

DATED 25TH April 2008

OTTLEY CORP (1)

- and -

ITE GROUP PLC (2)

- and -

ZONEMEDIA MANAGEMENT LIMITED (3)

COUNTERPART
LICENCE TO SUBLET

Part Ground Floor
105 Salusbury Road
London NW6 6RG

Simmons Stein
Compass House
Pynnacles Close
Stanmore Middx HA7 4AF
GSS/WAZV

LICENCE

DATED

25th April

2008

BETWEEN :

- (1) **OTTLEY CORP** c/o Compass House Pynnales Close Stanmore Middlesex
HA7 4AF
("the Landlord")
- (2) **ITE GROUP PLC** whose registered office is at 105 Salusbury Road London
NW6 6RG (Company Registration Number 01927339)
("the Tenant")
- (3) **ZONEMEDIA MANAGEMENT LIMITED** whose registered office is at 105-109
Salusbury Road London NW6 6RG (Company Registration Number 03290575)
("the Sub-Lessee")

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 grant the Sub-Lease to the Sub-Lessee
3. The Tenant hereby covenants with the Landlord in the terms of paragraph one of the Second Schedule hereto
4. The Sub-Lessee hereby covenants with the Landlord in the terms of paragraph

two of the Second Schedule hereto

5. (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 three 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

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

THE FIRST SCHEDULE

"the Premises"	Part of the Ground Floor, Part of the First Floor and the Whole of the Second Floor at 105 Salusbury Road London NW6
"the Lease"	A lease of the Premises dated 12 th August 1999 and made between (1) The Landlord (then styled Ottley Corporation SA) (2) The Tenant
"the Sub-Lease"	An Underlease in the form of the draft Underlease annexed hereto of part of the Ground Floor of the Premises for a term 5 years from and including the 30 th day of September 2007 at the yearly rent of £93,081.00

THE SECOND SCHEDULE

1. The Tenant hereby covenants with the Landlord as follows:
 - 1.1 The Sub-Lease shall in all respects be consistent with the Lease and shall in particular provide:
 - (i) that the rent thereby reserved shall be reviewed on the dates provided in the Lease for review of rent
 - (ii) that there shall be no further dealing with the premises thereby demised without the prior written consent of the Landlord as well as of the Tenant the consent of the Landlord not to be unreasonably withheld
 - (iii) that the Tenant may re-enter the premises thereby demised on breach of any of the covenants contained therein
 - 1.2 Not without the prior written consent of the Landlord at any time either expressly or by implication to waive any of the covenants and conditions so to be

contained in the Sub-Lease and to enforce such covenants and conditions

- 1.3 Within 28 days of the grant thereof to supply to the Landlord a copy of the Sub-Lease and to pay the registration fee provided in the Lease
2. The Sub-Lessee hereby covenants with the Landlord as from the date of the grant of the Sub-Lease and for the residue of the term thereby granted to observe and perform all the lessee's covenants and the conditions contained in the Lease other than the covenant for payment of rent and in the case of a sub-lease of part only of the Premises so far only as they relate to the part thereof demised to the Sub-Lessee

EXECUTED as a DEED by)
ITE GROUP PLC acting by its)
Director and Secretary)

Director X



X

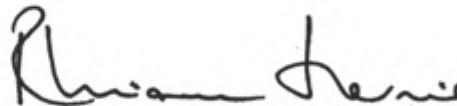
Secretary X



X RT.

EXECUTED as a DEED by)
ZONEMEDIA MANAGEMENT)
LIMITED acting by its Director and)
Secretary)

Director



Secretary



DATED

2007

ITE GROUP PLC

- and -

ZONEMEDIA MANAGEMENT LIMITED

UNDERLEASE

- of -

Part Ground Floor 105 Salusbury Road London NW6 6RG



FORSTERS



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TABLE OF CONTENTS

	Page No.
1. Interpretation and Definitions	1
2. Demise	4
3. Tenant's covenants	4
4. Landlord's covenants	14
5. Provisos	15
6. Option to Determine	18
7. Exclusion of Security of Tenure	17
THE FIRST SCHEDULE	18
Part I	18
The Building	18
Part II	18
The Premises	18
THE SECOND SCHEDULE	18
Part I	18
Part II	19
Rights Reserved	19
THE THIRD SCHEDULE	19
Repair of the Building Services and the Service Rent	19
THE FOURTH SCHEDULE	24
Guarantor's covenants	24
THE FIFTH SCHEDULE	26
Rent Review	26

UNDERLEASE dated

BETWEEN

- (1) **ITE GROUP PLC** (Company Registration No. 1927339) whose registered office is at 105 Salusbury Road London NW6 6RG ("the Landlord") and
- (2) **ZONEMEDIA MANAGEMENT LIMITED** (Company Registration No.3290575) whose registered office is at 105-109 Salusbury Road, Queen's Park, London NW6 6RG ("the Tenant")

IN THIS LEASE

1. Interpretation and Definitions

1.1 The following expressions shall have the following meanings:

Act: any Act of Parliament now or hereafter to be passed

approved and authorised: as the case may be approved or authorised in writing by the Landlord

Building: the property described in part I of the First Schedule

Common Parts: the roadways ramps service yard car park entrances entrance lobbies landings lifts staircases and fire escapes in the Building and any other parts of the Building intended for general use including any lavatories and water closet accommodation provided in the Building for general use

Consent of the Landlord: a consent in writing of the Landlord and (where necessary) the Superior Landlord signed by or on behalf of the Landlord and the Superior Landlord respectively

Group Company: any company which is for the time being (a) a subsidiary of the relevant party or (b) the holding company of that party or (c) another subsidiary of the holding company of that party in each case within the meaning of section 736 of the Companies Act 1989

Headlease: the lease of (inter alia) the Premises dated 12 August 1999 made between Ottley Corporation SA (1) and the Landlord (2) as rectified by a Licence to Sublet and Deed of Rectification dated 15 June 2000 made between Ottley Corporation SA (1) the Landlord (2) and LM Solutions (UK) Limited (3)

Insured Risks: means the following:

- (a) loss or damage by fire storm tempest flood lightning earthquake subsidence heave explosion aircraft (other than hostile aircraft) articles dropped therefrom riot or civil commotion malicious damage impact bursting and overflowing of water tanks apparatus pipes
- (b) all liability of the Landlord and the Superior Landlord to third parties arising out of or in connection with the demise of the Premises by this Lease and
- (c) such other risks as the Landlord the Superior Landlord or the Tenant shall from time to time during the Term reasonably require

Landlord:	includes where the context admits the estate owner for the time being of the reversion immediately expectant on the termination of the Term
Landlord's Surveyor:	the Surveyor for the time being of the Landlord who shall be suitably qualified and experienced
notice:	means notice in writing
Plan 1:	the plan annexed hereto and marked "Plan 1"
Plan 2:	the plan annexed hereto and marked "Plan 2"
Planning Acts:	the Act or Acts for the time being in force relating to Town and Country Planning
Premises:	the property described in Part II of the First Schedule together with all additions and improvements thereto and all Landlord's fixtures and fittings therein or thereon
Prescribed Rate:	either four per cent over the base rate of Barclays Bank plc (or such other Bank being a member of the Committee of the London Clearing Banks as the Landlord may from time to time nominate) or if no such base rate can be ascertained then the rate at the relevant time which said Bank (or alternative Bank as aforesaid) shall utilise for equivalent purposes
President:	the President for the time being of the Royal Institution of Chartered Surveyors or his duly appointed deputy

Principal Rent:	the rent first reserved in Clause 2
Rents:	the rents reserved in Clause 2
Service Conduits ducts and appliances:	gas pipes water pipes sewer drains electric mains wires supply lines appliances air conditioning apparatus and services and any other conducting media by means of which any substance facility or service may pass
Service Rent:	the rent thirdly reserved in Clause 2
Superior Landlord:	Ottley Corporation SA or otherwise the estate owner for the time being of the reversion immediately expectant on the termination of the term granted by the Headlease
Term:	the term hereby granted
termination of the Term:	the determination of the Term whether by effluxion of time re-entry notice surrender (whether by operation of law or otherwise) or by any other means whatsoever

1.2 Where the context requires:

- (a) words importing the singular include the plural and vice versa
- (b) words importing the masculine include the feminine and neuter
- (c) where a party consists of more than one person covenants and obligations of that party shall take effect as joint and several covenants and obligations

1.3 References to any Act include references to any statutory modification or re-enactment thereof for the time being in force and any order instrument regulation or bye-law made or issued thereunder

1.4 References to legal costs shall be construed as including all Counsel's fees reasonably and properly incurred and solicitors' costs reasonably and properly incurred

1.5 The paragraph headings shall not in any way affect the construction of this Lease

1.6 Reference in this Lease to any clause or sub-clause or Schedule without further designation shall be construed as a reference to the relevant clause or sub-clause or Schedule to this Lease so numbered

1.7 In any case in which the consent or approval of the Landlord is required under this Lease:

- (a) Such consent or approval shall be required to be in writing or if the Landlord so requires by deed and

- (b) The giving of such consent shall be conditional upon the consent of the Superior Landlord being obtained so far as may be required and the Landlord shall at the request and cost of the Tenant use reasonable endeavours to obtain any such consent or approval whenever it may be required

2. **Demise**

In consideration of the rents hereinafter reserved and of the covenants on the part of the Tenant hereinafter contained the Landlord demises the Premises to the Tenant **TOGETHER WITH** the rights granted in Part I of the Second Schedule **RESERVING** to the Landlord and the Superior Landlord the rights set out in Part II of the Second Schedule and Subject to all rights and easements (if any) enjoyed by any adjoining neighbouring property over or in respect of the Premises **TO HOLD** for the term of five years from and including 30 September 2007 (determinable as herein provided) Paying during the Term Firstly the yearly rent of £93,081 as varied by the provisions of the Fifth Schedule such rent to be paid without any deduction (except as required by any Act) by four equal quarterly payments in advance on the usual quarter days the first payment to be made on the date hereof in respect of the period from and including 30 September 2007 to the next quarter day following the date hereof and Secondly a yearly rent equal to a proportionate part (such proportion to be reasonably and properly determined by the Landlord's Surveyor) of the sum or sums expended or incurred by the Landlord in connection with the insurance of the Building such yearly rent to be paid within ten days of written demand and Thirdly the yearly rent ascertained in accordance with the Third Schedule such rent to be paid in accordance with the Third Schedule

3. **Tenant's covenants**

The Tenant covenants with the Landlord:

3.1 **Rent**

To pay the Rents at the times and in manner aforesaid without any deduction by way of set off (whether legal or equitable or of any other description) or otherwise

3.2 **Outgoings and Shared Expenses**

- (a) To defray (or in the absence of direct assessment on the Premises to pay to the Landlord a fair proportion as reasonably and properly determined by the Landlord's Surveyor) of all existing and future rates taxes assessments charges and outgoing payments payable in respect of the Premises or any part thereof by any estate owner landlord tenant or occupier thereof (save only for any such occasioned by receipt of the Rents and/or any disposition of or dealing with or the ownership of any estate or interest expectant in reversion on the termination of the Term)
- (b) To pay to the suppliers thereof (or in the absence of direct assessment on the Premises to pay to the Landlord a fair proportion as reasonably and properly determined by the Landlord's Surveyor) of all charges for gas and electricity and other services (including meter rents) consumed at and attributable to the Premises only during the Term

- (c) To pay a fair proportion (such proportion to be reasonably and properly determined by the Landlord's Surveyor) of the expenses incurred in respect of any repairing and cleansing of any conduits party walls fences passageways stairways entrance ways roads pavements and other things the use of which is common to the Premises and to other property Provided That such expenses do not also form part of the Service Costs

3.3 Repair etc

To keep the inside of the Premises (not including any structural parts of the Building) and every part thereof including without prejudice to the generality of the foregoing the surfaces of the floors the floorboards and ceiling finishes the inside plaster surfaces of the walls and ceilings enclosing the Premises internal window frames door frames and doors the glass and doors and the Landlord's fixtures and fittings therein (damage by the Insured Risks excepted save to the extent that the policy or policies effected by the Landlord or Superior Landlord shall have been vitiated or payment of the policy monies refused in consequence of some act or default on the part of or suffered by the Tenant or his servants agents or licensees) in good and substantial repair

3.4 Rights of entry and inspection

To permit the Landlord the Superior Landlord and any authorised person at all reasonable times upon at least 48 hours prior notice (in the case of the Landlord such notice to be in writing) save in cases of emergency to enter the Premises in exercise of the right reserved in Paragraph 2 of Part II of the Second Schedule **PROVIDED THAT** the Landlord or the Superior Landlord (as appropriate) shall make good forthwith all damage to the Premises and (in the case of the Landlord) to the Tenant's fixtures and fittings so caused and shall use reasonable endeavours to minimise any inconvenience caused to the Tenant's use and enjoyment of the Premises

3.5 Compliance with notices to remedy

- (a) As soon as reasonably practicable (and in any event within one month of receipt) to commence to comply with any notice given by the Landlord requiring the Tenant to remedy any breach of the Tenant's covenants found upon any inspection and thereafter to diligently proceed with the necessary works
- (b) If the Tenant shall not comply with any such notice as aforesaid to permit the Landlord and any authorised person to enter the Premises to remedy any such breach (at the Tenant's expense)
- (c) To pay to the Landlord on demand all the costs and expenses reasonably and properly incurred by the Landlord under the provisions of this sub-clause

3.6 Yielding up etc

At the termination of the Term

- (a) To yield up the Premises (tenant's or trade fixtures only excepted) in accordance with the foregoing covenants

- (b) To make good any damage caused to the Premises by the removal of the Tenant's fixtures fittings furniture and effects and by the reinstatement of the Premises pursuant to any covenant with the Landlord
- (c) To reimburse to the Landlord all expenditure reasonably and properly incurred by the Landlord after the termination of the Term in repairing painting and decorating the Premises so as to put them into the condition required by the foregoing Tenant's covenants

3.7 Alterations and waste

- (a) Not to:
 - (i) commit any waste
 - (ii) erect any new buildings structures pipes wires masts or posts upon the Building or on the Premises or make any alteration in the external appearance of the Building or the Premises
 - (iii) make or permit to be made any alterations or additions affecting the structure of the Building or the Premises
- (b) Not to make any internal non-structural alterations to the Premises without first:
 - (i) obtaining and complying with all necessary consents of any competent authority and paying all charges of any competent authority in respect of such consents
 - (ii) obtaining the written consent of the Landlord which shall not be unreasonably withheld or delayed and may be given subject to such conditions as the Landlord acting reasonably may deem to be appropriate

PROVIDED that alterations additions or replacements to internal demountable partitions shall not require the consent of the Landlord

- (c) The Tenant hereby covenants to commence within the last six months of the Term (howsoever determined) and thereafter diligently to complete, by the expiry or sooner determination of the Term such works as are necessary to remove reinstate and make good any and all alterations additions or replacements as are referred to in this clause 3.7 unless and to the extent it is directed in writing to the contrary by the Landlord prior to the commencement of such works

3.8 Signs

Not to affix or display or permit or suffer to be affixed or displayed upon any part of the exterior of the Premises or to or through any window thereof any placard poster notice advertisement name or sign whatsoever except (with the prior consent of the Landlord which consent is not to be unreasonably withheld or delayed) a sign stating the name of the Tenant and/or any authorised underlessee or other person with whom occupation of the Premises may be shared pursuant to the provisions of this Lease and the trade

business or profession of the Tenant and/or such other person as aforesaid in such place or places as reasonably designated by the Landlord for such signs

3.9 Notices of a competent authority

- (a) Within seven days of the receipt by the Tenant of any notice order requisition direction or plan given made or issued to or by a competent authority affecting the Premises or the occupation or user thereof to supply a copy thereof to the Landlord and at the cost of the Landlord (save where the notice order requisition direction or plan arises from the Tenant's use of the Premises in which case the Tenant shall meet the cost of making objections or representations as mentioned below) to make or join in making such objections or representations against or in respect thereof as the Landlord may reasonably require
- (b) To pay to the Landlord all proper costs charges and expenses which may be incurred by the Landlord in abating a nuisance on or arising from the Tenant's occupation of the Premises and executing all such works as may be necessary to abating such a nuisance in obedience to a notice served by a local or public authority

3.10 Requirements of any Act or competent authority

To comply (save where the obligation to comply rests with the Landlord pursuant to any express provision in this Lease) in every respect with the provisions of any Act or the requirements of any competent authority in respect of the Premises or any part thereof or in respect of the occupation or user thereof by the Tenant and to indemnify the Landlord against all claims demands expenses and liability in respect thereof and to pay all reasonable and proper costs charges and expenses incurred by the Landlord in connection with any such provision or requirement

3.11 Planning Acts

Without prejudice to the generality of the last preceding sub-clause not in relation to the Planning Acts to:

- (a) commit any breach of planning control
- (b) make any application for planning permission in respect of the Premises or any part thereof (whether in respect of the carrying out of any operations works acts or things or the user of the Premises or any part thereof) without the prior consent of the Landlord such consent not to be unreasonably withheld or delayed

3.12 User permitted

To use and occupy the Premises only as commercial or professional offices and whilst the Tenant under this Lease is Zonemedia Management Limited as ancillary thereto parts of the Premises may be used as edit suites and screening facilities for the employees of the Tenant but excluding broadcasting

3.13 User Prohibited

- (a) Not to store or bring upon the Premises any materials or liquid of a specially combustible inflammable dangerous or offensive nature (save as ordinarily used in offices)
- (b) Not to do any act or thing whereby any insurance effected on the Building and the Premises or any neighbouring property may be rendered void or voidable or the rate of premium thereon may be increased and to comply with all requirements of the insurers as to fire precautions relating to the Premises
- (c) Not to do on the Premises or any part thereof any act or thing whatsoever which may be or tend to be a nuisance material annoyance or damage or material disturbance of the Landlord or the owners or occupiers of any adjoining or neighbouring property
- (d) Not to use the Premises or any part thereof for any illegal or immoral purposes
- (e) Not to bring into or upon the Premises or do anything which might impose on the Building or the Premises any load or weight in excess of 1.5KN nor to cause any undue vibration to the Building by machinery or otherwise
- (f) Not to obstruct the Common Parts or any means of escape or to do anything which might be or become a source of danger to persons using the Common Parts or means of escape
- (g) Not to use any trolleys or other conveyances in the Common Parts except those fitted with tyres or rubber or other similar material which do not injure damage or mark the surfaces of the Common Parts
- (h) Not to deposit or permit to be deposited any waste rubbish or refuse in the Common Parts save in proper receptacles in any bin area designated in the Building
- (i) Not to hold in the Premises any sale by auction public exhibition or political meeting
- (j) Not to use the Premises or any part thereof for gambling betting gaming or wagering or as a betting office or as a cinema club cinema or place for displaying or showing any films or video tapes to members of the general public or for any use whereby an admission charge or membership fee or any other form of levy is made or for an amusement arcade or exchange of cheques or currency or for the display of any pornographic obscene material or any sex aids or any items associated with the business of a sex shop or the sale of any pornographic books magazines or video tapes or as a club or for the sale of beer wines and spirits and not to play or use any musical instrument record playing loud speaker or similar apparatus in such a manner as to cause a nuisance outside the Premises

PROVIDED that it shall be a breach of this sub-clause 3.13 for the Tenant to knowingly permit or suffer any act expressly prohibited in this sub-clause

3.14 Alienation

(a) General

Not to hold on trust for another person or company or assign underlet or part with the possession or share occupation of or mortgage or charge the whole or any part of the Premises except as permitted by the following provisions of this clause **PROVIDED THAT** nothing in this clause shall prevent the Tenant from sharing occupation of the whole or any part of the Premises with any company which is for the time being a Group Company of the Tenant subject to:

- (i) the Tenant and that Group Company remaining in the same relationship whilst the sharing lasts and
- (ii) the sharing not creating the relationship of landlord and tenant between the Tenant and that Group Company

(b) Assignment

- (i) Not to assign part only of the Premises
- (ii) Not to assign the whole of the Premises without the previous written consent of the Landlord and the Superior Landlord such consent not to be unreasonably withheld or delayed subject to the provisions of sub-clause (b)(iii) of this clause and so that the provisions of sub-clause (b)(iii) shall apply regardless of whether the withholding of consent in such circumstances or the grant of consent subject to such conditions would be reasonable and without prejudice to the right of the Landlord to withhold such consent on any other ground or grounds where such withholding of consent would be reasonable or to impose any further condition or conditions upon the grant of consent where the imposition of such condition or conditions would be reasonable
- (iii) It is hereby agreed pursuant to Section 19(1A) of the Landlord and Tenant Act 1927 (as amended) that the Landlord may:
 - withhold its consent to an assignment if any of the following circumstances apply:
 - If the proposed assignee or its guarantor has or will have immunity from suit or legal process in relation to any breach of any of the covenants and conditions contained in this Lease and is not the government of the United Kingdom or any department thereof
 - If in the Landlord's reasonable opinion the proposed assignee is not of sufficient standing to enable it to comply with the obligations on the part of the Tenant contained in this Lease

- If there are any arrears of Rents or if there is any other material breach of any of the obligations on the part of the Tenant contained in this Lease
- If the proposed assignee is not resident in England and Wales and fails to produce guarantors who are so resident and who are acceptable to the Landlord acting reasonably

- grant any such consent subject to all or any of the following conditions:

- that consent is to be given by formal deed containing a covenant by the proposed assignee to observe and perform the obligations on the part of the Tenant contained in this Lease
- the payment to the Landlord of the Principal Rent which has fallen due prior to the date of the assignment
- that the proposed assignee will if reasonably required by the Landlord procure a covenant by deed with the Landlord from a guarantor or guarantors reasonably acceptable to the Landlord as guarantor or guarantors for the proposed assignee in the form of the covenants contained in the Fourth Schedule with "the Assignee" substituted for "the Tenant" and with such further variations as the Landlord may reasonably require
- that the assignor tenant and any guarantor for the assignor tenant will at the same time as the giving of consent enter into an authorised guarantee agreement as defined in and pursuant to Section 16 of the 1995 Act containing covenants by the assignor tenant and its guarantor (if any) in the terms set out in the Fourth Schedule with necessary amendments and such further amendments as may be reasonably required by the Landlord
- the assignment shall not take place until any requisite consent of any superior landlord or mortgagee has been obtained and any lawful condition of such consent satisfied

(iv) The provisions of sub-clause (b)(iii) of this clause shall operate:

- regardless of whether the withholding of consent in such circumstances or the grant of consent subject to such conditions would be reasonable and

- without prejudice to the right of the Landlord to withhold such consent on any other ground or grounds where such withholding of consent would be reasonable or to impose any further condition or conditions upon the grant of consent where the imposition of such condition or conditions would be reasonable

(c) Underletting

- (i) Not to underlet part only of the Premises
- (ii) Not to underlet the whole of the Premises unless the provisions set out in sub-clauses (c)(iii) and (iv) of this clause are complied with nor without the previous written consent of the Landlord and the Superior Landlord such consent not to be unreasonably withheld or delayed
- (iii) Any underlease shall be in writing and shall:
 - be granted without any fine or premium and reserve a rent not less than the then open market rent for the Premises or if greater the Principal Rent then payable under this Lease such open market rent to be approved by the Landlord and the Superior Landlord prior to such underlease being granted (such approval not to be unreasonably withheld or delayed)
 - contain a covenant by the undertenant not to assign part only of the underlet premises and not to charge underlet hold on trust for another person or company or part with possession or share occupation of the whole or any part of the underlet premises except by way of an assignment of the whole of the underlet premises and not to assign the whole of the underlet premises without the prior consent of the Landlord and the Superior Landlord under this Lease such consent not to be unreasonably withheld or delayed
 - exclude (with the authority of the appropriate court) the provisions of Sections 24 to 28 (inclusive) of the 1954 Act in relation to such underlease
 - otherwise be in a form substantially the same as this Lease and approved by the Landlord
- (iv) On the grant of any underlease to procure that:
 - the undertenant enters into a covenant with the Landlord to observe and perform the covenants and conditions on the part of the Tenant contained in the underlease and this Lease (except the covenant to pay the rents) for the term granted by the underlease (including any continuance or extension of such term) until the undertenant is released by the 1995 Act

- if reasonably required by the Landlord a guarantor or guarantors reasonably acceptable to the Landlord shall enter into covenants with the Landlord guaranteeing the observance and performance by the undertenant of all the covenants and conditions on the part of the undertenant contained in the underlease for the term granted by the underlease until the undertenant is released by the 1995 Act in the form of the covenants contained in the Fourth Schedule with necessary amendments and with such further variations as the Landlord may reasonably require

- (v) To enforce all the covenants and conditions on the part of the undertenant and on the part of any guarantor contained in any underlease
- (vi) Not to waive or vary the terms of any underlease without the previous written consent of the Landlord such consent not to be unreasonably withheld or delayed
- (vii) Not to permit the assignment of any underlease without the previous written consent of the Landlord and the Superior Landlord such consent not to be unreasonably withheld or delayed

(d) Charges

- (i) Not to mortgage or charge part only of the Premises
- (ii) Not to mortgage or charge the whole of the Premises without the previous written consent of the Landlord and the Superior Landlord such consent not to be unreasonably withheld or delayed

3.15 Registration

To give notice in writing of every assignment transfer or underlease of the Premises or any devolution of the Tenant's interest in this Lease and to produce for inspection a certified copy for retention by the Landlord of the instrument of such assignment transfer or underlease or any Probate or Letters of Administration in any way relating to the Premises whether in respect of this Lease or any derivative underlease within one month after the execution or grant thereof to the Landlord and to pay a fee of **TWENTY FIVE POUNDS (£25)** and VAT for the registration thereof

3.16 Notice of damage

In the event of the Premises being destroyed or damaged to give notice thereof to the Landlord as soon as practicable after the Tenant becomes aware of the same stating (if possible) the cause of such destruction or damage

3.17 Indemnities

To be responsible for and to keep the Landlord fully indemnified against all damage damages losses costs expenses actions demands proceedings claims and liabilities made against or suffered or incurred by the Landlord arising directly or indirectly out of :

- (a) any act omission or negligence of the Tenant or any persons at the Premises expressly or impliedly with the Tenant's authority or
- (b) any breach or non-observance by the Tenant of the covenants conditions or other provisions of this Lease or any of the matters to which this demise is subject

3.18 Boards

To permit the Landlord during the last six months of the Term to affix and retain without interference upon any suitable and conspicuous part of the Premises (but not so as materially to affect the access of light and air to the Premises or the Tenant's use and enjoyment of the Premises) a notice for re-letting the same or selling the Landlord's interest in the Building and to permit persons with written authority of the Landlord or the Landlord's agents at reasonable times of the day and on reasonable prior notice in writing to view the Premises

3.19 Landlord's costs

To pay to the Landlord on an indemnity basis all proper and reasonable costs charges and expenses (including legal and surveyor's fees and costs and commission payable to a bailiff) of and incidental to:

- (a) every application made by the Tenant for the consent of the Landlord whether the same be granted or refused (save where unlawfully refused) or proffered subject to any lawful qualification or condition or whether the application be withdrawn
- (b) the preparation and service of a notice under Section 146 of the Law of Property Act 1925 notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court
- (c) any schedule relating to wants of repair to the Premises whether served before or within three months after the termination of the Term but at all times relating to wants of repair during the Term and during any period when the Tenant has failed to vacate the Premises following expiry of the Term
- (d) the recovery of Rents whether by distraint or otherwise

3.20 Interest

If any sum payable by the Tenant to the Landlord under this Lease shall not be paid within 14 days of the same becoming due to pay to the Landlord interest thereon at the Prescribed Rate calculated on a day to day basis from the date of the same becoming due down to the date of payment and the aggregate amount for the time being so payable shall at the option of the Landlord be recoverable by action or as rent in arrear

3.21 VAT

Whenever any sum is payable by the Tenant on which Value Added Tax or other tax is payable to pay to the Landlord (subject to the Tenant receiving a valid Value Added Tax invoice addressed to the Tenant where applicable) in addition to such sum the amount of the Value Added Tax or other tax properly chargeable thereon at the rate applicable to that payment

3.22 Obstruction and encroachments

Not to obstruct or knowingly permit or suffer to be obstructed any of the windows lights or ventilators belonging to the Premises nor to knowingly permit or suffer any new window light ventilator passage drainage or other encroachment or easement to be made into against or over the Premises or any part thereof **AND** in case any encroachment or easement whatsoever shall be attempted to be made or acquired over the Premises by any person whomsoever to give notice thereof to the Landlord immediately the same shall come to the knowledge of the Tenant at the cost of the Landlord and do all such things as may be proper and reasonable for preventing any new encroachment or easement being made or acquired

3.23 Regulations affecting Building

To comply in all respects with the reasonable regulations for the time being made by the Landlord or the Superior Landlord in accordance with the principles of good estate management for the maintenance and amenity and good order of the Building

4. Landlord's covenants

The Landlord covenants with the Tenant

4.1 Quiet Enjoyment

That the Tenant paying the Rents and performing and observing the covenants and stipulations on the part of the Tenant herein shall peaceably hold and enjoy the Premises during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for the Landlord

4.2 Duly and punctually to pay the rents under the Headlease at the times and in the manner prescribed therein and (by way of indemnity only and only insofar as the Tenant is or could be affected by any breach of the same and not insofar as the Tenant is liable for the same under the Tenant's covenants in this Lease) to observe and perform the tenants covenants contained in the Headlease.

4.3 Insurance

To take all practicable steps to procure that the Superior Landlord insures the Building and keeps the same insured against:

- (a) loss or damage by such of the Insured Risks as are insurable with reputable insurers in such amount as the Superior Landlord shall acting reasonably from time to time deem sufficient to cover the full amount of the costs (including reasonable provision for escalation of such costs between the date of destruction or damage and the date of rebuilding or reinstating the Building

including all applicable Value Added Tax) of completely rebuilding or reinstating the Building and

- (b) professional fees relating to rebuilding or reinstatement of the Building in such amount as the Superior Landlord shall acting reasonably from time to time deem appropriate the cost of site clearance (including demolition and debris removal) and three years rent of the Building at the rate for the time being payable or prospectively payable including all applicable Value Added Tax
- (c) (to the extent to which the same is not covered by paragraph 4.3(a)) breakdown of the boilers lifts and other plant in the Building which serve the Premises **AND** to effect such insurance with a substantial and reputable Insurance Company or Underwriters of repute and through such agency as the Superior Landlord acting reasonably from time to time deems fit and proper and if permitted to do so will procure that the interest of the Tenant and any mortgagee to be noted thereon (whether expressly or by way of general noting) and to produce to the Tenant within 21 days of request the policy or policies of such insurance and the receipt for the current premium or premiums

4.4 Reinstatement

If the Building shall be destroyed or damaged by any of the Insured Risks and subject to the Superior Landlord obtaining any planning or other permissions necessary for rebuilding or reinstating the Building (and the Landlord shall use all reasonable endeavours to procure that the Superior Landlord obtains all such permissions and consents necessary) to take all practicable steps to procure that the Superior Landlord expends the insurance monies receivable by the Superior Landlord (other than money received for loss of rent) in forthwith rebuilding or reinstating the Building **PROVIDED THAT** if for any reason beyond the control of the Superior Landlord the rebuilding or reinstatement of the Building is prevented or frustrated all such insurance monies shall be the absolute beneficial property of the Superior Landlord

4.5 Repair of Building and provision of services

To take all practicable steps to procure that unless prevented by strikes lockouts or other causes beyond the Superior Landlord's control the Superior Landlord uses its best endeavours to comply with the obligations in paragraph 2 of the Fourth Schedule of the Headlease

5. **Provisos**

PROVIDED as follows:

5.1 Re-entry

If:

- (a) the Rents or any part thereof shall be in arrear for 14 days next after becoming payable (whether formally demanded or not) or
- (b) there shall be any breach non-performance or non-observance of any of the Tenant's covenants or

- (c) the Tenant (being an individual) shall become bankrupt or (being a company) shall enter in liquidation whether compulsory or voluntary (save for the purpose of amalgamation or reconstruction of a solvent company) or have a receiver or an Administrative Receiver appointed of its undertaking or
- (d) the Tenant shall enter into any arrangement or composition for the benefit of the Tenant's creditors or shall suffer any distress or execution to be levied on the Tenant's goods at the Premises

it shall be lawful for the Landlord at any time thereafter to re-enter the Premises or any part thereof in the name of the whole and thereupon the Term shall absolutely determine but without prejudice to any rights of action of the Landlord or the Tenant in respect of any antecedent breach by the other of any of the covenants herein

5.2 Suspension of rent

If the Premises and/or any part of the Building reasonably required for the full use and enjoyment and occupation of the Premises shall at any time during the Term be so damaged or destroyed by any of the Insured Risks as to be unfit for occupation and/or use then (save to the extent that the insurance money shall be irrecoverable by reason solely or in part of any act or default of the Tenant) the Rents or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended and cease to be payable until the date when the Premises and such part or parts of the Building as aforesaid shall again be rendered fit for occupation and/or use or until the expiration of the Term whichever date shall be the earlier and any dispute with reference to this proviso shall be referred to arbitration in accordance with the Arbitration Act 1996

5.3 Determination if destruction

If the Premises and/or any part of the Building reasonably required for the full use and enjoyment of the Premises shall be destroyed or so damaged by any of the Insured Risks as to be unfit for occupation and/or use and the Landlord or Superior Landlord shall not have substantially rebuilt or reinstated the Building by the date which is one year after the date of the aforesaid damage or destruction then the provisions of clause 5.3(a) shall apply

- (a) either party may by not less than three months notice served on the other after the date which is one year after the date of the aforesaid damage or destruction (but such notice not to be served after reinstatement has taken place) determine the Term and upon the expiry of such notice the Term shall determine without prejudice to any remedy of either party against the other in respect of any breach of the covenants on the part of such other party herein contained
- (b) if the Term is determined under sub-clause 5.3(a) the Superior Landlord shall be entitled to retain the insurance monies received by the Superior Landlord

5.4 No warranty as to use

Nothing herein shall be deemed to constitute any warranty by the Landlord that the Premises or any part thereof are under the Planning Acts authorised for use for any specific purpose

5.5 Exclusion of Landlord's liability

Save as caused by the Landlord's or its employees' or agent's negligence the Landlord shall not be responsible to the Tenant (save as to the extent hereinbefore expressly provided) or his employees or visitors for any injury death damage destruction or financial or consequential loss whether to person property or goods sustained on or by reason of the condition of the Premises (save where such condition arises due to the Landlords failure to comply with its covenants herein contained)

5.6 Service of notices

Section 196 of the Law of Property Act 1925 as amended by the Recorded Delivery Service Act 1962 shall apply to the service of any notice required to be served under this Lease

5.7 Modification of compensation

Subject to Section 38(2) of the Landlord and Tenant Act 1954 the Tenant shall not be entitled on quitting the Premises or that part to any compensation under Section 37 of the Act

5.8 Third Parties

A person who is not a party to this Lease has no rights under the Contracts (Rights of Third Parties) Act 1999 to benefit from or enforce any provision of this Lease

6. Option to Determine

The Tenant shall be entitled to determine this Lease on 24 June 2009 ("the Break Date") by giving not less than six months prior written notice to the Landlord and on the Break Date subject to the Tenant giving vacant possession of the Premises to the Landlord the Term shall absolutely cease and determine but without prejudice to the rights of either party in respect of any antecedent breach of the terms hereof and in the event that this break option is exercised the Landlord must repay to the Tenant the Rents received from the Tenant in respect of the period from the Break Date to the next quarter day

7. Exclusion of Security of Tenure

The Tenant hereby confirms that before the date of this Lease:

- (a) The Landlord served on the Tenant a notice dated 2007 in relation to the tenancy created by this Lease ("the Notice") in a form complying with the requirements of Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 ("the Order")
- (b) The Tenant or a person duly authorised by the Tenant in relation to the Notice made a statutory declaration ("the Declaration") dated 2007 in a form complying with the requirements of Schedule 2 of the Order

7.2 The Tenant further confirms that where the Declaration was made by a person other than the Tenant the declarant was duly authorised by the Tenant to make the Declaration on the Tenant's behalf

- 7.3 The Landlord and the Tenant confirm that there is no Agreement for Lease to which this Lease gives effect
- 7.4 The Landlord and Tenant agree to exclude the provisions of sections 24 to 28 (inclusive) of the Landlord and Tenant Act 1954 in relation to the tenancy created by this Lease

IN WITNESS the parties have duly executed this Deed

THE FIRST SCHEDULE

Part I

The Building

ALL THAT property being 105 107 and 109 Salusbury Road in the London Borough of Brent as the same is registered at H. M. Land Registry at the date hereof under Title Number MX372719

Part II

The Premises

ALL THOSE premises situate on part of the ground floor of the Building and shown for the purpose of identification only edged red on Plan 1 which premises include the surfaces of the floors and floorboards and ceiling finishes the inside plaster surfaces of the walls and ceilings enclosing the Premises the internal window frames door frames and doors the glass in the windows and doors and the Landlord's fixtures therein **BUT EXCLUDING** any structural parts of the Building and any part or parts of the Premises lying above the plaster or tiles or other internal finishes of the ceilings and steel work or other structure from which the ceilings are suspended or below the floor screed and other floor surfaces of the Premises **AND EXCLUDING** any external or internal load bearing walls of the Premises or the structural part of the floors or the ceilings of the Premises and the roof of the Premises **AND EXCLUDING** any service conduits ducts and appliances which do not serve the Premises exclusively

THE SECOND SCHEDULE

Part I

1. The use in common with the Landlord all authorised persons and the other occupiers for the time being of the Building of the Common Parts
2. The right in common with the Landlord all authorised persons and the occupiers for the time being of the remainder of the Building to pass and repass over and along the area coloured yellow on Plan 2
3. The exclusive use for the parking of 3 private motor cars in the spaces shown coloured blue on the attached plan marked Car Parking Plan or such spaces as may from time to time be designated for that purpose by the Landlord Provided that the Landlord shall have the right at any time and from time to time to change the location of such spaces subject to providing alternative spaces which are equally convenient and within the curtilage of the Building
4. The right of free and uninterrupted passage and use of all such Service Conduits ducts and appliances in the Building as now or at any time during the Term serve the Premises

5. The right to support and protection as presently enjoyed from the remainder of the Building
6. Subject to the Superior Landlord's prior written consent being obtained the right to display the Tenant's name and logo on the Landlord's signboard (if any) in the ground floor entrance lobby of the Building in such style and manner as the Landlord may approve for the occupiers of the Building (such approval not to be unreasonably withheld or delayed)

Part II

Rights Reserved

1. The passage and use of all such Service Conduits and Appliances as pass or run into through along under or over the Premises
2. The right for the Landlord the Superior Landlord and all authorised persons at all reasonable times upon reasonable prior notice in writing except in case of emergency to enter the Premises for the purpose of cleaning or repairing any Service Conduits and Appliances or for the purpose of cleaning repairing or rebuilding the Building or any adjoining premises in each such case where the necessary work cannot be carried out without such entry and the person entering causing as little inconvenience to the Tenant as possible and forthwith making good any damage caused
3. The right for any authorised tenant or occupier of any other part of the Building by prior arrangement with the Tenant at reasonable times in the daytime and at any time in case of emergency to enter the Premises for the purpose of repairing that other part of the Building where such repairs could not otherwise be carried out and subject to the person entering causing as little inconvenience to the Tenant as possible and forthwith making good any damage so caused
4. All rights of light and air and other easements and rights (but without prejudice to those expressly hereinbefore granted to the Tenant) now or hereafter belonging to or enjoyed by the Premises from or over any adjoining or neighbouring land or building
5. The right to build or rebuild or repair or alter or improve the Building or any adjoining or neighbouring land or building in any manner whatsoever and to let the same for any purpose or otherwise deal therewith notwithstanding that the light or air to the Premises is in any such case thereby diminished
6. The rights reserved by the Conveyance dated 10 October 1958 made between (1) The Church Commissioners for England (Commissioners) and (2) The Royal London Society for the Blind (Incorporated) and referred to in Entry No. 1 of the Charges Register of Title No. MX372719 but only insofar as those rights relate to and affect the Premises

THE THIRD SCHEDULE

Repair of the Building Services and the Service Rent

1. In this Schedule:

Accounting Year:	means subject to paragraph 5.1 a period of twelve months ending on the 31st December in each year of the Term
Service Costs:	means the total sum computed under paragraph 3 excluding the cost of rebuilding or replacing substantial parts of the Building and/or major repairs to the Building or any part(s) thereof and/or to any of the Service Conduits ducts and/or appliances
Service Rent:	means a due and fair and proper proportion of the Service Costs to be determined by the Landlord's Surveyor (such proportion at the date hereof being an amount equal to 18.6% of the Service Rent payable by the Landlord to the Superior Landlord pursuant to the terms of the Headlease)
Service Rent Document:	means an estimate served under paragraph 4.1 or an account served under paragraph 4.2
Expert:	means a properly qualified chartered surveyor agreed upon by the Superior Landlord and the Landlord pursuant to the Headlease or in default of agreement within six weeks of the nomination in writing of a surveyor by one party to the other appointed by the President on the application of either party

2. Subject to the Tenant complying with its obligations as to payment of Service Rent and subject as provided in Clause 4.5 the Landlord covenants:
 - 2.1 to use all reasonable endeavours to procure that the Superior Landlord repairs decorates and cleanses as often as reasonably necessary the foundations roofs outside walls and structural parts of the Building and the glass in the outside walls of the Building and the external window frames and door frames (but not the shop fronts or inside plaster surfaces of the walls and ceilings of any premises in the Building let or intended to be let by the Superior Landlord) and the Common Parts
 - 2.2 to use all reasonable endeavours to procure that the Superior Landlord repairs and maintains in good working order all plant machinery apparatus and equipment comprising or serving the lifts and water-heating and central heating systems in the Building the lighting in the Common Parts the fire alarm and smoke detector systems in the Building and all Service Conduits and Appliances in the Building which serve the Building except any which are within and exclusively serve the Premises or are within and exclusively serve any other premises in the Building let or intended to be let by the Superior Landlord
 - 2.3 To use all reasonable endeavours to procure that the Superior Landlord provides:
 - (a) appropriate lighting of the Common Parts

- (b) an adequate supply of hot and cold water in any lavatory and water closet accommodation in the Building
- (c) such porters caretakers and other staff necessary for the good management and security of the Building as the Superior Landlord shall acting reasonably decide
- (d) cleaning of the Common Parts as often as is reasonably necessary
- (e) cleaning of the outside glass surfaces of the Building as often as is necessary
- (f) maintenance of landscaped areas within the curtilage of the Building
- (g) that the area shown coloured yellow on the plan relating to the ground floor shall be maintained as a lobby/reception area appropriate to the use of (inter alia) the Premises as offices

3. The Service Costs shall be the total of:

- 3.1 the reasonable cost in any Accounting Year within the Term to the Superior Landlord of carrying out the works and/or providing the services and other matters referred to in paragraphs 2.1 and 2.2 of this Schedule including the cost of any inspections reasonably required in connection therewith
- 3.2 the reasonable costs incurred by the Landlord in respect of any maintenance contract relating to the heating and air conditioning equipment in the Premises (and where such contract relates to the Premises and other premises the Tenant shall pay a fair proportion of such costs)
- 3.3 the reasonable cost in any Accounting Year to the Superior Landlord of carrying out the works and/or providing the services and other matters referred to in paragraph 2.3 of this Schedule (including where appropriate any sums payable by the Superior Landlord to independent contractors) including/together with the reasonable cost of:
 - (a) fuel power gas electricity and water (but not gas and electricity consumed by the Tenant in the Premises nor any other tenant in premises demised to such tenant) consumed in the supply of any service referred to in paragraph 2 of this Schedule
 - (b) cleaning materials and equipment for the cleaning of the Common Parts and the outside glass surfaces of the Building
 - (c) the renewal of bulbs tubes and any other light fittings or equipment
 - (d) wages and statutory contributions in respect of the employees of the Superior Landlord and the Landlord engaged in providing the services referred to in this Schedule
 - (e) any contracts in respect of the repair maintenance and running costs of the plant machinery apparatus and equipment in the Building
 - (f) the provision where necessary of accommodation in the Building for any staff employed solely in connection with the services to be provided by the Superior Landlord pursuant to its covenants contained in the Headlease (including a

notional sum in respect of any living accommodation provided for any housekeeper equal to the open market rent which would be obtainable for such living accommodation on the basis that the Rent Acts would not apply to such rent) and all reasonable outgoings of any nature in respect of such accommodation

- (g) general and water rates and all other reasonable outgoings in respect of the Common Parts and any such living accommodation
- (h) all necessary arrangements for the security of the Building
- (i) the supply of any requisites in the lavatories and water closet accommodation in the Common Parts dustbins tools fire equipment and apparatus uniforms and working clothes for staff employed solely in the Building
- (j) professional fees in relation to periodic valuations of the Building for insurance purposes (but so that such fees shall not be payable more than once in each year)
- (k) any other expenses reasonably incurred by the Superior Landlord or the Landlord in or incidental to the provision of the services referred to in this Schedule and/or any other services which the Superior Landlord acting reasonably and in accordance with principles of good estate management shall provide for the Building or any part thereof
- (l) the preparation of accounts and certificates relating to the Service Costs and the Service Rent

- 3.4 a reasonable management fee for the management and supervision of the Building and the carrying out of the matters referred to in this Schedule being either if the Superior Landlord employs managing agents the reasonable fees of such managing agents or if such management or supervision is provided by the Superior Landlord a sum equal to the scale of fees from time to time recommended by the Royal Institution of Chartered Surveyors for the performance of management supervision and rent collection services or if no such scale be recommended as settled by the Expert
- 3.5 Value Added Tax payable by the Superior Landlord and/or the Landlord in respect of the supply to by or on behalf of the Superior Landlord and/or the Landlord of any of the matters referred to in this Schedule where such Value Added Tax is otherwise irrecoverable by the Superior Landlord or the Landlord
- 3.6 the actual and reasonable cost to the Superior Landlord by way of interest commission banking charges or otherwise of borrowing any necessary sums to provide the Service Costs
- 3.7 a fair proportion to be determined by the Landlord's Surveyor (acting reasonably) having regard to the Term of this Lease of the reasonable costs incurred by the Landlord or the Superior Landlord in removing and/or replacing the lifts and/or any of the Service Conduits ducts and appliances

- 4. The Service Rent shall be payable as follows:

- 4.1 As soon as practicable but not more than three months before the beginning of an Accounting Year the Landlord shall serve on the Tenant an estimate prepared by the Landlord's Surveyor of the amount of the Service Rent the sum so estimated being payable by four equal quarterly payments in advance on the usual quarter days
- 4.2 As soon as practicable after the end of each Accounting Year (and in any event such certified account to be prepared within six months after the end of each Accounting Year) the Landlord shall procure that the Superior Landlord causes its auditors to prepare an account to be certified as true and correct of the amounts under each of the sub-paragraphs 3.1 to 3.5 of paragraph 3 of this Schedule and the Landlord shall calculate the Service Rent and thereupon the amount of the Service Rent for that Accounting Year shall (in the absence of manifest error) be final and binding on the Tenant
- 4.3 If the Service Rent for any Accounting Year shall exceed the sum estimated under sub-paragraph 4.1 of this paragraph the amount of the excess shall be paid by the Tenant to the Landlord within fourteen days of demand
- 4.4 If the Service Rent shall be less than the sum estimated under sub-paragraph 4.1 of this paragraph the amount of the over-payment shall be credited to the Tenant against the next payment of the Rents following the receipt of the account by the Tenant and in the case of the expiry of the Term refunded within fourteen days of demand together with such proportion (if any) of the Service Rent as relates to Service Costs anticipated but not yet expended (save where the relevant costs have been incurred even if not yet paid) by the Landlord and/or Superior Landlord or relates to a period following expiry of the Term
5. Provided:
- 5.1 The Superior Landlord shall be entitled to change the Accounting Year whenever the Superior Landlord in his sole discretion shall think necessary and expedient and in such event the Landlord shall notify the Tenant in writing of such revised Accounting Year and make necessary adjustments resulting from such change
- 5.2 The Superior Landlord shall be entitled to make such alterations as the Superior Landlord acting reasonably thinks fit to the lavatories and water closet accommodation in the Common Parts and to the lifts and heating plant or equipment including if the Superior Landlord acting reasonably thinks fit the installation of lifts heating plant or equipment of a different type and to suspend the service of a lift or heating while the work of alteration or installation is being carried out Provided That the use and enjoyment of the Premises is not materially adversely affected by such alterations
6. If the Tenant shall dispute any item or charge in a Service Rent Document the Tenant shall within one month of the service of the Service Rent Document (as to which period time shall be of the essence) serve on the Landlord a notice specifying the disputed item or items
- 6.1 Any such dispute shall be determined by the Expert who shall act as an expert and not as an arbitrator and whose fees shall be borne as he directs
- 6.2 The Tenant shall not be entitled to dispute the cost of any work or service included in the calculation of the Service Rent on the ground that the work or service could be

performed for or cost less than that in fact incurred by the Superior Landlord or in good faith estimated by the Landlord's Surveyor unless the Tenant acting reasonably considers that such cost is more than 30% in excess of the cost that would have been reasonable in the circumstances

- 6.3 Until the Expert's determination the Tenant shall not withhold payment of the Service Rent or any part thereof
- 6.4 If the Expert's determination shows that the Tenant has made an overpayment in respect of the Service Rent the Landlord shall pay to the Tenant the amount of such overpayment within 28 days after the Expert's determination shall have been received by the Landlord

THE FOURTH SCHEDULE

Guarantor's covenants

1. The terms defined in this paragraph shall for all purposes of this Schedule have the meanings specified:
- | | |
|---------------|---|
| the 1995 Act: | the Landlord and Tenant (Covenants) Act 1995 |
| the Lease: | this Lease |
| the Tenant: | the Tenant for the time being under the Lease |
2. **Obligations of Guarantor**
- 2.1 The Guarantor covenants with the Landlord as a primary obligation that during the Term until released pursuant to the 1995 Act the Tenant will pay the rents and observe and perform the provisions of this Lease and the Guarantor will at all times during which it is liable under this Lease indemnify the Landlord against all claims demands losses costs damages and expenses incurred by it or resulting from the default of the Tenant in observing and/or performing any of the provisions of this Lease
- 2.2 The Guarantor shall be deemed to be a principal debtor and the liabilities and obligations of the Guarantor hereunder shall (except as provided in the 1995 Act) in no way be released or discharged or (except as specifically provided in paragraph 2.2(f) below) lessened or affected by reason of:
- (a) any time or indulgence granted by the Landlord or any neglect or forbearance of the Landlord in enforcing payment of the rents or the observance and performance of the provisions of this Lease by the Tenant
 - (b) any refusal by the Landlord to accept the rents from the Tenant following a breach or suspected breach of covenant by the Tenant
 - (c) any agreement with the Tenant any licence or consent granted to the Tenant or any variation in the terms of this Lease
 - (d) the death of the Tenant (if an individual) or the dissolution of the Tenant (if a company)

- (e) a surrender of part of the Premises except that the Guarantor shall have no liability in relation to the surrendered part for any period following the date of surrender
- (f) any other act matter or thing by which but for this provision the Guarantor would have been released other than a release by deed given by the Landlord or pursuant to the Act

3. Insolvency of Tenant

If during the Term the Tenant becomes insolvent or bankrupt and the liquidator or the trustee in bankruptcy disclaims or surrenders this Lease or if the Lease shall be forfeited or if the Tenant shall cease to exist the Guarantor shall upon written notice from the Landlord given within six months after the date of disclaimer or other event take a new lease of the Premises from the Landlord for a term commencing on the date of the disclaimer or other event equal to the residue then unexpired of the Term at the Rent payable had there been no disclaimer or other event subject to this Lease insofar as this is still subsisting and otherwise subject to the same provisions as this Lease (with such variations as the Landlord may reasonably require but without requiring any other person to act as guarantor) such new lease to take effect from the date of disclaimer or other event and to be granted at the cost of the Guarantor who shall execute and deliver to the Landlord a counterpart of it

4. Position after disclaimer or other event

If this Lease is disclaimed surrendered or forfeited and for any reason the Landlord does not require the Guarantor to take a new lease under the provisions of paragraph 3 of this Schedule the Guarantor shall pay to the Landlord on demand an amount equal to the rents and other sums payable under this Lease had there been no disclaimer or other event for the period from the date of disclaimer or other event to the date six months after such disclaimer or other event or the date upon which the Landlord relets the Premises (whichever is the earlier)

5. Benefit of guarantee

This guarantee shall enure for the benefit of the successors and assigns of the Landlord under the Lease without the necessity for any assignment

THE FIFTH SCHEDULE

The Rent Review

- 1. In this Schedule the following expressions shall have the following meanings:
 - 1.1 "Review Date" means 24 June 2009 and any other date that becomes a Review Date pursuant to paragraph 7 hereof
 - 1.2 "the Market Rent" means the yearly rent (exclusive of any VAT) payable after the expiry of any rent free period of such length as would be negotiated in the open market upon a letting of premises comparable with the Premises at which the Premises might reasonably be expected then to be let without fine or premium with vacant possession in the open market by a willing landlord to a willing tenant by a lease which is on the same

terms in all respects as this Lease (save as to the amount of the yearly rent payable hereunder but including the provisions for rent review) for the unexpired residue of the Term at the Review Date and on the following assumptions (whether or not such shall in fact be the case):

- (a) that no work has been carried out at the Premises by the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title during or prior to the Term which has diminished the rental value of the Premises and that in case the Premises have been destroyed or damaged they have been fully restored
- (b) that all the covenants and conditions in this Lease have been duly performed and observed
- (c) that the Premises may be lawfully used by any person for the purposes permitted under this Lease (or for the purposes for which they are actually used if producing a higher rental value)
- (d) that the Premises are fit for immediate occupation and use
- (e) that the willing tenant would commence paying rent immediately upon the Review Date and that such rent would not be discounted to reflect the absence of any rent concession rent free period or other inducement then being offered by lessors to lessees upon the grant of leases in the open market of premises comparable with the Premises

but disregarding:

- (i) any effect on rent of the fact that the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title have been in occupation of the Premises or any part thereof
- (ii) any goodwill attached to the Premises or any part thereof by reason of the carrying on thereat of the business of the Tenant its sub-tenants or any permitted occupier or their respective predecessors in title in their respective businesses and
- (iii) any effect on rent of any improvement to the Premises or any part thereof completed not more than twenty-one years prior to the Review Date and to the extent that the improvement is carried out by or at the cost of the Tenant either during the Term with the Landlord's written consent as herein required or under any agreement for the grant of this Lease but always excluding those carried out in pursuance of an obligation to the Landlord or imposed by statute
- (iv) any conditions in or connected with any planning permission applied for by or on behalf of the Tenant or its sub-tenants or any permitted occupier or their respective predecessors in title which adversely affect the rental value of the Premises

1.3 "Surveyor" means an independent surveyor appointed in accordance with this Schedule

2. From the Review Date the Rent shall be such as may at any time be agreed between the Landlord and the Tenant as the rent payable from the Review Date or in default of such agreement shall be whichever is the greater of:
 - (a) the Market Rent at the Review Date or
 - (b) the Rent payable under this Lease (disregarding any suspension of Rent pursuant to this Lease) immediately before the Review Date
3. If by a date three months before the Review Date the Rent payable from the Review Date has not been agreed the Landlord and the Tenant may agree upon a person to act as the Surveyor who shall determine the Market Rent in respect of the Review Date but in default of such agreement then the Landlord or the Tenant may at any time whether before or after the Review Date make application to the President for the time being of the Royal Institution of Chartered Surveyors or his deputy to appoint the Surveyor to determine the Market Rent and such application shall request that the Surveyor to be appointed shall be a specialist in the letting of commercial premises comparable with the Premises
4.
 - 4.1 Unless the Landlord and the Tenant otherwise agree in writing the Surveyor shall act as an arbitrator and not as an expert and the arbitration shall be conducted in accordance with the Arbitration Act 1996
 - 4.2 If the Surveyor acts as an expert unless he shall otherwise direct the Landlord and the Tenant shall each be responsible for one half of his fees and if either the Landlord or the Tenant shall fail to pay any fees awarded against it within five working days of such fees being demanded by the Surveyor then the other of them shall be entitled to pay such costs and the amount so paid shall be repaid on demand by the chargeable party
 - 4.3 If the Surveyor whether appointed as arbitrator or expert refuses to act or is incapable of acting or dies the Landlord or the Tenant may apply to the President for the time being of the Royal Institution of Chartered Surveyors or his deputy for the appointment of a further Surveyor
 - 4.4 If the Surveyor acts as an expert each party shall have the right to make representations to him (and to comment on representations made by the other party) and he shall consider them but will not be bound to take them into account and his decision shall be final and binding on the parties
5. If by the Review Date the Rent payable from the Review Date has not been ascertained pursuant to this Schedule the Tenant shall continue to pay the then current Rent and within fourteen days of such ascertainment (being the date of agreement or of the Surveyor's award on determination) ("the due date") the Tenant shall pay to the Landlord the difference (if any) between the rent paid and the rent so ascertained for the period from the Review Date to the day before the quarter day next following such ascertainment ("the shortfall") together with interest at 3 per cent per annum below the Higher Rate Interest on the shortfall calculated on a daily basis by reference to the quarter days upon which parts of the shortfall would have been payable if the revised rent had been ascertained at such dates down to the due date

6. So soon as and on each occasion on which the Rent payable from the Review Date has been ascertained details of the amount thereof shall be entered on memoranda to be signed by or on behalf of the Landlord and the Tenant respectively and annexed to this Lease and the counterpart thereof and the parties shall each bear their own costs in relation thereto
7. If at the Review Date there is any legal restriction upon the Landlord's right to collect review or increase the Rent in accordance with this Schedule then upon the ending removing or modification of such restriction the Landlord may at any time thereafter give to the Tenant not less than seven days' written notice requiring an additional rent review upon a date specified therein (being not earlier than the date of expiration of such notice) and the Rent payable from such date shall be ascertained as provided in this Schedule

SIGNED as a DEED by)
ITE GROUP PLC)
acting by two directors or a director)
and the company secretary)

Director:

Director/Secretary:

SIGNED as a DEED by)
ZONEMEDIA MANAGEMENT)
LIMITED acting by two directors)
or a director and the company secretary)

Director:

Director/Secretary: