

DATED 1 February 2011

OTTLEY CORP

(1)

- and -

FITNESS FIRST CLUBS LIMITED

(2)

COUNTERPART

LICENCE TO PERMIT ALTERATIONS

**at Part Ground and Part First Floors
105 Salusbury Road London NW6 6RG**

Simmons Stein
Compass House
Pynnales Close
Stanmore Middx HA7 4AF
GSS/WBJK

LICENCE

DATED

1 February

2011

BETWEEN:

- (1) **OTTLEY CORP** c/o Compass House Pynnales Close Stanmore Middlesex HA7 4AF (and incorrectly stated in the Lease as hereinafter defined as Ottley Corporation SA)
("the Landlord")
- (2) **FITNESS FIRST CLUBS LIMITED** whose registered office is at 58 Fleets Lane Poole Dorset BH15 3BT (Company Registration Number 03207791)
("the Tenant")

WITNESSETH as follows :

1. In this Licence
 - (1) the expressions defined in the First Schedule hereto have the meanings therein assigned to them
 - (2) the expression "the term granted by the Lease" includes any extension thereof by agreement or pursuant to any Act of Parliament now or hereafter to be passed
 - (3) where the context requires words importing the singular include the plural and vice versa and words importing the masculine include the feminine and neuter
2. Subject to the covenants and conditions hereinafter contained the Landlord hereby grants to the Tenant Licence to carry out the Works
3. The Tenant hereby covenants with the Landlord in the terms of the Second Schedule hereto
4.
 - (1) This Licence is confined to the matters hereby expressly permitted and does not authorise anything further
 - (2) Nothing herein contained shall be deemed to release the Tenant from

any liability in respect of any antecedent breach of covenant

- (3) If anything hereby permitted is not implemented (or in the case of the Works is not commenced) within six months from the date hereof then the Landlord may by written notice to the Tenant withdraw this Licence and everything herein contained shall thereupon be null and void save that the Tenant shall not be released from any obligation to make payment of any outstanding fees or expenses incurred by the Landlord
- (4) The conditions for re-entry contained in the Lease shall be exercisable as well on any breach of any covenant herein contained as on the happening of any of the events mentioned in the said conditions for re-entry
- (5) Covenants given by any party hereto to the Landlord are given by such party for himself and his successors in title to the Landlord and his successors in title
- (6) Where any party hereto consists of more than one person covenants given by such party are given jointly and severally
- (7) The parties to this Licence 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
- (8) All the Lessee's covenants and the conditions contained in the Lease which are now applicable to the Premises shall continue to be applicable to the same when and as altered by the execution of the Works and shall apply to the Premises in their then altered state
- (9) On any future review of the yearly rent reserved by the Lease the Works are to be disregarded
- (10) This Licence is restricted to the particular alterations and to the Works hereby authorised and shall not authorise any further or other variation

from the covenants and conditions contained in the Lease which shall otherwise remain in full force and effect

- (11) This Licence and any approval instructions or supervision given or carried out hereunder are granted given or carried out without any liability on the part of the Landlord or its professional advisers or employees and imply no responsibility for the Works their design or execution
- (12) Nothing contained in this Licence or any notice plan or specification given to the Landlord shall be construed or take effect as notice under the Landlord and Tenant Acts 1927 and 1954 of an intention to make improvements to the Premises and the Tenant shall not be entitled to compensation in respect of the Works at the end of the Term (howsoever terminated)

IN WITNESS whereof the parties hereto have duly executed this Licence the day and year first before written

THE FIRST SCHEDULE

"the Premises"

ALL THOSE premises situate on part ground and part first floors at 105 Salusbury Road London NW6 6RG and more particularly described in the Lease

"the Lease"

A lease of the Premises dated 14th September 1999 and made between

- (1) The Landlord
- (2) The Tenant
- (3) Fitness First PLC

"the Works"

Works of alterations to the Premises in conformity

with the annexed drawing and specification to be completed within six months from the date hereof

THE SECOND SCHEDULE

The Tenant hereby covenants with the Landlord as follows:

1. Before commencement of the Works to produce to the Landlord copies of all necessary permissions and consents and if applicable to make a written declaration to the Health and Safety Executive stating that the Tenant is the sole "client" for the purposes of the Construction (Design and Management) Regulations 1994 ("the CDM Regulations")
2. To give notice to the insurers of the Premises of intention to carry out the Works and to pay to the Landlord any increased or extra premium payable for insurance against risks occasioned by the execution of the Works
3. To carry out and complete the Works at his own expense within the period (if any) specified in the First Schedule hereto in a good and workmanlike manner with good quality materials strictly in conformity with all relevant statutory and local authority requirements regulations and byelaws and in accordance with all necessary planning permissions building regulations and consents (the obligation of obtaining the same prior to the commencement of the Works being on the Tenant) and in compliance with the CDM Regulations and in a proper and workmanlike manner in all respects to the reasonable satisfaction of the Landlord's surveyor who shall be given all reasonably necessary facilities for inspecting the progress of the Works and the quality of the materials and workmanship used therein
4. To carry out the Works reasonably and to indemnify the Landlord against all claims for injury or damage and against all actions costs proceedings claims and demands by third parties howsoever arising as a result of the Works

5. To comply with the terms and conditions from time to time laid down by the Institution of Electrical Engineers and with the regulations of the electricity supply authority
6. To procure that the Works are undertaken by reputable contractors
7. To comply with any requirements or regulations of the Fire Officer Local Authority or other competent authority
8. To ensure that all builders' materials and equipment are kept within the curtilage of the Premises and are removed from the Premises forthwith upon completion of the Works and that no rubbish refuse or materials of any kind whatsoever are left in the roadways or on the pavement leading thereto
9. On completion of the Works if applicable:-
 - (a) To provide the Landlord with a certified copy of the completed health and safety file prepared for the Works in accordance with the CDM Regulations and
 - (b) To allow the Landlord's surveyor to inspect the Works
 - (c) To procure that the Landlord is granted the required licences to allow it lawfully to use and copy the information and documentation contained in the health and safety file for any purpose in connection with the Premises or any building of which the Premises form part
10. In the event of the Landlord being assessed or charged for any tax or other fiscal imposition or suffering any reduction in any available tax loss as a result of the Works to indemnify and pay to the Landlord on demand the whole amount thereof
11. To pay and bear all the reasonable fees (together with Value Added Tax) of:-
 - 11.1 The Landlord's surveyor in connection with this Licence subject to a maximum of £750 plus VAT
 - 11.2 The Landlord's solicitors fee in connection with this Licence subject to a maximum of £950 plus VAT

Pages: 3
To: Nick Morris
Company: WESTWAY SERVICES LTD
Fax no: 020 8833 7293
Tel no: 020 8833 7263
Date: 21 Dec 2010
Project ref: P67072 - Fitness First 105-109 Salusbury Road

From: Marc Smith
Tel (direct):
Tel (mobile): 07738 783752
Fax no:
Email: marc.smith@meuk.mee.com
Prepared by: Stuart Knight
Tel (direct): 01707282480
Email: stuart.knight@meuk.mee.com

Proposal no: Q3612-066143/2

Validity: 30 days from the above date

Proposal

Ref.	Qty	Model	Description	Unit Price	Nett Price
Bill of Materials					
Main Gym Area - ECA Compliant					
	6	PCA-RP140KA HP under ceiling Indoor	PCA-RP140KA HP under ceiling Indoor	£605.80	£3,634.79
	6	PUHZ-RP140YKA POWER INVERTER R410A	PUHZ-RP140YKA POWER INVERTER R410A	£1,363.96	£8,183.75
	1	PKA-RP100KAL INDOOR R410A	PKA-RP100KAL INDOOR R410A	£492.08	£492.08
	1	PUHZ-RP100YKA POWER INVERTER R410A	PUHZ-RP100YKA POWER INVERTER R410A	£990.71	£990.71
Gym 2 - ECA Compliant					
	1	PLA-RP71BA2 HIGH COP CASSETTE	PLA-RP71BA2 HIGH COP CASSETTE	£332.42	£332.42
	1	PLP-6BA GRILLE	PLP-6BA GRILLE	£103.52	£103.52
	1	PAR-21MAA-J REMOTE CONTROLLER	PAR-21MAA-J REMOTE CONTROLLER	£34.26	£34.26

Mitsubishi Electric Europe B.V. incorporated in the Netherlands with limited liability. Registered in England as a branch No. BR003391.
Place of registration: Travellers Lane, Hatfield, Hertfordshire, AL10 8XB.
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This quotation is issued subject to Mitsubishi Electric's Terms & Conditions of Sale.

Ref.	Qty	Model	Description	Unit Price	Nett Price
	1	PUHZ-RP71VHA4 POWER INVERTER R410A	PUHZ-RP71VHA4 POWER INVERTER R410A	£760.35	£760.35

Male Changing Room - This style of size 50's only eca compliant as single splits.

	2	PLA-RP50BA#2 CEILING CASSETTE R410A	PLA-RP50BA#2 CEILING CASSETTE R410A	£266.81	£533.63
	2	PLP-6BA GRILLE	PLP-6BA GRILLE	£103.52	£207.04
	2	PAR-21MAA-J REMOTE CONTROLLER	PAR-21MAA-J REMOTE CONTROLLER	£34.26	£68.53
	2	PUHZ-RP50VHA4 POWER INVERTER R410A	PUHZ-RP50VHA4 POWER INVERTER R410A	£667.04	£1,334.07

Female Changing Room - This style of size 50's only eca compliant as single splits.

	2	PLA-RP50BA#2 CEILING CASSETTE R410A	PLA-RP50BA#2 CEILING CASSETTE R410A	£266.81	£533.63
	2	PLP-6BA GRILLE	PLP-6BA GRILLE	£103.52	£207.04
	2	PAR-21MAA-J REMOTE CONTROLLER	PAR-21MAA-J REMOTE CONTROLLER	£34.26	£68.53
	2	PUHZ-RP50VHA4 POWER INVERTER R410A	PUHZ-RP50VHA4 POWER INVERTER R410A	£667.04	£1,334.07

Studio Gym

	3	PCA-RP100KA HP under ceiling Indoor	PCA-RP100KA HP under ceiling Indoor	£534.36	£1,603.07
	3	PUHZ-RP100YKA POWER INVERTER R410A	PUHZ-RP100YKA POWER INVERTER R410A	£990.71	£2,972.13

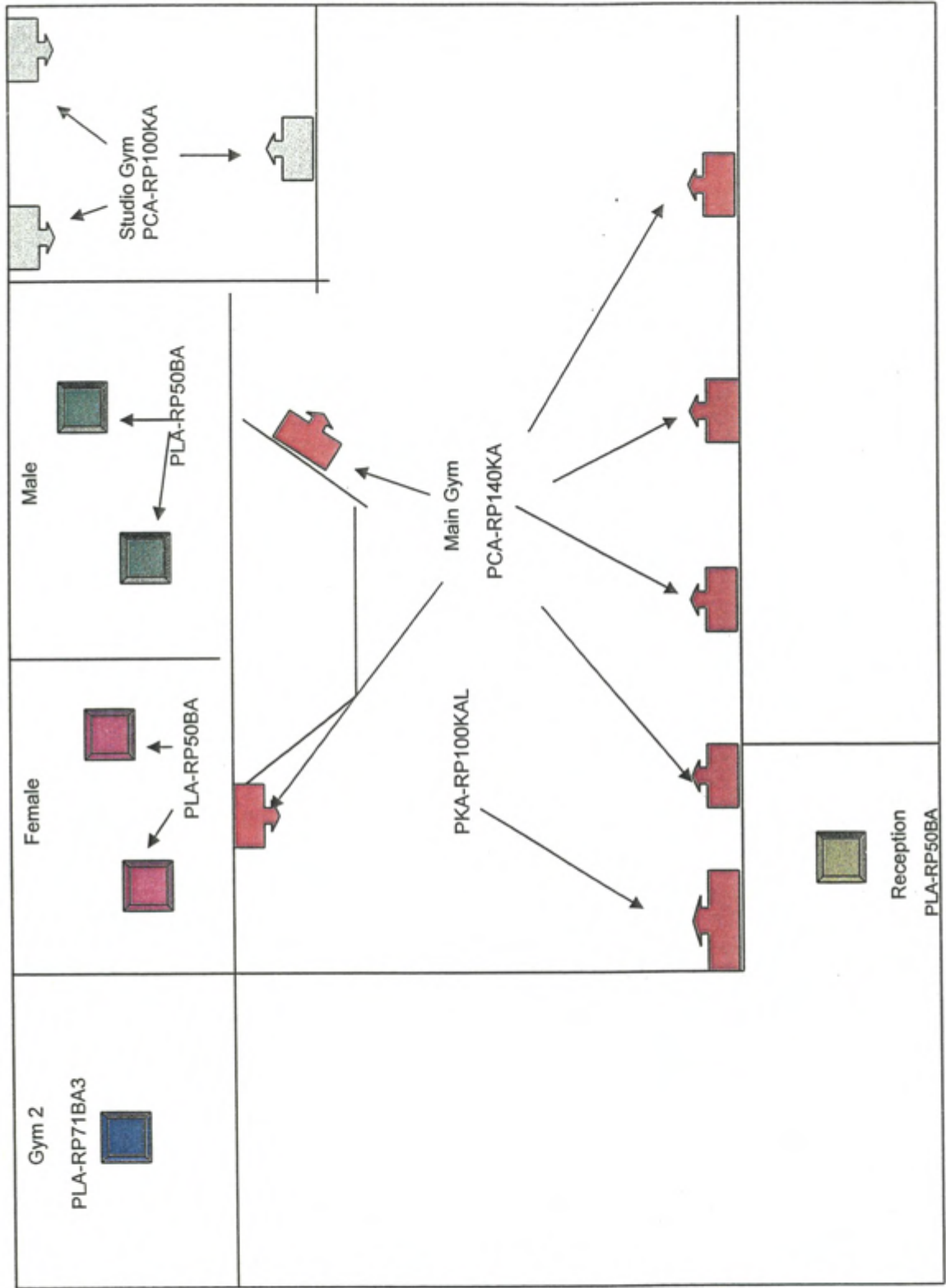
Reception Area - ECA compliant. Max Run 50m.

	1	PLA-RP50BA#2 CEILING CASSETTE R410A	PLA-RP50BA#2 CEILING CASSETTE R410A	£266.81	£266.81
	1	PLP-6BA GRILLE	PLP-6BA GRILLE	£103.52	£103.52

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Fitness First Kilburn



System 1

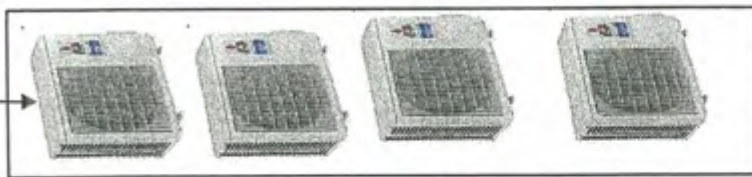
System 2

System 3

System 4

System 5

PLA-RP50BA Male / Female



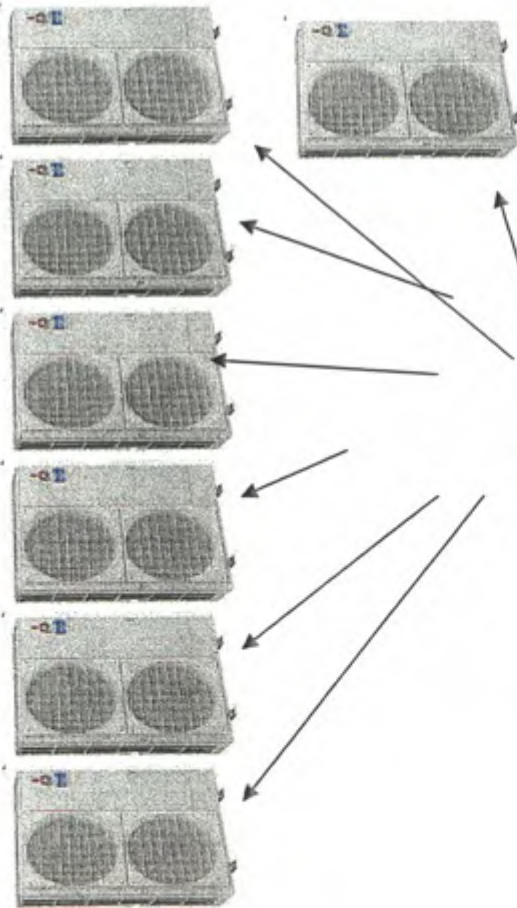
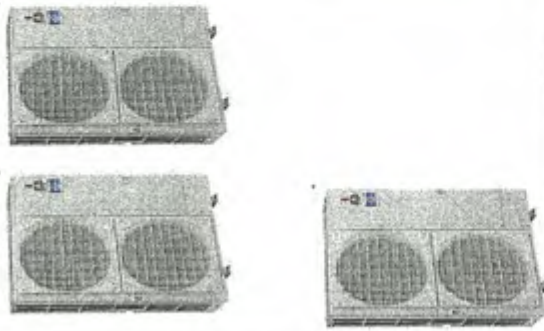
Reception
PLA-RP50BA



Gym 2

PLA-RP71BA3

Studio Gym
PCA-RP100KA



Main Gym
PCA-RP140KA

