions of clause 9(8)(d) this Lease shall forthwith determine but the determination shall be without prejudice to any right of action by either party in respect of any previous breach of this lease by the other and all monies (if any) payable under the insured policies shall be paid to and belong to the Landlord absolutely.
- (e) If the destruction or damage to the Property by an Uninsured Risk is such that the costs of reinstating and/or repairing the same would be equal to or less than 20% of the total reinstatement cost of the Property as the landlord shall have insured for at the time of such destruction or damage in accordance with its obligations under this lease then;
 - (i) the provisions of clauses 9.8 (a) – (e) shall not apply;
 - (ii) the Landlord shall notify the Tenant in writing to this effect within 3 months of the date of destruction or damage:
 - (iii) the Landlord shall at its cost reinstate or repair the Property; and
 - (iv) the provisions of clause 9.6 and 9.7 shall apply as if the Property were unfit for occupation and use or inaccessible because of damage or destruction by an Insured Risk and the loss of rent cover shall be for a period of three years from the date or damage by the Uninsured Risk

10. RATES AND TAXES

- 10.1 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:
- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
 - (b) 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.
- 10.2 If any such rates, taxes or other impositions are payable in respect of the Property together with other land (including any other part of the Building) the Tenant shall pay a fair proportion of the total.
- 10.3 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).

11. UTILITIES

- 11.1 The Tenant shall pay all costs in connection with the supply and where appropriate removal of electricity, gas, water, sewage, trade or other waste, telecommunications and data and other services and utilities to or from the Property.
- 11.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities and the supply and removal of electricity, gas, water, sewage, trade and other waste, telecommunications, data and other services and utilities to or from the Property.

12. COMMON ITEMS

- 12.1 To the extent it is not included in the Service Charge the Tenant shall pay the Landlord on demand a fair and reasonable proportion and of all costs payable by the Landlord for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items not on the Building but used or capable of being used by the Building in common with other land and which benefit the Property.

- 12.2 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.

13. VAT

- 13.1 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 subject to the Tenant having received a valid VAT invoice addressed to the Tenant within 14 days of the Tenant making payment to the Landlord.
- 13.2 Every obligation on the Tenant under or in connection with this lease to pay, refund or to indemnify the Landlord or any other person any money or against any liability includes an obligation to pay, refund or indemnify against any VAT, or an amount equal to any VAT, chargeable in respect of it save to the extent that the Landlord is able to obtain credit for such VAT incurred as input tax.

14. DEFAULT INTEREST AND INTEREST

- 14.1 If any Annual Rent or any other money payable under this lease has not been paid within 28 days of the date it is due, whether it has been formally demanded or not, 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.
- 14.2 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.

15. COSTS

- 15.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in

connection with proceedings to enforce the Tenant's covenants in this lease or in connection with or in contemplation of:

- (a) serving any notice (or contemplating such service) 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;
- (b) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- (c) the preparation and service of a schedule of dilapidations in connection with this lease within 6 months; and
- (d) any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it).

- 15.2 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 Provided That such costs and expenses are reasonable and have been properly incurred.

16. 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 Landlord and Tenant Act 1927 or the 1954 Act is excluded, except to the extent that the legislation prevents that right being excluded.

17. 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.

18. REGISTRATION OF THIS LEASE

Promptly following the grant of this lease, the Tenant shall apply to register this lease at the Land Registry. The Tenant shall ensure that any requisitions raised by the 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.

19. ASSIGNMENTS

- 19.1 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.
- 19.2 The Tenant shall not assign part only of this lease.
- 19.3 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 any or all of the following conditions:
- (a) a condition that where reasonable the assignor enters into an authorised guarantee agreement which:
 - (i) is in respect of all the tenant covenants of this lease;
 - (ii) 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;
 - (iii) imposes principal debtor liability on the assignor;
 - (iv) requires (in the event of a disclaimer of liability of this lease) the assignor to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
 - (v) is otherwise in a form reasonably required by the Landlord;
 - (b) a condition that a person of standing acceptable to the Landlord enters into a guarantee and indemnity in the form set out in the Schedule (with such amendments and additions as the Landlord may reasonably require);
 - (c) on an assignment by the Tenant to a company which is another member of the same group of companies, if in the reasonable opinion of the Landlord that the proposed assignee is not of equivalent or greater or greater financial standing than the Tenant a condition that another company (which may be the ultimate holding company if reasonably required) within the same group which in the Landlord's reasonable opinion is of an equivalent or greater financial standing than the Tenant (unless it is the assignee, or it would itself be giving an authorised guarantee agreement), enters into a guarantee in such form as the Landlord may reasonably require but if the ultimate holding company would otherwise be released from liability, the Landlord may require another substantial member of the group to give the guarantee.

- 19.4 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;
- (a) any Annual Rent or other money due under this lease is outstanding;
 - (b) in the reasonable and proper opinion of the Landlord, the value of the Landlord's reversion to this Lease would be diminished or otherwise adversely affected by the proposed assignment including any Action of the Tenant (on the assumption, if not the fact, that the Landlord wished to sell the reversion immediately after the proposed assignment) and
 - (c) a lender's consent to an assignment is refused where the lender reasonably assesses and produces evidence that the value of the Landlord's reversion to this Lease would be diminished or otherwise adversely affected by the proposed assignment
- 19.5 .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.
- 20. UNDERLETTINGS**
- 20.1 The Tenant shall not underlet any part of the Property whatsoever (provided that the existence of the Underlease referred to in this lease and the remainder of this clause shall not amount to a breach of this term).
- 20.2 The Tenant shall not underlet the whole of the Property unless in accordance with this clause or without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 20.3 The Tenant shall not underlet the property:
- (a) at a fine or premium or reverse premium; nor
 - (b) 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.
- 20.4 The Tenant shall not underlet the property unless, before the underlease is granted, the Tenant has given the Landlord:
- (a) a certified copy of the notice served on the undertenant, as required by section 38A (3) (a) of the 1954 Act, applying to the tenancy to be created by the underlease; and

- (b) 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 1954 Act.

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

- (a) an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the 1954 Act are excluded from applying to the tenancy created by the underlease;
- (b) the reservation of a rent which is not less than the full open market rental value of the property at the date the property is underlet (or in the case of an underletting of part of the Property the full market rental of that part being not less than a pro rata proportion of it) 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 20.3(b));
- (c) provisions for the review of rent at the same dates and on the same basis (mutatis mutandis in the case of an underletting of a part of the Property) as the review of rent in this lease, unless the term of the underlease does not extend beyond the next Review Date;
- (d) 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 to the extent that they relate to the Property or the part underlet except the covenants to pay the rents reserved by this lease; and
- (e) 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 (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.

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

- (a) 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;
- (b) enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease.

20.7 In relation to the Underlease the Tenant (including its successors and or/assigns) shall not permit or allow a further Underlease of the Underlease Premises to another party.

20.8 Upon expiry of the Underlease the Tenant shall not be permitted to grant another underlease of the Underlease Premises to the Undertenant.

21. 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 1954 Act) 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.

22. CHARGING

22.1 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.

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

23. 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 the Land Registry or by reason only of joint legal ownership).

24. REGISTRATION AND NOTIFICATION OF DEALINGS AND OCCUPATION

24.1 In this clause a **Transaction** is:

- (a) any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or
- (b) 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
- (c) the making of any other arrangement for the occupation of the Property.

24.2 In respect of every Transaction that is registerable at the 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 use reasonable endeavours to procure that) any requisitions raised by the 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).

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

- (a) give the Landlord's solicitors notice of the Transaction;
- (b) deliver a certified copy of any document effecting the Transaction to the Landlord's solicitors; and
- (c) pay the Landlord's solicitors a registration fee of not less than £50.00 (plus VAT).

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

25. CLOSURE OF THE REGISTERED TITLE OF THIS LEASE

Immediately 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 the Land Registry in connection with that application are dealt with promptly and properly and the Tenant shall keep the Landlord informed of the progress and completion of its application.

26. REPAIRS

26.1 The Tenant shall keep the Property in good repair and condition.

26.2 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:

- (a) 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

- (b) the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 9.2.

27.3 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Uninsured Risk

27. DECORATION

27.1 The Tenant shall decorate the Property as often as is reasonably necessary and also in the last three months before the end of the term.

27.2 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.

27.3 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.

27.4 If the floor coverings at the Property have become beyond economic repair before the end of the term the Tenant shall replace them with new ones of good quality and appropriate to the Property and the Permitted Use.

28. ALTERATIONS AND SIGNS

28.1 The Tenant shall not make any alteration or addition to the Property without the consent of the Landlord such consent not to be unreasonably withheld or delayed Provided That the Tenant may carry out and complete internal non-structural alterations and additions (including but not limited to the erection, alteration and removal of internal demountable partitioning) and may attach furnishings decorations fixtures and furnishings any internal structures (whether or not forming part of the Property).

28.2 The Tenant shall not install 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.

- (a) The Tenant shall not attach any sign placard board poster or advertisement to the Property so as to be seen from outside of the building known as 27 and 28 Throgmorton Street, London EC2 ('the Building') save that the Undertenant may at its own cost display the name of its business on the exterior of the Property in a form and at a location to be approved in advance by the Superior Landlord in

writing such consent not to be unreasonably withheld or delayed. The Tenant may also display their name on a sign or notice board in the entrance hall and lobby of the Building subject to the Head Landlord's consent such consent not to be unreasonably withheld or delayed;

29. LICENCING OBLIGATIONS

The Tenant shall:

- 29.1 Not allow the premises licence to lapse
- 29.2 operate in an orderly manner so that the premises licence is not revoked or adversely varied nor its renewal refused nor its transfer imperilled
- 29.3 adhere to the all provisions of the premises licence in respect of the demised premises
- 29.4 Not to do on the demised premises or elsewhere anything whereby the Tenant may become liable to conviction of any offence under the provisions of the Licensing Act 2003
- 29.5 Upon any permitted assignment of this Lease to consent to the transfer of the premises licence held by the Tenant to the assignee or transferee of this Lease or the nominee of the assignee and give consent to any transfer application
- 29.6 On the earliest of the Tenant's vacation of the demised premises, the termination of the Term (howsoever determined) or the expiration of the Term to consent to the immediate transfer of all the premises license held by the Tenant to the Landlord

30. RETURNING THE PROPERTY TO THE LANDLORD

- 30.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.
- 30.2 If the Landlord reasonably requires and gives the Tenant notice no later than three months before the end of the term, 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.

- 30.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.
- 30.4 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.
- 30.5 If the Tenant does not comply with its obligations in this clause, then, without prejudice to any other right or remedy of the Landlord, the Tenant shall pay the Landlord an amount equal to the Annual Rent at the rate reserved immediately before the end of the term for the period that it would reasonably take to put the Property into the condition it would have been in had the Tenant performed its obligations under this clause. The amount shall be a debt due on demand from the Tenant to the Landlord.

31. USE

- (a) The Tenant shall only use the Property only for the business of caterers being a licensed or unlicensed restaurant refreshment rooms wine bar and buffet with ancillary conveniences and offices ("the user") and without prejudice to the generality of the foregoing:
- (i) the basement only for purposes in connection with the user including but not limited to use as a bar / table tennis area;
 - (ii) the sub-basement for general purposes only in connection with such user including but not limited to use as a bar and for ten pin bowling; and
 - (iii) the ground floor only for a buffet and/or bar in connection with such user
- (b) The Tenant shall not use the Property as a nightclub and/or private members club or for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance to the Landlord, the other tenants or occupiers of the Lettable Units or any owner or occupier of neighbouring property.
- (c) The Tenant shall not open the Property for business outside the hours of 7:00 am and 2:30 am.
- (d) The Tenant shall not permit or suffer any part of the Property which is used as a restaurant or refreshment room or as a kitchen or store or cellar or as a WC in connection therewith to be ventilated into or

have any opening into or communication whatever with the courtyard of Drapers' Hall and will not make or permit or suffer to be made any openings or perforations other than the existing windows in the walls of the Property abutting on the said courtyard provided that the Undertenant has the right to retain maintain and use (and where necessary renew and replace) the ventilation trunking referred to in clause (c) of the First Schedule to the lease dated 8th March 1979 and made between The Drapers Company (1) and J. Lyons & Company Limited and J.L. Catering Limited (2);

- (e) The Tenant shall not use the entrance staircase and pavilion at the northern end of the part of the Property which is situate under Throgmorton Avenue or permit or suffer the same to be used otherwise than as a means of access to the Property and to not permit or suffer any articles or materials of any kind to be conveyed to or from any part of the Property over or by way or means of such entrance and staircase and not to permit any articles or materials to be so conveyed by means of the hoist except such as are brought to or taken away from the entrance and staircase or hoist from or to the north over Throgmorton Avenue;
- (f) When conveying articles or materials to or from the entrance staircase or hoist referred to in clause 30(e) above the Tenant will cause as little obstruction or interference as possible to or with the use of Throgmorton Avenue by other persons and will cause all vehicles used for the purpose of conveying such articles or materials to be unloaded or loaded with all despatch and during such hours of the day (allowing sufficient time for such unloading and loading) as the Landlord acting reasonably at all times may from time to time prescribe in writing and will not permit any such vehicles to remain at or near the said entrance longer than is necessary for the unloading or loading of the said articles or materials;
- (g) The Tenant shall not to use the entrance to the north of the Property for the storage of rubbish
- (h) The Tenant shall not cause any annoyance or permit or suffer any annoyance to be caused to the Landlord or Superior Landlord or any of their respective tenants of property adjacent to the Property by noise smell fumes or other causes arising from the use of the Property or any part thereof save as is in the usual course of the restaurant and bar business as would reasonably be expected and not to use any window in the Property overlooking the courtyard of Drapers' Hall or permit or suffer any such window to be used as a means of communication between persons inside the Property and persons outside;

- 31.2 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.

32. MANAGEMENT OF THE BUILDING

- 32.1 The Tenant shall observe all reasonable and proper regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant relating to the use of the Common Parts and the management of the Building.
- 32.2 Nothing in this lease shall impose or be deemed to impose any restriction on the use of any other Lettable Unit or any neighbouring property.

33. ENERGY PERFORMANCE CERTIFICATE

- 33.1 The Tenant shall:
- (a) Co-operate with the Landlord so far as is reasonably necessary to allow the Landlord to obtain an Energy Performance Certificate (EPC) and Recommendation Report for the Property including providing the Landlord with copies of any plans or other information reasonably required and held by the Tenant that would assist in obtaining the Energy Performance Certificate; and
 - (b) 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 upon having complied with the requirements of Clause 4.1(h) of this Lease
- 33.2 The Tenant shall not commission an Energy Performance Certificate for the Property unless they have the Landlord's prior written approval to do so before hand.
- 33.3 If any Energy Performance Certificate is commissioned and it provides an adverse rating in terms of the EPC Regulations and /or The Minimum Energy Efficient Standards (MEES) under the Energy Efficiency Regulations 2015 the Tenant shall assist the Landlord at the sole cost of the Landlord in ensuring the rating is improved to comply with the EPC Regulations and/or MEES.

34. COMPLIANCE WITH LAWS

- 34.1 The Tenant shall (as far as is consistent with other covenants in this lease) comply with all laws relating to:

- (a) the Property and the occupation and use of the Property by the Tenant;
 - (b) the use of all Service Media and machinery and equipment at or serving the Property;
 - (c) any works carried out at the Property Provided That notwithstanding any other provision in this Lease to the contrary any works required to be carried out pursuant to this clause may be carried out without landlord's consent but shall in any event still be required to supply plans drawings and specifications to the landlord before commencing such works; and
 - (d) all materials kept at or disposed from the Property.
- 34.2 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.
- 34.3 Within five working days after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) the Tenant shall:
- (a) send a copy of the relevant document to the Landlord; and
 - (b) in so far as it relates to the Property, at the Landlord's cost take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require Provided That under no circumstances shall the Tenant be obliged to take any action which is detrimental to the Tenant or its business at the Property unless such action would also be necessary in order to comply with any other provisions of this Lease.
- 34.4 The Tenant shall not apply for any planning permission for the Property without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) Provided That no such consent shall be required in relation to any application relating to planning permission for the Permitted Use or the tenant's initial fitting out and shop front works to the Property.
- 34.5 The Tenant shall not carry out any works at the Property in respect of which the Construction (Design and Management) Regulations 2015 apply without the consent of the Landlord. Such consent is not to be unreasonably withheld in the case of works in respect of which the Landlord is not otherwise to withhold its consent unreasonably or which the Tenant is obliged to carry out under the terms of this lease.

34.6 The Tenant shall supply the Landlord with all documents relating to the Property that are required under the Construction (Design and Management) Regulations 2015 to be kept in the health and safety file for the Building.

34.7 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.

34.8 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.

35. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS

35.1 Save as otherwise permitted under by this lease the Tenant shall not grant any right or licence over the Property to any person nor permit any person to make any encroachment over the Property.

35.2 The Tenant shall not obstruct the flow of light or air to the Property.

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

35.4 The Tenant shall promptly notify the Landlord if any person takes or threatens to take any action to obstruct the flow of light or air to the Property.

36. REMEDY BREACHES

36.1 The Landlord may enter the Property having provided the Tenant with at least 48 hours prior notice in writing 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.

36.2 If the Tenant has not begun any works needed to remedy that breach within a reasonable time being not more than three 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.

36.3 The costs 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 on demand.

36.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 0.

37. INDEMNITY

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 Building and loss of amenity of the Building) 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 or the Common Parts with the actual or implied authority of any of them.

38. 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 lawful interruption by the Landlord or any person claiming under the Landlord or by title paramount.

39. SUPERIOR LEASE

39.1 The Landlord further covenants with the Tenant:

- (a) To pay the rents reserved by the Superior Lease and to perform so far as the Tenant is not liable for such performance under the terms of this lease the covenants and conditions on the part of the lessee contained in the Superior Lease
- (b) On the request of the Tenant and at the cost of the Tenant on a full indemnity basis to take all reasonable steps to enforce the covenants on the part of the Superior Landlord contained in the Head Lease.

- (c) To take all reasonable steps at the Tenant's expense to obtain the consent of the Superior Landlord whenever the Tenant makes application for any consent required under this lease where the consent of both the Landlord and the superior landlord is needed by virtue of this lease and the Superior Lease.

Underlease and obligations pursuant to the Underlease

- 39.2 On completion of this lease the Tenant shall receive the passing rent under the Underlease and (for the purposes of the payment of rents and observance of the Landlord covenants in the Underlease) and the Landlord shall procure that the Tenant receives the passing rent under the Underlease.
- 39.3 The Tenant shall use its reasonable endeavours to ensure that the Undertenant pays the rents reserved by the Underlease and that the Undertenant performs the covenants and obligations on the part of the tenant contained in the Underlease.
- 39.4 In so far as they are able the Tenant shall use reasonable endeavours to perform and observe the covenants and obligations of the Landlord in the Underlease.

40. CONDITION FOR RE-ENTRY

- 40.1 The Landlord may re-enter the Property at any time after any of the following occurs:
 - (a) any rent is unpaid 21 days after becoming payable whether it has been formally demanded or not;
 - (b) any breach of any condition of, or tenant covenant, in this lease;
 - (c) where the Tenant is a corporation:
 - (i) the making of an administration order in relation to the Tenant; or
 - (ii) the appointment of an administrator, in any case in relation to the tenant; or
 - (iii) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant; or
 - (iv) the commencement of a voluntary winding-up in respect of the Tenant, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company

(which is not successfully contested within 14 days) in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or

- (v) the making of a winding-up order in respect of the Tenant (which is not successfully contested within 14 days); or
- (vi) the striking-off of the Tenant from the Register of Companies or the making of an application for the Tenant to be struck-off; or
- (vii) the Tenant otherwise ceasing to exist;

(d) where the Tenant is an individual:

- (i) the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant.

40.2 If the Landlord re-enters the Property pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant.

41. LIABILITY

41.1 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.

41.2 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.

41.3 In any case where the facts are or should reasonably be known to the Tenant, 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 facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.

42. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

42.1 This lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease

and supersedes any previous agreement between the parties relating to the transaction.

42.2 The Tenant acknowledges that in entering into this lease it has not relied on, nor shall have any remedy in respect of, any statement or representation made by or on behalf of the Landlord,, save for any replies to enquiries given by or on behalf of the Landlord.

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

42.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

43. NOTICES, CONSENTS AND APPROVALS

43.1 Except where this lease specifically states that a notice need not be in writing, or where notice is given in an emergency, any notice given pursuant to this lease shall be in writing.

43.2 A written notice shall be delivered by hand or sent by pre-paid first class post or recorded delivery. A correctly addressed notice sent by pre-paid first class post shall be deemed to have been delivered at the time at which it would have been delivered in the normal course of the post.

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

43.4 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:

- (a) it is given in writing and signed by a person duly authorised on behalf or the Landlord; and
- (b) it expressly states that the Landlord waives the requirement for a deed in that particular case.

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

43.5 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:

- (a) the approval is being given in a case of emergency; or
- (b) this lease expressly states that the approval need not be in writing.

43.6 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.

44. GOVERNING LAW AND JURISDICTION

44.1 This lease shall be governed by and construed in accordance with the law of England and Wales.

44.2 The Landlord, the Tenant irrevocably agree to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this lease or the legal relationships established by it.

45. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No term of this lease shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

46. LANDLORD AND TENANT (COVENANTS) ACT 1995

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

47. DISPUTE RESOLUTION

47.1 Any person appointed under this Lease as an expert or an arbitrator is to be appointed by agreement between the Landlord and the Tenant. In the absence of agreement within two weeks of a request in writing from either party to the other to agree an appointment, either party may refer the appointment to the president or other most senior available officer of the Royal Institution of Chartered Surveyors.

47.2 Where any person acts as an independent expert:

- (a) the Landlord and the Tenant may make written representations as soon as reasonably possible following his appointment (and within 1 month) and will copy the written representations to the other party;

- (b) the Landlord and the Tenant are to have a further calendar month to make written comments on each others' representations and will copy the written comments to the other party;
 - (c) he is to be at liberty to call for such written evidence from the parties and to seek such legal or other expert assistance as he may reasonably require;
 - (d) he is not to take oral representations from the Landlord or the Tenant without giving both parties the opportunity to be present and to give evidence and to cross-examine each other;
 - (e) he is to have regard to all representations and evidence before him when making his or her decision, which is to be in writing, and be required to give reasons for his decision;
 - (f) he is to use all reasonable endeavours to publish his decision within six months of his appointment;
 - (g) he is to act impartially and in good faith between the parties; and
 - (h) another expert may replace him if he dies, becomes unwilling or incapable of acting or it becomes apparent for any other reason that he will be unable to determine the matter referred to him within a reasonable time.
- 47.3 Where any person acts as an arbitrator he will not be entitled to order the rectification, setting aside or cancellation of this Lease or any other deed or document.
- 47.4 Responsibility for the costs of referring a dispute under this clause 46, including costs connected with the appointment of the expert or arbitrator but not the legal and other professional costs of any party in relation to a dispute, will be decided by the person appointed and in the absence of a decision, they will be shared equally between the parties. If the Landlord or the Tenant does not pay any part of the costs of referring a dispute under this clause 45 and, as a result, the release of the decision or award is delayed, the other party will be entitled to pay those unpaid costs and the party in default will reimburse those costs as additional rent to the other on written demand together with interest at 4% above the Interest Rate calculated from and including the date on which the payment was made to and including the date on which the defaulting party reimburses those costs to the other .

48. LANDLORD'S RIGHT OF PRIOR DETERMINATION

IT IS HEREBY AGREED AND DECLARED

- (a) The Landlord may at any time determine the demise hereinbefore contained in so far as it regards the piece of land coloured yellow on the plans numbered 2 and 3 attached to the Superior Lease ("the yellow land") and which (for the purposes of identification only and not by way of limitation) are coloured yellow on Plan 1 by giving to the Tenant not less than six months' notice of the intention of the Landlord to determine the same and upon the expiration of such notice the Term shall cease and be determined so far as regards the yellow land but not further or otherwise and the Landlord may re-enter upon and resume possession of the yellow land and may dispossess and remove the Tenant thereof and therefrom without any process of law and without becoming liable to make or allow any compensation to the Tenant for such re-entry and resumption of possession or any abatement or reduction of the rents hereinbefore reserved **AND** if such notice shall be given this Lease shall from and after the expiration of the notice operate and take effect as if the yellow land and buildings therein had not been included in the demised premises but without prejudice to any right or remedy of either party against the other in respect of any antecedent breach or non fulfilment of any of the covenants and conditions contained in this lease **AND** if the notice is given then on the Landlord so resuming possession the Tenant shall at their own expense erect a wall on the northern and western boundaries of the yellow land to correspond with the wall on the eastern side of the other parts of the restaurant under Throgmorton Avenue so as to form therewith one continuous wall **PROVIDED THAT** the Landlord shall only seek to exercise its right of determination in the event that the right of determination contained in the Headlease is also exercised by the Superior Lease
- (b) The Landlord may at any time determine the demise hereinbefore contained in so far as it regards the piece of land coloured blue on the plans numbered 2 and 3 attached to the Superior Lease ("the blue land") and which (for the purposes of identification only and not by way of limitation) are coloured yellow on Plan 1 by giving to the Tenant not less than six months' notice of the intention of the Landlord to determine the same and upon the expiration of such notice the Term shall cease and be determined so far as regards the yellow land but not further or otherwise and the Landlord may re-enter upon and resume possession of the yellow land and may dispossess and remove the Tenant thereof and therefrom without any process of law and without becoming liable to make or allow any compensation to the Tenant for such re-entry and resumption of possession or any abatement or reduction of the rents hereinbefore reserved **AND** if such notice shall be given this Lease shall from and after the expiration of the notice operate and take effect as if the yellow land and buildings therein had not been included in the demised premises but without prejudice to any right or

remedy of either party against the other in respect of any antecedent breach or non fulfilment of any of the covenants and conditions contained in this lease **AND** if the notice is given then on the Landlord so resuming possession the Tenant shall at their own expense erect a wall on the northern and western boundaries of the yellow land to correspond with the wall on the eastern side of the other parts of the restaurant under Throgmorton Avenue so as to form therewith one continuous wall **PROVIDED THAT** the Landlord shall only seek to exercise its right of determination in the event that the right of determination contained in the Superior Lease is also exercised by the Superior Landlord

- (c) If the Landlord exercises its right of determination set out in clauses 47(a) and/or 47(b), above, the Landlord and the Tenant shall, as soon as reasonably practicable following service of notice on the Tenant by the Landlord, jointly appoint a surveyor (who shall be an associate or fellow of the Royal Institution of Chartered Surveyors having not less than 10 years practice in England) to calculate the net internal area of the Property (the "Property NIA") and the net internal area of the piece or pieces (as the case may be) of the Property in respect of which the Lease is determined (the "Determined NIA"). From the date on which the Landlord re-enters the piece or pieces of the Property, the Annual Rent shall be the New Rent calculated in accordance with the following formula:

$$\text{New Rent} = \text{Annual Rent} - \frac{(\text{Annual Rent} \times \text{Determined NIA})}{\text{Property NIA}}$$

- (d) The fees and expenses of the surveyor and the cost of the surveyor's appointment shall be payable by the Landlord.
- (e) As soon as practicable after the amount of the revised Annual Rent has been agreed 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.
- (f) If the New Rent has not been agreed by the Rent Payment Date following a date on which the Lease is determined in respect of either piece of the Property, then the Tenant shall continue to pay rent at the passing rate and within 7 days of the determination of the New Rent the Landlord shall pay to the Tenant any overpayment (together with any VAT).

49. EXCLUSION OF SECTIONS 24-28 OF THE 1954 ACT

49.1 The parties confirm that:

- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the 1954 Act, applying to the tenancy created by this

lease, not less than 14 days before an agreement for lease dated the day of ~~17th~~ **MAY** 2018 and made between the Landlord (1) and the Tenant (2) was entered into a certified copy of which notice is annexed to this lease;

- (b) **Saeed Azimi** who was duly authorised by the Tenant to do so made a statutory declaration dated the **11th** day of **MAY** 2018 in accordance with the requirements of section 38A(3)(b) of the 1954 Act a certified copy of which statutory declaration is annexed to this lease; and
- (c) The parties agree that the provisions of sections 24 to 28 of the 1954 Act are excluded in relation to the tenancy created by this lease.

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

Schedule Guarantee and indemnity

1. **GUARANTEE AND INDEMNITY**

1.1 The Guarantor guarantees to the Landlord that the Tenant shall:

- (a) pay the rents reserved by this lease and observe and perform the tenant covenants of this lease and that if the Tenant fails to pay any of those rents or to observe or perform any of those tenant covenants, the Guarantor shall pay or observe and perform them; and
- (b) observe and perform any obligations the Tenant enters into in an authorised guarantee agreement made in respect of this lease (the **Authorised Guarantee Agreement**) and that if the Tenant fails to do so, the Guarantor shall observe and perform those obligations.

1.2 The Guarantor covenants with the Landlord as a separate and independent primary obligation to indemnify the Landlord against any failure by the Tenant:

- (a) to pay any of the rents reserved by this lease or any failure to observe or perform any of the tenant covenants of this lease; and
- (b) to observe or perform any of the obligations the Tenant enters into in the Authorised Guarantee Agreement.

2. **GUARANTOR'S LIABILITY**

2.1 The liability of the Guarantor under paragraphs 1.1(a) and 1.2(a) shall continue until the end of the term, or until the Tenant is released from the tenant covenants of this lease by virtue of the Landlord and Tenant (Covenants) Act 1995, if earlier.

2.2 The liability of the Guarantor shall not be affected by:

- (a) any time or indulgence granted by the Landlord to the Tenant; or
- (b) any delay or forbearance by the Landlord in enforcing the payment of any of the rents or the observance or performance of any of the tenant covenants of this lease (or the Tenant's obligations under the Authorised Guarantee Agreement) or in making any demand in respect of any of them; or
- (c) any refusal by the Landlord to accept any rent or other payment due under this lease where the Landlord believes that the

acceptance of such rent or payment may prejudice its ability to re-enter the Property; or

- (d) the Landlord exercising any right or remedy against the Tenant for any failure to pay the rents reserved by this lease or to observe or perform the tenant covenants of this lease (or the Tenant's obligations under the Authorised Guarantee Agreement); or
- (e) the Landlord taking any action or refraining from taking any action in connection with any other security held by the Landlord in respect of the Tenant's liability to pay the rents reserved by this lease or observe and perform the tenant covenants of the lease (or the Tenant's obligations under the Authorised Guarantee Agreement) including the release of any such security; or
- (f) a release or compromise of the liability of any one of the persons who is the Guarantor, or the grant of any time or concession to any one of them; or
- (g) any legal limitation or disability on the Tenant or any invalidity or irregularity of any of the tenant covenants of the lease (or the Tenant's obligations under the Authorised Guarantee Agreement) or any unenforceability of any of them against the Tenant; or
- (h) the Tenant being dissolved, or being struck off the register of companies or otherwise ceasing to exist, or, if the Tenant is an individual, by the Tenant dying or becoming incapable of managing its affairs; or
- (i) without prejudice to paragraph 4, the disclaimer of the Tenant's liability under this lease or the forfeiture of this lease; or
- (j) the surrender of part of the Property, except that the Guarantor shall not be under any liability in relation to the surrendered part in respect of any period after the surrender; or

by any other act or omission except an express written release of the Guarantor by the Landlord.

- 2.3 Any sum payable by the Guarantor shall be paid without any deduction, set-off or counter-claim against the Landlord or the Tenant.

3. VARIATIONS AND SUPPLEMENTAL DOCUMENTS

- 3.1 The Guarantor shall not be released by any variation of the rents reserved by, or the tenant covenants in, this Lease (or the Tenant's obligations under the Authorised Guarantee Agreement) whether or not:

- (a) the variation is material or prejudicial to the Guarantor; or

- (b) the variation is made in any document; or
 - (c) the Guarantor has consented, in writing or otherwise, to the variation.
- 3.2 The liability of the Guarantor shall apply to the rents reserved by and the tenant covenants in this lease (and the Tenant's obligations under the Authorised Guarantee Agreement) as varied except to the extent that the liability of the Guarantor is affected by section 18 of the Landlord and Tenant (Covenants) Act 1995.
- 4. **GUARANTOR TO TAKE A NEW LEASE OR MAKE PAYMENT**
 - 4.1 If the liability of the Tenant under this lease is disclaimed and the Landlord gives the Guarantor notice not later than [six] months after the forfeiture or the Landlord having received notice of the disclaimer, the Guarantor shall enter into a new lease of the Property on the terms set out in paragraph 4.2.
 - 4.2 The rights and obligations under the new lease shall take effect from the date of or disclaimer and the new lease shall:
 - (a) be granted subject to the right of any person to have this lease vested in them by the court and to the terms on which any such order may be made and subject to the rights of any third party existing at the date of the grant;
 - (b) be for a term that expires at the same date as the end of the Contractual Term of this lease had there been no forfeiture or disclaimer;
 - (c) reserve as an initial annual rent an amount equal to the Annual Rent on the date of the forfeiture or disclaimer (subject to paragraph 5) and which is subject to review on the same terms and dates provided by this lease; and
 - (d) be excluded from sections 24 to 28 of the 1954 Act; and
 - (e) otherwise be on the same terms as this lease (as varied if there has been any variation).
 - 4.3 The Guarantor shall pay the Landlord's solicitors' costs and disbursements (on a full indemnity basis) and any VAT (subject to the Landlord sending a valid VAT invoice addressed to the Guarantor within 14 days of the payment being received by the landlord but only to the extent that the Landlord is unable to recover VAT as input tax in respect of them in relation to the new lease and shall execute and deliver to the Landlord a counterpart of the new lease within one month after service of the Landlord's notice.

4.4 The grant of a new lease and its acceptance by the Guarantor shall be without prejudice to any other rights which the Landlord may have against the Guarantor or against any other person or in respect of any other security that the Landlord may have in connection with this lease. Provided That the Landlord may not claim under the guarantee under paragraph 1 of this Schedule once a new lease has been granted.

4.5 The Landlord may, instead of giving the Guarantor notice pursuant to paragraph 4.1 but in the same circumstances and within the same time limit, require the Guarantor to pay an amount equal to six months Annual Rent and the Guarantor shall pay that amount on demand.

5. RENT AT THE DATE OF FORFEITURE OR DISCLAIMER

If at the date of the forfeiture or disclaimer there is a rent review pending under this lease, then the initial annual rent to be reserved by the new lease shall be the open market rent of the Property at the relevant Review Date, as determined by the Landlord before the grant of the new lease.

6. PAYMENTS IN GROSS AND RESTRICTIONS ON THE GUARANTOR

6.1 Any payment or dividend that the Landlord receives from the Tenant (or its estate) or any other person in connection with any insolvency proceedings or arrangement involving the Tenant shall be taken and applied as a payment in gross and shall not prejudice the right of the Landlord to recover from the Guarantor to the full extent of the obligations that are the subject of this guarantee and indemnity.

6.2 The Guarantor shall not claim in competition with the Landlord in any insolvency proceedings or arrangement of the Tenant in respect of any payment made by the Guarantor pursuant to this guarantee and indemnity. If it otherwise receives any money in such proceedings or arrangement, it shall hold that money on trust for the Landlord to the extent of its liability to the Landlord.

6.3 The Guarantor shall not, without the consent of the Landlord, exercise any right or remedy that it may have (whether against the Tenant or any other person) in respect of any amount paid or other obligation performed by the Guarantor under this guarantee and indemnity unless and until all the obligations of the Guarantor under this guarantee and indemnity have been fully performed.

7. OTHER SECURITIES

- 7.1 The Guarantor warrants that it has not taken and covenants that it shall not take any security from or over the assets of the Tenant in respect of any liability of the Tenant to the Guarantor. If it does take or hold any such security it shall hold it for the benefit of the Landlord.
- 7.2 This guarantee and indemnity is in addition to any other security that the Landlord may at any time hold from the Guarantor or the Tenant or any other person in respect of the liability of the Tenant to pay the rents reserved by this lease and to observe and perform the tenant covenants of this lease. It shall not merge in or be affected by any other security.
- 7.3 The Guarantor shall not be entitled to claim or participate in any other security held by the Landlord in respect of the liability of the Tenant to pay the rents reserved by this lease or to observe and perform the tenant covenants of this lease.

Executed as a Deed by
THROGMORTON
PROPERTIES LIMITED
Acting by:

.....
Director

.....
Director

**Executed as a Deed by
BLANK GALLERY LIMITED**

acting by _____, a
single director in the presence of:

.... [REDACTED]

NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

[REDACTED]

OSBORNES SOLICITORS LLP
LIVERY HOUSE
7 - 9 PRATT STREET
LONDON
NW1 0AE

[REDACTED] [REDACTED]

[REDACTED]

Director [REDACTED]