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Dated

*16 January 2017*

## **LEASE**

relating to

**Unit 54 Swanley Shopping Centre  
London Road, Swanley, Kent  
BR8 7TQ**

**DS JERSEY (No.5) LIMITED**  
(as Landlord)

and

**LADBROKES BETTING & GAMING LIMITED**  
(as Tenant)

REF: MCL/DS29458.54/11847615.4

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LR1. Date of lease	16 January 2017
LR2. Title number(s)	<p>LR2.1 Landlord's title number(s) K522286 and K284245</p> <p>LR2.2 Other title numbers None</p>
LR3. Parties to this Lease	<p><b>Landlord</b> DS JERSEY (NO.5) LIMITED (incorporated in Jersey) whose registered office is at Fifth Floor, 37 Esplanade, St Helier, Jersey JE1 2TR but whose address for service is 7A Howick Place, London, SW1P 1DZ</p> <p><b>Tenant</b> LADBROKES BETTING &amp; GAMING LIMITED (company no 00775667) whose registered office is at Imperial House, Imperial Drive Rayners Lane, Harrow, Middlesex, HA2 7JW.</p>
	<p><b>Other parties</b> None.</p>
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>As specified in Schedule 1, Part 1 of this Lease and defined in this Lease as the "Premises".</p>
LR5. Prescribed statements etc	<p>LR5.1 <i>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</i></p>
	<p>None</p>
	<p>LR5.2 This Lease is made under, or by reference to, provisions of:</p>
LR6. Term for which the Property is leased	The term as specified in this Lease at Clause 2.
LR7. Premium	None
LR8. Prohibitions or restrictions on disposing of this Lease	This Lease contains a provision that prohibits or restricts dispositions

<b>LR9. Rights of acquisition etc</b>	<b>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</b>
	None.
	<b>LR9.2 Tenant's covenant to (or offer to) surrender this Lease</b>
	None.
	<b>LR9.3 Landlord's contractual rights to acquire this Lease</b>
	The Landlord's right to determine this Lease as specified in this lease at clause 12.
<b>LR10. Restrictive covenants given in this Lease by the Landlord in respect of land other than the Property</b>	None.
<b>LR11. Easements</b>	<b>LR11.1 Easements granted by this Lease for the benefit of the Property</b>
	As specified in Schedule 1, Part 2 of this Lease.
	<b>LR11.2 Easements granted or reserved by this Lease over the Property for the benefit of other property</b>
	As specified in Schedule 1, Part 3 of this Lease.
<b>LR12. Estate rentcharge burdening the Property</b>	None
<b>LR13. Application for standard form of restriction</b>	None.
<b>LR14. Declaration of trust where there is more than one person comprising the Tenant</b>	None.



DATED

16 January 2017

PARTIES

- (1) **DS JERSEY (NO.5) LIMITED** whose registered office is at Fifth Floor, 37 Esplanade, St Helier, Jersey JE1 2TR but whose address for service is 7A Howick Place, London, SW1P 1DZ (the "Landlord")
- (2) **LADBROKES BETTING & GAMING LIMITED** (company no 00775667) whose registered office is at Imperial House, Imperial Drive Rayners Lane, Harrow, Middlesex, HA2 7JW (the "Tenant")

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 In this Lease:

**"Asset Rating", "Energy Performance Certificate" and "Recommendation Report"** have the meanings given to those terms in the EPB Regulations (as defined below).

**"Centre"** means Swanley Shopping Centre, London Road, Swanley, Kent the extent of which is shown edged blue on the Plan and includes the Premises, the Retained Parts and the remainder of the Centre of which the Premises form part and any subsequent reductions, extensions, alterations or additions from time to time.

**"Common Parts"** means those parts of the Centre (whether or not within the structure of the Centre) intended to be used in common by any of the Tenant, other tenants and occupiers of the Centre, the Landlord, and those properly authorised or permitted by any of them to do so, and "Common Parts" includes (but without limitation) the entrance hall, corridors, lobbies, staircases, lavatories, access ways, passages, turntables, courtyards, external paving, car park, ramps, service and loading areas, service road and other such amenities, but excluding any such parts as may be within the Premises.

**"Commercial Rent Arrears Recovery"** means the procedure by which a landlord can recover rent arrears due under a lease of a commercial property from a tenant under the Tribunals, Courts and Enforcement Act 2007.

**"Conducting Media"** means drains, sewers, conduits, flues, gutters, gullies, channels, ducts, shafts, watercourses, pipes, cables, wires, mains, electrical risers, aerials and any other conducting media.

**"Encumbrances"** means the restrictions, stipulations, covenants, rights, reservations, provisions and other matters contained, imposed by or referred to in the documents, brief particulars of which are set out in Schedule 1, Part 4.

**"EPB Regulations"** means the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007.

**"Insured Risks"** has the meaning given to it in Schedule 2.

**"Interest"** means interest at the rate of 3% over the base rate of Barclays Bank PLC from time to time (as well after as before judgment), or such other comparable rate

as the Landlord may reasonably designate if the base rate ceases to be published, compounded at quarterly rests on 31 March, 30 June, 30 September and 31 December in each year.

**"Landlord"** includes all persons from time to time entitled to the immediate reversion to this Lease.

**"Lease"** includes any documents supplemental to this Lease.

**"Measuring Code"** means the latest edition of the Code of Measuring Practice published from time to time by the Royal Institution of Chartered Surveyors.

**"Outgoings"** means (in relation to the Premises) all non-domestic rates, (including rates for unoccupied property), water rates, water charges and all existing and future rates, taxes, charges, assessments, impositions and outgoings whatsoever (whether parliamentary or local) which are now or may at any time be payable, charged or assessed on property, or the owner or occupier of property, but "taxes" in this context does not include value added tax, nor any taxes imposed on the Landlord in respect of the yearly rent reserved by this Lease, or in respect of a disposal of the interest in immediate reversion to this Lease.

**"Plan"** means the Plan attached to this Lease.

**"Planning Acts"** means "the consolidating Acts" as defined in the Planning (Consequential Provisions) Act 1990 and any other legislation relating to town and country planning in force from time to time.

**"Premises"** means the property described in Schedule 1, Part 1 and each part of that property.

**"Previous Lease 1"** means the lease made on 26 March 1998 between (1) Highcloud Investments Limited and (2) Ganton House Investments Limited.

**"Previous Lease 2"** means the lease dated 28 March 2012 between (1) DS Jersey (No. 5) Limited and (2) Ladbrokes Betting & Gaming Limited.

**"Previous Leases"** means Previous Lease 1 and Previous Lease 2.

**"Retained Parts"** means

- (a) all parts of the Centre not let or intended to be let to a tenant including (but without prejudice to the generality of the foregoing):
  - (i) the Common Parts;
  - (ii) office accommodation for the centre manager (if any) and ancillary staff;
  - (iii) a central control station for any security system in the Centre;
  - (iv) any public lavatories, first aid areas and other amenities provided for the benefit of persons using the Centre generally;
  - (v) any staff rooms and storage premises used in connection with the provision of services for the Centre;

- (vi) all Conducting Media, equipment and apparatus used in the Centre (except such as are within and solely serve an individual unit which is let or intended for letting);
- (vii) the plant rooms, ducts, walkways, channels and other areas which house or contain the items described in paragraph (vi); and
- (b) the main structure, structural walls, foundations and roofs of the Centre.

**"Tenant"** includes the Tenant's successors in title and assigns in whom this Lease may for the time being be vested.

**"Term"** means the term of years granted by this Lease.

**"Term Commencement Date"** means 29 September 2016.

**"Unit 53 Lease"** means the lease of Unit 53, the Swanley Centre dated 2016 and made between (1) DS Jersey No.5 Limited and (2) Ladbrokes Betting & Gaming Limited.

**"Unit 53 Premises"** means the premises known as Unit 53 Swanley Shopping Centre, demised by the Unit 53 Lease.

**"Unsecured Underletting"** means an underletting in relation to which the underlessor and the underlessee have agreed to exclude the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954 and before completion of the underletting or, if earlier, the underlessee's contractual obligation to enter into the underletting have duly carried out the requirements of schedules 1 and 2 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 to render their agreement valid.

- 1.2 Any obligation on a party to this Lease to do any act includes an obligation to procure that it is done.
- 1.3 Where the Tenant is placed under a restriction in this Lease, the restriction includes the obligation on the Tenant not to knowingly permit or allow the infringement of the restriction by any person.
- 1.4 References to liability include, where the context allows, claims, demands, proceedings, damages, losses, costs and expenses.
- 1.5 The Clause and paragraph headings in this Lease are for ease of reference only and are not to be taken into account in the interpretation of any provision to which they refer.
- 1.6 Unless the context otherwise requires references:
  - 1.6.1 to defined terms are references to the relevant defined term in Clause 1.1;
  - 1.6.2 to numbered Clauses and Schedules are references to the relevant Clause in, or Schedule to, this Lease; and
  - 1.6.3 to a numbered paragraph in any Schedule are references to the relevant paragraph in that Schedule.



- 1.7 Words in this Lease denoting the singular include the plural meaning and vice versa.
- 1.8 References in this Lease to any statutes or statutory instruments include any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force, and references to a statute include statutory instruments and regulations made pursuant to it.
- 1.9 Words in this Lease importing one gender include both other genders, and may be used interchangeably, and words denoting natural persons, where the context allows, include corporations and vice versa.
- 1.10 For the purposes of this Lease, two companies are members of the same group if one is the subsidiary of the other, or both are subsidiaries of a third company, "subsidiary" having the meaning given to it in section 1159 of the Companies Act 2006.
- 1.11 If at any time any party is two or more persons, then their obligations are joint and several.

## **2 THE LETTING TERMS**

The Landlord in consideration of the rent reserved by, and the Tenant's covenants in, this Lease with full title guarantee lets to the Tenant all the Premises together with the rights set out in Schedule 1, Part 2 and except and reserved to the Landlord the rights set out in Schedule 1, Part 3 for the term of 10 years commencing on and including the Term Commencement Date determinable as provided by this Lease subject to the Encumbrances the Tenant paying during the Term:

- 2.1 the yearly rent of one peppercorn per annum (if demanded); and
- 2.2 as additional rent:
  - 2.2.1 the monies payable by the Tenant under Schedule 2 and Schedule 3;
  - 2.2.2 Interest payable by the Tenant under the terms of this Lease; and
  - 2.2.3 on receipt of a VAT invoice addressed to the Tenant such value added tax as may be chargeable on the yearly rent and the other additional rents reserved by this Lease.

## **3 TENANT'S COVENANTS**

The Tenant covenants with the Landlord during the Term as set out in this Clause 3.

### **3.1 Rent**

- 3.1.1 To pay the yearly rent reserved by this Lease, without any deductions or set-off, at the times and in the manner required in Clause 2.1 and by means of a standing order to a bank account in the UK.
- 3.1.2 To pay the additional rents reserved by this Lease at the times and in the manner specified.

### **3.2 Interest**

- 3.2.1 To pay Interest on so much of the yearly rent reserved by this Lease as remains unpaid after it has become due for payment.
- 3.2.2 To pay Interest on so much of the additional rents arrears of reviewed rent and any accrued interest and other monies (not being rent) payable under this Lease as remain unpaid for seven days after (as the case may be):
  - 3.2.2.1 demand in those cases where payment becomes due only on demand; or
  - 3.2.2.2 the date on which they have become due for payment by the Tenant,  
  
from the date of demand, or the date that they became due for payment, until payment is made to the Landlord.
- 3.2.3 To pay Interest under Clause 3.2.1 for any period during which the Landlord properly refuses to accept the tender of payment because of an unremedied breach of covenant of the Tenant.

### **3.3 Outgoings and contributions**

- 3.3.1 To pay all Outgoings that relate to the Premises.
- 3.3.2 To refund to the Landlord on demand (where the Landlord has paid Outgoings relating to the whole or part of the Centre or other property including the Premises) a fair and proper proportion attributable to the Premises, such proportion to be conclusively determined by the Landlord or the Landlord's surveyor.
- 3.3.3 To pay for all gas and electricity consumed on the Premises, all charges for meters, and all standing charges.

### **3.4 Repair**

To repair and keep the Premises in good and substantial repair (except in respect of damage by Insured Risks as allowed in Schedule 2).

### **3.5 Decorations**

- 3.5.1 To decorate the inside of the Premises in the last three months of the Term (however it may terminate) with two coats of good quality paint or good quality polish, and with paper for those parts normally papered, or other suitable and appropriate materials of good quality, in a workmanlike manner (the decorations in the last three months of the Term to be executed if different in such colours, patterns and materials as the Landlord may reasonably require).
- 3.5.2 To decorate any showcases, doors and the exterior of the Premises in the year 2020 and also in the last three months of the Term (however it may terminate) with two coats of good quality paint or polish, or other suitable material of good quality, in a proper and workmanlike manner.

- 3.5.3 Not without the consent of the Landlord to alter, cover up or change any part of the architectural decorations of the Premises.

**3.6 Landlord's right of inspection and right of repair**

- 3.6.1 To permit the Landlord and its employees or agents at reasonable times on 48 hours prior written notice (except in an emergency) to enter the Premises and examine their condition and also to take a schedule of fixtures and fittings in the Premises.
- 3.6.2 If any breach of the Tenant's repair covenant is found on inspection for which the Tenant is liable, then, on notice from the Landlord, to commence and thereafter to diligently proceed to execute to the reasonable satisfaction of the Landlord or its surveyor all repairs, works, replacements or removals required within two months (or sooner if necessary) after receipt of notice.
- 3.6.3 If the Tenant fails to comply with a notice under Clause 3.6.2, the Landlord may itself or by its workpeople or agents enter the Premises and execute the repairs, works, replacements or removals.
- 3.6.4 To pay to the Landlord within 7 days of demand all expenses incurred under Clause 3.6.3 (the expenses and any Interest on them to be recoverable as rent in arrear).

**3.7 Yield up in repair at the end of the Term**

At the expiry or sooner termination of the tenancy created by this Lease quietly to yield up the Premises repaired, maintained, to give up all keys to the Premises to the Landlord and to remove all notices, notice boards and signs bearing the name of, or otherwise relating to, the Tenant (including in this context any persons deriving title to the Premises under the Tenant) or its business and to make good to the satisfaction of the Landlord all damage to the Premises and the Centre resulting from the removal of the Tenant's belongings from the Premises.

**3.8 Landlord's right of entry for repairs, etc**

- 3.8.1 To permit the Landlord or other owners, tenants or occupiers of the Centre or any adjoining or neighbouring property and their respective agents, workmen and employees to enter the Premises at reasonable times, after giving to the Tenant written notice (except in an emergency where no notice is required):
- 3.8.1.1 to alter, maintain or repair the Centre or the adjoining premises or property of the Landlord or person so entering; or
- 3.8.1.2 to construct, alter, maintain, repair or fix anything serving such property and running through or on the Premises; or
- 3.8.1.3 to comply with an obligation to any third party having legal rights over the Centre and the Premises; or
- 3.8.1.4 in exercise of a right or to comply with an obligation of repair, maintenance or renewal under this Lease; or

3.8.1.5 in connection with the development of the remainder of the Centre or any adjoining or neighbouring land or premises, including the right to build on or into, or extend, any boundary wall of the Premises,

without payment of compensation for any nuisance, annoyance, inconvenience, damage or loss caused to the Tenant, subject to the Landlord (or other person entering) exercising the right in a proper manner and making good any damage caused to the Premises without unreasonable delay.

3.8.2 On becoming aware of any defects in the Centre, which are "relevant defects" for the purposes of section 4 of the Defective Premises Act 1972, to give notice of them to the Landlord.

### **3.9 Alterations**

3.9.1 Not to make any alterations or additions to, or affecting the structure or exterior of the Premises or the appearance of the Premises as seen from the exterior.

3.9.2 Not to install or erect any exterior lighting, shade, canopy or awning or other structure in front of, or elsewhere outside, the Premises.

3.9.3 If reasonably required to submit to the Landlord sufficient information to enable the Landlord to assess the impact of the proposed alteration on the energy efficiency, Operational Rating or Asset Rating of the Premises or the Centre.

3.9.4 Not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to make any other alterations or additions to the Premises.

3.9.5 At the expiry or sooner termination of the tenancy created by this Lease, to the extent required by the Landlord to reinstate the Premises by removing any alterations made by the Tenant to the Premises during the Term including but not limited to any alterations made by the Tenant or the Tenant's predecessor in title during the terms of the Previous Leases such reinstatement to be carried out to the reasonable satisfaction of the Landlord or the Landlord's surveyor, the Tenant making good any damage caused by such removal.

### **3.10 Alienation**

3.10.1 Not to assign, underlet, hold on trust, charge or otherwise part with or share possession or occupation of the Premises or any part of them except that:

3.10.1.1 in the event of an assignment of the Unit 53 Lease the Tenant shall also assign this Lease (simultaneously with completion of the assignment of the Unit 53 Lease) to the assignee of the Unit 53 Lease; and

- 3.10.1.2 the Tenant may underlet the whole of the Premises in accordance with clauses 3.10.2, 3.10.3, 3.10.4, 3.10.5 and 3.10.6.
- 3.10.2 Not to underlet part only of the Premises.
- 3.10.3 Not to underlet the whole of the Premises without the consent of the Landlord, but subject to the operation of the provisions of clauses 3.10.4, 3.10.5 and 3.10.6 such consent is not to be unreasonably withheld or delayed.
- 3.10.4 On the grant of an underlease, to obtain covenants by deed from the underlessee direct with the Landlord in such form as the Landlord may require that the underlessee will:
  - 3.10.4.1 not assign, sub-underlet or charge part only of the premises underlet;
  - 3.10.4.2 not part with or share possession or occupation of the whole or any part of the premises underlet, nor grant rights to third parties over them except by a permitted assignment or sub-underletting of the whole of the Premises;
  - 3.10.4.3 not assign, or charge or sub-underlet the whole of the premises underlet without obtaining the previous consent of the Landlord under this Lease (such consent not to be unreasonably withheld or delayed); and
  - 3.10.4.4 provide for the inclusion in any sub-underleases granted out of the underlease (whether immediate or mediate) of covenants to the same effect as those contained in this Clause 3.10.4, 3.10.5 and 3.10.6.
- 3.10.5 On the grant of any underlease:
  - 3.10.5.1 not to reserve or take a premium or fine nor give a reverse premium or other such inducement to the underlessee;
  - 3.10.5.2 to reserve a rent which is the market rent at the time of the grant of the underlease;
  - 3.10.5.3 to include such underlessee covenants as are not inconsistent with, or do not impair the due performance and observance of, the covenants of the Tenant in this Lease.
- 3.10.6 Not to underlet the whole of the Premises except by way of Unsecured Underletting.
- 3.10.7 Not (except by assignment or underletting permitted under this Clause 3.10) to:
  - 3.10.7.1 part with or share possession or occupation of the whole or any part of the Premises; or
  - 3.10.7.2 grant any rights over the Premises to third parties.



3.10.8 The preceding provisions of this Clause 3.10 do not apply to any parting with possession or occupation or the sharing of occupation or sub-division of the Premises to or with any member of a group of companies of which the Tenant is itself a member if:

3.10.8.1 no interest or legal estate in the Premises is created; and

3.10.8.2 the possession, occupation or sub-division are immediately terminated if the Tenant and the relevant member cease for any reason to be members of the same group of companies.

### 3.11 Registration of dispositions of this Lease

Within one month after a disposition of this Lease (a *disposition* being an assignment, charge, transfer, underlease, assignment or surrender of any underlease, or, on any transmission by death or otherwise, documentary evidence of devolution affecting the Premises):

3.11.1.1 to produce a copy of the document effecting the disposition to the Landlord's solicitors; and

3.11.1.2 to pay to the solicitors the fee they reasonably require for the registration.

### 3.12 Enforcement of underleases

3.12.1 Not without the consent of the Landlord to vary the terms, or waive the benefit, of any underlessee covenants or conditions in an underlease of the Premises (such consent not to be unreasonably withheld or delayed).

3.12.2 Not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to accept a surrender of any underlease of the Premises.

3.12.3 Diligently to enforce the underlessee covenants and conditions in any underlease of the Premises and (if reasonably required by the Landlord) to exercise by way of enforcement the powers of re-entry in the underlease.

3.12.4 Not without the consent of the Landlord to accept any sum or payment in kind by way of commutation of the rent payable by an underlessee of the Premises.

3.12.5 Not to accept the payment of rent from an underlessee of the Premises otherwise than by regular quarterly (or more frequent) payments in advance.

### 3.13 User

3.13.1 Not without the consent of the Landlord to use the Premises otherwise as commercial offices and for all purposes ancillary to that use.

3.13.2 Nothing in this Lease implies or is to be treated as a warranty to the effect that the use of the Premises for those purposes is in compliance

with the Planning Acts and all other statutes and regulations relating to town and country planning from time to time in force.

### **3.14 Restrictions affecting use of the Premises**

- 3.14.1 To take all practical steps to prevent smoking in the Centre, or its immediate vicinity, by staff or visitors of the Tenant and all persons over whom the Tenant is able to exercise authority or control.
- 3.14.2 Not to erect or install in the Premises any engine, furnace, plant or machinery which causes noise, fumes or vibration which can be heard, smelled or felt outside the Premises.
- 3.14.3 Not to store any petrol or other specially inflammable, explosive or combustible substance in the Premises.
- 3.14.4 Not to use the Premises for any noxious, noisy or offensive trade or business nor for any illegal or immoral act or purpose.
- 3.14.5 Not to hold any sales by auction on the Premises.
- 3.14.6 Not to hold in or on the Premises any exhibition, public meeting or public entertainment.
- 3.14.7 Not to permit any vocal or instrumental music in the Premises so that it can be heard outside the Premises.
- 3.14.8 Not to permit livestock of any kind to be kept on the Premises.
- 3.14.9 Not to do anything in the Premises which may be or grow to be a legal nuisance, annoyance, disturbance, inconvenience or damage to the Landlord or its other tenants of the Centre or to the owners, tenants and occupiers of adjoining and neighbouring properties.
- 3.14.10 Not to load or use the floors, walls, ceilings or structure of the Premises or the Centre so as to cause strain, damage or interference with the structural parts, loadbearing framework, roof, foundations, joists and external walls of the Centre.
- 3.14.11 Not to overload the lifts, electrical installation or Conducting Media in the Premises and/or the Centre.
- 3.14.12 Not to do or omit to do anything which may interfere with or which imposes an additional loading on any ventilation, heating, air-conditioning or other plant or machinery serving the Premises.
- 3.14.13 Not to use the Premises for the sale of alcoholic liquor for consumption either on or off the Premises.
- 3.14.14 Not to allow any person to sleep in the Premises nor to use the Premises for residential purposes.
- 3.14.15 Not at any time to place any goods, mats, trade empties, rubbish or other obstruction in the Common Parts.
- 3.14.16 Not to accumulate trade empties on the Premises.

- 3.14.17 Not to place, leave or install any articles, merchandise, goods or other things in front of or elsewhere outside the Premises.
- 3.14.18 Not to discharge into any Conducting Media any oil, grease or other deleterious matter or any substance which might be or become a source of danger or injury to the drainage system of the Premises or the Centre or any adjoining property.
- 3.14.19 Not to use any portion of the access roads or service area for the parking of vehicles except during the course of loading and unloading, nor to carry out any repairs or maintenance to vehicles on the access roads or service area within the Common Parts.
- 3.14.20 To observe and perform or cause to be observed and performed the rules and regulations from time to time made by the Landlord for the orderly and proper use of the Common Parts and the security of the Centre provided that in the event of conflict between the terms of this Lease and the terms of the regulations, the terms of this Lease shall prevail.

### **3.15 Advertisements and signs**

- 3.15.1 At all times to display and maintain a suitable sign of a size and kind first approved in writing by the surveyor showing the Tenant's corporate or trading name.
- 3.15.2 Not to place or display on the exterior of the Premises or on the windows or inside the Premises to as to be visible from outside the Premises any names or signs except trade placards posters or advertisements of a temporary and not excessive nature and necessary or usual for the use provided that not more than 25 per cent of the surface area of any window of the Premises shall be obscured by such placards posters or advertisements provided always that no consent shall be required for signs existing at the date of this Lease and the Tenant may obscure any windows in accordance with tradition so long as the Tenant is Ladbrokes Betting & Gaming Limited (company no:00775667) only or a group company of Ladbrokes Betting & Gaming Limited (company no: 00775667) only.

### **3.16 Loading and Deliveries**

- 3.16.1 Not to load or unload vehicles except in the servicing areas or loading bays provided for such purpose, and in the course of such loading or unloading:
  - 3.16.1.1 to comply with any regulations of the Landlord and the requirements of the local highway authority; and
  - 3.16.1.2 not to cause avoidable obstruction.

### **3.17 Hours of user**

Not to use the Premises, and the Common Parts for the purposes of entrance to and exit from the Premises, other than between the hours of 8 am and 10 pm on every weekday and the hours of 8 am and 10 pm on Saturdays and Sunday.

### **3.18 Compliance with statutes, etc**

- 3.18.1 Save where compliance falls solely to the Landlord under the terms of this Lease, to comply in all respects with the provisions of all statutes from time to time, and the requirements of any competent authority, relating to the Premises or anything done in or on them by the Tenant and to keep the Landlord indemnified against liability in consequence of the Tenant's failure to comply.
- 3.18.2 In particular (but without affecting the general operation of Clause 3.18.1) to comply with all requirements under any present or future statute, order, bylaw or regulation as to the use or occupation of, or otherwise concerning, the Premises.

### **3.19 Planning permissions**

- 3.19.1 Not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to make any application under the Planning Acts for permission to develop, including change of use of, the Premises.
- 3.19.2 To indemnify the Landlord against any development charges, other charges and expenses payable in respect of planning applications and to reimburse to the Landlord the reasonable costs it may properly incur in connection with its consent, whether or not such consent is granted.
- 3.19.3 Immediately to give the Landlord full particulars in writing of the grant of planning permission.
- 3.19.4 Not to implement any planning permission if the Landlord makes reasonable objection to any of the conditions subject to which it has been granted.

### **3.20 Compliance with town planning and environmental requirements**

- 3.20.1 Save where compliance falls solely to the Landlord under the terms of this Lease, to perform and observe the requirements of the Planning Acts and all other statutes and regulations relating to town and country planning and environmental protection applying to the Premises, and to obtain any development or other consent, permit or licence by reason of the development, or manner of use, of or on the Premises by the Tenant.
- 3.20.2 To keep the Landlord indemnified against liability by reason of the Tenant's failure to obtain any requisite development or other consent, permit or licence or in complying with the requirements of statutes and regulations.
- 3.20.3 To give full particulars to the Landlord of any notice or proposal for a notice, or order or proposal for an order, made, given or issued to the Tenant under the Planning Acts and all other statutes or regulations relating to town and country planning, environmental protection or otherwise within seven days after receipt by the Tenant.

- 3.20.4 To the extent that it is the responsibility of the Tenant under this Lease immediately to take all reasonable and necessary steps to comply with any such notice or order.
- 3.20.5 At the request and cost of the Landlord, to make or join with the Landlord in making such objections or representations against or in respect of any proposal for such a notice or order as the Landlord may consider reasonably expedient.

### **3.21 Energy performance data**

- 3.21.1 To allow the Landlord and its employees or its agents to have access to all documentation, data and information in the Tenant's possession or under its control reasonably required by the Landlord to enable it to:
  - 3.21.1.1 prepare an Energy Performance Certificate and Recommendation Report for the Centre; and
  - 3.21.1.2 comply with any duty imposed upon the Landlord under the EPB Regulations.
- 3.21.2 To permit the Landlord and its employees or agents at reasonable times to enter the Premises and to cooperate with the Landlord and its agents so far as reasonably necessary for the purposes referred to in clause 3.21.1.

### **3.22 Claims made by third parties**

- 3.22.1 Save as is provided by statute or arises as a result of negligence on the part of the Landlord or its employees or agents to keep the Landlord indemnified against liability in respect of any accident, loss or damage to person or property in the Premises.
- 3.22.2 To keep the Landlord indemnified against liability to third parties by reason of breach by the Tenant of its obligations in this Lease.

### **3.23 Expenses of the Landlord**

To pay to the Landlord on demand all reasonable expenses (including bailiff's and professional fees) properly incurred by the Landlord:

- 3.23.1 in the preparation and service of a schedule of dilapidations during or after the termination of this Lease and/or a notice or proceedings under sections 146 and 147 of the Law of Property Act 1925, even if forfeiture is avoided otherwise than by relief granted by the court and/or a notice under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- 3.23.2 in the recovery or attempted recovery of arrears of rent or additional rent due from the Tenant; and
- 3.23.3 in connection with every application for any consent or approval made under this Lease (whether or not consent or approval is given) but not if such licence or consent is unreasonably withheld where the Landlord is under an obligation not to unreasonably withhold consent.



### **3.24 Obstruction of windows or lights and easements**

- 3.24.1 Save as is otherwise permitted under this Lease not to stop up or obstruct any windows of the Premises.
- 3.24.2 Not to knowingly permit any easement or similar right to be made or acquired into, against or on the Premises.
- 3.24.3 Where any such easement or right is or is attempted to be acquired, immediately to give notice of the circumstances to the Landlord, and at the request and cost of the Landlord to adopt such course as it may reasonably require for preventing the acquisition of the easement or right.

### **3.25 Cleaning and insurance of windows**

- 3.25.1 To keep the glass in the windows of the Premises clean.
- 3.25.2 To keep the glass in the windows of the Premises insured in the joint names of the Landlord and the Tenant in a sum equal to the full replacement cost against damage with an insurer of repute approved by the Landlord and:
  - 3.25.2.1 whenever required to produce the policy and the receipt for the last premium for such insurance to the Landlord; and
  - 3.25.2.2 to lay out the insurance monies received in replacement with glass of at least the same quality and thickness as before and to make good any deficiency out of the Tenant's own resources.

provided always that the provisions of this clause shall not apply so long as the Tenant is Ladbrokes Betting & Gaming Limited (company no: 00775667) only or a group company of Ladbrokes Betting & Gaming Limited (company no: 00775667) only.

### **3.26 Value added tax**

- 3.26.1 On receipt of a valid VAT invoice addressed to the Tenant to pay an amount equal to the value added tax chargeable on taxable supplies of goods and services made by the Landlord under this Lease; the consideration for the supplies is to be treated as exclusive of the value added tax.
- 3.26.2 Where the Landlord is entitled under this Lease to recover from the Tenant the costs incurred by the Landlord on the supply to the Landlord (but not the Tenant), of goods and services to indemnify the Landlord against so much of the input tax incurred by the Landlord on the supply for which the Landlord is not entitled to credit allowance under section 26 of the Value Added Tax Act 1994.

### **3.27 Notices to let and for sale**

- 3.27.1 To allow the Landlord or its agents to enter the Premises on 48 hours prior written notice:

- 3.27.1.1 within six months before the termination of this Lease to fix on the Premises a notice board for reletting the Premises; and
- 3.27.1.2 to fix on some part of the Premises a notice board for the sale of the interest of the Landlord.
- 3.27.2 Not to remove or obscure any such notice board.
- 3.27.3 To permit all persons authorised and accompanied by the Landlord or its agents to view the Premises (at reasonable hours) without interruption in connection with any such letting or sale.

### 3.28 Encumbrances

To observe and perform by way of indemnity only the obligations and restrictions comprising the Encumbrances so far as they relate to the Premises and are capable of being enforced.

## 4 PROVISOS

The parties agree to the following provisos.

### 4.1 Proviso for re-entry

- 4.1.1 The Landlord may terminate this Lease by re-entering the Premises (or a part of them) itself or by an authorised agent if:
  - 4.1.1.1 any rent remains unpaid 21 days after becoming due for payment (in the case of yearly rent whether or not formally demanded); or
  - 4.1.1.2 the Tenant fails to perform or observe any of its covenants or the conditions in this Lease or;
  - 4.1.1.3 distress, sequestration, execution or any modern equivalent of these remedies is levied on the Tenant's assets, including any action taken for the recovery of rent arrears from the Tenant under Commercial Rent Arrears Recovery which is not discharged within 14 days;
  - 4.1.1.4 an event of insolvency occurs in relation to the Tenant; or
  - 4.1.1.5 the Tenant being a company incorporated in the United Kingdom is:
    - (i) struck off the register of companies; or
    - (ii) being an unlimited company is registered with limited liability; or
  - 4.1.1.6 any circumstances exist or event occurs with respect to the Tenant in any jurisdiction which has an effect equivalent or similar to any of those mentioned in this Clause 4.1.
- 4.1.2 Re-entry in exercise of the rights in Clause 4.1.1 does not affect any other right or remedy of the Landlord or the Tenant for breach of

covenant or condition by the other occurring before the termination of this Lease.

4.1.3 The expression "**an event of insolvency**" in Clause 4.1.1 includes:

4.1.3.1 (in relation to a body corporate which is the Tenant or a guarantor) inability of the body corporate to pay its debts, entry into liquidation whether compulsory or voluntary (except for the purpose of amalgamation or reconstruction), the passing of a resolution for a creditors' winding-up, the making of a proposal to the body corporate and its creditors for a composition in satisfaction of its debts or a scheme of arrangement of its affairs, the application to the court for an administration order, the giving of a notice of appointment or intention to appoint an administrator or liquidator and the appointment of a receiver or administrative receiver; and

4.1.3.2 (in relation to an individual who is the Tenant or a guarantor) inability to pay or having no reasonable prospect of being able to pay his debts, the presentation of a bankruptcy petition, the making of a proposal to his creditors for a composition in satisfaction of his debts or a scheme of an arrangement of his affairs, the application to the court for an interim order, and the appointment of a receiver or interim receiver,

and in relation to the various events of insolvency they are, wherever appropriate, to be interpreted in accordance and conjunction with the relevant provisions of the Insolvency Act 1986.

#### 4.2 **Power for Landlord to deal with adjoining property**

4.2.1 The Tenant is not entitled to acquire by prescription any rights over the property of the Landlord adjoining or neighbouring the Premises additional to those expressly granted by this Lease.

4.2.2 The Landlord may without obtaining any consent from the Tenant, alter, reconstruct or modify in any way or change the use of the Common Parts, so long as proper means of entrance to and exit from the Premises are afforded and essential services are maintained.

#### 4.3 **Arbitration of disputes between tenants**

If any dispute or disagreement at any time arises between the Tenant and the tenants and occupiers of the Centre or any adjoining or neighbouring property belonging to the Landlord relating to the Conducting Media serving, or easements or rights affecting, the Premises, the Centre or any adjoining or neighbouring property, the matter in dispute or disagreement is to be determined by the Landlord who shall act fairly and impartially, by which determination the Tenant shall be bound.

#### 4.4 **Exemption from liability in respect of services**

4.4.1 The Landlord is not to be held liable to the Tenant for any loss, damage or inconvenience which may be caused by reason of:

- 4.4.1.1 temporary interruption of services during periods of inspection, maintenance, repair and renewal;
- 4.4.1.2 breakdown of or defect in any plant and machinery, services or Conducting Media in the Premises, the Centre or neighbouring or adjoining property; or
- 4.4.1.3 events beyond the reasonable control of the Landlord.
- 4.4.2 The Landlord's duty of care to the Tenant's employees, agents, workpeople and visitors in or about the Centre does not go beyond the obligations involved in the common duty of care (within the meaning of the Occupiers' Liability Act 1957) or the duties imposed by the Defective Premises Act 1972.

#### **4.5 Accidents**

Save as provided by statute or arises as a result of the Landlord's negligence, the Landlord is not to be held responsible to the Tenant or the Tenant's licensees nor to any other person for any:

- 4.5.1 accident, happening or injury suffered in the Premises; or
- 4.5.2 damage to, or loss of, any goods or property sustained in the Centre (whether or not due to failure of any security system for which the Landlord is responsible).

#### **4.6 Compensation for disturbance**

The Tenant is not entitled to claim any compensation from the Landlord on quitting the Premises unless and to the extent that any statutory right to compensation precludes the operation of this Clause 4.6.

#### **4.7 Removal of property after determination of Term**

- 4.7.1 If, after the Tenant has vacated the Premises following the expiry or sooner termination of the Term, any property of the Tenant remains in the Premises the Landlord may, in accordance and compliance with the requirements of section 12 and Schedule 1 of the Torts (Interference with Goods) Act 1977;

- 4.7.1.1 immediately remove the property and transfer it to an alternative place of storage; and

- 4.7.1.2 if the Tenant fails to remove the property from the Premises or, as the case may be, from the alternative place of storage within a reasonable period specified by the Landlord, the Landlord may sell the property; and

the Landlord shall hold the proceeds of sale, after deducting the costs and expenses of removal, storage and sale reasonably incurred by it, to the order of the Tenant and account to the Tenant accordingly.

- 4.7.2 The Tenant shall indemnify the Landlord against any liability incurred by it to any third party whose property has been sold by the Landlord in the

*bona fide* mistaken belief (which is to be presumed unless the contrary is proved) that it belonged to the Tenant and was liable to be dealt with as such under this Clause 4.7.

#### **4.8 Notices, consents and approvals**

4.8.1 Any notice served under or in connection with this Lease is to be in writing and to be treated as properly served if compliance is made with either the provisions of section 196 of the Law of Property Act 1925 (as amended by the Recorded Delivery Service Act 1962) or section 23 of the Landlord and Tenant Act 1927 provided that if the Tenant is a company any notice shall be validly served if and only if it is served at the Tenant's registered office for the time being.

4.8.2 Any consent or approval required under this Lease shall be obtained before the act or event to which it applies is carried out or done and shall be effective only if it is in such form and upon such terms as the party giving it properly requires.

#### **4.9 Termination of Unit 53 Lease**

If the Unit 53 Lease is surrendered, forfeited, disclaimed or otherwise terminated the Landlord may at any time terminate this Lease by giving seven days' notice in writing to the Tenant.

### **5 LANDLORD'S COVENANTS**

The Landlord covenants with the Tenant to perform and observe the covenants in this Clause 5.

#### **5.1 Quiet enjoyment**

That the Tenant, paying the rents reserved by, and performing the Tenant's covenants in this Lease, may lawfully and peaceably enjoy the Premises throughout the Term without interruption by the Landlord or by any person lawfully claiming through, under or in trust for the Landlord.

### **6 OBLIGATIONS IN SCHEDULES TO THIS LEASE**

The Landlord and the Tenant mutually covenant to observe and perform their respective obligations and the conditions in the Schedules.

### **7 EXCLUSION OF SECURITY OF TENURE**

#### **7.1 Agreement to exclude security of tenure**

The Landlord and Tenant agree to exclude the provisions of sections 24-28 of the Landlord and Tenant Act 1954 in relation to the tenancy created by this Lease.

#### **7.2 Compliance with statutory requirements**

It is confirmed that before the Tenant became contractually bound to enter into this Lease:



7.2.1 the Landlord served notice on the Tenant on <sup>13 Dec 2016</sup> in relation to the tenancy created by this Lease in a form complying with the requirements in scheduled 1 and 2 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("the Order"), as the Tenant acknowledges; and

96 7.2.2 <sup>Kathryn Sarah Paul</sup> ~~not~~ a person authorised by the Tenant made a statutory declaration in a form complying with the requirements of schedule 2 of the Order, <sup>on 15 Dec 2016</sup>

and that the parties have duly carried out the requirements of schedule 2 of the Order to render valid the agreement in Clause 8.1.

## 8 COVENANT STATUS OF THIS LEASE

This Lease is granted under section 19 of the Landlord and Tenant (Covenants) Act 1995 and is a new tenancy for the purposes of section 1 of that Act.

## 9 IMPLIED RIGHTS OF ENFORCEMENT BY THIRD PARTIES EXCLUDED

### 9.1 Exclusion of implied rights

Unless the right of enforcement is expressly granted, it is not intended that a third party should have the right to enforce a provision of this Lease under the Contracts (Rights of Third Parties) Act 1999.

### 9.2 No third party consent before rescission or variation

The parties may rescind or vary this Lease without the consent of a third party to whom an express right to enforce any of its terms has been provided.

## 10 REGISTRATION OF THIS LEASE

If this Lease should be registered at Land Registry the Tenant is to take all steps necessary to procure that the Tenant is registered at Land Registry as proprietor of the Lease as soon as reasonably possible.

## 11 LANDLORD'S RIGHT TO TERMINATE

### 11.1 Terms of termination

The Landlord may terminate this Lease:

11.1.1 At any time; and

11.1.2 By giving to the Tenant not less than three months' prior written notice to that effect.

### 11.2 Effect of termination

11.2.1 Subject to clause 11.2.2 on the expiration of the notice, this Lease will terminate, but without prejudice to the rights and remedies of either party against the other in respect of a prior breach of any provision of this Lease.

- 11.2.2 If this Lease is terminated in accordance with clause 11.1, the Tenant is not obliged to yield up the Premises in accordance with Clause 3.7 (*Yield up repair at the end of the term*), Clause 3.5.1 or Clause 3.9.5.

## 12 TENANT BREAK CLAUSE

- 12.1 In this clause the following words and expressions have the meanings set opposite them:

12.1.1 Break Notice A written notice in which the Tenant gives the Landlord at least 6 months' notice to end this lease on the Break Date.

12.1.2 Break Date 28 September 2021.

- 12.2 By serving a Break Notice the Tenant may end this lease on the Break Date.

- 12.3 A Break Notice served by the Tenant will not take effect unless by the Break Date:

12.3.1 the Tenant has paid all Annual Rent due up to and including the Break Date;

12.3.2 the Tenant has moved out of the Premises and the Premises are free of occupation by and of any estate or interest vested in the Tenant or any third party;

12.3.3 the Tenant has served a valid break notice under clause <sup>10</sup>~~12~~ of the Unit 53 Lease. α

- 12.4 Subject to clause 12.3 this lease will end on the Break Date but without prejudice to:

12.4.1 the rights and remedies of either party against the other in respect of a prior breach of any provision of this lease;

12.4.2 the continuing obligation of the parties to account to one another on demand for any service charge and insurance rent payment or allowance apportioned up to the date this lease ends; and

12.4.3 and if following the lease ending on the Break Date the Tenant has paid any rent or other sums which relate to a period after the Break Date the Landlord will repay the same to the Tenant within 14 days of the Break Date.

**Delivered as a deed on the date of this document.**

## **SCHEDULE 1**

### **The Premises**

#### **Part 1**

##### **Description of the Premises**

1 The first floor premises known as Unit 54 Swanley Shopping Centre, London Road, Swanley, Kent shown edged red on the Plan.

2 The Premises include:

- 2.1 the inside and outside of the windows and other lights and the frames, glass, equipment and fitments relating to windows and lights of the Premises;
- 2.2 the doors, door frames, equipment, fitments and any glass relating to the doors of the Premises;
- 2.3 the internal plaster or other surfaces of load-bearing walls and columns within the Premises and of walls which form boundaries of the Premises;
- 2.4 non-load-bearing walls completely within the Premises;
- 2.5 the floor and ceiling finishes (but not any other part) of the floor slabs and ceiling slabs that bound the Premises;
- 2.6 the Conducting Media within and exclusively serving the Premises;
- 2.7 appurtenances, fixtures, fittings and rights exclusively granted by this Lease;
- 2.8 machinery and plant situated within and exclusively serving the Premises; and
- 2.9 all the Landlord's fixtures and fittings of every kind which shall from time to time be in or upon the Premises (whether originally fixed or fastened to or upon the same or otherwise) except any such fixtures installed by the Tenant and that can be removed from the Premises without defacing the same,

and improvements and additions made to, and fixtures, fittings and appurtenances in, the Premises.

3 The Premises do not include:

- 3.1 the main structural walls of the Premises;
- 3.2 the load-bearing framework and all other structural parts of the Centre;
- 3.3 the roof, foundations, joists and external walls of the Centre; and
- 3.4 Conducting Media and machinery and plant within (but not exclusively serving) the Premises.

## **Part 2**

### **Rights enjoyed with demise**

The grant of this Lease to the Tenant is with the benefit of the following rights in common with the Landlord and any other persons having the same or like rights, unless the right is expressed to be exclusive to the Tenant:

- 1 The free and uninterrupted passage of water, steam, soil, air, gas, electricity and telephone communications and data from and to any part of the Premises through the Conducting Media commonly used for those purposes which are now or may in the future be in, upon or under the Centre.
- 2 The right of escape in cases of emergency through the Common Parts and along the escape routes designated by the Landlord from time to time through other parts of the Centre to a place of safety or the public highway.
- 3 The right of support and protection for the Premises as now enjoyed from the rest of the Centre.
- 4 The right to use the main entrance to the Centre and the Common Parts to enter and leave the Premises (but not for any deliveries to the Premises) and for such other purpose as the Landlord may specify from time to time.
- 5 The right to load and unload goods in the service yard forming part of the Common Parts as may be allocated by the Landlord from time to time.
- 6 The right to run conduits through the risers forming part of the Conducting Media within the Centre connecting to the Premises via routes which are to be first approved by the Landlord (such approval not to be unreasonably withheld but the Landlord is to be entitled to withhold its approval where the intended conduits would or might cause overloading).

In exercising the above rights the Tenant must not cause any damage to the Centre or any interference with the rights of other tenants, undertenants or occupiers of the Centre and must make good any damage caused as soon as possible to the reasonable satisfaction of the Landlord.

## **Part 3**

### **Exceptions and reservations**

- 1 The free and uninterrupted passage of water, steam, soil, air, gas, electricity and telephone communications and data from and to any part of the Centre or any adjoining or neighbouring property through the Conducting Media commonly used for those purposes which are now or may in the future be in, upon or under the Premises.
- 2 All rights of entry upon the Premises referred to in Clause 3 and Clause 4.
- 3 All rights of light and air.
- 4 The right to construct and to maintain in, upon, through, under or over the Premises at any time during the Term any easements or services for the benefit of the Centre and all parts of it.
- 5 The right at any time during the Term on 48 hours prior written notice to enter (or in cases of emergency to break and enter without notice) the Premises to:

- 5.1 inspect, cleanse, connect, lay, repair, remove, relay, replace with others, alter or execute any works whatever to or in connection with, the Conducting Media, easements or services referred to in paragraphs 1 and 3 of this schedule;
- 5.2 view the state and condition of and to repair and maintain the Centre and any buildings now or hereafter during the Term on it where such viewing or work would not otherwise be reasonably practicable;
- 5.3 carry out work or do anything whatsoever comprised within the Landlord's obligations in this Lease whether or not the Tenant is liable to make a contribution;
- 5.4 take schedules or inventories of fixtures and other items to be yielded up on the expiry of the Term; and
- 5.5 exercise any of the rights granted to the Landlord by this Lease.

the Landlord causing as little inconvenience to the Tenant as possible and making good all damage occasioned to the Premises in the exercise of the above rights as soon as reasonably practicable and to the reasonable satisfaction of the Tenant.

- 6 The right to erect scaffolding for any purpose connected with or related to the Centre provided that access to and signage at the Premises are available at all times.
- 7 Full right and liberty at any time hereafter to alter the Centre (such expression here excluding the Premises) or to erect new structures in the Retained Parts in such manner as the Landlord shall think fit notwithstanding the fact that the same may obstruct, affect or interfere with the amenity of or access to the Premises or the passage of light and air to the Premises.
- 8 The right from time to time and at all times during the Term:
  - 8.1 to fix, construct, place, maintain and use on over or under the Premises any sewers drains water courses or pipes which may be necessary or convenient;
  - 8.2 to erect fix maintain and use on over or under the Premises any poles, wires or cables which may be necessary or convenient and to attach the same to any part of the Premises; and
  - 8.3 to affix by such means as the Landlord may think fit:
    - 8.3.1 to the outside of any wall of the Premises which abuts unto property not included in this demise whether such wall forms the interior wall of a space occupied by the Landlord or persons claiming under the Landlord; or
    - 8.3.2 to any part of the Premises which forms the ceiling or roof of a space occupied by the Landlord or any person claiming under it

any fixtures, partition wall, ceiling decoration, advertisement or notice which the Landlord may desire and for that purpose to drive into such wall, roof ceiling, stanchion, column or support any nails, screws or any fixing device which may be necessary.



#### **Part 4**

#### **Encumbrances**

The entries referred to in the Property and Charges register of the Landlord's title and the Land Registry registered under title numbers K522286 and K284245 (other than financial charges) so far as they affect the Premises as at the date of this Lease.

## SCHEDULE 2

### Insurance provisions

#### 1 INSURED RISKS AND OTHER DEFINITIONS

- 1.1 **"Insured Risks"** means the risks and other contingencies against which the Premises and the Centre are required to be, or may be, insured under this Lease, but subject to any exclusions, limitations and conditions in the policy of insurance.
- 1.2 Insured Risks include (without limitation) fire, lightning, explosion, storm, tempest, flood, bursting and overflowing of water tanks, apparatus or pipes, earthquake, aircraft (but not hostile aircraft) and devices dropped from aircraft, riot and civil commotion, malicious damage, and such other risks as the Landlord may reasonably consider it prudent to insure.
- 1.3 If a risk or contingency itemised, or otherwise included, as an Insured Risk, can no longer be insured at reasonable cost in the London Insurance Market, the risk or contingency shall cease to be treated as an Insured Risk from the time that cover is withdrawn until cover again becomes available in the London Insurance Market.
- 1.4 In this Schedule 2:
  - 1.4.1 references to the Centre and the Premises include alterations, additions and improvements only if made by or at the expense of the Landlord or which the Landlord and the Tenant agree to treat as landlords' fixtures and fittings, but does not include tenants' fixtures and fittings;
  - 1.4.2 references to the act or default of the Tenant include the act or default of any person deriving title under or through the Tenant or its or their respective employees, agents and visitors;
  - 1.4.3 references to "vitiating by the Tenant" include any event occurring by the act or default of the Tenant (to be interpreted as in paragraph 1.4.2) as a result of which the insurance monies otherwise payable under the policy of insurance of the Landlord become wholly or partially irrecoverable, and "vitiating" and "vitiating" have corresponding meanings; and
  - 1.4.4 references to damage or destruction of the Premises and the Centre include the essential means of access to and egress from the Premises in the ownership of the Landlord.

#### 2 TENANT'S LIABILITY FOR INSURANCE PREMIUMS

- 2.1 The Tenant shall pay to the Landlord within 14 days of demand the due proportion of the reasonable and proper insurance premiums incurred by the Landlord.
- 2.2 Insurance premiums are to include all monies expended, or required to be expended by the Landlord in effecting and maintaining cover against:
  - 2.2.1 Insured Risks;
  - 2.2.2 loss of the rent and additional rent reserved by this Lease for three years;

- 2.2.3 such professional fees as may be incurred in connection with rebuilding or reinstatement of the Centre;
  - 2.2.4 the costs of demolition, shoring up, and site clearance works;
  - 2.2.5 employers', third party and public liability risks;
  - 2.2.6 value added tax liability on such items; and
  - 2.2.7 tax charged on the premiums for these insurances.
- 2.3 The insurance cover may take into account cover for the effects of inflation and escalation of costs and fees, the Landlord's estimate of the market rent of the Premises and the termination of this Lease.
- 2.4 The Tenant shall pay to the Landlord the due proportion of the professional fees for insurance valuations of replacement cost carried out at reasonable intervals.
- 2.5 The due proportion of the insurance premiums for which the Tenant is liable is to be such proportion of the premiums incurred with respect to the Centre as may fairly and reasonably be attributed to the Premises by the Landlord or the Landlord's surveyor, and the apportionment may as appropriate take into account:
- 2.5.1 the net internal area (as defined in the Measuring Code) of the Premises relative to the aggregate net internal areas of the lettable areas in the Centre;
  - 2.5.2 the different uses to which the various parts of the Centre are put and the degree of special risk associated with those uses;
  - 2.5.3 the cost of complying with requirements of the insurer;
  - 2.5.4 an increase in the insurance premiums or expense of renewal resulting from any act or omission of the Tenant or any person occupying or enjoying the use of the Premises through or under the Tenant;
  - 2.5.5 risks and contingencies that apply only to the Tenant; and
  - 2.5.6 such other matters as may properly affect the apportionment of insurance premiums between the various tenants and occupiers of the Centre,

In this Schedule 2 (*Insurance Provisions*) *due proportion* is to be interpreted accordingly.

### 3 TENANT'S OBLIGATIONS IN RELATION TO INSURANCE COVER

- 3.1 The Tenant will not do anything which may render void or voidable the insurance of the Landlord on the whole or a part of the Centre or which may cause insurance premiums to be increased.
- 3.2 The Tenant will provide efficient fire extinguishers in the Premises of a type approved by the Landlord acting reasonably, and will adopt such other precaution against Insured Risks as the Landlord or its insurers may consider reasonably appropriate.

- 3.3 If the insurance of the Landlord is vitiated by the Tenant, the Tenant shall pay to the Landlord on demand a sum equal to the amount of the insurance monies which has in consequence become irrecoverable.
- 3.4 The Tenant may not insure the Premises for any of the Insured Risks in such a manner as would permit the insurer of the Landlord to average the proceeds of insurance or cancel insurance cover.
- 3.5 The Tenant will notify the Landlord immediately of the occurrence of damage to the Premises by any of the Insured Risks.
- 3.6 The obligations of the Tenant to repair, and to yield up in repair, the Premises, are to remain operative to the extent that the insurance of the Landlord in respect of Insured Risks is vitiated by the Tenant.

#### **4 LANDLORD'S OBLIGATION TO INSURE AND REINSTATE**

- 4.1 The Landlord will keep the Centre insured with an insurer of repute against the Insured Risks and other items referred to in paragraph 2.2 for the full cost of reinstatement, subject to such uninsured excess as the insurer may reasonably apply.
- 4.2 Following damage to or destruction of the Centre by an Insured Risk, the Landlord will diligently apply, or procure the application of, the proceeds of the insurance covering reinstatement and rebuilding costs for those purposes, and will make good any further deficiency in the proceeds of the insurance out of its own resources.
- 4.3 The obligations of the Landlord in paragraph 4.2 do not apply:
  - 4.3.1 if the Landlord is unable, after using its reasonable endeavours to do so, to obtain any requisite planning permission or other consents for the reinstatement or rebuilding of the Centre or of a Centre of similar size, character and amenity;
  - 4.3.2 if the Landlord's insurance is vitiated by the Tenant unless and until the Tenant has paid all sums due from it under paragraph 3.3; or
  - 4.3.3 if this Lease is, or is to be, determined under paragraph 7.1.
- 4.4 Where the Centre is substantially damaged or destroyed, the Tenant may not object to the reinstatement or rebuilding of the Premises in a form which is not identical to the Premises immediately before the damage or destruction occurred, if the Premises as reinstated or rebuilt are of at least an equivalent or similar standard, and afford amenities which are not inferior to or deficient from those enjoyed by the Tenant before the damage or destruction.

#### **5 LANDLORD'S OBLIGATIONS IN RELATION TO INSURANCE**

- 5.1 The Landlord shall use its reasonable endeavours to procure that its insurers:
  - 5.1.1 waive entitlement to rights of subrogation against the Tenant, its sub-tenants and persons lawfully occupying the Premises through or under the Tenant and their respective employees, workmen, agents and visitors ("its lawful occupiers"); and

- 5.1.2 incorporate a non-invalidating provision in respect of the Tenant and its lawful occupiers on such terms as the insurer may stipulate.
- 5.2 The Landlord shall notify its insurers of the interest of the Tenant in the Premises and have it noted on the policies of insurance or by a general noting under the conditions of the policies.
- 5.3 The Landlord shall on request (but not more than once each year) provide the Tenant with a copy of its insurance policies (or other evidence of the conditions of insurance) on the Centre, and (at the request of the Tenant) with a receipt for the payment of the last premium or other evidence of renewal and up-to-date details of the amount of cover.
- 5.4 The Landlord shall promptly notify the Tenant of any changes in its insurance cover or of the terms on which cover has been effected.

## **6 SUSPENSION OF RENT**

- 6.1 Paragraph 6.2 applies if the Centre or any part of it is at any time during the Term so damaged by an Insured Risk as to render the Premises or any part of them unfit for occupation, use or enjoyment, except in the circumstances and to the extent that insurance cover is vitiated by the Tenant.
- 6.2 The rent and additional rent reserved by this Lease, or a fair proportion of it according to the nature and extent of the damage sustained, shall be suspended and cease to be payable until the Premises (excluding fitting-out works and replacement of contents) have been reinstated and made fit for occupation, use and enjoyment, or, if earlier, until the expiry of 3 years from the occurrence of the damage.
- 6.3 A dispute as to the amount of the abatement of the rent or the duration of the period of abatement is to be submitted to a single arbitrator, by whose decision the parties are to be bound, who is to be appointed by the parties jointly or, if they do not agree on the appointment, by the president for the time being of the Royal Institution of Chartered Surveyors (at the request of either party) and the arbitration is to be conducted under the Arbitration Act 1996.
- 6.4 The Premises are not to be treated as incapable of occupation and use by reason only that tenants' fixtures and fittings have not been reinstated and replaced.

## **7 OPTIONS TO DETERMINE - INSURED RISKS**

- 7.1 If during the last three years of the Term the Premises or the Retained Parts are destroyed or damaged by an Insured Risk making them unfit for occupation and use, the Landlord may (and the Tenant may in the event only that the Premises or the means of access thereto are destroyed or damaged by an Insured Risk making them unfit for occupation and use) terminate this Lease by giving the other party not less than one month's notice to that effect.
- 7.2 If for any reason beyond the control of the Landlord it proves impracticable to commence rebuilding or reinstatement of the Centre within two years of the damage by an Insured Risk, the Landlord or the Tenant may terminate this Lease by giving to the other party notice to that effect.



- 7.3 If the rebuilding or reinstatement of the Centre has not been commenced two years and six months after the occurrence of the damage by an Insured Risk, the Tenant may give not less than six months' notice to the Landlord to terminate this Lease, and if the rebuilding or reinstatement work has not been completed within six months of the giving of the notice, this Lease is to terminate at the expiry of the notice.
- 7.4 On the expiry of a notice of termination given under this paragraph 7 (Options to determine - Insured Risks), this Lease will terminate unless provided otherwise, but without affecting any liability arising from a breach of covenant or condition which has occurred before then.

## **8 RETENTION OF INSURANCE PROCEEDS**

On the termination of this Lease under paragraph 7, or if this Lease is terminated by the operation of the doctrine of frustration, the Landlord shall be entitled to retain the proceeds of insurance for its exclusive benefit.

## SCHEDULE 3

### Service charge provisions

#### Part 1

#### Obligations of the parties

#### 1 TENANT'S LIABILITY TO PAY SERVICE CHARGE

The Tenant is to pay to the Landlord the due proportion (as defined below) of the total reasonable and proper cost ("**service charge**") to the Landlord in any service charge period beginning or ending during the Term of providing the services specified in Schedule 3, Part 2 and Schedule 3, Part 3 and defraying the costs and expenses relating and incidental to such services.

#### 2 DEFINITION OF "DUE PROPORTION"

- 2.1 In this Schedule the expression "**due proportion**" means, in relation to the service charge, the proportion which is attributable to the Premises.
- 2.2 The due proportion is to be calculated primarily on a comparison for the time being of the gross internal area (as defined in the Measuring Code) of the Premises with the aggregate gross internal area of the lettable areas within the Centre.
- 2.3 A "**management area**" for these purposes is a part of the Centre used for administration, security and/or control maintained by the Landlord for the purposes of managing the Premises and providing the services and includes residential accommodation provided by the Landlord for a caretaker, housekeeping, or facilities manager.
- 2.4 If the comparison in paragraph 2.2 is inappropriate having regard to the nature of any expenditure or item of expenditure incurred, or the premises in the Centre which benefit from it or otherwise, the Landlord may in its discretion:
- 2.4.1 adopt such other method of calculation of the proportion of the expenditure to be attributed to the Premises as is fair and reasonable in the circumstances; and
  - 2.4.2 in the exercise of its discretion, the Landlord may, if it is appropriate:
    - 2.4.2.1 attribute the whole of the expenditure to the Premises; and
    - 2.4.2.2 make special attributions in the case of Sunday or other extended trading where only some occupiers of or traders in the Centre elect to trade throughout the year, at certain times of the year, during public holidays or outside normal trading hours,

but the Landlord is not required to take into account the length of the term or unexpired residue of the term of any tenancy in the Centre.

### 3 ADVANCE PAYMENTS ON PRELIMINARY BASIS

- 3.1 The due proportion of the service charge is to be discharged by means of advance payments to be made on the usual quarter days in each year and by such additional payments as may be required under this Schedule 3 paragraph 4 and paragraph 5.
- 3.2 The amount of each advance payment is to be the sum the Landlord may reasonably determine as equal in aggregate to the due proportion of the service charge for the relevant service charge period.
- 3.3 The Landlord is to use all reasonable endeavours at least one month before the relevant service charge period both to provide the Tenant with an estimate of likely service charge expenditure and appropriate explanatory commentary, and to notify the Tenant of the advance payment determination in accordance with paragraph 3.2.
- 3.4 Until the Landlord gives notification of the advance payment determination for the relevant service charge period, the Tenant is to pay on account of each advance payment a sum equal to the amount of the last estimated quarterly advance payment in the previous service charge period and following the expiry of seven days from the date notification of the advance payment determination is made, is to pay the balance (if any) of the amount of the relevant advance payment for the current service charge period.
- 3.5 For the purposes of this Schedule 3 "**service charge period**" means the period of 12 months from 1 January to 31 December in each year (or such other period as the Landlord may from time to time determine).
- 3.6 The service charge is to be treated as accruing on a day-to-day basis in order to ascertain yearly rates and for the purposes of apportionment in relation to periods other than one year.

### 4 SERVICE CHARGE ACCOUNTS AND ADJUSTMENTS

- 4.1 In this Schedule 3 (*Service charge provisions*) "**Service Charge Code**" means the RI CS Code of Practice on Service Charges in Commercial Leases.
- 4.2 The Landlord is, as soon as may be practicable and in any event within four months after the end of each service charge period, to submit to the Tenant a statement duly certified by the Landlord's accountant or surveyor giving a proper summary of the service charge for the service charge period just ended and is, so far as is reasonably practicable to do so, to endeavour to ensure that the form, content and time of delivery of that statement and summary reflect the principles of best practice guidance of the Service Charge Code.
- 4.3 If the due proportion of the service charge as certified is more or less than the total of the advance payments (or the grossed-up equivalent of such payments if made for any period of less than the service charge period), then any sum due to, or payable by, the Landlord by way of adjustment shall promptly be paid or allowed as the case may be.
- 4.4 The provisions of this paragraph are to continue to apply, notwithstanding the termination of this Lease, in respect of any service charge period then current.
- 4.5 The Tenant is entitled to:

- 4.5.1 inspect the service charge records and vouchers of the Landlord at such location as the Landlord may reasonably appoint for the purpose during normal working hours on weekdays; and
- 4.5.2 at the Tenant's expense take copies of them.

## 5 UNBUDGETED EXPENDITURE

- 5.1 If the Landlord is required during any service charge period to incur or actually incurs unbudgeted expenditure which forms part of the service charge, the Landlord is to be entitled to recover from the Tenant the due proportion of the service charge representing the whole of that expenditure on the quarter day next following.
- 5.2 If funds collected by way of advance payments of service charge prove insufficient to meet an immediate liability (and there is no reserve fund available, or which may be applied, to meet the liability, and the circumstances arose otherwise than as mentioned in paragraph 9.3), the Landlord is to be entitled:
  - 5.2.1 to borrow monies for the purpose from reputable banks at commercially competitive rates of interest, and the interest payable on the borrowing is to be recoverable as an item of the service charge; or
  - 5.2.2 (where the Landlord funds the liability itself) to apply a commercially competitive rate of interest to those funds and the interest so applied is to be recoverable as an item of the service charge.

## 6 SINKING FUNDS AND RESERVES

- 6.1 With a view to securing so far as may reasonably be practicable that the service charge shall be progressive and cumulative rather than irregular and that tenants for the time being shall bear a proper part of accumulating liabilities which accrue in the future, the Landlord is entitled to include, as an item of service charge for any service charge period, an amount which the Landlord reasonably determines is appropriate to build up and maintain a sinking fund and a reserve fund in accordance with the principles of good estate management.
- 6.2 Any sinking fund is to be established and maintained on normal commercial principles for the renewal and replacement of lifts, plant, machinery and equipment in the Centre.
- 6.3 Any reserve fund is to be established and maintained to cover prospective and contingent costs of carrying out repairs, decoration, maintenance and renewals and of complying with statutes, bylaws, and regulations of all competent authorities and of the insurers in relation to the use, occupation and enjoyment of the Centre.

## 7 ADVANCE PAYMENTS DEPOSIT ACCOUNT

- 7.1 This paragraph applies to that part of the monies ("**relevant monies**") paid by the Tenant and other tenants and occupiers of the Centre by way of service charge which has not yet been disbursed in payment of the costs and expenses of providing services in and to the Centre.
- 7.2 The Landlord or its managing agent will keep the relevant monies in a separate trust account until and to the extent that they may be required for disbursement in payment of the costs and expenses of providing services in and to the Centre.

- 7.3 Interest earned upon such account (less any tax payable) is to be credited to the account at regular rests in each year.
- 7.4 Until actual disbursement, the relevant monies are to be held by the Landlord for the benefit of the owners and occupiers of the Centre as a class.

## **8 LANDLORD'S PROTECTION PROVISIONS**

The Tenant is not entitled to object to the service charge (or any item comprised in it) or otherwise on any of the following grounds:

- 8.1 the inclusion in a subsequent service charge period of any item of expenditure or liability omitted from the service charge for any preceding service charge period;
- 8.2 an item of service charge included at a proper cost might have been provided or performed at a lower cost;
- 8.3 disagreement with any estimate of future expenditure for which the Landlord requires to make provision (so long as the Landlord has acted reasonably and in good faith and in the absence of manifest);
- 8.4 the manner in which the Landlord exercises its discretion in providing services (so long as the Landlord acts in good faith and in accordance with the principles of good estate management);
- 8.5 the employment of managing agents to carry out and provide services under this Schedule 3, Part 1 on the Landlord's behalf;
- 8.6 the Landlord is not concerned in the administration of or accounting for the service charge on an assignment of this Lease, and accordingly the Landlord:
  - 8.6.1 is not required to make any apportionment relative to the assignment; and
  - 8.6.2 is entitled to deal exclusively with the Tenant in whom this Lease is for the time being vested (and for this purpose in disregard of an assignment of this Lease which has not been registered in accordance with Clause 3.11); and
- 8.7 the entitlement of the Landlord to assume that the benefit of a service provided by the Landlord will be enjoyed substantially at a time after the expiry of this Lease if the service is provided by the Landlord in good faith and it is generally of benefit to the tenants of the Landlord in the Centre as a class.

## **9 TENANT'S PROTECTION PROVISIONS**

- 9.1 The following liabilities and expenses are to be excluded from the items comprising the service charge:
  - 9.1.1 initial costs (including leasing of initial equipment) incurred in relation to the original design and construction of the Centre and in relation to the plant and equipment serving or used in the Centre;



- 9.1.2 costs attributable to the initial establishment of services to the Centre that are reasonably to be considered part of the original development cost of the Centre;
  - 9.1.3 costs incurred in relation to any redevelopment of the Centre;
  - 9.1.4 costs incurred in relation to the marketing of empty lettable space in the Centre;
  - 9.1.5 costs of collecting rents and additional rents and of reviewing rents payable by tenants or occupiers of the Centre;
  - 9.1.6 costs of administering applications for consent to assign, sublet or alter by tenants or occupiers of the Centre; and
  - 9.1.7 any liability or expense for which the Tenant or other tenants or occupiers of the Centre may individually be responsible under the terms of the tenancy (or other arrangement by which they use or occupy the Centre).
- 9.2 The costs of replacement and renewal may only be included as items comprising the service charge if:
- 9.2.1 the relevant items are beyond, or are shortly to become beyond, economic repair;
  - 9.2.2 the relevant items are beyond, or are shortly to become beyond, efficient or economic operation, or are coming to the end of their projected useful life; or
  - 9.2.3 replacement or renewal can be effected at a relatively low cost compared with the much greater cost that would probably be occasioned by material postponement.
- 9.3 The due proportion of the service charge may not be increased or altered by reason only that, at any relevant time, any part of the Centre may be vacant or be occupied by the Landlord, or that any tenant or other occupier of another part of the Centre may default in payment, or not be bound to pay, the full amount of its due proportion of the service charge.
- 9.4 If the Landlord recovers monies, in exercise of its duties referred to in this Schedule 3, Part 2 paragraph 2 representing expenditure which has been or which would otherwise fall to be included in the service charge, the Landlord will set off or credit such monies against the service charge accordingly.
- 9.5 Where the Landlord recovers interest for late payment in enforcement of the obligation of any tenant or other occupier of any part of the Centre to pay the full amount of its due proportion of the service charge, the Landlord is to set off or credit the interest (or a due proportion) (less any tax paid) against the service charge unless and to the extent that the Landlord has funded the liability itself.
- 9.6 The proportion of promotional expenditure incurred in accordance with this Schedule 3, Part 3, paragraph 2.10 and borne by the Landlord out of its monies is to be set out in the service charge statement prepared and certified in accordance with Schedule 3, Part 1 paragraph 4.1.

## **10 MANAGEMENT CHARGES**

The Landlord is entitled to include in the service charge:

- 10.1 a reasonable fee for the provision of services where the services are not carried out by managing agents or others;
- 10.2 the reasonable cost of employing managing agents for the carrying out and provision of services under this Schedule 3; and
- 10.3 the reasonable cost of the accountants or auditors for auditing the service charge or providing other services in connection with the service charge.

## **11 THE LANDLORD'S OBLIGATION TO PROVIDE SERVICES**

- 11.1 Subject to the payment of the due proportion of the service charge by the Tenant in the manner required and at the times required under this Lease and to the following provisions of this paragraph, the Landlord is to provide the services specified in Schedule 3, Part 2 and may provide the services specified in Schedule 3, Part 3.
- 11.2 The Landlord is not to be liable to the Tenant for failure to provide any services in Schedule 3, Part 2 to the extent that the Landlord is prevented from doing so by Insured Risks and other perils, accidents, strikes, lock-outs of workmen or other cause beyond the Landlord's control.
- 11.3 The Landlord is not to be under any obligation to the Tenant to continue the provision of the services specified in Schedule 3, Part 3 and may in its absolute discretion vary, extend, alter or add to such services if the Landlord considers that by so doing the amenities in the Centre may be improved and/or the management of the Centre may be more efficiently conducted.

### **Part 2**

#### **Essential services and heads of charge**

## **1 UTILITIES**

The payment of any Outgoings in respect of the Common Parts.

## **2 SOFT SERVICES**

- 2.1 The provision, during normal business hours, of such heating as may be appropriate in the prevailing climatic conditions, air-conditioning and ventilation and of hot water to the hot water taps in the Centre.
- 2.2 The provision of cold water to the cold water taps in the Centre.
- 2.3 The cleaning, lighting and maintenance of the Common Parts.
- 2.4 The furnishing, carpeting and equipping and ornamentation of the Common Parts.
- 2.5 Refuse disposal.
- 2.6 The cleaning and emptying of drains serving the Centre and other Conducting Media.

- 2.7 The cleaning of the windows in the Centre (including the outside of the windows of the Premises).
- 2.8 Making representations which the Landlord in its discretion reasonably considers should be made against, or otherwise contesting, the incidence of the provisions of any legislation, order, regulation, notice or statutory requirement relating to or affecting the whole or any part of the Centre.
- 2.9 The proper costs of pursuing and enforcing any claim, and taking or defending any proceedings which the Landlord may in its discretion make, take or defend:
  - 2.9.1 against contractors, consultants, architects, consulting engineers and surveyors and any other professionals employed or engaged in connection with the construction and/or refurbishment and/or repair of the Centre and/or the Premises or any other third party, for the remedy of a defect, repairs in or to the Centre or otherwise for which they or any of them may be liable; and
  - 2.9.2 for the purpose of establishing, preserving or defending any rights, amenities or facilities used or enjoyed by the tenants and occupiers of the Centre or any part of it or to which they may be entitled.

### **3 HARD SERVICES**

- 3.1 The repair, maintenance, renewal and replacement of all plant and equipment required for or in connection with heating, air conditioning, ventilation and hot and cold water.
- 3.2 The provision, maintenance, repair, inspection, renewal and replacement of directional signs and other informative notices in the Common Parts.
- 3.3 The repair, decoration, maintenance, renewal, replacement, rebuilding, cleaning and upkeep of the structure, floors, walls, main drains, foundations, exterior and roof of the Centre, the Common Parts, the Conducting Media and other common service facilities and of plant, equipment, and tools serving or used in the Centre.
- 3.4 Compliance with all statutes, bylaws, regulations and the requirements of all competent authorities and of the insurers in relation to the use and enjoyment of the Common Parts and the Centre as a whole.
- 3.5 The operation, maintenance, repair and replacement of computer and other monitoring apparatus for the efficient operation of all services.
- 3.6 The operation, maintenance, repair and replacement of:
  - 3.6.1 fire alarms, sprinkler systems and ancillary apparatus, fire prevention and fire-fighting equipment and apparatus and fire telephone systems; and
  - 3.6.2 security alarms apparatus and systems in the Centre.

### **4 INSURANCES**

- 4.1 Insurance of the Landlord against employers' liability risks in respect of the Centre.

- 4.2 Engineering insurances for lifts, boilers, air conditioning, plant, lightning conductor equipment, and all other electrical or mechanical equipment and apparatus in the Centre.
- 4.3 Any other insurances the Landlord may reasonably effect in respect of or incidental to the Centre, its operation and management.

### **Part 3**

#### **Discretionary services and heads of charge**

#### **1 MANAGEMENT**

- 1.1 The provision and operation of management premises equipped with computer and other monitoring equipment.
- 1.2 Outgoings in respect of the management premises.
- 1.3 The operating costs of the management premises.
- 1.4 The payment of rent and service charge (if any) payable by the Landlord, in relation to management premises.

#### **2 SOFT SERVICES**

- 2.1 Employment of a housekeeper, porter, caretaker, cleaning staff, gardener or other staff for the maintenance and upkeep of, and the provision of services in, the Centre, including (without limitation) National Insurance and pension contributions of such employees.
- 2.2 The provision of uniforms, overalls and protective clothing for such employees or other staff required in connection with their duties.
- 2.3 The provision of living accommodation for a housekeeper, porter or caretaker in or nearby the Centre and the payment of Outgoings in respect of accommodation.
- 2.4 The provision of security arrangements for entry to and use of the car park.
- 2.5 The provision of security arrangements for the safety of occupiers and users of the Centre and their property kept in the Centre.
- 2.6 The engagement of security officers and services.
- 2.7 The provision and maintenance of any furniture, furnishings, decorations and features in the Common Parts.
- 2.8 The provision and operation of any information, first aid or guidance services, customer services desks and other facilities for the benefit of those visiting or using the Centre.
- 2.9 The provision, maintenance, operation and replacement of any signs, loudspeakers, public address or music broadcast systems, closed circuit television entry phone, internal telephones and audio and visual display technology monitors in the Common Parts.

- 2.10 The expenditure properly incurred with respect to promotion of the Centre including (but not limited to) employing public relations consultants, advertising in the press or television and on the radio and on and off site public relations campaigns.
- 2.11 The provision of entertainments, attractions, Christmas and other seasonal led decorations and events at the Centre.
- 2.12 The provision of any nursery premises (including providing staff for) and any other customer amenities provided for the benefit of those visiting or using the Centre.

### **3 HARD SERVICES**

Landscaping, planting and replanting and the maintenance and upkeep of the Common Parts and of garden or grassed areas.

### **4 OTHER**

The provision of any other services as the Landlord from time to time agrees or (acting in accordance with principles of good estate management) elects to provide.



## **Schedule 4**

### **Guarantee provisions**

#### **Part 1**

##### **Form of guarantee on assignment**

#### **1 GUARANTEE**

- 1.1 The Guarantor covenants with the Landlord as primary obligor that the Tenant will pay the rents reserved by, and perform and observe the Tenant's covenants in, this Lease, and the Guarantor will pay and make good to the Landlord on demand any losses, damages, costs, and expenses suffered or properly incurred by the Landlord if the Tenant fails to do so.
- 1.2 The covenant in paragraph 1.1 remains in force for so long as, and to the extent that, the Tenant is not released by operation of law (otherwise than by disclaimer) from liability for the tenant covenants in this Lease.
- 1.3 The Guarantor also covenants with the Landlord as primary obligor that the Tenant will observe and perform its obligations under any authorised guarantee agreement to be entered into by the Tenant under the terms of this Lease, and will pay and make good to the Landlord on demand any losses, damages, costs and expenses suffered or incurred by the Landlord if the Tenant fails to do so.
- 1.4 For the purposes of this guarantee, references to the "Tenant" are to the assignee of this Lease in relation to whom the guarantee to the Landlord is given, and none other.

#### **2 NO WAIVER OR RELEASE OF LIABILITY**

The liability of the Guarantor under these provisions will not be affected by:

- 2.1 forbearance, the granting of time or other indulgence of the Landlord;
- 2.2 a variation of this Lease, whether or not made with the consent of the Guarantor, (but subject to section 18 of the Landlord and Tenant (Covenants) Act 1995);
- 2.3 any act which is beyond the powers of the Tenant;
- 2.4 the surrender of part of the Premises, in which event the liability of the Guarantor under this guarantee will continue in respect of that part of the Premises not surrendered (after making any necessary apportionments under section 140 of the Law of Property Act 1925); and/or
- 2.5 the existence of or dealing with, varying, exchanging or failing to perfect or enforce any rights against the Tenant or of any other rights or security which the Landlord may have or acquire against the Tenant or any other person who is liable in respect of its obligations under the Lease.

#### **3 GUARANTOR TO ACCEPT NEW LEASE UPON RE-ENTRY AND DISCLAIMER**

- 3.1 If this Lease is terminated by re-entry by the Landlord or by disclaimer, the Guarantor will (on notice given by the Landlord within three months after the date of termination) take from the Landlord a lease of the Premises.

3.2 The lease to be granted to the Guarantor under paragraph 3.1 is to be on the following terms:

3.2.1 the term is to commence on the date of termination of this Lease and to be equal to the residue of the Term which would have remained unexpired at that date if this Lease had not then been terminated;

3.2.2 the yearly rent is to be the same as would have been payable under this Lease if it had not been terminated;

3.2.3 the lease is otherwise to be on the same terms and conditions as would have applied under this Lease if it had not been terminated; and

3.2.4 the Guarantor is to succeed to the rights, and assume the liability, of the Tenant under this Lease as if this Lease had not been terminated.

#### **4 SUBORDINATION OF RIGHTS OF THE GUARANTOR**

4.1 The provisions of paragraph 4.2 are to apply unless the Landlord has no subsisting claim against the Tenant for non-payment of rent or for breach of obligation under this Lease.

4.2 The Guarantor may not:

4.2.1 seek to recover from the Tenant, or any third party whether directly or by way of set-off, lien, counterclaim or otherwise or accept any money or other property or security, or exercise any rights in respect of any sum which may be or become due to the Guarantor on account of the failure by the Tenant to observe and perform the tenant covenants in this Lease;

4.2.2 (in competition with the Landlord) claim, prove or accept any payment in a winding-up, liquidation, bankruptcy, composition with creditors or other form of arrangement on the insolvency of the Tenant, for money owing to the Guarantor by the Tenant; nor

4.2.3 exercise any right or remedy in respect of any amount paid by the Guarantor under this Lease or any liability incurred by the Guarantor in observing, performing or discharging the obligations and covenants of the Tenant.

4.3 The Guarantor warrants that it has not taken, and undertakes with the Landlord that it will not without the consent of the Landlord take, any security from the Tenant in respect of this guarantee and, if security is nevertheless taken, it is to be held on trust for the Landlord as security for the respective liabilities of the Guarantor and the Tenant.

### **Part 2**

#### **Form of authorised guarantee agreement**

#### **1 GUARANTEE**

1.1 The Guarantor covenants with the Landlord as primary obligor that the Tenant will pay the rents reserved by, and perform and observe the Tenant's covenants in, this

Lease, and the Guarantor will pay and make good to the Landlord on demand any losses, damages, costs, and expenses suffered or incurred by the Landlord if the Tenant fails to do so.

- 1.2 The covenant in paragraph 1.1 remains in force for so long as, and to the extent that, the Tenant is not released by operation of law (otherwise than by disclaimer) from liability for the tenant covenants in this Lease.
- 1.3 For the purposes of this guarantee, references to the "Tenant" are to the assignee of this Lease in relation to whom the guarantee to the Landlord is given, and none other.

## **2 NO WAIVER OR RELEASE OF LIABILITY**

The liability of the Guarantor will not be affected by:

- 2.1 forbearance, the granting of time or other indulgence of the Landlord;
- 2.2 a variation of this Lease, whether or not made with the consent of the Guarantor, (but subject to section 18 of the Landlord and Tenant (Covenants) Act 1995);
- 2.3 any act which is beyond the powers of the Tenant;
- 2.4 the surrender of part of the Premises, in which event the liability of the Guarantor under this guarantee will continue in respect of that part of the Premises not surrendered (after making any necessary apportionments under section 140 of the Law of Property Act 1925); and/or
- 2.5 the existence of or dealing with, varying, exchanging or failing to perfect or enforce any rights against the Tenant or of any other rights or security which the Landlord may have or acquire against the Tenant or any other person who is liable in respect of its obligations under the Lease.

## **3 GUARANTOR TO ACCEPT NEW LEASE UPON DISCLAIMER**

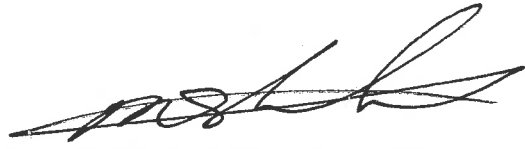
- 3.1 If this Lease is terminated by disclaimer, the Guarantor will (on notice given by the Landlord within three months after the date of termination) take from the Landlord a lease of the Premises.
- 3.2 The lease to be granted to the Guarantor under paragraph 3.1 is to be on the following terms:
  - 3.2.1 the term is to commence on the date of termination of this Lease and to be equal to the residue of the Term which would have remained unexpired at that date if this Lease had not then been terminated;
  - 3.2.2 the yearly rent is to be the same as would have been payable under this Lease if it had not been terminated;
  - 3.2.3 the lease is otherwise to be on the same terms and conditions as would have applied under this Lease if it had not been terminated; and
  - 3.2.4 the Guarantor is to succeed to the rights, and assume the liability, of the Tenant under this Lease as if this Lease had not been terminated.

#### 4 SUBORDINATION OF RIGHTS OF THE GUARANTOR

- 4.1 The provisions of paragraph 4.2 are to apply unless the Landlord has no subsisting claim against the Tenant for non-payment of rent or for breach of obligation under this Lease.
- 4.2 The Guarantor may not:
- 4.2.1 seek to recover from the Tenant, or any third party whether directly or by way of set-off, lien, counterclaim or otherwise or accept any money or other property or security, or exercise any rights in respect of any sum which may be or become due to the Guarantor on account of the failure by the Tenant to observe and perform the tenant covenants in this Lease;
  - 4.2.2 (in competition with the Landlord) claim, prove or accept any payment in a winding-up, liquidation, bankruptcy, composition with creditors or other form of arrangement on the insolvency of the Tenant, for money owing to the Guarantor by the Tenant; nor
  - 4.2.3 exercise any right or remedy in respect of any amount paid by the Guarantor under this Lease or any liability incurred by the Guarantor in observing, performing or discharging the obligations and covenants of the Tenant.
- 4.3 The Guarantor warrants that it has not taken, and undertakes with the Landlord that it will not without the consent of the Landlord take, any security from the Tenant in respect of this guarantee and, if security is nevertheless taken, it is to be held on trust for the Landlord as security for the respective liabilities of the Guarantor and the Tenant.

## EXECUTION PAGE

EXECUTED as a deed by **DS JERSEY (NO.5) LIMITED**, a company incorporated in Jersey by MARCUS SHEPHERD, being a person who, in accordance with the laws of that territory, is acting under the authority of the company in respect of:



Authorised signature



Witness Signature

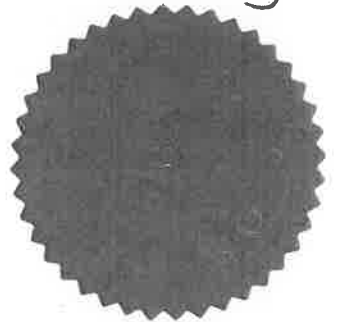
Witness Name: \_\_\_\_\_

Witness Address: \_\_\_\_\_

Sarah Kelleher  
Company Secretarial Assistant  
U and I Group PLC  
7A Howick Place  
London  
SW1P 1DZ

Occupation: \_\_\_\_\_

Common seal of the company





**EXECUTED** as a deed by **LADBROKES  
BETTING & GAMING LIMITED** acting by a  
director in the presence of:

\_\_\_\_\_  
*Director Signature*

*Director Name:* \_\_\_\_\_

\_\_\_\_\_  
*Witness Signature*

*Witness Name:* \_\_\_\_\_

*Witness Address:* \_\_\_\_\_

\_\_\_\_\_  
*Occupation:* \_\_\_\_\_

# Swanley Shopping Centre

*Handwritten signature*



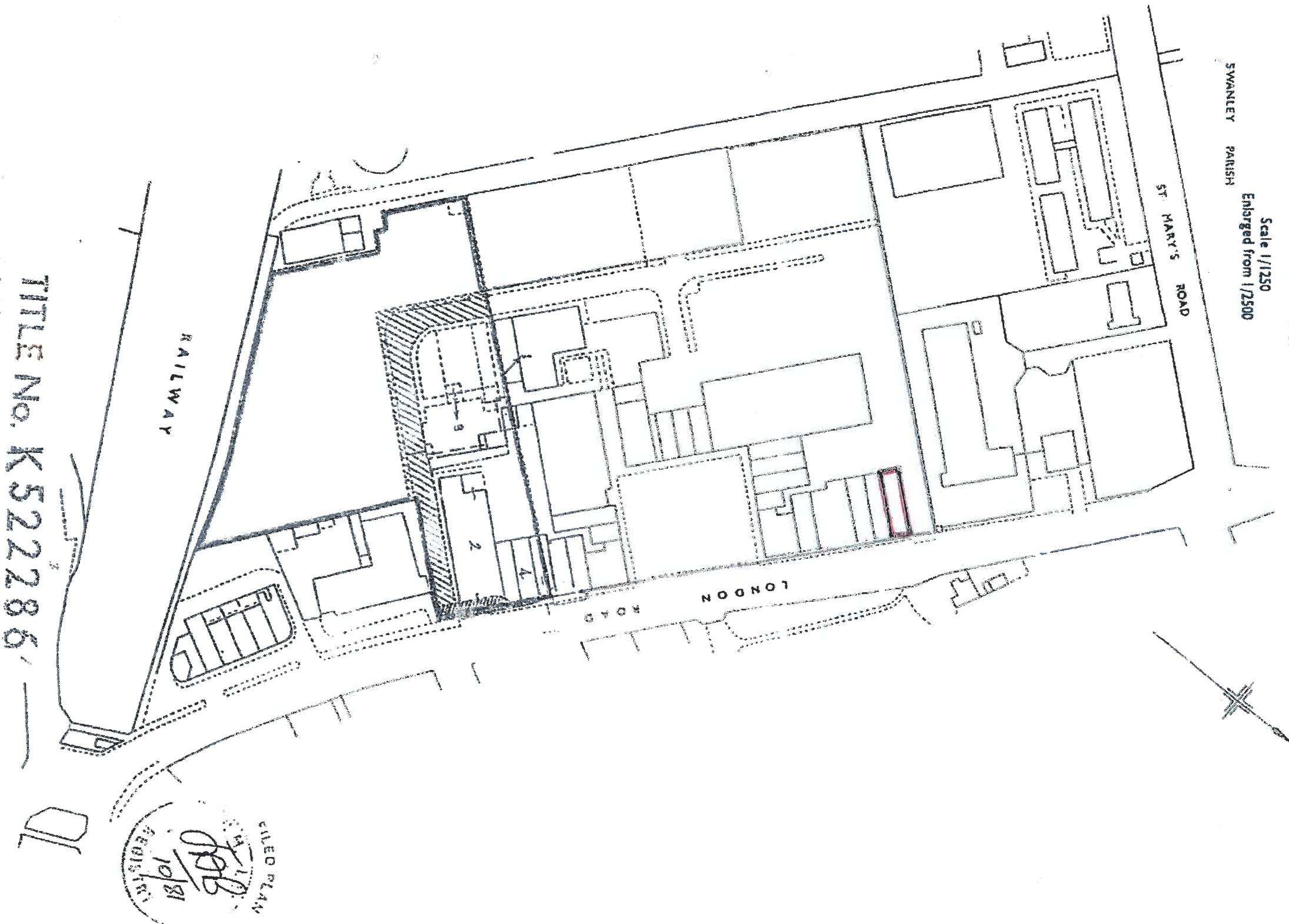
*Centre Plan*

Premises Plan

Under s.113 of the Land Registration Act 1925 this copy is admissible in evidence to the same extent as the original.  
Issued on 13 AUGUST 2007  
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# H. M. LAND REGISTRY

NATIONAL GRID PLAN    TQ 5168    SECTION    A  
KENT    SEVENDAKS DISTRICT  
Scale 1/1250  
Enlarged from 1/2500  
SWANLEY    PARISH



FILED PLAN  
10/81  
REGISTRY