

Lease
relating to premises known as
Unit 4 Green Lanes Shopping
Centre, Barnstaple, Devon

Dated 30 September 2013

Barnstaple Trustee No. 1 Limited and Barnstaple Trustee
No. 2 Limited (1)
TUI UK Retail Limited (2)

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LR1.	Date of Lease	30 September 2013
LR2.	Title number(s)	DN229233
LR2.1	Landlord's title number(s)	
LR2.2	Other title numbers	
LR3.	Parties to this lease	<p>Landlord</p> <p>BARNSTAPLE TRUSTEE NO. 1 LIMITED (a company registered in Jersey with registered number 107448) and BARNSTAPLE TRUSTEE NO. 2 LIMITED (a company registered in Jersey with registered number 107449) both of whose registered offices are at 47 Esplanade, St Helier, Jersey JE1 0BD in their capacity as trustees of Green Lanes Jersey Property Unit Trust (the "Landlord").</p>
		Tenant
		TUI UK RETAIL LIMITED (registered number 01456086) whose registered office is at TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL (the "Tenant").
LR4.	Property	<p>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.</p> <p>The property defined as "Premises" in clause 1.1 of this Lease.</p>
LR5.	Prescribed statements etc.	
LR5.1		Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.
		None.
LR5.2		<p>This lease is made under, or by reference to, provisions of:</p> <p>Not applicable.</p>
LR6.	Term for which the Property is leased	The term as defined as "Contractual Term" in clause 1.1 of this Lease.
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	The covenant set out in clause 21 of this Lease.

**offer to) surrender this
Lease**

- | | | |
|---------------|---|--|
| 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 set out in Schedule 2 to this Lease. |
| LR11.2 | Easements granted or
reserved by this Lease over
the Property for the benefit
of other property | The easements set out in Schedule 3 to this Lease. |
| LR12. | Estate rent charge
burdening the Property | None. |
| LR13. | Application for standard
form of restriction | None |
| LR14. | Declaration of trust where
there is more than one
person comprising the
Tenant | None. |

DATE

30 September

2013

PARTIES

- (1) BARNSTAPLE TRUSTEE NO. 1 LIMITED (a company registered in Jersey with registered number 107448) and BARNSTAPLE TRUSTEE NO. 2 LIMITED (a company registered in Jersey with registered number 107449) both of whose registered offices are at 47 Esplanade, St Helier, Jersey JE1 0BD in their capacity as trustees of Green Lanes Jersey Property Unit Trust (the "Landlord"); and
- (2) TUI UK RETAIL LIMITED (registered number 01456086) whose registered office is at TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL (the "Tenant").

OPERATIVE PROVISIONS

1 Definitions and interpretation

Defined terms

- 1.1 In this lease, the following words and expressions have the following meanings:

ACOP	the Approved Code of Practice published by the Health & Safety Executive in relation to the CDM Regulations
Advisory Report	has the meaning given in the EPB Regulations
Asset Rating	has the meaning given in the EPB Regulations
Authorised Guarantee Agreement	a guarantee to be given by the Tenant on an assignment of this lease incorporating the provisions of Schedule 6 and given in accordance with section 16 1995 Act
Authorised Use	the use of the Premises as a travel agency and holiday shop with linked or ancillary products and services including the provision of foreign exchange hot and cold beverages for customers or for any use within Class A1 of the Town and Country Planning (Use Classes) Order 1987 or any equivalent use class in any Order replacing the same as the Landlord may approve (such approval not to be unreasonably withheld or delayed)
Break Date	1 September 2016
Break Payment	the sum of £14,375 (fourteen thousand, three hundred and seventy five pounds)
Car Park	the part or parts of the Centre from time to time used exclusively for the parking of cars and other vehicles not connected with the servicing of the Centre and which shall respectively include and exclude where applicable the equivalent parts of the Centre as are included in and excluded from the Premises as referred to in Schedule 1 but excluding all lifts escalators stairs or accesses thereto
CDM Regulations	the Construction (Design and Management) Regulations 1994

Centre	the shopping centre known as Green Lanes Shopping Centre Barnstaple Devon constructed on the land shown edged blue on the Plans and all additions and variations thereto and all buildings erections and fixtures which may be erected or placed thereon or affixed thereto including the Service Systems the Plant and Equipment the Management Premises insofar as they are situate in the Centre the Common Parts the Retained Premises the Other Lettable Premises and the Premises and also where the context admits any additional Neighbouring Property in which before or within the Perpetuity Period the Landlord shall have acquired a freehold or leasehold interest and which shall have been so constructed or adapted as to form part of the said Shopping Centre and so that the Landlord's designation of the Centre from time to time shall be binding
Common Parts	the whole or such part of the following from time to time within the Centre and from time to time designated and allocated by the Landlord for the common use or benefit of the tenants of premises within the Centre and/or persons using or visiting the Centre: pedestrian malls, passages, circulation areas, entrances, concourses, balconies, service courtyards, service areas, common loading areas forecourts access ramps or service roads staircases, escalators, lifts, fire escapes, landscaped areas, landscaped courtyards, public toilets, areas designated for the keeping and collection of refuse and any other utilities amenities and areas (but excluding the Service Systems and the Management Premises) provided from time to time for public and common service of the Centre
Contractual Term	five years from and including the Term Commencement Date to and including 1 September 2018
Covenant Strength	<p>in relation to any person, the ability of that person to meet its liabilities under this Lease:</p> <ul style="list-style-type: none"> (a) the financial strength of that person shown by not fewer than three consecutive years' audited accounts the most recent of which relate to a period which expired not less than eleven months before the date on which the Covenant Strength is being determined; (b) the assets of that person in the United Kingdom; and (c) any rent deposit or bank guarantee to be given to the Landlord by that person; and <p>when aggregated, if applicable, with the Covenant Strength of any proposed guarantor of that person (excluding a guarantor giving an Authorised Guarantee Agreement)</p>

CRC	means the CRC Energy Efficiency Scheme as defined in Article 3 of the CRC Energy Efficiency Scheme Order 2010 or any similar scheme amending or replacing it (and any other trading scheme relating to greenhouse gas emissions introduced pursuant to Section 44 of the Climate Change Act 2008)
Display Energy Certificate	has the meaning given in the EPB Regulations
Energy Charges	means any taxes levies charges (except for sums payable to utilities suppliers) or assessments (whether parliamentary parochial local or of any other description) properly and reasonably paid by the Landlord or by a Group Company of the Landlord and/or any credits allowances or permits properly and reasonably purchased by the Landlord or by a Group Company of the Landlord in each case relating to the consumption of energy or emission of greenhouse gases by or from or supply of energy to the properties of the Landlord and/or any Group Company of the Landlord from time to time and including but without limitation all proper and reasonable costs and payments properly and reasonably incurred pursuant to or in connection with the Scheme and the cost of allowances under the CRC
Environmental Law	all Legislation, treaties, common law, guides, notes, codes of practice and decisions or formal requirements of any statutory or non-statutory governmental authority which at any time relate to the pollution or protection of the Environment or harm to or the protection of human health and safety or the health of animals and plants and any permit, licence, consent, registration, authorisation or exemption required under Environmental Law
Environmental Management Plan	means any environmental management plan put in place by the Landlord that assesses (and/or makes recommendations for improvements in) the Environmental Performance
Environmental Performance	means in relation to either or both of the Centre and the Premises:
	(a) the consumption of energy and associated generation of green-house gas emissions;
	(b) the consumption of water;
	(c) waste generation and management; and
	(d) any other adverse environmental impact arising from the use or operation of the Premises or the Centre
EPB Regulations	means the Energy Performance of Buildings (England and Wales) Regulations 2012
EPC	means an Energy Performance Certificate and Recommendation Report (as defined in the EPB Regulations)
Event of Insolvency	one or more of the events of insolvency defined in Schedule 5

Financial Year	the period commencing on 1 January in any year and ending on 31 December in the same year or such other annual period as the Landlord may from time to time in its discretion determine as being that for which the accounts of the Landlord either generally or in respect of the Centre shall be made up
Full Reinstatement Cost	the cost, which is to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of reinstating the Centre following its complete destruction including the costs of demolition, site clearance, shoring-up, planning fees, architects', legal and other professional fees, taking into account cover for the effects of inflation and escalation of costs and fees, and VAT on these costs
Group Company	in relation to any company means any other company in the same group of companies as that company within the meaning of section 42 1954 Act
Guarantor	any person who provides a guarantee and indemnity to the Landlord under the terms of this Lease including any person who gives an Authorised Guarantee Agreement to the Landlord
Hazardous Material	any substance, whether in solid, liquid or gaseous form, which is capable of causing harm to human health or to the environment whether on its own or in combination with any other substance
Independent Person	an independent person appointed and acting in accordance with Schedule 7
Initial Service Charge Figure	twelve thousand six hundred and fifty five pound (£12,655) exclusive of VAT
Insurance Rent	the sums payable by the Tenant to the Landlord in accordance with clause 4.1(b)
Insurance Rent Commencement Date	Term Commencement Date
Insured Damage	damage to or destruction of the whole or any part of the Centre insured by the Landlord under clause 5.1 by any of the Insured Risks which does not fall within a Policy Exclusion and in respect of which the Landlord is otherwise entitled to receive payment under the insurance policy or policies maintained under clause 5.1 or would be so entitled but for any default by the Landlord under this Lease
Insured Risks	<p>the following risks:</p> <ul style="list-style-type: none"> (a) fire, subterranean fire, lightning, storm, tempest, flood and explosion; (b) bursting or overflowing of water tanks, apparatus or pipes or the escape of water from any of them; (c) aircraft or other aerial devices or articles dropped or falling from any of them;

	(d) riot, civil commotion and malicious damage;
	(e) impact, earthquake; and
	(f) any other risks which the Landlord reasonably requires from time to time
Interest Rate	the base lending rate from time to time of HBOS PLC or such other clearing bank nominated by the Landlord at any time or, if the clearing banks cease at any time to publish a base lending rate, such comparable rate of interest as the Landlord may reasonably determine
Internal Redecoration Year	the third year of the Tenancy and every third year after this
Landlord	includes the person for the time being entitled to the reversion immediately expectant on the Termination of the Tenancy
Landlord's Expenses	the proper cost and expenditure (including all charges commissions premiums fees and interest) paid or incurred or deemed in accordance with the provisions hereof to be paid or incurred by the Landlord in respect of or incidental to all or any of the services and other matters referred to in Schedule 4 or otherwise required to be taken into account for the purpose of calculating the Service Charge save where such cost and expenditure is recovered from any insurance policy effected by the Landlord pursuant to clause 5.1
Landlord's Insurance	the policy or policies of insurance maintained by the Landlord under clause 5.1
Landlord's Surveyor	any person appointed by the Landlord from time to time as its surveyor including any surveyor employed by the Landlord or any Group Company of the Landlord for this purpose
Legislation	all Acts of Parliament and other public or local legislation and European legislation having legal effect in the United Kingdom together with: <ul style="list-style-type: none"> (a) all secondary legislation made under that legislation including statutory instruments and bye laws; and (b) any notices, orders, proposals, consents, requisitions, directions or other communications given or made under that legislation
Liability Period	any period during which a person is bound by the Tenant's Covenants or in relation to any underlease bound by the Undertenant's Covenants pursuant to the 1995 Act
Loss of Rent Period	the period, being not less than three years, properly and reasonably determined by the Landlord or the Landlord's Surveyor as the period to be covered by loss of rent insurance for the Centre

Management Premises	(whether within the Centre or not) all administrative and control offices and stations and storage areas staff rooms and other areas maintained by the Landlord for the purpose of managing the Centre and performing the Landlord's obligations hereunder together with any living accommodation provided by the Landlord for any centre manager security guard or caretaker or other staff employed by it for purposes connected with the Centre or any of them
Neighbouring Property	any land or buildings above below opposite or near to the Premises (whether already or hereafter to be erected and whether belonging to the Landlord or otherwise and whether or not contiguous with the Premises or comprised within the Centre)
Occupation Date	the date of this Lease
Operational Rating	has the meaning given to it in the EPB Regulations
Other Lettable Premises	the Car Park and premises in the Centre which are let or are from time to time allocated for letting by the Landlord to occupational tenants other than the Premises and which shall respectively include and exclude where applicable the equivalent parts of the Centre as are included in and excluded from the Premises as referred to in Schedule 1
Outgoings	all existing and future taxes, rates, charges, assessments and outgoings charged, imposed or levied in relation to the Centre, the Premises or the owners or occupiers of them whether on a one-off, periodic or an irregular basis and whether or not in the nature of capital or income payments
Planning Acts	the "planning Acts" defined in section 336 Town and Country Planning Act 1990 together with the Planning and Compensation Act 1991 and any other Legislation relating to town and country planning
Plans	the plans attached to this Lease and numbered 1 to 5
Plant and Equipment	all or any of the following:
	(a) heating, air-conditioning, cooling, or ventilation systems and any other environmental systems;
	(b) fire-alarm systems, sprinklers and other systems for detecting or extinguishing fires;
	(c) security alarms and other security systems;
	(d) lifts and escalators;
	(e) window cleaning cradles and associated equipment;
	(f) systems for heating and storing water; and
	(g) any other machinery, plant or equipment in or serving the Centre

Policy Exclusions	any of the following so far as they form part of the Landlord's policy or policies of insurance maintained in respect of the Centre:
	(a) the non-availability of insurance against one or more of the Insured Risks or that insurance not being available at normal commercial rates;
	(b) any conditions, excess, exclusion and limitation clauses which may be imposed; and
	(c) any exclusions for damage caused by acts of terrorism
Premises	Unit Number 4 on the ground floor of the Centre shown for identification edged red on Plan 1 and described in more detail in Schedule 1
Premises Plant	Plant and Equipment within or exclusively serving the Premises
Previous Lease	the lease of the Premises dated 2 September 2003 and made between Canterbury Retail Limited (1) and First Choice Holidays Plc (2)
Principal Rent	£57,500 (fifty seven thousand, five hundred pounds) (exclusive of VAT) per annum, and includes any interim rent determined under section 24A 1954 Act following the end of the Contractual Term
Public Authority	any Secretary of State or other minister of the Crown, government department or any European, public, local or parochial authority, institution or corporation having public functions that extend to the Premises or their use and occupation and includes any person or body acting under their authority
Quarter Days	25 March, 24 June, 29 September and 25 December in each year
Recommendation Report	has the meaning given to it in the EPB Regulations
Rent Commencement Date	2 March 2014
Rents	the sums payable by the Tenant to the Landlord in accordance with clause 4.1
Repairing Notice	any notice served on the Tenant whether by the Landlord or by any Public Authority requiring repairs or other works to be carried out to the Premises including any schedule of dilapidations served on the Tenant by the Landlord
Retained Premises	the Centre and the Management Premises excluding the Premises and the Other Lettable Premises
Review Dates	the penultimate day of the Contractual Term

Scheme	the mandatory UK cap and trade scheme known as the Carbon Reduction Commitment Energy Efficiency Scheme or the CRC Energy Efficiency Scheme as implemented under the Climate Change Act 2008 and the CRC Energy Efficiency Scheme Order 2010 (and any modification amendment re-enactment or replacement from time to time) and any other trading scheme relating to greenhouse gas emissions introduced pursuant to Section 44 of the Climate Change Act 2008
Scheme Year	1 April to 31 March in each year or such other annual period designated under the Scheme
Service Charge	a rent to be ascertained and paid from time to time as mentioned in Schedule 4
Service Charge Rent	the sums payable by the Tenant to the Landlord in accordance with Schedule 4
Service Charge Rent Commencement Date	Term Commencement Date
Service Costs	means the aggregate costs (including VAT that is not recoverable by the Landlord from HM Revenue & Customs) incurred by the Landlord in providing the Services and paying the costs listed in Part 2 of Schedule 4
Services	means the services provided by the Landlord in Part 2 of Schedule 4
Service Systems	the conduits, channels, ventilation and other ducting, gutters, drains, sewers, pipes (including sprinkler systems), wires, cables aerials or other conducting media, lines and pipes, including those relating to the security, communications, control and fire detection systems, pumps, valves, stopcocks, manholes, meters and connections in and passing through the Centre or some part thereof or in the future in and passing through the same
Servicing Hours	the following hours namely: between 8.00 am and 6.00 pm on all days (excluding Sundays and public holidays except to the extent to which the Landlord may from time to time otherwise determine) or such other hours as the Landlord shall from time to time specify in order to meet any changes in shopping and servicing patterns and following consultation with the Tenant or any Tenants' Association
Supplies	means water, steam, gas, air, soil, electricity, telephone, heating, cooling, telecommunications, data communications and similar supplies
Tenancy	the tenancy created by this Lease
Tenant	includes the Tenant's successors in title and assigns and in the case of an individual his personal representatives

Tenants' Association	an unincorporated body which may be formed by the Landlord for the purpose of promoting the Centre and whose members shall comprise the Landlord the Tenant and some or all of the tenants of Other Lettable Premises
Tenant's Covenants	the obligations, conditions and covenants to be complied with by a tenant of this Lease
Term Commencement Date	2 September 2013
Termination of the Tenancy	the end of the Tenancy by effluxion of time re-entry notice surrender (by operation of law or otherwise) or by any other means
Title Matters	the matters contained or referred to in Title Number DN229233 so far as the same affect the Premises or the rights granted to the Tenant and are still subsisting and capable of being enforced
Trading Hours	the following hours namely: between 9.00 am and 5.30 pm on all days (excluding Sundays and public holidays except to the extent to which the Landlord may from time to time otherwise determine) or such other hours as the Landlord shall from time to time specify in order to meet any changes in shopping patterns and following consultation with the Tenant or any Tenants' Association
Undenant's Covenants	the obligations, conditions and covenants to be complied with by an undenant in any underlease of the Premises, however remote
VAT	Value Added Tax as defined in VATA and any tax of a similar nature substituted for VAT
VAT Election	means an election under paragraph 2 of Schedule 10 to VATA for exemption to be waived on any VAT Supply made by the Landlord in relation to the Premises
VAT Regulations	Value Added Tax Regulations 1995 as amended from time to time or any re-enactment thereof
VAT Supply	the meaning which "supply" has for the purposes of VATA
VATA	Value Added Tax Act 1994 as amended from time to time or any re-enactment of it
VAT Group	two or more corporate bodies registered as a group for the purposes of section 43 VATA
Waste	any discarded, unwanted or surplus substance irrespective of whether it is capable of being recycled or recovered or has any value
1925 Act	the Law of Property Act 1925
1927 Act	the Landlord and Tenant Act 1927

1954 Act	the Landlord and Tenant Act 1954
1986 Act	the Insolvency Act 1986
1987 Order	the Town and Country Planning (Use Classes) Order 1987
1994 Order	the Insolvent Partnerships Order 1994 (as amended)
1995 Act	the Landlord and Tenant (Covenants) Act 1995
2006 Act	the Companies Act 2006

Interpretation

1.2 In this Lease:

- (a) the clause headings do not affect its interpretation;
- (b) unless otherwise indicated, references to clauses and Schedules are to clauses of and Schedules to this Lease and references in a Schedule to a Part or paragraph are to a Part or paragraph of that Schedule;
- (c) except in the case of the 1987 Order, references to any Legislation include references to any subsequent legislation directly or indirectly amending, consolidating, extending, replacing or re-enacting that Legislation;
- (d) references to the Landlord, the Tenant or any Guarantor include their respective successors in title and, in the case of individuals, include their personal representatives;
- (e) references to the Premises, the Centre, the Retained Premises, the Management Premises and the Common Parts include any part of them unless specific reference is made to the whole of them;
- (f) references to this Lease include any deed or document which is supplemental to, varies or is ancillary to this Lease from time to time;
- (g) references to the date of assignment of this Lease mean the date of the deed of assignment or transfer of this Lease and obligations given to the Landlord on an assignment of this Lease will take effect from this date;
- (h) references to the Landlord include a reference to any superior landlord in the following circumstances:
 - (i) where there are rights reserved in favour of the Landlord;
 - (ii) where any matter under this Lease requires the consent or approval of the Landlord;
 - (iii) where notice has to be given to the Landlord under this Lease;
 - (iv) where there is a provision for the repayment of any costs and expenses incurred by the Landlord, including Landlord's costs; and
 - (v) where there are indemnities in favour of the Landlord;
- (i) references to the end of the Tenancy include the determination of the Tenancy before the end of the Contractual Term;
- (j) for the purposes of the Perpetuities and Accumulations Act 1964, references to the perpetuity period are to the period of 80 years from and including the date of this Lease;

- (k) where the consent of the Landlord is required for any assignment, change of use or alterations, that consent may be given only by the completion of a licence executed as a deed containing the terms of the consent agreed between the parties unless the Landlord elects in writing to waive this requirement;
- (l) "including" means "including, without limitation";
- (m) "indemnify" means to indemnify against all actions, claims, demands and proceedings taken or made against the Landlord and all costs, damages, expenses, liabilities and losses incurred by the Landlord;
- (n) references to the Tenant include, and the Tenant's covenants bind, any undertenant or other person in occupation of the Premises or deriving title under the Landlord, their successors in title and any other person under the Tenant's or their control, including employees, agents, workmen and invitees, and:
 - (i) the Tenant is to use all reasonable endeavours to ensure that these persons comply with the Tenant's Covenants;
 - (ii) the Tenant is not to permit or knowingly allow these persons to breach the Tenant's Covenants, whether by act or omission;
 - (iii) a breach by these persons of the Tenant's Covenants, whether by act or omission, will be treated as a breach by the Tenant of the Tenant's Covenants;
 - (iv) any references to the act or default of the Tenant include the acts or defaults of these persons; and
 - (v) any limitation on the Landlord's liability to the Tenant includes a limitation on the Landlord's liability to these persons;
- (o) an obligation on the Tenant to pay a fair, proper or reasonable proportion includes an obligation, where reasonable, to pay the whole;
- (p) where two or more people form a party to this Lease, the obligations they undertake may be enforced against them all jointly or against each of them individually; and
- (q) if any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Lease is to be unaffected.

Contracts (Rights of Third Parties) Act 1999

- 1.3 The parties to this Lease do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

Agreement for lease

- 1.4 This lease has not been entered into pursuant to an agreement for lease.

New tenancy

- 1.5 This lease is a "new tenancy" for the purposes of section 1 1995 Act.

2 Letting, term and termination

Creation of the Tenancy

- 2.1 The Landlord lets the Premises to the Tenant for the Contractual Term reserving the Rents.

Quiet enjoyment

- 2.2 The Tenant may quietly enjoy the Premises throughout the Tenancy without any interruption by the Landlord or anyone lawfully claiming under or in trust for the Landlord.

Right of re-entry to end this Lease

- 2.3 The Landlord may enter onto the whole or any part of the Premises and by so doing end this lease if:

- (a) the whole or any part of the Rents or any other sums due under this lease remain unpaid more than 14 days after the due date for payment, whether or not formally demanded;
- (b) the Tenant breaches any of the Tenant's Covenants;
- (c) there is an Event of Insolvency in respect of the Tenant or any Guarantor of the Tenant;
- (d) this lease is disclaimed by the Crown or by a liquidator or trustee in bankruptcy of the Tenant; or
- (e) the Tenant leaves the Premises unoccupied for a continuous period exceeding three months unless the Landlord has consented to an assignment or underletting of the Premises.

Damage or destruction by Insured Risks

- 2.4 If, following damage or destruction of the Premises by any of the Insured Risks, the whole or substantially the whole of the Premises are unfit for occupation and use or are inaccessible:

- (a) the Landlord may end this Lease by serving written notice on the Tenant:
 - (i) within the period of six months after the date of the damage or destruction if:
 - (A) in the Landlord's reasonable opinion, it would be impracticable or uneconomical to reinstate the Premises; or
 - (B) the Contractual Term will end before the end of the Loss of Rent Period and it would be impracticable to reinstate the Premises before the end of the Contractual Term;
 - (ii) at any time if any of the circumstances in clause 5.8 apply;
 - (iii) at any time after the end of the Loss of Rent Period if the Landlord has been unable to reinstate the Premises or the means of access to them; or
 - (iv) at any time if the whole or a substantial part of the insurance proceeds are withheld due to the act or default of the Tenant and are not made good by the Tenant in accordance with clause 5.4(f) within 14 days of demand; and
- (b) the Tenant may end this Lease in the circumstances set out in clause 2.4(a)(iii) by serving written notice on the Landlord but only if the Tenant has paid any sums due under clause 5.4(f).

Effect of the lease coming to an end

- 2.5 When this Lease ends it will be without prejudice to any outstanding claims between the Landlord and the Tenant or any Guarantor of the Tenant or any obligation to pay the Rents due up to the date the Lease ends, whether or not those Rents have been demanded.

3 Rights and reservations

Rights granted

3.1 The Premises are let together with the rights set out in Schedule 2:

- (a) so far as the Landlord is able to grant them;
- (b) for use in common with the Landlord and any other person using them with the express or implied authority of the Landlord unless the rights are expressed to be exclusive rights for the Tenant;
- (c) for the benefit of the Tenant and any other person using them with the express or implied authority of the Tenant including its employees, agents, permitted undertenants, any other permitted occupier of the Premises and any other person under its or their control;
- (d) subject to the right of the Landlord to bring to an end, suspend or vary the rights in circumstances where reasonable alternative rights necessary for the use and enjoyment of the Premises are granted to the Tenant in the place of those which have been brought to an end, suspended or varied.

Exercise of rights granted

3.2 The rights granted in clause 3.1 are subject to the Tenant and any other person exercising the rights with the express or implied authority of the Tenant:

- (a) ensuring that as little nuisance, damage, annoyance or inconvenience as reasonably practicable is caused to the Landlord or the other tenants or occupiers of the Centre or any Adjoining Premises in the exercise of the rights;
- (b) ensuring that no breach of the covenant for quiet enjoyment given by the Landlord to the other tenants or occupiers of the Centre is caused in the exercise of the rights;
- (c) making good as soon as reasonably possible all physical damage to the Centre caused in the exercise of the rights.

Rights reserved

3.3 The rights set out in Schedule 3 are reserved out of the letting for the benefit of the Landlord and any other person having express or implied authority from the Landlord to benefit from them. The Tenant is to permit the exercise of these rights and is not to obstruct or prevent these rights being exercised in accordance with the terms of this Lease.

Exercise of rights reserved

3.4 When exercising the rights reserved in clause 3.3 the Landlord and any other person exercising the rights with the express or implied authority of the Landlord are to:

- (a) ensure that as little nuisance, damage, annoyance or inconvenience is caused to the Tenant or the other tenants or occupiers of the Premises in the exercise of the rights as reasonably practicable;
- (b) make good as soon as reasonably possible all physical damage caused to the Premises in the exercise of the rights.

Title Matters

3.5 The letting is made subject to and with the benefit of the Title Matters. So far as they are still subsisting, capable of taking effect and affect the Premises, the Tenant is to comply with them and to indemnify the Landlord against any breach of them.

Third party rights

3.6 The letting is made subject to all rights of light and air and all other legal or equitable easements and rights belonging to or enjoyed by any other property.

Exclusion of implied rights

3.7 This lease does not confer upon the Tenant any rights or privileges over any other property except as expressly set out in this Lease and any rights implied by section 62 1925 Act or the rule in Wheeldon v Burrows are expressly excluded.

Restrictions on rights

3.8 The Tenant is not:

- (a) to require any assignee of this Lease to give covenants that would restrict the use of the Premises to any greater extent than the restrictions on use contained in this Lease;
- (b) entitled to enforce the benefit of any covenant, right or condition contained in the Title Matters or in any lease, underlease or other tenancy document or licence granting any other person a right to occupy the whole or any part of the remainder of the Centre;
- (c) to do or omit to do anything which might result in the loss of any right or easement enjoyed by the Centre; or
- (d) to do or omit to do anything which results or might result in the creation of any new rights or easements over the Centre and, if it becomes aware of any which are being created, the Tenant:
 - (i) is to notify the Landlord in writing; and
 - (ii) is, at its own cost, to take any action which the Landlord reasonably requires to prevent the creation of new rights and easements over the Centre.

Landlord's rights

3.9 Nothing in this Lease is to limit or affect the rights of the Landlord:

- (a) to deal with the Centre or any Neighbouring Property as it thinks fit;
- (b) to permit the owner of any Neighbouring Property to deal with them as they think fit.

4 Rents payable

Obligation to pay rent

4.1 The Tenant is to pay the following Rents to the Landlord during the Tenancy without making any legal or equitable set-off, counterclaim or deduction unless required to do so by law:

- (a) the Principal Rent by equal quarterly payments in advance on the Quarter Days;
- (b) the Insurance Rent on demand;
- (c) the Service Charge Rent at the times and in the manner set out in Schedule 4; and
- (d) any other sums payable as additional rent in accordance with the terms of this Lease on demand.

Payments of Principal Rent

4.2 The following provisions apply to the payment of the Principal Rent:

- (a) the Principal Rent is payable from and including the Rent Commencement Date;

- (b) the first payment of the Principal Rent, calculated on a daily basis for the period from and including the Rent Commencement Date to but excluding the Quarter Day following it, is to be paid by the Tenant on the Rent Commencement Date;
- (c) if notified in writing by the Landlord at any time, the Tenant is to pay the Principal Rent by electronic means to an account nominated by the Landlord.

Initial payment of Insurance Rent

- 4.3 The Insurance Rent is payable from and including the Insurance Rent Commencement Date. The first payment of Insurance Rent is to be made on the date of this Lease apportioned on a daily basis in respect of the period for which it is payable.

Initial payment of Service Charge Rent

- 4.4 The Service Charge Rent is payable from and including the Service Charge Rent Commencement Date. The first payment of the Service Charge Rent is to be made on the Service Charge Commencement Date apportioned on a daily basis in respect of the period for which it is payable.

VAT and other taxes

- 4.5 The Rents and any other sums payable by the Tenant under this lease are exclusive of VAT. An obligation on the Tenant under this lease to pay money includes an obligation to pay as additional rent any VAT chargeable on that payment. When a taxable supply is made for the purposes of VAT under this lease, a valid VAT invoice is to be issued in respect of that supply.

- 4.6 The Tenant shall:

- (a) observe and perform the covenants and stipulations contained in schedule 9;
- (b) whenever any sum is payable by the Tenant to the Landlord on which VAT or any other tax is payable, pay to the Landlord at the same time as and in addition to such sum the amount of the VAT and other tax payable at the rate applicable to that payment.

- 4.7 The Tenant is not intending to use and will not use all or any part of the Demised Premises for a relevant charitable purpose (within the meaning of Schedule 8, Group 5 (Note 6) of VATA).

- 4.8 If the covenants in clause 4.7 are breached by the Tenant and in consequence supplies made by the Landlord in relation to all or any part of the Premises after the making of an VAT Election are not taxable supplies the Tenant will indemnify the Landlord against:

- (a) any VAT paid or payable by the Landlord which is or may become irrecoverable due to the Landlord's supplies not being taxable;
- (b) any amount in respect of VAT which the Landlord has to account for or will have to account for to HM Revenue & Customs under the provisions of Part XIV or Part XV of the VAT Regulations;
- (c) any consequential penalties, interest and/or default surcharge; and
- (d) any additional liability to corporation tax on any payment made to the Landlord under this clause.

- 4.9 For the avoidance of doubt references in sub-clauses 4.7 and 4.8 above to the Landlord or the Tenant shall include references to the representative member of the VAT Group of the Landlord (or whilst the Landlord is a subsidiary of The British Land Group PLC the relevant VAT Group of The British Land Group PLC or its subsidiaries which relates to the Premises) or the Tenant as appropriate.

4.10 The Tenant is not intending to use and will not use all or any part of the Premises for a relevant charitable purpose (within the meaning of Schedule 8, Group 5 (Note 6) of VATA).

Interest on late payment

4.11 If the Tenant does not pay:

- (a) the Principal Rent on the due date for payment; or
- (b) any of the other Rents or sums due to the Landlord under this Lease, whether or not reserved as rent, within 10 days of the due date for payment

the Tenant is to pay interest on those sums, both after as well as before judgment, at 4 per cent per annum above the Interest Rate for the period from and including the due date for payment to and including the date of actual payment. Interest may be compounded on each Quarter Day and will be payable by the Tenant as additional rent on demand.

Non-acceptance of rent

4.12 If the Landlord reasonably believes that there is a material breach of the Tenant's Covenants and does not demand or accept payment of the Rents or any other sums due under this Lease, the Tenant is to pay interest on those sums on the basis set out in clause 4.11 for the period from and including the date on which they were due to and including the date on which the Landlord accepts payment of them. This interest will be payable to the Landlord on demand.

Suspension of rent

4.13 Following Insured Damage, the Principal Rent and the Service Charge Rent or a fair proportion will be suspended:

- (a) to the extent that the Premises are unfit for occupation and use or inaccessible;
- (b) for the period from and including the date of the Insured Damage to and including the earlier of:
 - (i) the date on which the Premises are accessible and have been restored and are fit for occupation and use; and
 - (ii) the date on which the Loss of Rent Period expires.

Any dispute about the operation of this clause 4.13 is to be determined by an Independent Person, acting as an arbitrator in accordance with Schedule 7.

5 Insurance

Landlord's insurance

5.1 Subject to the Policy Exclusions, the Landlord is to insure with substantial and reputable insurers or through underwriters or an insurance office of repute:

- (a) the Centre against damage or destruction by any of the Insured Risks in its Full Reinstatement Cost;
- (b) loss of rental income from the Centre during the Loss of Rent Period including any VAT payable on the rental income and taking into account the Landlord's or the Landlord's Surveyor's reasonable estimate of any likely increase in the rental income;
- (c) third party and employer's liability in such amounts as the Landlord or the Landlord's Surveyor reasonably determines.

Limitations on Landlord's insurance

5.2 The obligations in clause 5.1 do not apply:

- (a) in respect of any alterations or additions to the Premises made by the Tenant or any undertenant or other occupier of the Premises unless and until 10 working days after the Landlord has expressly agreed in writing to insure them and the Landlord has received written notice of their reinstatement value from the Tenant pursuant to clause 5.10(c); or
- (b) if the insurance policy becomes void as a result of any act or default of the Tenant.

Policy Exclusions and excesses

5.3 The Landlord will seek to ensure that any Policy Exclusions and excesses contained the Landlord's Insurance fall within normal commercial practice in the United Kingdom insurance market for properties similar to the Centre and in the same area as the Centre.

Insurance rent

5.4 Throughout the Tenancy the Tenant is to pay to the Landlord on demand as additional rent:

- (a) a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of the amount payable by way of premium by the Landlord for the Landlord's Insurance;
- (b) without prejudice to clause 5.10(a), any additional premium or loading on the policy of insurance for the Centre or any policy or insurance for Adjoining Premises owned by the Landlord payable as a result of anything done or omitted to be done by the Tenant or as a result of the use of the Premises by the Tenant;
- (c) a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of any amount which may be deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy upon the settlement of any claim made by the Landlord;
- (d) a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of any expense which the Landlord may reasonably incur in obtaining an insurance valuation of the Centre, but not more than once every year;
- (e) a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of the Landlord's costs of preparing and making an insurance claim; and
- (f) a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of the costs of rebuilding and reinstating the Centre (including the costs of demolition, site clearance, shoring-up, planning fees, architects', legal and other professional fees and VAT on these costs) if and to the extent that the insurance monies are withheld in whole or in part by the insurers or are irrecoverable in either case due to the act or default of the Tenant.

Provision of information

5.5 On reasonable written request, the Landlord is to provide the Tenant with a written summary of the Landlord's Insurance together with evidence of the payment of the most recent premiums in respect of that insurance.

Reinstatement

5.6 Subject to clause 5.7 and clause 5.8, following Insured Damage the Landlord will:

- (a) use all reasonable endeavours to obtain any planning consents and any other consents or permissions required for any works required to reinstate Insured Damage; and
- (b) subject to all consents being obtained and remaining unrevoked, apply the insurance proceeds received under the Landlord's Insurance maintained under clause 5.1(a) in reinstating Insured Damage as soon as reasonably practicable after the date of the Insured Damage, the Landlord making good any shortfall in the proceeds of insurance from its own monies where the shortfall arises from the act or default of the Landlord.

Tenant's alterations and improvements

- 5.7 The provisions of clause 5.6 do not oblige the Landlord to reinstate any alterations or improvements to the Premises made by the Tenant unless and to the extent that the Landlord is obliged to insure them under clause 5.1.

Limitations on the obligation to reinstate

- 5.8 The obligations in clause 5.6 will not apply, and the Landlord will be entitled to retain any insurance proceeds received from the insurers for its own benefit, if and to the extent that:

- (a) the whole or any part of the insurance proceeds are withheld due to the act or default of the Tenant unless the Tenant has made good those sums under clause 5.4(f); or
- (b) the Landlord is prevented from reinstating Insured Damage because:
 - (i) the Landlord, having used all reasonable endeavours to do so, cannot obtain any consents or permissions required for the reinstatement;
 - (ii) any permission granted is subject to a lawful condition which it is impossible or unreasonable in all the circumstances for the Landlord to comply with;
 - (iii) any defect or deficiency in the site of the Centre previously unknown to the Landlord makes it impossible to reinstate or only possible at an additional cost which is unreasonable in all the circumstances;
 - (iv) the Landlord is unable to obtain access to the site to rebuild or reinstate; or
 - (v) the rebuilding or reinstatement is prevented by any other circumstances beyond the control of the Landlord; or
- (c) the Lease comes to an end under clause 2.4.

Means of reinstatement

- 5.9 When reinstating Insured Damage, the Landlord may make changes in the design, layout and specification of the Centre and may use materials of a different quality, specification or type to those used in the original Centre so long as the area of the Premises is not materially altered and the means of access to them and the services provided to the Premises are not materially less convenient to the Tenant.

Tenant's obligations

- 5.10 The Tenant is:

- (a) not to do anything which causes the Landlord's Insurance to become void or voidable or which may increase the premiums payable in respect of them;
- (b) to comply with the requirements and reasonable recommendations of the insurers of the Centre so far as they have been notified in writing to the Tenant and apply to the Premises or the rights granted by this Lease;

- (c) if the Landlord has expressly agreed in writing to insure alterations and additions to the Premises, to notify the Landlord of the reinstatement value of alterations and additions made by the Tenant or any undertenant excluding the value of tenant's and trade fixtures forming part of those alterations and improvements;
- (d) not to put in place insurance cover for the Premises against the Insured Risks except in relation to alterations and additions to the Premises, which the Tenant is to insure against the Insured Risks in their full reinstatement value unless the Landlord has expressly agreed to be responsible for their insurance;
- (e) to maintain third party and employer's liability insurance in respect of the Tenant's use and occupation of the Premises;
- (f) to maintain insurance cover for tenant's and trade fixtures and replace any plate glass forming part of the Premises which is broken as soon as reasonably practicable;
- (g) on reasonable request to provide to the Landlord written details of any policy or policies of insurance maintained by the Tenant under this clause 5.10 together with evidence for the payment of the most recent premiums in respect of those insurance policies;
- (h) without prejudice to clause 5.10(d), to notify the Landlord of and hold the benefit of any insurance proceeds received by the Tenant in respect of the Premises in trust for the Landlord and to apply the insurance proceeds immediately in making good the loss or damage in respect of which they have been received;
- (i) to notify the Landlord as soon as possible in writing of any damage to or destruction of the Centre by any of the Insured Risks of which the Tenant becomes aware;
- (j) to notify the Landlord as soon as possible in writing of any reason known to the Tenant why the Landlord's insurances in respect of the Centre may become void or voidable; and
- (k) where reasonably required to do so by the Landlord to enable the Landlord to comply with its obligations in clause 5.6, to vacate the Premises.

Convictions

5.11 The Tenant:

- (a) warrants to the Landlord that it is not aware of any conviction, judgment or finding of any court or tribunal relating to the Tenant, or any director or other officer or major shareholder of the Tenant, of such a nature as to be likely to affect the decision of any insurer or underwriter to grant or to continue any policy of insurance to be maintained by the Landlord under this Lease; and
- (b) agrees to notify the Landlord if it becomes aware of any of these matters after the date of this Lease.

Limitation on liability

5.12 Where the Landlord has complied with its obligations under this clause 5, the Landlord will not be liable to the Tenant for any loss or damage arising from Insured Damage.

6 Costs and Outgoings

Payment of Outgoings

6.1 The Tenant shall:

- (a) pay all Outgoings in relation to the Premises; and

- (b) pay a proper proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of any Outgoings assessed in relation to the Centre as a whole or in relation to the Centre and any Adjoining Premises;

6.2 The provisions of subclauses 6.1(a) and 6.1(b) do not apply to any Outgoings arising from:

- (i) any dealing by the Landlord with its interest in the Centre; or
- (ii) any income tax or corporation tax payable by the Landlord on the Rents or any other sums payable to the Landlord under this Lease.

Business rates

6.3 The Tenant is:

- (a) not to agree any proposal by the local authority to set or determine the rateable value of the Premises without the prior written consent of the Landlord such consent not to be unreasonably withheld or delayed;
- (b) if reasonably required by the Landlord, but at the joint cost of the Landlord and the Tenant, to co-operate with the Landlord in making any proposals to the local authority for the setting of the rateable value and making any appeal against the rateable value of the Premises determined by the local authority; and
- (c) to indemnify the Landlord against any period during which the Landlord cannot claim reduced or zero business rates after the end of the Tenancy as a result of the Tenant having received those benefits before the end of the Tenancy.

Utility costs

6.4 The Tenant is to pay direct to the suppliers of the utilities all costs payable in respect of utilities provided to the Premises (including standing charges and taxes payable on utility costs). Where utilities are provided to the Centre and sub-metered to the Premises or are provided by the Landlord, the Tenant is to pay to the Landlord on demand a fair proportion of the standing charges, meter rents and the costs of metered units and all other costs and taxes payable in respect of those utilities together with a fair proportion of the Landlord's administrative costs in connection with the supply of the utilities and the apportionment of the relevant costs. In each case the proportion is to be determined by the Landlord or the Landlord's Surveyor acting reasonably.

Common facilities

6.5 Unless they form part of the Service Costs, the Tenant is to pay to the Landlord on demand as additional rent a fair proportion, to be determined by the Landlord or the Landlord's Surveyor acting reasonably, of the costs and expenses of maintaining, inspecting, cleaning, repairing, servicing altering, renewing, rebuilding or replacing any party walls, Conduits and other party structures or means of access used in common between the Premises and any other property.

Landlord's costs

6.6 The Tenant is to pay to the Landlord as additional rent on demand the Landlord's costs arising from:

- (a) the preparation and service of any notice and the taking of any proceedings by or on behalf of the Landlord under sections 146 or 147 1925 Act or under the Leasehold Property (Repairs) Act 1938, whether or not forfeiture is avoided by an order of the court;
- (b) any application made by the Tenant for the Landlord's consent or approval to any matter under this Lease whether or not;

- (i) consent or approval is given unless the court determines that the Landlord has unreasonably withheld that consent or approval; or
- (ii) the application is withdrawn;
- (c) the preparation and service of any notice or schedule of dilapidations during or within six months after the end of the Tenancy;
- (d) abating any nuisance on the Premises or on the Communal Areas caused by the act, default or negligence of the Tenant;
- (e) the inspection and, if required, approval by the Landlord or the Landlord's Surveyor of any alterations, additions or improvements to the Premises and their subsequent reinstatement at the end of the Tenancy;
- (f) the preparation and service by the Landlord of any notice under section 6 Law of Distress Amendment Act 1908 or section 17 1995 Act; and
- (g) verifying, where reasonable, compliance with and enforcing or making good any breach of the Tenant's Covenants, including the recovery of arrears of the Rents or any other sums due to the Landlord under this Lease, whether by distress or by any other means.

Tenant's indemnity

- 6.7 The Tenant is to indemnify the Landlord in respect of the following to the extent that they are not covered by any policy of insurance maintained by the Landlord under this Lease:
- (a) any damage to or destruction of the Centre resulting from the act, default or negligence of the Tenant;
 - (b) any injury to or death of any person, damage to any property or the infringement, disturbance or destruction of any rights or easements or other matters arising from:
 - (i) the state of repair and condition of the Premises or any tenant's or trade fixtures to the extent that the Tenant is responsible for their state of repair and condition under this Lease;
 - (ii) the carrying out or presence of any alterations, additions or improvements to the Premises; or
 - (iii) the use of the Premises; and
 - (c) any breach of the terms of this Lease.

7 Repairs and maintenance

Tenant's repair and maintenance obligations

- 7.1 The Tenant is to:
- (a) keep the Premises in good and substantial repair and condition and regularly and properly cleaned;
 - (b) keep all tenant's and trade fixtures in good and substantial repair and condition;
 - (c) clean internal and external surfaces of all windows and glazed doors and other washable surfaces forming part of the Premises as often as reasonably necessary and in any event at least once a month provided always notwithstanding any other right or remedy that the Landlord may have if the Tenant fails to undertake required cleaning within seven days of notice from the Landlord so to do, the Landlord may itself arrange for such cleaning to be

- carried out and the costs of so doing shall be a debt from the Tenant to the Landlord repayable to the Landlord as rent in arrears;
- (d) keep all landlord's fixtures, including Premises Plant and Service Systems forming part of the Premises, properly maintained and serviced by reputable contractors and renew and replace any of them which become incapable of repair or cease to operate correctly with fixtures, Premises Plant or Service Systems, as the case may be, of equivalent modern specification and quality as the fixtures, Premises Plant or Service Systems which they replace;
 - (e) renew any shop-front and fascia where reasonably necessary and redecorate it in every third year of the Tenancy and in the last three months of the Tenancy in colours approved by the Landlord (such approval not to be unreasonably withheld or delayed); and
 - (f) redecorate the interior of the Premises as often as may be reasonably necessary and in any event in every fifth year of the Tenancy and within three months before the end of the Tenancy.

Insured Damage

- 7.2 Clause 7.1 will not apply in respect of Insured Damage.

Standard of repairs

- 7.3 All repairs to the Premises are to be carried out in a good and workmanlike manner with good and proper materials in accordance with good building practice and in accordance with the requirements of all Legislation affecting the repairs or the means by which they are carried out, including the CDM Regulations.

Standard of redecoration

- 7.4 All redecoration of the interior of the Premises is to be carried out in a good and workmanlike manner with good quality materials and in the last three months of the Tenancy in a colour scheme to be first approved by the Landlord, such approval not to be unreasonably withheld or delayed. Redecoration includes painting and, in respect of surfaces which are not painted, papering and varnishing, treating and cleaning, as appropriate.
- 7.5 All redecoration of the shop front fascia and other outside surfaces of the Premises shall be redecorated and treated in such colours and in such manner as shall be in conformity in all respects with the appearance of the Centre and approved in writing by the Landlord, such approval not to be unreasonably withheld.

Repairing Notice

- 7.6 Following the service of a Repairing Notice:

- (a) the Tenant is to carry out any repairs or other works required by the Repairing Notice as soon as practicable;
- (b) where the Repairing Notice is served on the Tenant by any person other than the Landlord or the Landlord's Surveyor, the Tenant is to provide a copy of the Repairing Notice to the Landlord as soon as reasonably practicable after its receipt by the Tenant.

The Landlord may serve a Repairing Notice only to specify repairs or other works that are required to remedy any breach by the Tenant of its obligations under this Lease.

Compliance with Repairing Notice

- 7.7 If the Tenant does not comply with a Repairing Notice:

- (a) the Tenant is to permit the Landlord to enter and remain upon the Premises with or without workmen, plant and materials to carry out the repairs or other works required; and
- (b) the costs incurred by the Landlord in carrying out the repairs or other works are to be paid by the Tenant to the Landlord on demand as a debt and not as rent together with interest on those costs at 4 per cent per annum above the Interest Rate calculated from and including the date on which the Landlord incurred them to and including the date on which they are paid.

Defective Premises

7.8 In respect of any defects in the Premises which might give rise to a duty or liability on the part of the Landlord under the Defective Premises Act 1972, any other statutory provision or at common law the Tenant is:

- (a) to give immediate notice in writing to the Landlord of the defects as soon as it becomes aware of them;
- (b) display on the Premises any notice which the Landlord may reasonably require; and
- (c) take any other action which the Landlord may properly and reasonably require to discharge any duty or liability which may be imposed on the Landlord in respect of those defects.

8 Alterations

Prohibition on alterations

8.1 The Tenant is not to:

- (a) carry out any alterations or additions to the Premises unless expressly permitted to do so by this clause 8;
- (b) change the external appearance of the Premises, unite them with any other property, whether or not forming part of the Centre, or destroy the Premises; or
- (c) without the prior written consent of the Landlord (such consent not to be unreasonably withheld) make any alteration or addition to the Premises which in the Landlord's reasonable opinion would be likely to materially adversely affect the energy efficiency or Asset Rating or (where applicable) the Operational Rating of the Premises or the Centre (were such Asset Rating or Operational Rating to be re-assessed) such that the Premises or the Centre could not lawfully be let by reason of any minimum energy performance standards imposed or reasonably anticipated to be imposed by regulations made under section 49 of the Energy Act 2011 provided always that before giving consent under this clause 8.1(c) the Landlord may require the submission by the Tenant to the Landlord of sufficient information to enable the Landlord to assess the likely impact of the proposed alteration or addition (or maintenance costs) on the energy efficiency or Asset Rating or (where applicable) the Operational Rating of the Premises or the Centre.

Non-structural alterations

8.2 The Tenant may carry out internal non-structural alterations to the Premises with the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed.

Alterations to electrical systems

8.3 The Tenant is not to make any alterations or additions to the electrical systems within the Premises without the prior written consent of the Landlord, such consent not to be unreasonably withheld or

delayed and then only in accordance with terms and conditions for the time being laid down by the Institute of Electrical Engineers and the regulations of the electricity supply authority.

Alterations to Service Systems and Premises Plant

- 8.4 The Tenant is not to carry out any alterations or additions to any Premises Plant or Service Systems forming part of the Premises without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed where the alterations or additions will not affect the use, maintenance or operation of any Centre Plant or any Service Systems serving the Centre.

Terms on which alterations are to be made

- 8.5 The following provisions apply to any alterations or additions to be made to the Premises by the Tenant and these provisions, together with any other provisions reasonably required by the Landlord, may be included in any consent required under this clause 8:

- (a) before beginning the alterations or additions the Tenant is to:
 - (i) obtain all consents required for the alterations or additions including where appropriate all building regulations approvals and the consent of the fire officer to the alterations;
 - (ii) provide written details of the alterations or additions to the insurers of the Premises and obtain their approval to them;
- (b) where the consent of the Landlord is required to the alterations, the Tenant:
 - (i) is to provide three copies of the plans and specifications for the alterations to the Landlord for approval by the Landlord or the Landlord's Surveyor, such consent not to be unreasonably withheld or delayed; and
 - (ii) is not to begin the alterations unless and until that approval has been obtained;
- (c) the Tenant is to carry out the alterations in a good and workmanlike manner with good and proper materials in accordance with good building practice and in accordance with the requirements of all Legislation affecting the alterations or the means by which they are carried out, including the CDM Regulations;
- (d) the Tenant is to permit the Landlord to inspect the carrying out of the alterations and the completed alterations to ensure that they are being carried out in accordance with the terms of this Lease and any consent given for the carrying out of the alterations;
- (e) as soon as reasonably practicable after completion of the alterations, the Tenant is to provide to the Landlord three sets of as-built drawings showing the Premises as altered by the alterations together with any other information reasonably required by the Landlord in respect of those alterations;
- (f) as soon as reasonably practicable after completion of the alterations, the Tenant is to give to the Landlord details of the reinstatement value of the alterations for insurance purposes excluding the value of any tenant's or trade fixtures comprised in the alterations;
- (g) where the CDM Regulations apply to the alterations:
 - (i) the Tenant is not to name the Landlord as client in respect of the alterations within the meaning of the CDM Regulations;
 - (ii) the Tenant is to maintain the health and safety file required by the CDM Regulations and provide to the Landlord within one month of the completion of

the alterations the details of the alterations which need to be included in that file; and

- (h) the Tenant is to ensure that the Landlord receives a royalty-free, irrevocable, non-exclusive licence which is capable of being assigned without consent to use and reproduce the plans and all other documents prepared specifically for the alterations and the designs and inventions contained in them for any purpose whatsoever connected with the Premises.

Refitting of the Premises

- 8.6 If the Tenant carries out any refitting or upgrading of the Premises it is to do so to a standard, quality and appearance consistent with a high quality retail store in a shopping centre.

Breaches

- 8.7 If the Tenant carries out any alterations or additions to the Premises in breach of this clause 8, the Landlord may enter and remain upon the Premises with or without workmen, plant and materials and remove the alterations or additions made to the Premises and restore the Premises to the configuration in which they were before the alterations or conditions were carried out. The costs incurred by the Landlord in so doing are to be paid by the Tenant to the Landlord on demand as a debt and not as rent together with interest on those costs at 4 per cent per annum above the Interest Rate calculated from and including the date on which the Landlord incurred them to and including the date on which they are paid.

Exclusion of warranties

- 8.8 The Landlord gives no warranty to the Tenant that the Premises will be fit to receive any alterations or additions or that any alterations or additions to the Premises carried out by the Tenant will be suitable for the Premises.

Reinstatement

- 8.9 Within two months before the end of the Tenancy the Tenant is to reinstate all alterations and additions to the Premises, including any fitting out works made prior to the Contractual Term or the term of the Previous Lease, and return the Premises to the configuration it was in immediately before the commencement of the Previous Lease unless and to the extent that the Landlord asks the Tenant not to do so in respect of the whole or any part of the alterations. The works of reinstatement are to be carried out on the same terms as those contained in clause 8.5 as if the works of reinstatement were alterations to the Premises.

9 Use of the premises

Authorised Use

- 9.1 The Tenant is to use the Premises only for the Authorised Use.

Limitations on consent

- 9.2 The Landlord may withhold consent to a change of use which:

- (a) is prohibited under clause 9.3;
- (b) conflicts with any other obligation entered into by the Landlord restricting the use of the Premises;
- (c) conflicts with the Landlord's policies for tenant mix within the Centre or any part of it;
- (d) conflicts in the Landlord's absolute opinion with the principles of good estate management;

- (e) may, in the reasonable opinion of the Landlord, breach the restrictions on the use of the Premises in clause 9.4; or
- (f) falls outside Class A1 (a) of the 1987 Order.

Prohibited uses

9.3 The Tenant is not to use the Premises:

- (a) for any illegal or immoral purpose;
- (b) as offices to which members of the public are admitted or for any public meeting;
- (c) for the preparation or cooking of food other than for staff catering facilities ancillary to the Authorised Use;
- (d) for any political or religious use;
- (e) for the holding of any auction;
- (f) for residential purposes;
- (g) in breach of any restriction on use contained in the Title Matters; or
- (h) for the storage or use of Hazardous Materials for which any licence or consent is needed under Environmental Law.

Restrictions on use

9.4 The Tenant is not:

- (a) to use the Premises or any of the Communal Areas in a manner which creates a nuisance, damage or annoyance to the Landlord or any other tenants or occupiers of the Centre or any Adjoining Premises or which creates any breach of the Landlord's covenant for quiet enjoyment given to any other tenant or occupier of the Centre;
- (b) to put any weight or impose any strain on the Premises or any other parts of the Centre in excess of that which they are designed to bear, with due margin for safety;
- (c) to overload the electrical systems in the Premises or the Centre;
- (d) to operate the heating, cooling or ventilating systems in the Premises in a manner which interferes with or imposes any additional load on the heating, cooling or ventilating systems in the Centre;
- (e) to play any live or recorded music through any medium or to use any machinery on the Premises which is obtrusively audible outside the Premises or which causes significant vibration either within or outside the Premises;
- (f) to display any flashing lights in the Premises which are visible from outside the Premises;
- (g) to store or dispose of refuse on the Premises except in suitable covered containers for that purpose with all refuse being removed from the Premises daily in respect of perishable refuse and not less frequently than weekly in respect of other refuse;
- (h) to leave any goods or refuse on or in any way obstruct the Communal Areas nor allow any vehicle to stand or park in any of the Communal Areas except in accordance with the rights granted in this Lease; or
- (i) to obstruct or discharge any Hazardous Materials, oil, grease or any other deleterious materials into any Service Systems serving the Premises.

Management regulations

9.5 The Tenant is to comply with all proper regulations made by the Landlord for the use of the Centre and the exercise of the rights granted to the Tenant under clause 3.1. The Landlord will not impose regulations under this clause 9.5 which materially restrict the express rights granted to the Tenant under this Lease.

Signs and advertisements

9.6 The Tenant shall not display a fascia sign or other signage on the exterior of the Premises other than such sign as shall have been first approved in writing by the Landlord Provided Always that the Landlord shall not be obliged to consent to any signage which the Landlord does not consider to be in keeping with the design and layout for the Centre but so that the Landlord will not unreasonably withhold its consent to lettering utilised to display the Tenant's signage.

9.7 Except as otherwise permitted the Tenant is not to:

- (a) place, affix or display any sign, advertisement, notice, placard, poster, flag, notification or display on the outside of the Premises or on the inside of the Premises so as to be visible from outside the Premises; or
- (b) affix any awning, mast, flagpole, aerial, satellite dish or any other fixture on the outside of the Premises.

9.8 Clauses 9.6 and 9.7 do not prevent the display on the inside of shop windows and entrance doors of retail notices, signs, advertisements and sale posters where such items are suitable for display in a retail shop and cover not more than 15 per cent in aggregate of the surface area of the windows and entrance doors.

Key holders

9.9 The Tenant is to:

- (a) provide the Landlord with the names, addresses and telephone numbers of not fewer than two people who hold keys to the Premises and who may be contacted in an emergency if the Landlord needs access to the Premises outside the Servicing Hours; and
- (b) instruct those key holders to give to the Landlord on request a set of keys to the Premises together with any passes and any security codes required to enable the Landlord to obtain access to the Premises in an emergency.

Notwithstanding the provisions of this clause 9.9, the Landlord will not be liable to the Tenant for any damage caused to the Premises if it has to enter the Premises forcibly in an emergency.

Hours of use

9.10 The Tenant is not to trade from the Premises outside the Trading Hours or use the Communal Areas outside the Servicing Hours.

Trading

9.11 The Tenant is to:

- (a) keep the Premises open as a shop for carrying on the Authorised Use during the Trading Hours;
- (b) keep the Premises fully stocked and prepared for carrying on the Tenant's trade or business; and

- (c) keep all display windows fully dressed and lit during such hours as the Landlord may reasonably require.

This clause 9.11 will not apply following Insured Damage until the Premises have been reinstated and made fit for occupation and use by the Tenant and will not apply during such reasonable periods, not exceeding three months, during which the Tenant is carrying out major alterations to the Premises or preparing to assign this Lease or underlet the whole of the Premises having obtained the prior written consent of the Landlord to do so.

Displays of goods

- 9.12 The Tenant is not to display any goods, materials or stock outside the Premises for display, sale or any other purpose.

Lawful use

- 9.13 The Landlord gives no warranty to the Tenant that the Authorised Use is or will remain a lawful or permitted use for the Premises under the Planning Acts.

10 Restrictions on parting with possession

Except as hereinafter permitted the Tenant is not to assign, underlet, part with possession or share occupation of the whole or any part of Premises, hold the whole or any part of the Premises on trust for any other person or enter into any agreement to do so except and to the extent that it is expressly permitted to do so by the terms of this Lease.

11 Assignment

Assignment of whole

- 11.1 The Tenant may assign the whole of the Premises if:

- (a) all of the conditions set out in clause 11.2 are satisfied;
- (b) none of the circumstances set out in clause 11.3 apply;
- (c) it complies with any other conditions to the assignment of the Lease reasonably required by the Landlord;
- (d) it complies with the provisions of this clause 11;
- (e) it obtains the prior written consent of the Landlord which will not be unreasonably withheld or delayed where the preceding provisions of this clause 11.1 have been complied with; and
- (f) the assignment is completed either within three months after the Landlord has given consent under this clause 11 or, if outside that three month period, before the Landlord has revoked that consent.

Conditions for assignment

- 11.2 The conditions referred to in clause 11.1(a) are specified for the purposes of section 19(1A) 1927 Act and are:

- (a) the Tenant provides to the Landlord with an application for consent to the proposed assignment a certificate signed by authorised officers of the Tenant and the proposed assignee of the terms and conditions of the proposed assignment, together with a statement from the proposed assignee of the proposed use for the Premises and where available the last three years audited accounts and current trading accounts for the assignee;

- (b) the proposed assignee enters into a direct covenant with the Landlord to comply with the Tenant's Covenants during the proposed assignee's Liability Period;
- (c) the Tenant, as a Guarantor, gives the Landlord an Authorised Guarantee Agreement guaranteeing the obligation of its proposed assignee to comply with the Tenant's Covenants during the proposed assignee's Liability Period;
- (d) if reasonably requested to do by the Landlord, any Guarantor of the Tenant gives the Landlord a guarantee, incorporating the provisions of Schedule 6, guaranteeing that the Tenant will comply with the terms of its Authorised Guarantee Agreement;
- (e) the Tenant has paid in full all Rents and other sums due to the Landlord under this lease up to and including the date of the proposed assignment; and
- (f) if reasonably requested to do so by the Landlord, the proposed assignee provides one of the following to the Landlord, at the Landlord's option:
 - (i) a guarantee of the proposed assignee's obligations in the form set out in Schedule 6 by a company or companies incorporated in or a person or persons resident in the United Kingdom, in either case being of sufficient Covenant Strength and capacity to be acceptable to the Landlord acting reasonably;
 - (ii) a rent deposit of not less than six months' Principal Rent at the amount reserved at the date of the deed of assignment or transfer of this lease (or, where a Review Date has passed but the revised rent has not been ascertained, at the Landlord's reasonable estimate of the revised Principal Rent), together with a sum equal to VAT on that amount, to be held on such terms and for such period as the Landlord may reasonably require including a charge over the deposit being given to the Landlord by the proposed assignee if reasonably required by the Landlord.

Circumstances where assignment is prohibited

11.3 The circumstances mentioned in clause 11.1(b) are specified for the purposes of section 19(1A) 1927 Act and are:

- (a) in the reasonable opinion of the Landlord, there is a material breach of the Tenant's Covenants either at the date of the application for consent to assign or at any time after this but before the consent is granted;
- (b) in the reasonable opinion of the Landlord, the proposed assignee will be unable to comply with the Tenant's Covenants in the Lease;
- (c) the accounts of the proposed assignee or any proposed Guarantor of the proposed assignee, excluding the Tenant under any Authorised Guarantee Agreement, are not sufficiently complete or recent to enable the Landlord acting reasonably to determine the Covenant Strength of that proposed assignee or that proposed Guarantor;
- (d) the proposed assignee or any proposed Guarantor of the proposed assignee, excluding the Tenant under an Authorised Guarantee Agreement, is a company incorporated in or an individual resident in a country outside the United Kingdom and there is no treaty for the mutual enforcement of judgments between the United Kingdom and that country unless, in relation to a company:
 - (i) it carries on and maintains a business in the United Kingdom;
 - (ii) it has a current bank account in the United Kingdom;

- (iii) it has, in the reasonable opinion of the Landlord, sufficient assets in the United Kingdom to enable it to meet its liabilities under this lease; and
- (iv) it agrees to be bound by the jurisdiction of the English courts;
- (e) the proposed assignee or any Guarantor of the proposed assignee is a person who enjoys sovereign or state immunity, unless a department, body or agency of the United Kingdom Government;
- (f) the proposed assignee is a Group Company of the Tenant; or
- (g) the use to which the proposed assignee intends to put the Premises or the trading profile of the proposed assignee is unsuitable on the grounds of good estate management or does not comply with the Landlord's policy of tenant mix for the Centre.

Determination of disputes

- 11.4 Where any matter under clause 11.2 or clause 11.3 is to be determined by the Landlord or any other person and there is no obligation on the person making the determination to act reasonably, within 14 days of the Tenant being given notice of the relevant determination, the Tenant will be entitled to request that the matter is referred to the decision of an Independent Person acting as an expert under Schedule 7. Time is of the essence in relation to this clause 11.4.

Health and safety file

- 11.5 On each assignment of this Lease, the Tenant is to hand to its assignee the original of any health and safety file maintained by the Tenant in respect of the Premises under the CDM Regulations.

12 Underletting

Underletting of whole

- 12.1 The Tenant may underlet the whole of the Premises if:

- (a) all of the conditions in clause 12.2 are satisfied;
- (b) it complies with any other reasonable conditions to the grant of the underlease reasonably required by the Landlord;
- (c) it complies with the provisions of this clause 12;
- (d) it obtains the prior written consent of the Landlord which will not be unreasonably withheld or delayed where the preceding provisions of this clause 12.1 have been complied with; and
- (e) the underlease is completed either within three months after the Landlord has given consent under this clause 12 or, if outside that three month period, before the Landlord has revoked that consent.

Conditions for the grant of underleases

- 12.2 As a pre-condition of granting consent to any underletting, the Landlord may require that the following conditions are satisfied on or before the date of the grant of the underlease:

- (a) that the undertenant enters into a direct deed of covenant with the Landlord:
 - (i) to comply with the Undertenant's Covenants during the undertenant's Liability Period;
 - (ii) not to do or omit to do any act or thing in relation to the underlet premises which would cause a breach of the Tenant's Covenants;

- (iii) to procure that any proposed assignee of the underlease enters into a direct deed of covenant with the Landlord on an assignment of the underlease in the form of this clause 12.2(a);
- (iv) to give the Landlord an Authorised Guarantee Agreement, as a Guarantor, on any assignment of the underlease guaranteeing that its assignee will comply with Undertenant's Covenants during the assignee's Liability Period;
- (b) that, where reasonable to do so, the undertenant procures for the Landlord a guarantee of the undertenant's obligations in the form set out in Schedule 6 by a company or companies incorporated in or a person or persons resident in the United Kingdom, in either case being of sufficient Covenant Strength and capacity to be acceptable to the Landlord acting reasonably;
- (c) that the terms of the underlease are first approved by the Landlord, such approval not to be unreasonably withheld or delayed where the underlease contains the provisions set out in Schedule 8.

Obligations in relation to underleases

12.3 In relation to any underlease the Tenant:

- (a) is, subject to clause 12.3(g), to enforce the Undertenant's Covenants and is not to waive any breach of them;
- (b) is not to vary the Undertenant's Covenants;
- (c) is not to agree any reduction in the rent payable under any underlease;
- (d) is not to capitalise the rent payable under the underlease or accept the payment of it more than one quarter in advance;
- (e) is not to grant any licence, consent or give any approval under the underlease without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed in circumstances where the Landlord cannot unreasonably withhold consent to a similar application made by the Tenant under this Lease;
- (f) is to review the rent under the underlease in accordance with any rent review provisions contained within it and, in relation to each rent review, the Tenant at its own cost:
 - (i) is not to agree the level of the revised rent or agree the appointment of any third party to determine the revised rent without in each case obtaining the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed;
 - (ii) is to incorporate as part of its representations to a third party appointed to review the rent any representations properly and reasonably required by the Landlord; and
 - (iii) is, where the revised rent is determined by a third party, to give the Landlord notice of the revised rent within two weeks of the amount of the revised rent being notified to the Tenant;
- (g) is not to exercise any right of re-entry or accept the surrender of the whole of the premises let by the underlease without in each case obtaining the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed; and
- (h) is not to accept the surrender of part only of the premises let by the underlease.

13 Sharing occupation

Where the Tenant is a company incorporated in England and Wales, the Tenant may share occupation of the Premises with any Group Company of the Tenant on the following conditions:

- (a) no tenancy is created or allowed to arise;
- (b) the Tenant is to give the Landlord not less than one month's prior written notice of the proposed sharing of occupation and written notice within one month after the sharing of occupation ceases; and
- (c) the sharing of occupation is to cease and the Group Company is immediately to vacate the Premises if the Group Company ceases to be a Group Company of the Tenant.

14 Charging the premises

The Tenant is not to create any charge, whether legal or equitable, over part only of the Premises. The Tenant may create legal or equitable charges over the whole of the Premises without the consent of the Landlord.

15 Notification of details

Details of dispositions

- 15.1 Within one month after any assignment, charge, assent, transfer of the Premises and the grant, assignment or charging of any underlease, however remote, the Tenant is to give written notice to the Landlord of the disposition together with certified copies of all the documents giving effect to it and is to pay to the Landlord a proper and reasonable registration fee being not less than fifty pounds (£50).

Details of occupation

- 15.2 Without prejudice to the Tenant's obligations under section 40 1954 Act, following a written request from the Landlord the Tenant is to supply written details to the Landlord of:
- (a) the full names and addresses of anyone in occupation of the Premises, including the Tenant, and whether they are in occupation for the purpose of carrying on a business;
 - (b) in the case of any person in occupation other than the Tenant, full details of the areas occupied, the rents paid and the terms upon which they are in occupation; and
 - (c) full details of the rents paid under and the terms contained in any underlease, however remote, granted to any person not in occupation of the Premises or any part of them.

Details of 1954 Act notices

- 15.3 If the Tenant serves or receives any notice under the 1954 Act and the Landlord is not the person serving or receiving that notice, the Tenant is to provide a copy of the notice to the Landlord within seven days of the notice being served or received.

16 Legislation

Compliance with Legislation

- 16.1 The Tenant is to:
- (a) comply with all Legislation, including the Planning Acts, and the requirements of every Public Authority in respect of the Premises, their use and occupation or the carrying out of any works to the Premises;
 - (b) carry out at its own cost all works and other matters required to fulfil this obligation; and

- (c) indemnify the Landlord against any breach of this obligation.

This clause 16.1 applies whether compliance with Legislation or the requirements of a Public Authority is the responsibility of the owner, landlord, tenant or other occupier of the Premises.

Notices

- 16.2 If the Tenant receives any notice, order, proposal, requisition, direction or other communication from any Public Authority, third party or any other tenant or occupier of the Centre affecting or likely to affect the Premises, their use and occupation or the carrying out of any works to the Premises, the Tenant is at its own cost and expense to:
- (a) provide immediately a copy of the notice, proposal, requisition, direction or communication to the Landlord; and
 - (b) without prejudice to clause 16.1, at the request of the Landlord make or join in with the Landlord in making any representations or objections in respect of these matters as the Landlord may reasonably require.

Effect of Legislation

- 16.3 If any Legislation makes compliance with any of the terms of this Lease illegal or impossible:
- (a) no liability will arise in respect of any failure to comply with those terms;
 - (b) the Tenancy will not end; and
 - (c) the Tenant's obligation to pay the Rents will be unaffected.

17 Planning

Planning applications

- 17.1 The Tenant is not to apply for planning permission under the Planning Acts without the prior written consent of the Landlord to the making of the application and the terms upon which the application is made. Subject to clause 17.3, consent will not be unreasonably withheld or delayed where the requirement for planning permission arises in respect of any act, matter or thing for which:
- (a) the Landlord's consent is required under this Lease and that consent cannot be unreasonably withheld or delayed; or
 - (b) the Landlord's consent is not required under this Lease.

Implementation of planning permissions

- 17.2 If any planning permission is granted in relation to the Premises:
- (a) the Tenant is not to implement that permission unless and until it has provided a copy of the permission to the Landlord and the Landlord has approved it. Subject to clause 17.3, approval will not be unreasonably withheld or delayed; and
 - (b) if the permission is granted pursuant to an application made by or on behalf of the Tenant and is subject to conditions or restrictions to which the Landlord, acting reasonably, objects, the Tenant is to take such action as the Landlord may reasonably require to attempt to secure the removal of those modifications, conditions or restrictions including, where necessary, by the making of an appeal.

Grounds for withholding consent

- 17.3 Without prejudice to any other reason for withholding consent to an application for planning permission or withholding approval to the implementation of a planning permission, the Landlord

will be entitled to withhold its consent or approval if the planning permission or any condition contained in it would:

- (a) create or give rise to any tax or other financial liability on the Landlord; or
- (b) in the reasonable opinion of the Landlord have an adverse effect on the value of the Landlord's interest in the Centre or any Adjoining Premises owned by the Landlord whether during or after the end of the Tenancy.

Planning refusals

- 17.4 If any application for planning permission made by or on behalf of the Tenant is refused, the Tenant is at its own cost to appeal against that refusal if reasonably requested to do so by the Landlord.

Planning determinations

- 17.5 If the Landlord reasonably asks the Tenant to do so, the Tenant is at its own cost to make an application to the local planning authority to determine whether any action or proposal made by the Tenant under this Lease requires planning permission.

Completion of works

- 17.6 Unless and to the extent that the Landlord requests in writing that the Tenant does not do so, the Tenant is at its own cost to carry out and complete before the end of the Tenancy any works permitted or required to be carried out to the Premises pursuant to or as a condition of any planning permission:

- (a) granted pursuant to an application for planning permission made by or on behalf of the Tenant, any undertenant or other occupier of the Premises; or
- (b) which the Tenant, any undertenant or other occupier of the Premises has otherwise implemented in whole or in part.

Planning agreements

- 17.7 The Tenant is not to enter into any agreement with any Public Authority regulating the use or development of the Premises.

18 Fire precautions

The Tenant is to comply with all requirements and reasonable recommendations of any Public Authority and the Landlord's insurers relating to fire prevention and fire precautions including the installation, maintenance and testing of fire sprinklers, fire alarm systems, fire extinguishers and all other equipment or systems for detecting and extinguishing fires. Where required to do so by the Landlord, the Tenant is to ensure that the Tenant's fire alarm and sprinkler systems are connected to and compatible with any fire alarm and sprinkler systems maintained by the Landlord in relation to the Centre.

19 Environmental Law

Compliance with Environmental Law

- 19.1 The Tenant is to comply with all requirements of Environmental Law and is not to use the Premises for the use, storage or handling of any Hazardous Materials or Waste.

Compliance with notices

- 19.2 The Tenant is at its own cost:

- (a) to supply the Landlord with copies of all notices, directions, reports or correspondence concerning any contamination of the Premises or any migration or other escape of Hazardous Materials or Waste which may result in proceedings being taken or threatened under Environmental Law; and
- (b) to take and complete promptly and diligently all actions or precautions required by such notice, direction, report or correspondence except in relation to any contamination which was not caused or introduced by the Tenant.

Contamination

19.3 The Tenant is not to do or omit to do anything that would or may cause any Hazardous Materials or Waste to escape, leak or be spilled or deposited on the Premises or the Centre, discharged from the Premises or the Centre or migrate to or from the Premises or the Centre.

Notification

19.4 The Tenant is to notify the Landlord immediately of any complaints from any person or any notice or proceedings against the Tenant relating to any matter affecting the Premises concerning the environment or the health or safety of human beings and provide the Landlord with copies of any correspondence, notices, proceedings or other documents relating to them.

Right of entry

19.5 The Tenant is to permit the Landlord and its employees and agents at all reasonable times after giving to the Tenant 48 hours' written notice, except in an emergency, to enter the Premises to undertake investigations (including the taking of samples) in, on or under the Premises to ascertain the condition of the Premises or the Centre and the nature, extent and mobility of Hazardous Materials or Waste in, on or under the Premises or the Centre.

20 End of the Tenancy

Return of the Premises

20.1 At the end of the Tenancy, the Tenant is:

- (a) to return the Premises to the Landlord:
 - (i) cleaned and in the state of repair, condition and decoration required by this Lease;
 - (ii) free from all Hazardous Materials and Waste which have been caused or introduced by the Tenant;
 - (iii) with vacant possession;
 - (iv) reinstated in accordance with and to the extent required by clause 8.9;
 - (v) with all tenant's and trade fixtures, signs, advertisements and any name signs removed and any damage caused by their removal made good to the reasonable satisfaction of the Landlord; and
 - (vi) in a condition which is consistent with the due performance of all the covenants and obligations on the part of the Tenant contained in this Lease and the Previous Lease;
- (b) to return all keys to the Premises to the Landlord, including any duplicate sets made by the Tenant, and leave the Premises properly secured against unauthorised entry;

- (c) where any alarm system provided by the Landlord or installed by the Tenant and left in the Premises remains operative, to give the Landlord all keys, security codes and other information to enable the Landlord to set, disarm and maintain that alarm system;
- (d) to hand to the Landlord any health and safety file maintained by the Tenant in respect of the Premises under the CDM Regulations with all information required to be kept in that file complete and up-to-date unless that health and safety file is being maintained by any permitted undertenant of the Premises who has the right to the statutory continuation of its underlease under the 1954 Act.

Tenant's goods left in the Premises

- 20.2 If the Tenant has not removed all of its property from the Premises within one week after the end of the Tenancy:
- (a) the Landlord may sell that property as the agent of the Tenant;
 - (b) the Tenant is to indemnify the Landlord against any liability of the Landlord to any third party whose property is sold in the mistaken belief held in good faith that the property belonged to the Tenant;
 - (c) the Landlord is to pay or account to the Tenant on demand for the sale proceeds after deducting the costs of transportation, storage and sale reasonably and properly incurred by the Landlord; and
 - (d) the Tenant is to indemnify the Landlord against any damage caused to the Premises and any liability to third parties caused by or related to the presence of the Tenant's property in the Premises.

Exclusion of compensation

- 20.3 Subject to the provisions of any Legislation which prevents or restricts such an agreement, the Tenant is not entitled to any compensation under statute or otherwise at the end of the Tenancy.

Continuation of liability

- 20.4 The provisions of this clause 20 will continue to bind the Landlord and the Tenant after the end of the Tenancy.

21 Break clause

- 21.1 If the Tenant wishes to end the Tenancy on the Break Date and gives the Landlord at least six months' written notice prior to the Break Date then, subject to compliance by the Tenant with the pre-conditions in clause 21.2, when the notice expires the Tenancy will end although this will not affect either party's rights and remedies for any prior claim or breach of covenant.

- 21.2 The pre-conditions are that:

- (a) the Tenant has paid all of the Principal Rent and any VAT in respect of it which was due to have been paid;
- (b) there are no continuing underleases or other rights of occupation affecting the Premises on the Break Date; and
- (c) the Tenant has paid the Break Payment in accordance with clause 21.4.

- 21.3 The Landlord may waive any of the pre-conditions set out in clause 21.2 at any time on or before the Break Date by written notice to the Tenant.

- 21.4 If the Tenant chooses to end the Tenancy in accordance with this clause 21, the Tenant shall pay to the Landlord the Break Penalty on or before the Termination of the Tenancy.

22 Services

Provision of Services

- 22.1 Subject to the terms of this clause 22, the Landlord is, throughout the Tenancy and for the benefit of the Centre to use all reasonable endeavours to:
- (a) maintain, clean and repair the Common Parts;
 - (b) maintain, inspect, clean, repair and, where appropriate, service the Centre Plant and Conduits serving the Centre;
 - (c) light the Communal Areas during the Servicing Hours and at such other times as the Landlord deems necessary.

Employment of agents and contractors

- 22.2 In providing the Services, the Landlord may employ managing agents, contractors or any other suitably qualified persons as the Landlord thinks fit.

Limitation on liability

- 22.3 If there is any failure, interruption or delay in the provision of the Services:

- (a) the Landlord will not be liable to the Tenant in respect of any loss or damage caused by or arising from:
 - (i) any cause or circumstance beyond the control of the Landlord including mechanical breakdown, failure, malfunction, shortages of fuel or materials or labour disputes; or
 - (ii) any necessary maintenance, repair, replacement, renewal, servicing, inspection or testing;
- (b) in respect of any other failure, interruption or delay in the provision of the Services, the Landlord will not be liable to the Tenant for any loss or damage unless and until the Tenant has notified the Landlord that the Services are not being provided and the Landlord has not restored the provision of the Services within a reasonable time; and
- (c) the Landlord will use all reasonable endeavours to minimise the period of failure, interruption or delay in the provision of the Services where the reason for the failure, interruption or delay is under its control.

23 Guarantors

Provision of a guarantee

- 23.1 The Tenant's Guarantor, as a Guarantor, covenants with the Landlord on the terms set out in Schedule 6.

Replacement of Guarantor

- 23.2 If any Guarantor suffers an Event of Insolvency or, in the case of an individual dies, then, if requested to do so in writing by the Landlord, the Tenant is within three months of the date of the Landlord's notice to procure at its expense that another guarantor acceptable to the Landlord acting reasonably enters into a guarantee with the Landlord on the same terms as and in place of the guarantee given by that Guarantor.

Lease renewals

- 23.3 If this Lease is renewed at the end of the Tenancy, any Guarantor of the Tenant, other than a Guarantor under an Authorised Guarantee Agreement, is to be a party to the new lease to guarantee the obligations of the Tenant on the same terms as this Lease.

24 Third party disputes

If any dispute arises between the Tenant and any other tenant or occupier of the Centre about the nature and extent of any rights enjoyed in common by them or about any other shared rights or facilities under this Lease:

- (a) if the dispute does not involve the Landlord, the dispute is to be referred to the Landlord or the Landlord's Surveyor whose decision will be final and binding on the parties to the dispute; and
- (b) if the dispute involves the Landlord, the dispute is to be referred to the determination of an Independent Person, acting as an expert, in accordance with Schedule 7.

25 Exclusion of liability

The Landlord will not be liable to the Tenant for any loss or damage caused by or arising from:

- (a) any act or omission of any employee or agent of the Landlord except in the negligent performance of duties imposed by the Landlord; or
- (b) any act or omission of any other tenant or occupier of the Centre or persons deriving title under them.

26 Waiver of exemption from VAT

Nothing in this Lease is to restrict any option conferred by law on the Landlord to treat any supply made by the Landlord to the Tenant under this Lease as a taxable supply. In exercising any option, the Landlord is not obliged to have regard to the interests of the Tenant.

27 Assignment of reversion

The Tenant is not unreasonably to withhold or delay its consent to any release requested by the Landlord under sections 6 or 7 1995 Act.

28 Notices

Service of notices

- 28.1 Any notice under this Lease is:

- (a) to be made in writing;
- (b) to be addressed to the party on whom it is served:
 - (i) in the case of the Tenant at the registered office of the Tenant where the registered office is in the UK and otherwise at the Premises or, where the Tenant is an individual, at the last known address of the Tenant; and
 - (ii) in the case of the Landlord or any Guarantor at the registered office of that person or, where that person is an individual, at the last known address of that person;
- (c) to be delivered by hand, first class post, pre-paid or recorded delivery or by fax;
- (d) not to be served by e-mail or other forms of electronic communication.

Time of receipt

- 28.2 Unless the time of actual receipt is proved, a notice sent by the following means is to be treated as having been received;
- (a) if delivered by hand, at the time of delivery; or
 - (b) if sent by post, on the second working day after posting; or
 - (c) if served by fax, at the time of transmission.

If a notice is received after 4.00 pm on a working day, or on a day which is not a working day, it is to be treated as having been received on the next working day.

Joint parties

- 28.3 If the Tenant or any Guarantor of the Tenant comprise more than one person, the service of any notice on any one of those persons will constitute good service on all of them.

29 Enforcement

Applicable law

- 29.1 This lease is to be governed by and interpreted in accordance with English law.

Jurisdiction

- 29.2 The courts of England are to have jurisdiction in relation to any disputes between the parties arising out of or related to this Lease. This clause operates for the benefit of the Landlord who retains the right to sue the Tenant and any Guarantor and enforce any judgment against the Tenant or any Guarantor in the courts of any competent jurisdiction.

30 Execution

This Lease is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Lease.

SCHEDULE 1

The Premises

1 Areas included in the Premises

- 1.1 Any false ceilings and any floor screed or cover but excluding the floor and ceiling slabs.
- 1.2 Such of the walls columns and partitions lying within the Premises as are not structural external loadbearing nor separating the Premises from any Neighbouring Property.
- 1.3 All internal plaster and internal decorative finishes.
- 1.4 Any glazing display windows and other windows doors and other entrances and all parts of the foregoing including all frames fittings fastenings and finishes thereto.
- 1.5 Shop fronts and tenants signs and all parts of the foregoing including all frames fittings fastenings and finishes thereto.
- 1.6 Every part of the Service Systems within and exclusively serving the Premises save such part or parts as are on the side of the Landlord's connection or control valve furthest from the Premises and comprise part of the main feeder supply system.
- 1.7 All permitted additions alterations and improvements (except the tenant's trade fittings and fixtures) hereafter made in or about the Premises.
- 1.8 All landlord's fixtures and fittings including any plant and equipment within the Premises so far as relating exclusively thereto and all the appurtenances thereof from time to time.
- 1.9 Any staircases escalators lifts within and exclusively serving the Premises and all parts of the foregoing including all frames fittings fastenings and finishes thereto.

2 Parts excluded from the Premises

- 2.1 The Retained Premises the Other Lettable Premises and the Plant and Equipment not exclusively serving the Premises.
- 2.2 Service Systems not exclusively serving the Premises and those exclusively serving the Premises but being on the side of the Landlord's connection or control valve furthest from the Premises and comprising part of the main feeder supply system.
- 2.3 The airspace above the Premises.

3 Party structures

All non-loadbearing walls dividing the Premises from other parts of the Centre are to be regarded as party walls for all the purposes of the legislation governing the rights of the parties in respect of these walls.

SCHEDULE 2

Rights granted

- 1 The right so far only as may be necessary for the enjoyment of the Premises (subject to interruption for repair alteration rebuilding or replacement) (a) to use the Common Parts for all normal and proper purposes in connection with the use and enjoyment of the Premises during the Servicing Hours and the Trading Hours; and (b) to use the Service Systems not being part of the Premises or any Other Lettable Premises for all proper purposes all such facilities to be used in accordance with and subject to the Tenant observing the rules and regulations issued by the Landlord from time to time as referred to in paragraph 9 of Schedule 3 provided that the Tenant will indemnify the Landlord against all damage and claims arising out of such use.
- 2 The rights of support from other buildings and structures and land within the Centre.
- 3 The right in case of emergency only to use or pass along the fire escape routes of the Centre from time to time designated by the Landlord.

SCHEDULE 3

Rights reserved by the Landlord

- 1 The right to use for all normal purposes the Service Systems upon through or under the Premises.
- 2 The right to enter upon the Premises for all or any of the purposes mentioned in this Lease.
- 3 The rights of support shelter and protection from the Premises for the remainder of the Centre.
- 4 Full right and liberty for the Landlord and the Surveyor and their agents workmen and others at all times and from time to time (upon reasonable notice save in case of emergency) to enter into and upon the Premises and all parts thereof with or without plant and materials for the purpose of examining or testing the state of repair and condition of the Centre or repairing maintaining altering and cleansing the Centre or any part thereof and the Service Systems and the Plant and Equipment and to make all connections and disconnections which may be desirable in relation thereto and for the purpose of carrying out any work or doing anything whatsoever comprised within the Landlord's obligations herein contained or (whether or not comprised within the same) for which the Tenant is liable hereunder to make a contribution.
- 5 The right:
 - (a) to take into use all Service Systems forming part of the Premises and to build upon connect with or otherwise use the same the Landlord making good all damage thereby occasioned to the Premises and causing as little interference as reasonably possible;
 - (b) to place scaffolding ladders and other necessary equipment and materials adjacent to and interfere with the Premises and access thereto in the exercise of the Landlords rights and obligations hereunder or any matters and services for which the Tenant is liable hereunder to make a contribution provided always that the Landlord will exercise such rights and obligations matters and services with all due dispatch and remove such scaffolding ladders and other equipment and materials and cease such interference as soon as practicable thereafterprovided that the Landlord shall so far as reasonably possible make good any damage caused thereby to the Premises but shall not be liable to the Tenant for any inconvenience caused in relation to any such work carried out or thing done as aforesaid.
- 6 All rights of light air and other easements and rights (but without prejudice to those expressly herein granted to the Tenant) now or hereafter belonging to or enjoyed by the Premises from or over any Neighbouring Property.
- 7 Full right of way through the Premises in the event of fire or other emergency.
- 8 The right to rebuild extend add to redevelop or alter any portion of the Neighbouring Property in any manner whatsoever and to let the same for any purpose or otherwise deal therewith notwithstanding the light or air to the Premises is in any such case thereby diminished or any other liberty easement right or advantage belonging to the Tenant is thereby diminished or prejudicially affected provided that reasonable means of access to the Premises is maintained.
- 9 The right to regulate and control the use of the Retained Premises and the Centre and in particular (but without prejudice to the generality of the foregoing) to:
 - (a) make regulations for the control regulation and limitation of pedestrian and vehicular traffic within the Centre or on any part thereof and to erect such signs as may be appropriate and which regulations may without prejudice to the generality include the right to immobilize vehicles which are parked in any service area or on access ramps or roads within the Centre in such a manner as to constitute obstruction or inconvenience to

- remove such vehicles and to make a reasonable administration charge in respect thereto;
- (b) use the Common Parts for displays exhibitions or other forms of promotional activity and to maintain thereon such gardens features barrows appurtenances and fittings of ornament or utility in all cases as the Landlord from time to time thinks fit;
- (c) refuse access to the Centre to any person if the Landlord shall think that such refusal is for the benefit of the occupiers of the Centre.
- 10 At any time during the last six months of the Tenancy to affix and retain a board or boards in a position not interfering with the Tenant's use of the Premises stating that the Premises or any part thereof are for sale or available for other disposal and the right at any reasonable time or times by prior appointment for the Landlord its employees or agents surveyors and any prospective purchasers or tenants to enter on and view the Premises provided that this shall not apply whilst First Choice Holidays Plc are the tenant under this Lease and in occupation trading from the Premises.
- 11 To enter (at its own cost) the Premises for the purposes of reviewing or measuring the Environmental Performance of the Premises including the installation of metering equipment within or relating to the Premises in a place and position approved by the Tenant (such approval not to be unreasonably withheld or delayed) provided that the Landlord shall not materially affect the Tenant's beneficial use and enjoyment of the Premises in exercising the right reserved by this paragraph and provided that the Landlord will be responsible for all reasonable and proper costs incurred by the Tenant and make good any damage caused.
- 12 The right (at its own cost) to install in and run through the Premises in such places and positions approved by the Tenant (such approval not to be unreasonably withheld or delayed) all necessary Service Systems to connect with equipment installed in or on the Centre for the purposes of generating or storing renewable energy, together with the right to enter the Premises on reasonable notice to maintain and replace such conduits, pipes, wires and cables provided that the Landlord shall not materially affect the Tenant's beneficial use and enjoyment of the Premises in exercising the right reserved by this paragraph and provided that the Landlord will be responsible for all reasonable and proper costs incurred by the Tenant and make good any damage caused.

SCHEDULE 4

Part 1

Service Charge provisions

- 1 As soon as may be practicable after the end of each Financial Year the Landlord shall procure the issue by the Surveyor of a certificate containing a summary of the Landlord's Expenses for such Financial Year and of any expenditure which formed part of the Landlord's Expenses in respect of any previous Financial Year but has not previously been taken into account for the purposes of any such certificate as aforesaid and any omission by the Surveyor to include in any such certificate any expenditure incurred in the year to which that certificate relates shall not preclude the Surveyor from including such expenditure in any subsequent certificate.
- 2 The Landlord's Expenses shall in respect of any Financial Year be deemed to include not only the cost and expenses actually paid or incurred by the Landlord during the year in question but also:
 - (a) such reasonable part of all such cost and expenditure in respect of or incidental to all or any of the services and other matters referred to in this Schedule hereto as is of a periodically recurring nature (whether recurring by regular or irregular periods) whenever paid or incurred (including a sum or sums of money by way of reasonable provision for anticipated expenditure in respect thereof) as the Surveyor may in his discretion allocate to the Financial Year in question as being fair and reasonable in the circumstances; and
 - (b) an amount equal to the fair annual rental value rates taxes and other outgoings (as certified by the Surveyor whose decision shall be conclusive) of any part of the Management Premises outside the Centre;
 - (c) if at any time and so long as the Landlord or a person connected with the Landlord or employed by the Landlord or any such person as aforesaid attends to the supervision and management of the provision of services in respect of the Centre and/or the preparation of statements or certificates of and auditing of the Landlord's Expenses and the Landlord does not employ independent agents in that respect an expense which shall be deemed to be paid or incurred by the Landlord in that respect being a reasonable fee not exceeding that which independent agents might properly have charged for the same work.
- 3 Any such certificate as aforesaid shall for the purposes hereof be conclusive evidence of the matters which it purports to certify and a copy of each such certificate shall be supplied by the Landlord to the Tenant on written request.
- 4 The amount of the Service Charge payable by the Tenant in respect of any Financial Year shall be such proportion or proportions of the Landlord's Expenses shown by the certificate issued as aforesaid after the end of the relevant Financial Year as the Surveyor (whose decision shall be final) shall consider to be fair and reasonable and on the basis that the Landlord shall have no liability to contribute to the Landlord's Expenses except in relation to any Other Lettable Premises for which no contribution is due by an occupier or other person interested therein.
- 5 The Tenant shall in respect of each Financial Year pay to the Landlord as a contribution made on account of the Service Charge for the relevant Financial Year such a sum as the Surveyor shall in his discretion certify to be fair and reasonable in respect of such year having regard to the likely amount of such Service Charge which said sum shall be paid without deduction by such instalments as the Landlord may require in advance on the Usual Quarter Days or such other dates as the Landlord may specify provided that the amount of the said sum in respect of the Financial Year current at the date hereof shall be deemed to be the sum equivalent to the Initial Service Charge Figure of which the Tenant shall on the execution hereof pay to the Landlord a due

proportion calculated from day to day in respect of the period from the date hereof (or the date of the Tenant's taking occupation if earlier) to the Usual Quarter Day next following the date hereof.

- 6 During the course of each Financial Year the Surveyor may from time to time revise the said contribution on account of the Service Charge for that Financial Year so as to take into account any actual or anticipated increase in any item of expenditure and so as to keep to a minimum any possible disparity between the said contribution on account of the Service Charge and the Service Charge and if such revision shall be made the Surveyor shall as soon as practicable thereafter certify the amount of the contribution thus revised pursuant to the provisions of this paragraph 6.
- 7 As soon as practicable after the end of each Financial Year the Landlord shall furnish to the Tenant an account of the Service Charge payable by the Tenant for that year (due credit being given for payments previously made by the Tenant on account as aforesaid in respect of the relevant year) and within seven days of the furnishing of such account there shall be paid by the Tenant to the Landlord the Service Charge or any balance thereof found payable or there shall be allowed by the Landlord to the Tenant any amount which may have been overpaid by the Tenant by way of payments made on account as aforesaid (as the case may require) provided always that the provisions of this paragraph 7 shall continue to apply notwithstanding the expiration or sooner determination of the Tenancy but only in respect of periods down to such expiration or sooner determination as aforesaid.

Part 2

The Services

- 1 The services referred to in the definition of the expression "Landlord's Expenses" are as follows:
- (a) the maintenance repair amendment renewal replacement (where reasonably necessary) cleansing painting decoration draining and keeping in good and tenantable repair and condition of the Retained Premises;
 - (b) the preparation painting and other appropriate treatment of the doors and windows of the Premises and Other Lettable Premises save any part of any shop front or any showcase or window fronting onto any pedestrian mall;
 - (c) the cleaning of the outside of all windows and glass in the Premises and any Other Lettable Premises save for the windows and glass comprising any shop front showcases or entrance doors.
- 2 In respect of the Plant and Equipment and Service Systems forming part of the Retained Premises the cleaning draining emptying operation renewal replacing (when beyond economic repair) running repairing maintenance in good working order and repair and when requisite modifying and rebuilding thereof including the placing and running of maintenance contracts therefor and also the installation and provision of suitable facilities for the disposal of refuse from the Premises and the Centre by the Tenant and the tenants of the Other Lettable Premises and the subsequent compaction or removal thereof from the Centre and also of all fire fighting and detection equipment alarm systems and fire security controls and other fire equipment which the Landlord considers necessary or desirable or which is required to be supplied and maintained by law and including the replacement cost of such machinery (including motor vehicles) articles and materials in respect of refuse collection and fire.
- 3 The carrying out of all inspection and tests and the execution of all works to the Retained Premises and the provision and maintenance of all Plant and Equipment:
- (a) which by or under any Act of Parliament now or hereafter passed or by any Government Department Local Authority or public Authority or duly authorised officer or Court of

- competent jurisdiction acting under or in pursuance of any enactment may be required or necessary; or
- (b) the carrying out of which the Landlord shall from time to time consider reasonably necessary or appropriate.
- 4 The supply during normal business hours of hot and cold water to the toilet facilities forming part of the Retained Premises and the provision of towels and soap toilet paper and other necessaries and the cleaning maintenance replacement and renewal of and the staffing of the said toilet facilities.
- 5 The lighting of the Retained Premises and any lighting of the exterior of the Centre whether on the Centre or on or from Neighbouring Property.
- 6 The external and internal cleansing of the windows and other glass of the Retained Premises.
- 7 The cost of provision maintenance repair renewal and replacement (when beyond economic repair) of furnishings decorations decorative lights flags decorative or drinking fountains seats benches bins receptacles tools appliances apparatus machinery and all other appointment fittings articles trees shrubs flowers grass or other plant and amenities equipment and materials which the Landlord may consider reasonably desirable or necessary for the Retained Premises and the provision of any of the services therefor and the cleaning maintenance and servicing thereof.
- 8 The planting keeping tidy and tending landscaping of any courtyard or other appropriate part of the Retained Premises in such manner as the Landlord shall from time to time consider to be appropriate.
- 9 The cost of effecting any valuations in respect of any insurance which the Landlord from time to time may consider reasonably necessary and the maintenance of insurance in respect of all insurances as may from time to time be deemed expedient or appropriate by the Landlord.
- 10 The employment or engagement for duties relating to any of the services referred to in this Schedule of such persons as the Landlord considers reasonably necessary or appropriate from time to time including contractors agents or servants solicitors accountants surveyors valuers or architects or other professional advisers and others for caretaking portage security administration management supervision and providing and maintaining any of the services in this Schedule referred to and the performance of the Landlord's other obligations in this Lease and or to collect rents accruing to the Landlord from the Centre and all other expenditure incidental thereto including (but without limiting the generality of such provision) remuneration the payment of statutory contributions and such other health pension welfare redundancy and similar or ancillary payments and other costs overheads payments contributions and premiums as the Landlord may in its absolute discretion deem desirable or necessary and the provision of uniforms working or protective clothing.
- 11 The discharge of any amounts which the Landlord may be called upon to pay as a contribution towards the expense of making repairing maintaining rebuilding and cleansing all ways roads pavements sewers drains pipes watercourses party walls party structures party fences or other conveniences (not limited in kind to those enumerated above) which may belong to or be used for the Centre in common with any Neighbouring Premises.
- 12 The erection provision maintenance and renewal and replacement of notice boards notices directional and informative and other signs and directions at the entrances to and exits from the Centre and in such other parts of the Centre or any Neighbouring Property as the Landlord may consider appropriate.

- 13 The reasonable administration and management of the Centre performance of the services in this Schedule referred to and the performance of the Landlord's other obligations in this Lease preparation of statements or certificates of and auditing the Landlord's Expenses.
- 14 The provision and carrying out of all services or matters of any kind whatsoever which the Landlord may in its absolute discretion from time to time think proper for the good efficient management and use of the Centre and comfort and convenience of the occupants therein and all additional or substitute services which the Landlord may provide pursuant to this Lease.
- 15 The discharge of:
- (a) all existing or future taxes rates charges duties assessments impositions and outgoings whatsoever in respect of the Retained Premises; and
 - (b) all charges assessments impositions and other outgoings payable in respect of the Retained Premises and in particular but without prejudice to the foregoing those for water electricity gas telephone and telecommunications and public or statutory utilities.
- 16 Policing of the Centre and controlling traffic and pedestrians and the provision of such security staff as the Landlord shall think fit and proper to employ and in the provision maintenance replacement and renewal of security equipment in the Centre.
- 17 The payment of any interest on any loan or overdraft raised for the purpose of defraying expenditure referred to in this Schedule.
- 18 The taking of all steps deemed necessary or expedient by the Landlord for complying with making representations against or otherwise contesting or dealing with the incidence of the provisions of any legislation or orders or statutory requirements thereunder concerning town planning compulsory purchase public health highways streets drainage or other matters relating to or alleged to relate to the Centre including every notice regulation and order of any competent local or other authority for which the Tenant or any tenant of Other Lettable Premises is not directly liable whether or not pursuant to the terms of this Lease or any lease of Other Lettable Premises and which relate to or affect the continued use of the Centre as at present existing.
- 19 The marketing and promotion of the Centre including without prejudice to the generality seasonal decorations advertising in any form of media sponsorship and staging/organising events which promote the Centre and other promotional activities designed to promote the Centre in the interests of the occupants therein and employing advertising agents and other consultants in connection therewith.
- 20 The leasing of any item required for the purpose of carrying out any of the matters referred to in this Schedule.
- 21 Complying with the CRC in relation to the Centre (other than any Lettable Unit) or the provision of Services (including sums expended by any Group Company of the Landlord).
- 22 Auditing the Environmental Performance of the Centre and preparing and, where reasonable and cost effective to do so, implementing the recommendations of the Environmental Management Plan.

SCHEDULE 5

Event of Insolvency

1 Event of Insolvency

An Event of Insolvency occurs if, in relation to any person:

- (a) the Tenant enters into any arrangement or composition for the benefit of the Tenant's creditors or convenes a meeting of the Tenant's creditors (or a nominee calls such a meeting);
- (b) the Tenant (being an individual or if more than one individual then any one of them) is the subject of an interim order under Part VIII of the 1986 Act or makes application to the Court for such an order or convenes a meeting of or enters into any arrangement scheme compromise moratorium or composition with any of his creditors (whether under Part VIII of the 1986 Act or otherwise) or has a bankruptcy petition presented against him or is adjudged bankrupt or has a receiver appointed in respect of all or any of the assets of the Tenant; or
- (c) the Tenant (being a company or a partnership):
 - (i) makes a voluntary arrangement or submits to its creditors or any of them a proposal under Part I of the 1986 Act or enters into any arrangement scheme compromise moratorium or composition with any of its creditors (whether under Part I of the 1986 Act or otherwise);
 - (ii) makes an application to the Court under Part 26 of the 2006 Act;
 - (iii) is the subject of an administration order (whether an interim order or otherwise) made under Schedule B1 of the 1986 Act or is subject to a resolution passed by the directors or shareholders for the presentation of an application for such an order or has an application for such an order presented against it or if a notice of intention to appoint an administrator or a notice of appointment of an administrator is filed with the court or if a resolution is passed by the directors or shareholders for the filing of either such notice;
 - (iv) has a petition for winding up presented against it under Part IV or Part V of the 1986 Act or is the subject of a resolution for voluntary winding up (other than a voluntary winding up whilst solvent for the purposes of an amalgamation or reconstruction which has the prior written approval of the Landlord) or in the event that a meeting of creditors is called to consider a resolution for winding up;
 - (v) has an administrative receiver or receiver appointed in respect of all or any of the assets of the Tenant;
 - (vi) has a winding up order made against it under Part IV or Part V of the 1986 Act;
 - (vii) is struck off the register of companies under Part 31 of the 2006 Act or an application is made for strike-off under that Part, or it is dissolved or otherwise ceases to exist; or

and paragraph 1(c)(i) and (iii)-(vii) shall apply in relation to a partnership (as defined in the Partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications specified in the 1994 Order and in relation to a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000)

subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (SI 2001/1090) (as amended);

- (d) any order is made for or any step is taken in relation to the opening of proceedings which constitute main proceedings or territorial proceedings in any member state of the European Union for the purposes of EU Regulation on Insolvency Proceedings (EC 1346/2000) and which are not dismissed within 10 working days;
- (e) analogous proceedings or events to those specified in this clause are instituted or occur in relation to the Tenant elsewhere than in England and Wales.

2 Joint liability

Where two or more persons form a party to this Lease, an Event of Insolvency occurs where any one or more of those persons suffers an Event of Insolvency.

SCHEDULE 6

Obligations of a Guarantor

1 Defined terms

In this Schedule 6, the following words and expressions have the following meanings:

Event of Default	one or more of the following:
	(a) the disclaimer of this Lease by the Crown or by a liquidator or trustee in bankruptcy of the Tenant;
	(b) if the Tenant is a company, the Tenant is struck off the register of companies or otherwise ceases to exist; or
	(c) the forfeiture of this Lease by the Landlord
New Lease	a lease:
	(a) for a term beginning on the date on which the Event of Default occurred and ending on the date when the Contractual Term would have ended;
	(b) at the Principal Rent reserved at the date of the Event of Default or, if there was an unimplemented rent review under this Lease at the date on which the Event of Default occurred, at the rent which would have been reserved under this Lease had the rent been agreed or determined in accordance with the terms of clause 1 before the date of the Event of Default;
	(c) containing rent review dates on each unimplemented Rent Review Date; and
	(d) otherwise containing the same terms, conditions and rents as this Lease

2 Obligations

- 2.1 The Guarantor guarantees to the Landlord that the Tenant will comply with the Tenant's Covenants throughout the Tenant's Liability Period. This guarantee:
 - (a) is given by the Guarantor as primary obligor, and not only as guarantor; and
 - (b) includes an independent obligation both to comply with the Tenant's Covenants if they are breached and to indemnify the Landlord against that breach.
- 2.2 The Guarantor agrees that the Landlord may make a claim under this guarantee and indemnity without first making a claim against the Tenant.
- 2.3 The Guarantor is to pay all sums due to the Landlord under this guarantee and indemnity without any legal or equitable set-off, counterclaim or deduction.

3 Continuation of the guarantee

The obligations of the Guarantor are not to be released by:

- (a) any delay or neglect by the Landlord in enforcing the Tenant's Covenants or any time allowed by the Landlord for their performance;
- (b) any refusal by the Landlord to accept the payment of the Rents in order to avoid waiving a breach of the Tenant's Covenants;
- (c) any variation of the terms of this Lease including, without limitation, any variation in the procedure for the review of the Principal Rent reserved by this Lease or any agreement for a stepped rent on such review;
- (d) the surrender of any part of the Premises;
- (e) any Event of Default;
- (f) any legal limitation, immunity, disability, incapacity or other circumstances relating to the Tenant, whether or not known to the Landlord; or
- (g) anything else which would have released the Guarantor whether by the variation of the Tenant's Covenants or by the conduct of the parties.

4 New Lease

- 4.1 If an Event of Default occurs and within three months of the Landlord receiving notice of the Event of Default the Landlord serves written notice on the Guarantor requiring the Guarantor to accept the grant of a New Lease, the Guarantor is to:
 - (a) enter into any licence required for the grant of the New Lease on the terms reasonably required by the Landlord;
 - (b) execute and deliver to the Landlord a counterpart of the New Lease; and
 - (c) pay the Landlord's reasonable and proper legal costs and agents' costs for preparing and completing the New Lease and obtaining any licence required by the Landlord.
- 4.2 Where there is more than one Guarantor the Landlord may require any one or more of them to accept the grant of the New Lease and the grant of the New Lease is not to release the Guarantors from any accrued liability under this Schedule 6.
- 4.3 If, following an Event of Default, the Guarantor ceases for any reason to be liable under the guarantee and indemnity and the Landlord does not serve notice on the Guarantor requiring the Guarantor to accept the grant of a New Lease then the Guarantor is to pay to the Landlord on demand:
 - (a) sums equal to those which would have been payable under the Lease but for the Event of Default for the period of six months from and including the date of the Event of Default or, if earlier, until the date on which the Landlord re-lets the Premises; and
 - (b) the proper and reasonable costs legal and agents' fees and expenses incurred by the Landlord on any re-letting of the Premises together with all VAT on those fees and expenses which the Landlord is unable to recover.
- 4.4 Where the Guarantor has given its guarantee and indemnity as an Authorised Guarantee Agreement, for the purposes of this paragraph 4 the term "Event of Default" is to be restricted to a disclaimer of the Lease by the Crown or by a liquidator or trustee in bankruptcy of the Tenant.

5 Additional provisions

- 5.1 The Guarantor is not to claim any rights of subrogation in respect of the obligations guaranteed by the Guarantor and is not entitled to participate in any security held by the Landlord in respect of those obligations unless and until those obligations have been performed or discharged in full.
- 5.2 The Guarantor is not to claim in competition with the Landlord in the insolvency of the person who is responsible for complying with the obligations guaranteed and is not to take any security, indemnity or guarantee from that person in respect of those obligations.
- 5.3 If any payment made to the Landlord is set aside or avoided under the laws relating to insolvency, the Landlord may claim under the Guarantee in respect of that payment and any settlement, release or discharge of the obligations guaranteed by the Guarantor is to take effect subject to this condition.
- 5.4 Any person who witnesses the sealing of this Lease is to be treated as having signed this Lease for the purposes of section 2 Law of Property (Miscellaneous Provisions) Act 1989.

6 Variations on assignment and underletting

Where the provisions of this Schedule 6 are incorporated into any guarantee given to the Landlord on an assignment of this Lease or the grant or assignment of any underlease, the Landlord may make any reasonably necessary amendments to the terms of this Schedule 6 to meet the particular circumstances in which the guarantee is given.

SCHEDULE 7

Appointment and powers of an Independent Person

1 The Independent Person

The Independent Person is to be:

- (a) in the case of disputes referred under clause 4.13, an independent chartered surveyor of not less than 10 years' standing experienced in the insurance and reinstatement of leasehold property;
- (b) in the case of disputes referred under clause 11.4:
 - (i) where the dispute relates to the valuation of interests in the Centre or the Premises or tenant or trading mix, an independent chartered surveyor of not less than 10 years' standing experienced in the valuation and assignment of leasehold property;
 - (ii) where the dispute requires the expertise of an accountant, an independent chartered accountant of not less than 10 years' standing;
 - (iii) in respect of any other dispute, chancery counsel of not less than 10 years' call;
- (c) in the case of a dispute referred under clause 11.4, an independent chartered surveyor of not less than 10 years' standing experienced in the management of leasehold property.

2 Basis of appointment

- 2.1 An Independent Person is not to be appointed to determine any matter under this Lease unless this Lease makes specific provision for the appointment of an Independent Person to make that determination.
- 2.2 An Independent Person is to be appointed by agreement between the Landlord and the Tenant. In the absence of agreement within two weeks of a request from either party to agree an appointment:
 - (a) any dispute over the profession of an Independent Person appropriate to resolve the dispute may be referred at the request of the Landlord or the Tenant to the President or next most senior available officer of the Royal Institution of Chartered Surveyors who will have the power, with the right to take such further advice as he may require, to determine and nominate the appropriate Independent Person or to arrange his nomination; and
 - (b) any dispute over the identity of the Independent Person is to be referred at the request of the Landlord or the Tenant to the President or other most senior available officer of the organisation generally recognised as being responsible for the relevant type of Independent Person. If no such organisation exists then the Independent Person is to be nominated by the President or next most senior available officer of the Royal Institution of Chartered Surveyors.
- 2.3 The reference to an Independent Person is to be made to him as an arbitrator or an expert in accordance with the terms of this Lease.
- 2.4 Where an Independent Person is to act as an independent expert:
 - (a) the Landlord and the Tenant may make written representations within 14 days of his appointment and will copy the written representations to the other party;
 - (b) the Landlord and the Tenant are to have a further 14 days to make written comments on each other's representations and will copy the written comments to the other party;

- (c) the Independent Person 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) the Independent Person 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) the Independent Person 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) the Independent Person is to use all reasonable endeavours to publish his decision within four weeks of his appointment;
 - (g) the Independent Person is to act impartially and in good faith between the parties; and
 - (h) another expert may replace the Independent Expert 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.
- 2.5 Where an Independent Person is to act as an arbitrator:
- (a) all submissions made or evidence supplied to him are to be in writing unless the parties agree within 14 days of his appointment that this requirement does not apply;
 - (b) the date of his award will be deemed to be the date on which he serves a copy of the award on the Landlord and the Tenant or, if the award is served on the Landlord and the Tenant on different dates, on the later of the two dates on which the award is served;
 - (c) he will not be entitled to order the rectification, setting aside or cancellation of this Agreement or any other deed or document;
 - (d) he will not be entitled to direct that the recoverable costs of the arbitration, or any part of it, be limited to a specified amount; and
 - (e) he will not be entitled to require that security be provided in respect of the costs of the arbitration.
- 2.6 Responsibility for the costs of referring a dispute to an Independent Person, including costs connected with the appointment of the Independent Person but not the legal and other professional costs of any party in relation to a dispute, will be decided by the Independent Person and in the absence of a decision, they will be shared equally between the parties.
- 2.7 If the Landlord or the Tenant does not pay any part of the costs of referring a dispute to an Independent Person and, as a result, the release of the Independent Person's decision or award is delayed, the Landlord or the Tenant will be entitled to pay those unpaid costs and the Landlord will reimburse those costs and the Tenant will reimburse those costs as additional rent to the other party on written demand together with interest at 4 per cent above the Interest Rate calculated from and including the date on which the party paid them to and including the date on which the Landlord or Tenant reimburses those costs to the other party.

SCHEDULE 8

Terms of any underlease

1 Financial terms

- 1.1 No underlease is to be granted for a premium or fine payable by the undertenant.
- 1.2 The yearly rent payable by the undertenant is to be the higher of:
 - (a) the best rent reasonably obtainable in the open market for the Premises at the date of the underlease; and
 - (b) the Principal Rent reserved at that date;
- 1.3 The underlease is to contain provisions requiring the undertenant to pay as additional rent the whole or, in the case of an underletting of part, a due proportion, of the Insurance Rent and Service Charge Rents and other sums, excluding the Principal Rent, payable by the Tenant under this Lease.

2 Contractual Term

- 2.1 The contractual term of the underlease is to expire no later than three days before the end of the Contractual Term.
- 2.2 The Underlease is to contain a right of re-entry on the same terms as clause 2.3.

3 Tenant's Covenants

The underlease is to contain a covenant by the undertenant to comply with the Tenant's Covenants, other than the covenants to pay Rents, so far as they relate to the underlet premises.

4 Assignment of the underlease

The underlease is to contain:

- (a) a prohibition on the assignment of part only of the premises let by the underlease;
- (b) a restriction prohibiting the assignment of the whole of the premises let by the underlease without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed; and
- (c) restrictions on the assignment of the underlease on the same terms as set out in clause 11.

5 Further underleases

The underlease is to contain a prohibition on the creation of sub-underleases of the whole or any part of the premises let by the underlease.

6 Sharing occupation

The underlease may contain provisions permitting the tenant of the underlease to share occupation of the premises let by the underlease on the same terms as clause 13.

7 Charging

The underlease is to contain restrictions on the charging of the premises let by the underlease on the same terms as clause 14.

8 General terms

No underlease is to contain any covenants, rights or obligations which are less onerous than the terms of this Lease.

SCHEDULE 9

VAT provisions

- 1 For the purposes of paragraphs 12 to 17 of Schedule 10 VATA in relation to the Landlord neither the Tenant nor any person connected with the Tenant is a development financier (as defined in paragraph 14 of Schedule 10 VATA) in respect of the Premises.
- 2 For the avoidance of doubt references in this Schedule to the Landlord or the Tenant shall include references to the representative member of the VAT Group of the Landlord or the Tenant as appropriate.

SCHEDULE 10
Schedule of Environmental Matters

1 Obligations at the End Date

At the end of the Tenancy, (and this overrides, where relevant, clause 8.9) the Tenant will not be required to reinstate any works, alterations or additions which have been carried out lawfully during the Term to the extent that the Landlord acting reasonably considers that to do so would have an adverse effect on the Environmental Performance unless such reinstatement is reasonably required by the Landlord having regard to its intentions in respect of the use or re-letting of the Premises or the Centre after the expiry or sooner determination of the Term.

2 Alterations

Both the Landlord and the Tenant will have due regard to any impact on the Environmental Performance that may result from any proposed works to or at the Premises or the Centre.

3 EPC information

3.1 The Tenant must permit the Landlord and its agents to have access to all documentation, data and information in the Tenant's possession or control that are reasonably required for the Landlord to:

- (a) commission and obtain an EPC and Recommendation Report for the Premises and/or the Centre;
- (b) commission and obtain a Display Energy Certificate and Advisory Report for the Premises and/or the Centre;
- (c) comply with any duty imposed upon the Landlord under the EPB Regulations; and
- (d) prepare and implement the Environmental Management Plan and assess the Environmental Performance.

and the Tenant is to co-operate with the Landlord and its agents so far as is reasonably necessary to enable them to carry out their functions.

3.2 The Tenant must provide to the Landlord free of charge a copy of any EPC (together with copies of all information used to prepare the EPC) that the Tenant obtains or commissions in respect of the Premises or that the Tenant is required to obtain or commission as a result of any alterations the Tenant carries out to the Premises.

4 EPC

Upon the Tenant's written request the Landlord must supply the Tenant with a copy of any EPC the Landlord obtains in respect of the Premises.

5 Sustainability

5.1 The Landlord and the Tenant agree in good faith, but without legal obligation, to co-operate with each other with the aim of improving the Environmental Performance.

5.2 The Landlord may with the prior written consent of the Tenant (such consent not to be unreasonably withheld or delayed) install at the Landlord's own cost, separate metering of utilities used in the Common Parts and the Premises and the Landlord agrees to allow the Tenant to install separate metering of the utilities used in the Premises provided always that such metering shall comply with the metering standards as set out in the Tenant's Shop Fitting Standards.

5.3 The Landlord and the Tenant agree to share with each other all data and other relevant information in relation to the Environmental Performance and such data and relevant information will be

provided annually as a minimum in a form or methodology that the Landlord and the Tenant agree upon as being appropriate for the purpose Provided that such data and information shall be used by the Landlord for management purposes only in connection with reducing the energy consumption of the Centre, reducing the water consumption of the Centre, reducing the generation of waste and improving the management of waste at the Centre, and reducing any other adverse environmental impacts arising from the use of the Centre, and shall be treated as strictly confidential by the Landlord but provided further that this shall not prevent the Landlord from using such information to produce statistics on the energy consumption, water consumption, waste generation, management of waste and other environmental impacts for the Centre as a whole and supplying such statistics to the occupiers of the Centre, the Landlord's mortgagees or the Landlord's successors in title or disclosing such information where required by law and/or the rules of the London Stock Exchange.

Executed as a deed by BARNSTAPLE
TRUSTEE NO. 1 LIMITED, a company
incorporated in Jersey, and signed on its
behalf by _____ and

(being persons who,
in accordance with the laws of that territory,
are acting under the authority of the
company)

authorised signatory

authorised signatory

Executed as a deed by BARNSTAPLE
TRUSTEE NO. 2 LIMITED, a company
incorporated in Jersey, and signed on its
behalf by _____ and

(being persons who,
in accordance with the laws of that territory,
[is] [are] acting under the authority of the
company)

authorised signatory

authorised signatory

Executed as a deed by TUI UK RETAIL LIMITED
acting by:



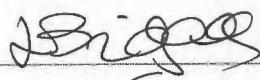
[signature of director]

KATHRYN WARD

[print name of director]

Director

in the presence of:



[signature of witness]

TORRANCE BRIDGES

[print name of witness]

Address

55 HIGHCLERE

BROADLEY

WORCESTERSHIRE DY12 2EX

Occupation

CHARTERED SURVEYOR