

DATED 19<sup>th</sup> February 2019 2018

THE COUNCIL OF THE  
CITY OF MANCHESTER

- to -

DAVID LUKE LIMITED

**LEASE**

of land known as Unit 5  
Midland Street and King Street, Ardwick  
in the City of Manchester

City Solicitor  
Town Hall  
Manchester  
M60 2LA

LP2/KSB/CVL2010/17665

TEAM2/DOCS/KSB/MIDLAND/UNIT5/LEASE UNIT 5 MIDLAND STREET ENGROSSMENT

### **Clauses prescribed by the Land Registration Rules**

- All words in *italicised text* and *inapplicable alternative wording* in a clause may be omitted or deleted.
- Clause LR13 may be omitted or deleted.
- Clause LR14 may be omitted or deleted where the Tenant is one person.
- Otherwise, do not omit or delete any words in **bold text** unless *italicised*.
- Side-headings may appear as headings if this is preferred.
- Vertical or horizontal lines, or both, may be omitted.

|                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <b>LR1. Date of lease</b>                                                                                                                                                                                                                                                                                                                                                       | 19th February 2019                                                                                                                    |
| <b>LR2. Title number(s)</b>                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                       |
| <b>LR2.1 Landlord's title number(s)</b><br><i>Title number(s) out of which this lease is granted. Leave blank if not registered.</i>                                                                                                                                                                                                                                            | MAN86514                                                                                                                              |
| <b>LR2.2 Other title numbers</b><br><i>Existing title number(s) against which entries of matters referred to in LR9, LR10, LR11 and LR13 are to be made.</i>                                                                                                                                                                                                                    |                                                                                                                                       |
| <b>LR3. Parties to this lease</b><br><i>Give full names and addresses of each of the parties. For UK incorporated companies and limited liability partnerships, also give the registered number including any prefix. For overseas companies, also give the territory of incorporation and if appropriate, the registered number in England and Wales including any prefix.</i> |                                                                                                                                       |
| <b>Landlord -</b>                                                                                                                                                                                                                                                                                                                                                               | THE COUNCIL OF THE CITY OF MANCHESTER of the Town Hall<br>Manchester M60 2LA                                                          |
| <b>Tenant -</b>                                                                                                                                                                                                                                                                                                                                                                 | DAVID LUKE LIMITED<br>(Company No.1605492) whose registered office is at Eco Works<br>Midland Street, Ardwick, Manchester,<br>M12 6LB |
| <b>Other parties</b><br><i>Specify capacity of each party, for example "management company", "guarantor", etc.</i>                                                                                                                                                                                                                                                              |                                                                                                                                       |

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| <p><b>LR4. Property</b><br/> <i>Insert a full description of the land being leased</i><br/> or<br/> <i>Refer to the clause, schedule or paragraph of a schedule in this lease in which the land being leased is more fully described.</i><br/> <i>Where there is a letting of part of a registered title, a plan must be attached to this lease and any floor levels must be specified.</i></p> | <p><b>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.</b></p> <p>SEE SCHEDULE 1</p> <p><b>MINES AND MINERALS ARE EXCEPTED AND RESERVED - SEE SCHEDULE 3 PART 1</b></p> |
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| <p><b>LR5. Prescribed statements etc.</b><br/> <i>If this lease includes a statement falling within LR5.1, insert under that sub-clause the relevant statement or refer to the clause, schedule or paragraph of a schedule in this lease which contains the statement.</i><br/> <i>In LR5.2, omit or delete those Acts which do not apply to this lease.</i></p> |                                  |
| <p><b>LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.</b></p>                                                                                                         |                                  |
| <p><b>LR5.2 This lease is made under, or by reference to, provisions of:</b></p>                                                                                                                                                                                                                                                                                 | <p>Local Government Act 1972</p> |

|                                                                                                                                                                                                                                                                                                                                       |                                                          |
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| <p><b>LR6. Term for which the Property is leased</b><br/> <i>Include only the appropriate statement (duly completed) from the three options.</i><br/> <i>NOTE: The information you provide, or refer to, here will be used as part of the particulars to identify the lease under rule 6 of the Land Registration Rules 2003.</i></p> | <p>The term as specified in this lease at clause 2.1</p> |
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|                                                                                                       |             |
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| <p><b>LR7. Premium</b><br/> <i>Specify the total premium, inclusive of any VAT where payable.</i></p> | <p>NONE</p> |
|-------------------------------------------------------------------------------------------------------|-------------|

|                                                                                                                                                                                              |                                                                           |
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| <b>LR8. Prohibitions or restrictions on disposing of this lease</b><br><i>Include whichever of the two statements is appropriate.<br/> Do not set out here the wording of the provision.</i> | This lease contains a provision that prohibits or restricts dispositions. |
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|                                                                                                                                                                                                             |      |
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| <b>LR9. Rights of acquisition etc.</b><br><i>Insert the relevant provisions in the sub-clauses or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i> |      |
| <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>                                                                                                                                            | NONE |

|                                                                                                                                                                                                                                                                     |      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| <b>LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property</b><br><i>Insert the relevant provisions or refer to the clause, schedule or paragraph of a schedule in this lease which contains the provisions.</i> | NONE |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|

|                                                                                                                                                 |                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>LR11. Easements</b><br><i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the easements.</i> |                       |
| <b>LR11.1 Easements granted by this lease for the benefit of the Property</b>                                                                   | SEE SCHEDULE 2        |
| <b>LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property</b>                                   | SEE SCHEDULE 3 PART 1 |

|                                                                                                                                                                                          |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <p><b>LR12. Estate rentcharge burdening the Property</b><br/> <i>Refer here only to the clause, schedule or paragraph of a schedule in this lease which sets out the rentcharge.</i></p> | <p>NONE</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <p><b>LR13. Application for standard form of restriction</b></p> <p><i>Set out the full text of the standard form of restriction and the title against which it is to be entered. If you wish to apply for more than one standard form of restriction use this clause to apply for each of them, tell us who is applying against which title and set out the full text of the restriction you are applying for.</i></p> <p><i>Standard forms of restriction are set out in Schedule 4 to the Land Registration Rules 2003.</i></p> | <p>None</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

|                                                                                                                                                                                                                                                                                                                                         |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <p><b>LR14. Declaration of trust where there is more than one person comprising the Tenant</b></p> <p><i>If the Tenant is one person, omit or delete all the alternative statements.</i></p> <p><i>If the Tenant is more than one person, complete this clause by omitting or deleting all inapplicable alternative statements.</i></p> | <p>None</p> |
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**H M LAND REGISTRY**  
**Land Registration Act 2002**

**County** : **Greater Manchester**

**District** : **City of Manchester**

**Property** :

**Registered Title No** :

**THIS LEASE** is made on *19th February 2019* 2018 BETWEEN:

- (1) THE COUNCIL OF THE CITY OF MANCHESTER of the Town Hall Manchester M60 2LA  
("the Landlord")
- (2) DAVID LUKE LIMITED (Company No.1605492) whose registered office is at Eco  
Works Midland Street, Ardwick, Manchester, M12 6LB  
("the Tenant")

1. Definitions and Interpretation

- 1.1 In this Lease unless the context otherwise requires the following words and  
expressions shall have the following meanings:

**"Authority"** means any statutory public local or other authority or any court  
of law or any government department or any of them or any of their duly  
authorised officers

**"Building"** means the building or buildings erected on the Premises at any  
time during the Term

**"Certificate Date"** means the date on which a certificate is issued in  
accordance with paragraph 5 of Schedule 7

**"Cladding Works"** the overcladding of the main warehouse roof of the  
Building including the replacement of existing roof lights

**"the Code"** means the Electronic Communications Code set out in Schedule  
3A to the Communications Act 2003

**"Code Rights"** means any rights for the installation of electronic  
communications or apparatus and the inspection, maintenance, adjustment,  
alterations, repair, upgrading, operating of such electronic communications

or apparatus on or over land and the keeping of such electronic communications or apparatus on or over such land or any other rights permitted by the Code

**"Conduits"** means tanks pipes sprinklers wires cables drains meters ducts trunking sewers gutters and associated apparatus and other media for the passage or transmission of soil water gas electricity air smoke light information or other matters including where relevant ancillary equipment and structures excluding those belonging to the relevant supply authorities

**"Consent"** means anything under the terms of this Lease requiring the consent approval or agreement or words of similar effect of the Landlord

**"Determination"** means the end of the Term however that occurs

**"Enactment"** means:

- (a) any Act of Parliament and
- (b) any European Community or other supra-national legislation or decree having the force of law in the United Kingdom and references (whether specific or general) to any Enactment include any statutory modification or re-enactment of it for the time being in force and any order instrument plan regulation permission or direction made or issued under it or under any Enactment replaced by it or deriving validity from it

**"Existing Lease"** means a lease dated 6<sup>th</sup> December 1974 made between (1) the Lessor and (2) Lyon Group for the term of 99 years from 25<sup>th</sup> December 1970 in respect of the premises at Midland Street and King Street Ardwick more particularly described in the Existing Lease

**"the Initial Rent"** means the sum of EIGHT THOUSAND EIGHT HUNDRED AND FIFTY POUNDS (£8,850) per annum

**"Interest Rate"** means four percent above the base lending rate from time to time of the Barclays Bank plc or such other bank having its registered office

in the United Kingdom as the Landlord may from time to time nominate (and notify to the Tenant) or if that base lending rate cannot be ascertained then four percent above such other rate as the Landlord may reasonably specify and where and whenever interest is payable at or by reference to the Interest Rate it shall be calculated on a daily basis and compounded on the Quarter Days

**"Landlord"** includes the immediate reversioner to this Lease from time to time

**"Lease"** means this lease and includes where relevant any deed of variation licence consent or other document supplemental to or associated with this Lease

**"Legal Obligation"** means any obligation from time to time created by any Enactment or Authority which relates to the Premises or their use and includes without limitation obligations imposed as a condition of any Consent

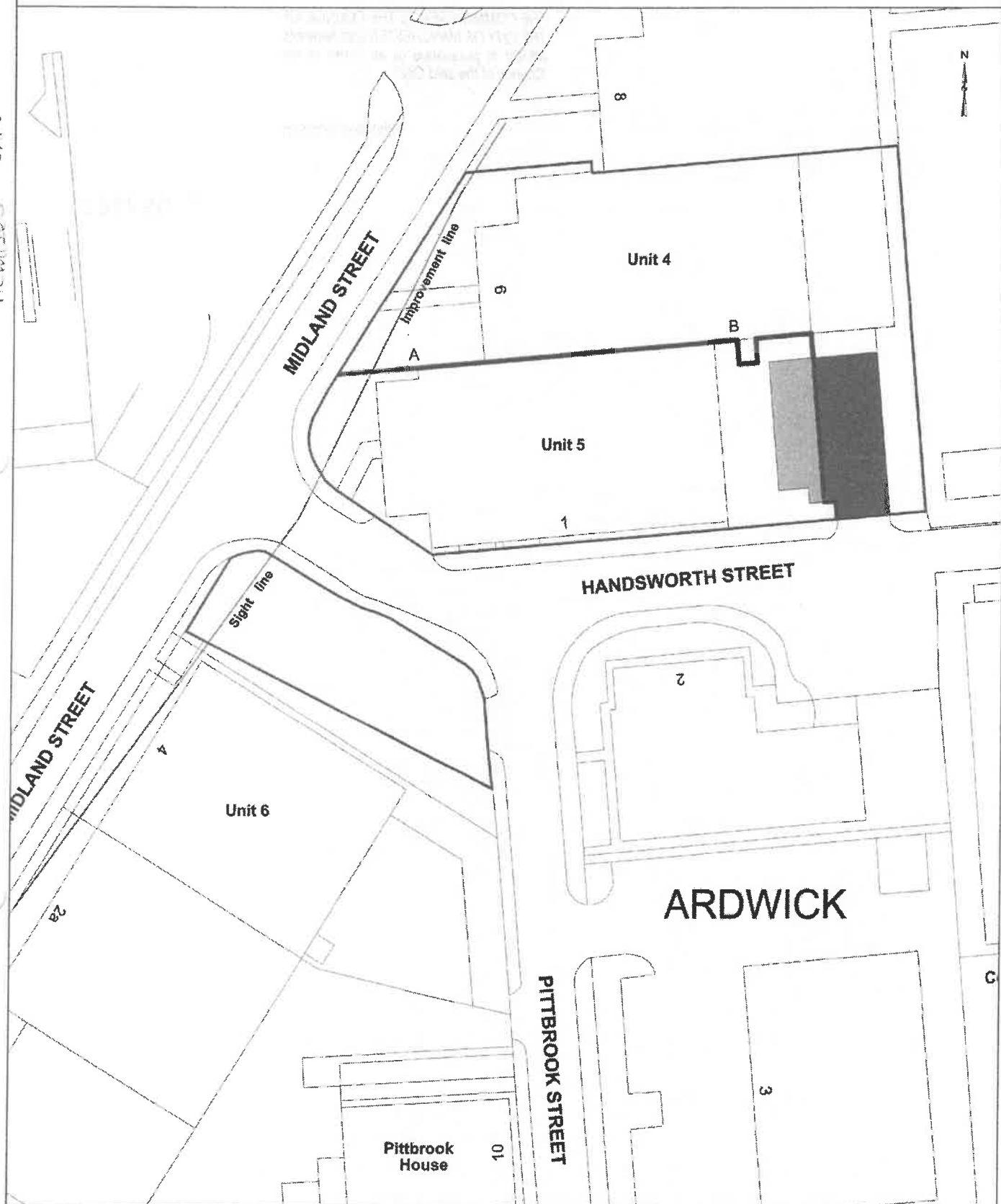
**"Necessary Consent"** means planning permission and all other consents licences permissions and approvals whether of a public or private nature which shall be relevant in the context

**"Operator"** is an electronic communications operator who has obtained a direction from The Office of Communications or its successor that the Code applies to it

**"Outgoings"** means all rates taxes charges duties assessments impositions and outgoings of any sort which are at any time during the Term payable whether by the owner or occupier of property and includes charges for electricity gas water sewerage telecommunications and other services rendered to or consumed by the relevant property but excludes tax payable by the Landlord on the receipt of the Rent or on any dealings with its reversion to this Lease and input Value Added Tax suffered by the Landlord in respect of the Premises

# PLAN REFERRED TO

"Remises Plan"



Serial No: 12171/E/OR1

Plan No: J/12171/E/OR1/2

Scale

1:500

Drawn by: PL checked by: KR

Date: 19/10/2018

JACOBS  
5 First Street  
Manchester  
M15 4GU

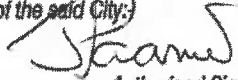
**JACOBS**

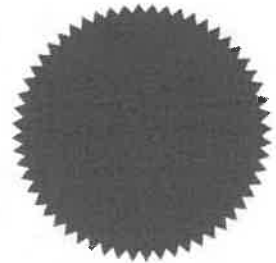
Working in Partnership with Manchester City Council Corporate Property Department.

Area edged red 1640 Sq Metres or thereabouts

This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown Copyright. Unauthorised reproduction infringes and may lead to prosecution or civil proceedings. Licence No. 100019558, 2011.

THE COMMON SEAL of THE COUNCIL OF  
THE CITY OF MANCHESTER was hereunto  
affixed in pursuance of an Order of the  
Council of the said City:

  
Authorised Signatory



01099189

**"Permitted User"** means a use within Class B1, B2 or B8 of the Town and Country Planning Use Classes Order 1987 (as originally enacted)

**"Planning Acts"** means the Town and Country Planning Act 1990 and all Acts and portions of Acts incorporated therewith and all Acts amending or replacing the same

**"Practical Completion"** means the date the Works are practically completed in accordance with the terms of a Works Contract

**"Premises"** means the property described in Schedule 1 and all additions and improvements made to it and references to the Premises shall include reference to any part of them

**"Premises Plan"** means the attached plan labelled "Premises Plan"

**"Quarter Days"** means 25th March 24th June 29th September and 25th December in each year

**"Rent"** until the First Review Date means the Initial Rent and thereafter "the Rent" means the sum ascertained in accordance with Schedule 6

**"Rent Commencement Date"** means the 19 day of February ~~2018~~ 2019

**"Replacement Works"** means the full replacement of the main warehouse roof on the Building including the replacement of the existing roof lights

**"Retained Land"** means the property of the Landlord adjoining the Premises being the remainder of the land and premises comprised in Title Number MAN86514 and not included in this Lease

**"Review Dates"** means the 25<sup>th</sup> December 2025 and every seventh anniversary of that date during the Term. References to a review date and Review Date means any one of the Review Dates

**"Review Period"** means the period starting with any Review Date up to the next Review Date or starting with the last Review Date up to the end of the Term

**"the Tenant"** includes the persons deriving title under the Tenant

**"the Term"** means the term of years commencing on and including the Term Commencement Date and expiring on the 24<sup>th</sup> December 2142

**"the Term Commencement Date"** means the ~~19<sup>th</sup>~~ day of *February*  
~~2018~~ 2019

**"Title Matters"** means the matters referred to in Part 2 of Schedule 3

**"Value Added Tax"** means and includes value added tax or other tax of a like nature for the time being in force as shall be legally payable whether as a result of any election or otherwise at the rate appropriate at the time of the relevant supply

**"Works"** means (at the absolute discretion of the Tenant) either the Cladding Works or the Replacement Works

**"Works Contract"** means a contract entered into by the Tenant with a building contractor (appointed by the Tenant) to carry out the Works

**"Works Longstop Date"** means the 1st day of December 2025 or (where applicable) the date set out in paragraph 1.1 of Schedule 7.

1.2 In this Lease unless the context otherwise requires:-

1.2.1 words importing any gender include every gender

1.2.2 words importing the singular number only include the plural number and vice versa

1.2.3 words importing persons include firms companies and corporations and vice versa

1.2.4 references to numbered clauses and Schedules are references to the relevant clause in or Schedule to this Lease

1.2.5 references in any Schedule to numbered paragraphs are references to the numbered paragraphs of that Schedule

1.2.6 where any obligation is undertaken by two or more persons jointly they shall be jointly and severally liable in respect of that obligation

1.2.7 any obligation on any party not to do or omit to do anything shall include an obligation not to allow that thing to be done or omitted to be done by any undertenant of that party or by any employee servant agent invitee or licensee of that party or its undertenant

1.2.8 where the Landlord or the Tenant covenants to do something they shall be deemed to fulfill that obligation if they procure that it is done

1.2.9 the headings to the clauses Schedules and paragraphs shall not affect the interpretation

1.2.10 any sum payable by one party to the other shall be exclusive of Value Added Tax which shall where it is chargeable be paid in addition to the sum in question at the time when such sum is due to be paid

## 2. Demise and Rent

2.1 The Landlord with full title guarantee demises the Premises to the Tenant Together with the rights set out in Schedule 2 Except and reserving to the Landlord the mines minerals and other matters set out in Part 1 of Schedule 3 Subject to and with the benefit of the Title Matters to hold to the Tenant for the Term Subject to and with the benefit of the Existing Lease and the term of years thereby created Yielding and paying during the Term;

2.1.1 the Rent by equal quarterly payments in advance on the Quarter Days in each year and proportionately for any period of less than a year, the first such payment, being a proportionate sum in respect of the period from and including the Rent Commencement Date to and including the day before the quarter day next after the Rent Commencement Date, to be paid on the date of this document

2.1.2. any other sums which may become due from the Tenant to the Landlord under the provisions of this Lease

## 3. Tenant's covenants

3.1 The Tenant covenants with the Landlord until it assigns this Lease as a whole with Consent as required by this Lease that it shall observe and perform throughout the Term the covenants by the Tenant set out in Schedule 4 and elsewhere in this Lease

4. Landlord's Covenants

The Landlord covenants with the Tenant that whilst the reversion to this Lease is vested in it, it shall observe and perform throughout the Term the covenants by the Landlord set out in Schedule 5 and elsewhere in this Lease

5. Forfeiture

- 5.1 Without prejudice to any other rights of the Landlord if the Rent or any part thereof shall be in arrear or unpaid for one calendar month after the same shall become due (whether legally demanded or not) or if there shall be any breach non-performance or non-observance of any of the Tenant covenants in this Lease to be observed and performed and the Tenant is in breach of any of its covenants then in every case the Landlord may at any time (and notwithstanding the waiver of any previous right of re-entry) re-enter the Premises whereupon this Lease shall absolutely determine but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this Lease PROVIDED that the Landlord shall not exercise this right of re-entry without giving prior written notice of its intention so to do to all then current mortgagees of the Lease who have registered a notice of charge with the Landlord

6. Miscellaneous

- 6.1 The Tenant shall not be or become entitled to any easement right quasi-easement or quasi-right save as expressly set out in Schedule 2
- 6.2 Section 196 of the Law of Property Act 1925 as amended shall apply to all notices which may need to be served under this Lease
- 6.3 This Lease is a Deed
- 6.4 No person from time to time falling within the definition of Landlord or Tenant (as the case may be) shall be liable in respect of any breach of that person's covenants in this Lease occurring after that person has disposed of the immediate reversion to this Lease or this Lease as the case may be
- 6.5 This Lease is a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995

- 6.6 It shall be lawful for the Landlord its lessee or lessees tenant or tenants at any time during the Term to erect rebuild or alter any buildings or erections facing adjoining or near to the Premises to any extent and in any manner it may think fit notwithstanding that the buildings so erected rebuilt or altered may obstruct or interfere with any light or air for the time being appertaining to or enjoyed with the Premises or any part thereof or any building for the time being thereon
- 6.7 The Landlord may sell or lease any land adjoining or near to the Premises free from any obligations or restrictions similar to the obligations or restrictions hereby imposed and any obligations or restrictions in relation to any adjoining or neighbouring land may be wholly or partially released or any breach thereof waived without thereby releasing the Tenant from any of the covenants or provisions herein contained or giving to the Tenant any right of action against the Landlord or any other person or persons
- 6.8 For the avoidance of doubt nothing herein contained or implied shall prejudice or affect the Landlords rights powers duties and obligations in the exercise of its functions as a local authority planning authority highway authority or in any other capacity whatsoever nor relieve the Tenant from the necessity to obtain all such approvals or consents as may from time to time be requisite from the Landlord in any such capacity as aforesaid and the rights powers duties and obligations of the Landlord under all public and local statutes byelaws orders and regulations may be as fully and effectually exercised in relation to the Premises or any part thereof as if it were not the reversioner and this Lease had not been executed by it
- 6.9 It is agreed and declared that the wall between the points 'A' and 'B' shown on the Premises Plan shall be deemed to be a party wall within the meaning of Section 38 of the Law of Property Act 1925 and shall be maintained accordingly
7. Agreement for Lease  
This Lease is not entered into pursuant to an Agreement for Lease
8. Rights of Third Parties Act 1999

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

9. Governing law and Jurisdiction

9.1 This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

9.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims) excepting any dispute referred to an Arbitrator pursuant to Schedule 6.

10 Merger and extinguishment

10.1 The Tenant (as Registered Proprietor of Title Number LA285317) and the Landlord declare that the Existing Lease and the term of years thereby created shall merge and be extinguished in this Lease

10.2 The Landlord and the Tenant hereby apply to the Chief Land Registrar to cancel the Existing Lease registered under Title Number LA285317 and cancellation of the notice of the Existing Lease in the Schedule of Leases contained in the registers of Title Number MAN86514 following registration of the Lease

IN WITNESS whereof the parties hereto have executed this instrument as their Deed (but it remains undelivered until the day and year first above written)

## **Schedule 1**

### **The Premises**

The property known as Unit 5 Midland Street bounded by Midland Street and King Street, Ardwick in the City of Manchester and shown edged red on the Premises Plan.

## **Schedule 2**

### **Rights Granted**

1. The following rights insofar as the Landlord has the ability to grant the same and in common with the Landlord and (save where otherwise specified) with all others for the time being authorised by the Landlord or otherwise entitled for the Tenant and any permitted undertenant or permitted occupier of the Premises:
  - 2.1 The right for the passage of water, soil, gas, electricity telephone and other services through any Conduits on the Retained Land.
  - 2.2 The right for the Tenant its sub-tenants and all those authorised by either of them at all times upon prior reasonable notice (in writing except in the case of emergency) to enter (where it is necessary to do so) upon the Retained Land (excluding any areas containing buildings) for the purpose of:
    - 2.2.1 maintaining, repairing and cleaning into any Conduits now or at any time during the Term in the Retained Land which serve or are intended to serve the Premises together with a right to inspect and maintain any meters which may be situated on the Retained Land
    - 2.2.2 repairing rebuilding and carrying out any works or alterations to the Premises; and
    - 2.2.3 performing any of the Tenant's obligations to this Lease.
  - 2.3 The right for the Tenant its sub-tenants and all those authorised by either of them at all times for all purposes connected with the Permitted User with or without vehicles to pass and repass over the area of land shown coloured green on the Premises Plan the person or persons exercising the said rights paying a fair proportion towards the cost of repairing cleansing and maintaining the area shown coloured green on the Premises Plan such proportion in the case of dispute to be determined by the Head of Corporate Property of the Landlord

### **Schedule 3**

#### **Part 1 - Exceptions and Reservations**

1. The rights for the Landlord and all others from time to time authorised by the Landlord or otherwise entitled and without any liability to pay compensation:-
  - 1.1 All mines minerals and mineral substances which are in or under the Premises with full power for the Landlord to work and get such mines minerals and mineral substances belonging to the Landlord by underground workings only and without any obligation to leave any subjacent or lateral support for the surface or for any buildings for the time being erected thereon or for any adjoining minerals and from time to time or at any time to do all acts and things necessary or proper for working or getting such mines minerals and mineral substances and any adjoining mines minerals and mineral substances but nevertheless so that nothing herein contained shall confer on the Landlord any right to enter on the surface and that proper compensation shall be paid to the Tenant for any damage to the surface or to any buildings thereon by reason of the exercise of the powers and rights hereby reserved
  - 1.2. Free passage and drainage of water sewage and soil coming from or off any premises or buildings erected and built or to be erected and built contiguous with or near to the Premises through the Conduits and watercourses which are now or may in the future be in or under the Premises
  - 1.3 For the benefit of the premises known as Unit 4, 6 Midland Street and shown edged blue on the Premises Plan ("Unit 4") the right for the Landlord its sub-tenants and all those authorised by either of them at all times for all purposes connected with the authorised use of Unit 4 with or without vehicles to pass and repass over the area of land shown coloured brown on the Premises Plan the person or persons exercising the said rights paying a fair proportion towards the cost of repairing cleansing and maintaining the area shown coloured brown on the Premises Plan

such proportion in the case of dispute to be determined by the Head of Corporate Property of the Landlord

#### **Part 2 - Title Matters**

The rights exceptions reservations covenants and other matters contained mentioned or referred to in the Registers of Title Number MAN86514 and the following documents insofar as they affect the Premises and are capable of being enforced:

| DATE                          | DOCUMENT               | PARTIES                                                     |
|-------------------------------|------------------------|-------------------------------------------------------------|
| 8 <sup>th</sup> November 1973 | Transfer and Surrender | (1) Lyon Group Limited<br>(2) Manchester Corporation        |
| 25 <sup>th</sup> March 1974   | Transfer               | (1) Lyon Group Limited<br>(2) Plessey Pension Trust Limited |

#### **Schedule 4**

##### **Tenant's Covenants**

1. To pay Rent
- 1.1 To pay the Rent at the times and in the manner required by this Lease to such address as the Landlord may from time to time require and in any case without deduction or set-off whether legal or equitable

- 1.2 If any Rent due under this Lease is not paid within twenty eight days after becoming due (whether or not demanded except where a demand is required by this Lease) the sum in question shall carry interest at the Interest Rate for the period from the date on which it became due until the date of actual payment and that interest shall be paid by the Tenant on demand
2. To pay outgoings
- 2.1 To pay and discharge all Outgoings relating to the Premises at the times when they become due
- 2.2 If at any time the Premises are not separately assessed for any Outgoings the Tenant shall pay to the Landlord on demand a fair proportion of any assessment which includes the Premises
3. The Works
- The Tenant shall carry out the Works in accordance with the provisions of Schedule 7
4. To Repair
- At all times during the Term at the expense of the Tenant and with materials to be approved by the Landlord (such consent not to be unreasonably withheld) well and substantially to repair maintain and cleanse and in all respects to keep the Premises in good and substantial repair and condition and in whole or in part rebuild replace or renew the same as necessary
5. To Paint
- Once in every five years of the Term and the last year of the Term properly to paint in such colour or colours as shall be approved by the Landlord all such parts of the outside of any buildings or any fences railings or other erections on the Premises as are usually painted and when required in accordance with good estate management during the Term and in the last year of the Term to paint and decorate to the reasonable satisfaction of the Landlord all such parts of the inside of any buildings on the Premises as are usually painted and decorated
6. To keep Premises in order

To keep all parts of the Premises generally in proper and neat order and condition and properly to keep free from weeds replace and make good as necessary to the reasonable satisfaction of the Landlord any grass lawns flowering shrubs bushes and dwarf hedges within the Premises

7. Not to store in open

Not at any time without the consent in writing of the Landlord to use any part of the Premises not occupied by the Building for the open storage of goods or materials of any nature whatsoever and to comply with any conditions subject to which any such consent may be given

8. Encroachments

To take all necessary steps to prevent any encroachment upon the Premises or the acquisition of any new right to light passage drainage or other easement over under or upon the Premises which shall come to the knowledge of the Tenant and to give notice to the Landlord of any threatened encroachments or attempt to acquire any such easement and to co-operate in all reasonable respects with the Landlord in taking any measures the Landlord may deem necessary (including legal action) to resist such encroachment or the acquisition of any such easement

9. Waste material

Not to deposit place or store any bins crates cartons boxes or any receptacle for waste or any such waste material in such manner as to be visible from any part of the public footpath street or road but maintain any such receptacles or material as aforesaid within the boundary walls of the Premises

10. To preserve trees

Not to damage or cut down or remove any trees or shrubs growing on the Premises without first obtaining the written consent of the Landlord (such consent not to be unreasonably withheld or delayed)

11. Smoke control and smokeless Fuel

11.1 Not to erect or install in or upon the Premises any furnace boiler or other fuel burning apparatus (other than domestic apparatus consuming gas or electricity) ("the said Apparatus") without the previous written consent of the Landlord (such

consent not to be unreasonably withheld or delayed) and to use and maintain any apparatus so installed and any alteration or addition thereto to the reasonable satisfaction of the Landlord

- 11.2 To erect any chimney in connection with the said Apparatus to the satisfaction in all respects of the Landlord and not to use or suffer to be used negligently inefficiently or improperly the said Apparatus so as to cause or permit any noxious or offensive smoke effluvia gas vapour or grit to be emitted from the said Apparatus
- 11.3 Upon written notice being served by the Landlord requiring the abatement of any emission of smoke effluvia gas vapour or grit forthwith to take steps to abate such emission to the reasonable satisfaction of the Landlord Provided that the abatement of such emission shall without prejudice to any other rights of the Landlord under the terms of this Lease
- 11.4 Not to claim exemption under any Smoke Control Order or any similar order regulation byelaw or enactment made by the Landlord in its capacity as the local authority or by any other proper authority
- 11.5 Notwithstanding any approval by the Landlord of the said Apparatus and chimney the said Apparatus and chimney shall be altered or such additional parts shall be provided as may be required by the Landlord or the purpose of preventing to the satisfaction of the Landlord any noxious or offensive smoke effluvia gas vapour or grit from being emitted from the said Apparatus or chimney

12. No advertising or billposting station

Not to use any walls gable ends or fences comprising the Premises or any notice board sign or hoardings thereon for the posting of bills or advertisements and not to use the Premises for the purpose of an advertising or billposting station and in case of any breach of this covenant the Landlord shall in addition to any other remedy it may possess have the right at any time without notice to the Tenant or the occupier or occupiers to enter upon the Premises and to remove any bills advertisements or posters displayed or exhibited in contravention of this covenant Provided always that the Tenant may without Landlord's consent display on the Premises two advertisements indicating the Tenant's business name unless such

advertisement shall be of such a nature as the Landlord shall take objection to on the ground of unsightliness or disfigurement of the neighbourhood or on other reasonable grounds

13. To Yield up on Determination

On Determination to yield up the Premises to the Landlord in accordance with the Tenant's Covenants herein contained with vacant possession

14. Insurance

- 14.1 At all times to insure the Premises from loss or damage by fire explosion lightning storm tempest and aircraft including articles dropped therefrom to the full replacement value thereof in the joint names of the Tenant and the Landlord as co-insureds in some well-established insurance office in Great Britain which shall be a member of the Association of British Insurers and during the Term to keep the same so insured and to pay all premiums necessary for that purpose within twenty eight days after the same shall have become due and upon the request of the Landlord from time to time to produce a copy of or details of the policy of such insurance and a copy of the receipt for the premium for the then current year
- 14.2 If the Premises or any part or parts thereof shall be destroyed or damaged and as often as the same shall be so destroyed or damaged the Tenant shall use its reasonable endeavours to obtain all planning permissions or other permits and consents ("Permissions") that may be required under the Planning Acts to enable the Tenant to rebuild and reinstate the Premises
- 14.3 The Tenant shall as soon as reasonably practicable after the Permissions have been obtained or as soon as reasonably practicable where no Permissions are required apply all money received in respect of such insurance in re-building or reinstating the Premises so destroyed or damaged under the direction and to the reasonable satisfaction of the Landlord and in case such money shall be insufficient for such purpose shall make good such deficiency
- 14.4 If the Tenant shall at any time fail to insure or keep insured the Premises or to produce a copy of or details of the policy of insurance and a copy of the receipt for the current year's premium the Landlord may do all things necessary to effect or

maintain such insurance and all money expended by the Landlord for that purpose shall be repaid by the Tenant to the Landlord on demand and such money and Interest shall until payment be recoverable as rent in arrear

- 14.5 If at any time the Tenant desires to effect an insurance of the Premises otherwise than in compliance with the terms of this Lease the Tenant shall first obtain the consent in writing of the Landlord and shall hold all money received by the Tenant in respect of any such insurance in trust for the Landlord to be paid to the Landlord and to be applied by it in reinstatement of the Premises
- 14.6 The Tenant shall not to do or suffer to be done anything which may prejudice any such insurance as aforesaid nor without the consent in writing of the Landlord (which consent shall not be unreasonably withheld) to keep or permit to be kept on the Premises materials of a dangerous or explosive nature nor do or suffer to be done anything whereby the insurance premium for adjacent premises shall require to be increased
- 14.7 If upon the expiry of 5 years commencing on the date of the damage or destruction of the Premises the Premises have not been re-built or reinstated due to the Tenant not being able to obtain any consents or permissions required for the reinstatement or if any consents or if any permission is granted subject to a lawful condition which it is impossible or unreasonable in all the circumstances for the Tenant to comply with either party may by notice served on the other at any time within 6 months of the expiry of such period invoke the provisions of paragraph 14.8
- 14.8 Upon service of notice in accordance with paragraph 14.7:-
- 14.8.1 the Term will absolutely cease but without prejudice to any rights or remedies that may have accrued to either party against the other
- 14.8.2 all money received in respect of the insurance effected by the Tenant pursuant to this paragraph 14 shall be apportioned between and paid to the Landlord and the Tenant in such proportions as they shall agree having regard to their respective interests in the Premises at the time of the destruction or damage giving rise to its payment and if the Landlord and

Tenant shall fail to agree on the said apportionment such apportionment shall be determined by a valuer acting as an expert such valuer to be nominated in absence of agreement by or on behalf of the President on the application of either the Landlord or the Tenant

15. Planning and compliance

To comply with the Planning Acts so far as the same affect the Premises and any development already or hereafter to be carried out executed done or omitted thereon or the use thereof for any purpose and to execute all works as are or may under or in pursuance of any Legal Obligation required during the Term

16. Open Areas

To keep such parts of the Premises as remain open and unbuilt upon in a clean and tidy condition and where appropriate properly mowed planted and landscaped

17. VAT

To pay any Value Added Tax or other tax of a similar nature payable in respect of any sum payable under these presents so that any such sum shall be deemed to be tax exclusive

18. Alterations

- 18.1 Save for this paragraph, paragraphs 18.3 and 18.5 not without the consent in writing of the Landlord (which shall not be unreasonably withheld or delayed) to make any structural addition nor any improvements or alterations to the exterior of the Premises nor any change in the character design or appearance of the same or (except within the Building) install any Conduits at the Premises
- 18.2 If the Landlord shall refuse consent for any such alterations pursuant to paragraph 18.1 it shall do so promptly and give full written reasons for the refusal at the time of refusal which reasons shall be the only reasons the Landlord is entitled to rely upon in any subsequent proceedings brought to challenge the Landlord's decision
- 18.3 The Tenant may make any internal structural alterations to the Building without the consent of the Landlord provided the Tenant shall have given to the Landlord two

copies of the plans and specifications for such works prior to commencing the said works

18.4 The Landlord shall be entitled to require as a condition of any consent given under this paragraph:-

18.4.1 sight of plans sections elevations and specifications prepared by a Registered Architect

18.4.2 that the Registered Architect supervises the work to completion

18.4.3 that the materials used are previously approved by the Landlord such approval not to be unreasonably withheld or delayed

18.5 The Tenant may without the consent of the Landlord;

18.5.1 make internal non - structural alterations to the Building

18.5.2 replace any external Conduits plant and equipment to the Premises

18.5.3 erect any temporary buildings within the yard areas of the Premises

19. Dealings with the Premises

19.1 Not to assign the whole or any part of the Premises or part with the possession or share occupation of the whole or any part of the Premises without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) provided that the Landlord shall be entitled (for the purposes of Section 19(1A) of the Landlord and Tenant Act 1927):-

19.1.1 to withhold its consent where in the reasonable opinion of the Landlord the proposed assignee is not of sufficient financial standing to enable it to comply with the Tenant's covenants in the Lease

19.1.2 to impose as a condition of its consent an obligation that the Tenant shall pay to the Landlord all sums payable by the Tenant to the Landlord which have fallen due under the Lease and which have been demanded prior to the date of the assignment

19.2 Not to underlet the whole or any part of the Premises without the previous written consent of the Landlord such consent not to be unreasonably withheld or delayed provided that every permitted underlease shall contain covenants on the part of the underlessee or underlessees not to assign or

underlet or part with possession or share occupation of the whole or any part of the premises comprised in such underlease without the previous consent of the Landlord such consent not to be unreasonably withheld or delayed

19.3 Not to assign the whole of the Premises unless the Tenant for the time being of this Lease shall, where reasonably required, have entered into an authorised guarantee agreement with the Landlord pursuant to Section 16 of the Landlord and Tenant (Covenants) Act 1995 guaranteeing the performance by the assignee of the covenants on the part of the Tenant contained in this Lease in such form as the Landlord shall reasonably require

19.4 Not to assign or part with or share any of the benefits or burdens of this Lease, or any interest derived from it, whether by virtual assignment or other similar arrangement

19.5 Within twenty eight days after any dealing with or transmission or devolution or sub-letting of the Premises or any interest in it (whether or not specifically referred to in this paragraph 19) the Tenant shall give to the Landlord's then solicitors notice in duplicate specifying the basic particulars of the matter in question and at the same time supply a certified copy of any instrument making or evidencing it and pay those solicitors a registration fee of £85.00 or such higher sum as shall be reasonable at the time

20. Legal Obligations

To comply with all Legal Obligations

21. Entry by Landlord

21.1 Upon reasonable prior written notice (except in emergency when no notice need be given) to permit the Landlord and those authorised by it at all times to enter (and remain unobstructed on) the Premises for the purpose of:-

21.1.1 exercising the rights reserved by Schedule 3 or

21.1.2 complying with the Landlord's obligations under this Lease or with any other  
Legal Obligation of the Landlord

22. Costs

22.1 On the execution hereof to pay to the Landlord the sum of £1,875.00 in respect of the Landlords legal costs and expenses of and incidental to the preparation of this Lease and the Counterpart hereof together with the Landlord's surveyor's costs of £1,000.00

22.2 To pay to the Landlord on demand on a full indemnity basis all reasonable and proper costs expenses losses and liabilities incurred by the Landlord as a result of or in connection with:-

22.2.1 any breach by the Tenant of any of its covenants or obligations in this Lease and/or the enforcement or attempted enforcement of those covenants and obligations by the Landlord

22.2.2 any application for approval under this Lease whether or not that is refused or the application is withdrawn (save where such approval is unreasonably withheld)

22.2.3 complying with a Legal Obligation

22.2.4 any liability of the Landlord in respect of the Premises which arises at common law or by virtue of any Enactment

22.3 To contribute fair proportions in common with the other tenants of the Landlord making use thereof towards the costs of repairing cleansing and maintaining the area of land shown coloured green on the Premises Plan and also the sewers drains and watercourses which serve the Premises and Unit 4 such proportions in the case of dispute between the contributing parties to be fixed by the Head of Corporate Property of the Landlord

## 23. Title Matters

23.1 To observe and perform all covenants in respect of the Premises arising from the Title Matters (except for payment of any perpetual yearly rentcharge or ground rent other than Rent)

23.2 Without limiting paragraph 23.1 to pay to the Landlord within 7 working days of demand any sums which the Landlord may be required to pay to any other party as a contribution to the cost of repair decoration inspection testing maintenance or

renewal of any areas or structures used by the Landlord or the Tenant in common with other parties

24. Works

24.1 To commence carry out and complete the Works in strict accordance with the time limits and provisions contained in Schedule 6 and such provisions shall have effect accordingly

24.2 Before commencing the Works the Tenant shall notify the Landlord in writing whether the Works will be the Cladding Works or the Replacement Works

25. User

Not to use the Premises otherwise than for the Permitted User

26. Nuisance

Not to let or use the Premises or any part or parts thereof or permit or suffer the same to be let or used for a club or for the manufacture distribution sale or supply of intoxicating liquors for consumption on or off the Premises nor for any noxious offensive noisy or dangerous trade business pursuit or occupation or for any illegal or immoral purpose or for any purpose or in any manner which may be deemed by the Landlord to be a nuisance material damage grievance or annoyance to the Landlord or its tenants or to the owners lessee or lessees tenant or tenants of any of the adjoining property or the neighbourhood or to be detrimental to the neighbourhood provided that the carrying on in a proper manner of the uses referred to in the last preceding paragraph shall not be deemed to be a breach of this covenant

27 Acquisition of rights

The Tenant shall not (save under a written grant of the Landlord) acquire any right of light air way support watercourse drainage or other easement over under or through any adjoining or neighbouring land of the Landlord

28. Abatement of nuisance

To pay all reasonable and proper costs charges and expenses incurred by the Landlord in abating a nuisance and executing all such works as may be necessary

for abating a nuisance or for remedying any other matter in connection with the Premises in obedience to any notice served by any local or public authority

29. To pay for consents

Save where otherwise provided in this Lease to pay to the Landlord all reasonable solicitors' costs and surveyors' fees incurred by the Landlord attendant upon or incidental to every application made by the Tenant for a consent or licence herein required or made necessary whether the same be granted or refused or proffered subject to any lawful qualification or condition or whether the application be withdrawn

30. Indemnity

To indemnify and keep indemnified the Landlord from and against liability in respect of all loss damage actions proceedings claims demands costs damages and expenses of whatsoever nature in respect of any injury to or the death of any person or damage to any property movable or immovable or in respect of the infringement disturbance or destruction of any right easement or privilege or otherwise by reason of or arising in any way directly or indirectly out of any act omission or negligence of the Tenant or any persons at the Premises expressly or impliedly with its authority or any breach or non-observance by the Tenant or any underlessee or other occupier of the Premises of any covenant on the part of the Tenant or any condition herein contained or of any matter to which this demise is subject

31. No Market

Not to hold nor permit to be held any sale by auction on the Premises and not to use the Premises as a retail or wholesale market or for the purpose of a car boot sale or other such similar activity

32. Inspection by Landlord

32.1 To permit the Landlord by its officers and servants with or without workmen or others at reasonable times to enter upon the Premises

32.1.1 to view the state and condition thereof

32.1.2 at any time during the last seven years of the Term to take a schedule of the landlord's fixtures therein

33.2 To repair and make good with materials to be approved by the Landlord all defects and wants of reparation which shall on any such inspection be discovered for which the Tenant is responsible under the provisions of this Lease or otherwise and of which notice in writing shall be given to the Tenant or left for the Tenant at or upon the Premises within two calendar months after the giving of such notice Provided that in case the Tenant makes default in complying with the requirements of any notice given by the Landlord within the aforesaid period then in addition to any other remedy it may possess it shall be lawful for the Landlord to enter into and upon the Premises and to execute or cause to be executed the works comprised or referred to in the said notice and to recover from the Tenant the actual costs thereof and charges incurred in connection therewith as rent in arrear

34. Telecommunications Masts

34.1 Not to enter into any agreement with any Operator conferring on the Operator any Code Rights on the Premises or agree to be bound by any such right granted by another person

34.2 To use all reasonable endeavours to procure that no occupier of the Premises or any part thereof enters into any agreement as referred to in paragraph 34.1 and that no other person occupying the Premises through the Tenant agrees to be bound by any such right.

34.3 Forthwith to notify the Landlord in writing if any Operator requests the Tenant (or to the knowledge of the Tenant any other person occupying the Premises through the Tenant) to grant the Operator any such right as referred to in paragraph 34.1 or if the Tenant becomes aware that any Operator does anything on the Premises pursuant to the Code or exercises any Code Rights without having obtained the written agreement of the Landlord

35. Site Boundary

Not at any time to obstruct in any manner or by any thing any line of vision over that area of the Premises lying between the line defined as 'improvement line'

shown of the Premises Plan and the boundary of the Premises fronting to Midland Street

#### **Schedule 5**

##### **Landlord's Covenants**

1. **Quiet Enjoyment**

If the Tenant pays the Rent and observes and performs the Tenant's covenants and obligations in this Lease the Tenant may peaceably hold and enjoy the Premises during the Term without any lawful interruption or disturbance from or by the Landlord or any person claiming through under or in trust for the Landlord

2. **Indemnity against overriding rents**

For the purpose of affording to the Tenant a full and sufficient indemnity but not further or otherwise to pay all perpetual yearly rentcharges and ground rents (other than Rent) which affect the Landlord's Interest in reversion to this Lease and are properly due from and payable by the Landlord

#### **Schedule 6**

##### **Rent Review**

1.1 The Terms defined in this paragraph shall for all purposes of this Schedule have the meanings specified

1.2 "**the Assumptions**" mean the following assumptions at the relevant Review Date:

1.2.1 that the Premises are available to let by a willing landlord to a willing tenant as a whole without a premium but with vacant possession and subject to the provisions of this Lease (other than the amount of the Rent but including the provisions for rent review) for a term of fourteen years or for a term equivalent to the residue then remaining unexpired of the Term whichever shall be the shorter period

1.3 "**the Disregarded Matters**" mean:

1.3.1 any effect on rent of the fact that the Tenant its sub-tenants or their respective predecessors in title have been in occupation of the Premises

- 1.3.2 any goodwill attached to the Premises by reason of the carrying on at the Premises of the business of the Tenant its sub-tenants or their predecessors in title in their respective businesses at a date of review
- 1.3.3 any effect in rental value of the Premises attributable to the existence at the relevant Review Date of any improvement to the Premises lawfully carried out by or at the expense of the Tenant (or its sub-tenant of the Tenant) otherwise than in pursuance of an obligation in this Lease
- 1.4 "the President" means the President for the time being of the Royal Institution of Chartered Surveyors the duly appointed deputy of the President or any person authorised by the President to make appointments on his behalf
- 1.5 "the Arbitrator" means a person appointed by agreement between the parties or in default of agreement within fourteen days of one party giving notice to the other of its nomination or nominations nominated by the President on the application of either party following service of the Landlord's notice pursuant to paragraph 3 of this Schedule made not more than twelve months and not earlier than six months before the relevant Review Date or at any time thereafter
- 1.6 "the Review Formula" means  $1/6.5$  of the yearly rack rent
2. Until the first Review Date the Rent is to be the Initial Rent and thereafter during each successive Review Period a sum equal to the greater of the rent payable under this Lease immediately before the relevant Review Date (or if payment of rent has been suspended as provided for in this Lease the rent that would have been payable had there been no such suspension) or the revised rent ascertained in accordance with this Schedule
3. The right of review shall be exercised by the Landlord or the Tenant giving notice to the other in writing not more than twelve nor less than six months prior to any Review Date of the intention to review the rent at such review date
4. The revised rent for the Review Period may be agreed in writing at any time between the parties within three calendar months from such date of review to the Review Formula at which the Premises (whether let or unlet) and shall be such as the parties shall decide should be the Rent at the relevant Review Date for the

Premises making the Assumptions but disregarding the Disregarded Matters and having regard to the provisions of this Schedule 6 and open market rental values current at the relevant Review Date or (in the absence of agreement) determined (not earlier than the relevant Review Date) by the Arbitrator

5. In the event of the parties failing to agree the revised rent at any date of review within the three month period referred to in paragraph 3 then the revised rent is to be determined by the Arbitrator to be the Review Formula at which the Premises (whether let or unlet) and shall be such as he shall decide should be the Rent at the relevant Review Date for the Premises making the Assumptions but disregarding the Disregarded Matters and having regard to the provisions of this schedule 6 and open market rental values current at the relevant Review Date
6. The arbitration shall be conducted in accordance with the Arbitration Act 1996
7. When the Rent shall have been ascertained in accordance with this Part of this Schedule a Memorandum thereof shall be signed by or on behalf of the parties and annexed to this Lease and its counterpart
8. If the revised rent payable on and from the relevant Review Date has not been ascertained by that Review Date Rent shall continue to be payable at the rate previously payable (such payments being on account of the Rent for that Review Period) and forthwith upon the revised rent being ascertained (that is to say the date when the same has been agreed between the parties or the date of the Arbitrator's award) the Tenant shall pay to the Landlord any shortfall between what would have been paid on the relevant Review Date and on any subsequent rent days had the revised rent been determined and the payments made by the Tenant on account together with Interest at four per cent above the base rate from time to time of the Barclays Bank Plc on each instalment of Rent due on or after the relevant Review Date on the difference between what would have been paid on that rent day had the revised rent been determined and the amount paid on account such Interest being payable for the period from that date upon which the instalment was due up to the date of payment of the shortfall
9. If at any of the Review Dates there shall be in force a statute which shall prevent restrict or modify the Landlord's right to review the Rent in accordance with this

Lease and/or to recover any increase in the Rent the Landlord shall when such restriction or modification is removed relaxed or modified be entitled (but without prejudice to its rights -if any - to recover any rent the payment of which has only been deferred by law) on giving not less than one month's notice in writing to the Tenant at any time within six months of the restriction or modification being removed relaxed or modified to proceed with any review of the Rent which may have been prevented or further to review the Rent in respect of any review where the Landlord's right was restricted or modified and the date specified in the said notice shall be deemed for the purposes hereof to be a Review Date (providing that nothing herein shall be construed as varying any Review Date except where such a statute shall be in force in which event the provisions of this paragraph shall apply) and the Landlord shall be entitled to recover any resulting increase in Rent with effect from the earliest date as shall be permitted by law

## **Schedule 7**

### **Provisions relating to the Works**

1. **Carrying out the Works and prior thereto**
  - 1.1 The Tenant shall at its own expense before the Works Longstop Date commence carry out and complete in accordance with the Necessary Consents the Works save that the Tenant shall not be obliged to undertake the Works where the Premises are at any time prior to the Works Longstop Date the subject of an actual confirmed compulsory purchase order or where a resolution has been passed to make a compulsory purchase order pursuant to the Compulsory Purchase Act 1965 or the Compulsory Purchase (Vesting Declarations) Act 1981 unless such resolution is abandoned or withdrawn before the Works Longstop Date in which case the Works Longstop Date shall be the date 7 years from the date of such abandonment or withdrawal as the case may be
  - 1.2 No asbestos or asbestos based materials will be used in the Works

1.3 While the Works are being carried out the Landlord shall not object to the attachment to the Building of a board or sign indicating the name of the Tenant and the name of the Tenant's Building Contractors and Consultants such signs to be of a size and to be placed in such a position as shall be reasonably approved by the Landlord. The Tenant shall remove all such signs on completion of the Works.

1.4 The Tenant shall not erect or cause or permit to be erected any temporary buildings on the Premises except such as are necessary to facilitate the Works and on the completion of the Works the Tenant shall remove all such temporary buildings

## 2. General

2.1 The Tenant shall not except with the permission of the relevant highway authority deposit or permit to be deposited on the public highways adjoining or near to the Premises for an unreasonable time any building or other materials nor open up or disturb or permit to be opened up or disturbed the soil or surface thereof

2.2 The Tenant shall at the discretion of the Landlord either reimburse to the Landlord the cost as certified under the hand of the Director of Operational Services of the Landlord (or other the officer of the Landlord from time to time responsible for the supervision and maintenance of public highways in the area of the Premises) or be responsible at its own expense for making good any damage to the roads pavements or land adjoining the Premises and to any services therein arising out of or in the course of by reason of the Works

2.3 The Tenant shall in carrying out the Works comply in all material respects with all Enactments and shall execute and do all works and things required by the Enactments

2.4 In the performance of the obligations of the Tenant hereunder the Tenant shall not commit or permit or suffer to be committed any nuisance trespass or other tort either within or outside the Premises and shall generally take all such precautions as may reasonably be required by the Landlord or as may be necessary to avoid causing inconvenience or danger to any adjoining owner lessee or person or persons and shall keep the Landlord its servants and agents indemnified against all

injury loss or damage howsoever caused arising out of or in connection with the execution of the Works and shall indemnify the Landlords against all liability for such injury loss or damage caused to the owners tenants or occupiers of adjoining or neighbouring premises (whether of the Landlord or otherwise) or to any other persons whomsoever and against all actions proceedings costs claims and demands and in respect of any such liability

3. Review of the Works

- 3.1 The Landlord may by its officers and servants at all reasonable times on giving reasonable notice to the Tenant (except in case of emergency) prior to the Certificate Date enter upon the Premises to view the state and progress of the Works Provided that such persons shall comply with the reasonable requirements of the Tenant whilst on the Premises And Provided Further that the Landlord shall not in the exercise of any rights under this paragraph unreasonably interfere with the carrying out of the Works and shall address any comments to the Tenant and not to any contractor or other person

4. Insurance of the Works

- 4.1 Before commencing the Works the Tenant shall cause to be taken out in relation thereto a "contractors all risks" policy against fire explosion lightning storm tempest and aircraft including articles dropped therefrom in the joint names of the Contractor the Landlord and the Tenant as co-insureds in some well established insurance office in Great Britain which shall either be a member of the Association of British Insurers or if not such a member be previously approved of in writing by the Landlord
- 4.2 The Tenant shall maintain such insurance until the Works are completed in accordance with this Schedule
- 4.3 The Tenant shall produce to the Landlord if so required all policies effected on the Works and the receipts for the current year's premiums in respect of such insurance within 14 days after the first day on which each such premium becomes payable and in case of the destruction of or damage to the Works will forthwith lay out the money received in respect of any such insurance in rebuilding and

reinstating the Works and in case such money shall be insufficient for such purpose shall make good such deficiency and if the Tenant shall at any time fail to insure or keep insured the Works or to produce any such policy of insurance or any receipt as herein provided the Landlord may do all things necessary to effect or maintain such insurance and all money expended by the Landlord for that purpose shall be repaid by the Tenant to the Landlord on demand

5. Completion of the Works

- 5.1 Within seven days of Practical Completion of the Works the Tenant shall at the Tenant's expense deliver to the Landlord two copies of the plans, sections, specifications, detailed drawings and if requested by the Landlord any other documents ("**the Works Documents**") of the Works
- 5.2 The Landlord shall within twenty one days of receipt of the Works Documents from the Tenant acknowledge receipt of the Works Documents and the Landlord shall issue to the Tenant a certificate in writing that the Tenant has (to the satisfaction of the Landlord) satisfied the obligations of the Tenant pursuant to this Schedule 7
- 5.3 As soon as practicable after the Certificate Date the parties shall cause to be endorsed on this Lease and the Counterpart thereof a memorandum specifying the Certificate Date
- 5.4 The issue of a Certificate in accordance with paragraph 5.2 shall in no way lessen or affect the obligations of the Tenant under this Schedule and the Tenant shall at its own expense:-
- 5.4.1 immediately after the Certificate Date carry out and complete in accordance with the provision of this Schedule such (if any) of the Works as have not been completed as at the Certificate Date and
- 5.4.2 on completion of the Works procure the removal from the Premises of all rubbish and all building and other such materials and equipment

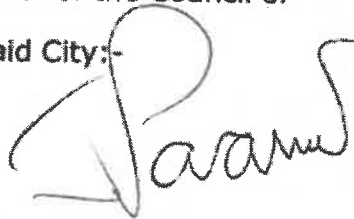
THE COMMON SEAL of THE COUNCIL

OF THE CITY OF MANCHESTER was

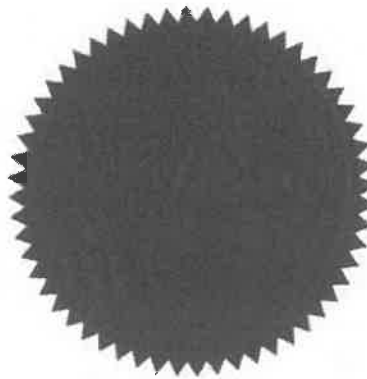
hereunto affixed in pursuance of

an Order of the Council of

the said City:-



Authorised Signatory



C1099183

