

DATED

2006

**(1) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF
HARINGEY**

(2) FIROKA (ALEXANDRA PALACE) LIMITED

(3) FIROKA (KINGS CROSS) LIMITED

Agreed Draft

LEASE
of

**Alexandra Palace
Alexandra Palace Way
Wood Green
London N22 4AY**

Term: 125 years
Commencing: [see Project Agreement]
Rent: A peppercorn and additional rents

EXECUTED as a deed by the Mayor and)
Burgesses of the London Borough of Haringey)
as Trustee of the Alexandra Palace Charitable)
Trust by affixing its common seal hereunto by
order

Authorised Signatory

EXECUTED as a deed by)
)
FIROKA (ALEXANDRA PALACE) LIMITED)
acting by:

Director

Director/Secretary

EXECUTED as a deed by)
)
FIROKA (KINGS CROSS) LIMITED)
acting by:

Director

Director/Secretary

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ANNEXURE 1

Plans

LR1. Date of lease	[]
LR2. Title number(s)	LR2.1 Landlord's title number(s) NGL365599 LR2.2 Other title numbers None
LR3. Parties to this lease	Landlord The Mayor and Burgesses Borough of Haringey of Civic Centre Wood Green London N22 4LE as Trustees of of the London the Alexandra Palace and Park Charitable Trust. Tenant Firoka (Alexandra) Palace Limited (company no. 5853948 whose registered office is at 1 Kings Cross Road London WC1X 9HX. Firoka (Kings Cross) Limited (company no. 02466578) whose registered office is at 1 Kings Cross Road London WC1X 9HX (Guarantor).
LR4. Property	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.
	As specified in Schedule 1, Part 1of this lease and defined in this lease as "the Premises".
LR5. Prescribed statements etc	LR5.1 <i>Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.</i>
	As specified in clause 12 of this lease.
	LR5.2 This lease is made under, or by

	reference to, provisions of:
	Not applicable.
LR6. Term for which the Property is leased	The term as specified in this lease at clause 1.1 and referred to in clause 2.4.
LR7. Premium	A deferred premium may be payable in accordance with Schedule 2 Part 2 of this lease.
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisition etc	LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land
	None.
	LR9.2 Tenant's covenant to (or offer to) surrender this lease
	None.
	LR9.3 Landlord's contractual rights to acquire this lease
	None.
LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	As specified in clause 5.4 of this lease.
LR11. Easements	LR11.1 Easements granted by this lease for the benefit of the Property
	As specified in Schedule 1, Part 2 of this lease.
	LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property
	As specified in Schedule 1, Part 3 of this lease.
LR12. Estate rentcharge burdening the Property	None.
LR13. Application for standard form of restriction	None.

LR14. Declaration of trust where there is more than one person comprising the Tenant	Not applicable.
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DATE

2006

PARTIES

- 1 Landlord **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HARINGEY** of Civic Centre Wood Green London N22 4LE as Trustees of the Alexandra Park and Palace Charitable Trust;
- 2 Tenant **FIROKA (ALEXANDRA PALACE) LIMITED** (company number 5853948) whose registered office is at 1 Kings Cross Road London WC1X 9HX;
- 3 Guarantor **FIROKA (KINGS CROSS) LIMITED** (company number 02466578) whose registered office is at 1 Kings Cross Road London WC1X 9HX

1 Definitions and interpretation

1.1 Unless the contrary intention appears, the following definitions apply:

Additional Car Park the car park within Alexandra Park shown edged/hatched [] on Plan [] or such other car park area as is designated from time to time by the Landlord and comprising approximately 1,400 car parking spaces for use by the Tenant in common with other users and members of the public;

Additional Rents the payments to be made by the Tenant as reserved in clause 2.5.3;

Alexandra Park the Park gardens, Alexandra Palace Way and car park shown edged [] (for identification only) [] on plan [] annexed;

<i>Alexandra Park Acts</i>	the Alexandra Park and Palace Acts and Orders 1900-2004; a reference to the "Alexandra Park Acts" includes Orders of The Charity Commissioners made pursuant to the Alexandra Park Acts.
<i>Alexandra Palace Way</i>	the private road known as Alexandra Palace Way shown coloured [] on the Plan [];
<i>Conduits</i>	A conduit, pipe, drain, sewer, channel, culvert, gutter, flue, duct, wire, cable, optic fibre or other medium for the passage for transmission of water, soil, gas, electricity, light, information or other matter and all ancillary structures and equipment;
<i>Deferred Premium</i>	such a premium as may be payable by the Tenant to the Landlord in accordance with the clause 3.1.2 and Schedule 2, Part 2;
<i>Development</i>	the works of refurbishment and development of the Premises to be carried out under the Project Agreement;
<i>Encumbrances</i>	the restrictions, stipulations, covenants, rights, reservations, provisions and other matters contained, imposed by, or referred to, in the instruments brief particulars of which are set out in Schedule 1, Part 4;
<i>Entity</i>	A body corporate or other business organisation or partnership of any type;
<i>Existing Underleases</i>	The leases listed in Schedule 1, Part 5;
<i>Group Company</i>	A company that is a member of the same group of companies as the Tenant within the meaning of Section 42 of the Landlord and Tenant Act 1954 (as amended)

<i>Ice Rink</i>	the ice rink situated in the east wing of the Premises and, where the context so requires, any replacement of the ice rink in the Premises either in that location or elsewhere in the east wing of the Premises;
<i>Insured Risks</i>	has the meaning given to it in Schedule 3;
<i>Interest</i>	interest at the rate of 4% over the base rate of Barclays Bank Plc for the time being and from time to time (as well after as before judgment), or such other comparable rate as the Landlord may reasonably designate if that base rate ceases to be published, compounded at quarterly rests on 31 March, 30 June, 30 September and 31 December in each year;
<i>Landlord</i>	includes all persons for the time being entitled to the immediate reversion to this Lease;
<i>Landlord's Adjacent Land</i>	the land comprised in Title Number NGL365599 other than the Premises;
<i>Lease</i>	includes any instruments supplemental to this Lease;
<i>Non-Operational Parts</i>	are defined in clause 3.4.1;
<i>Operational Parts</i>	are defined in clause 3.4.1;
<i>Outgoings</i>	all non-domestic rates, water rates, water charges and all existing and future rates, taxes, charges, assessments, impositions and outgoings whatsoever (whether parliamentary, municipal, parochial or otherwise) which are now or may at any time be payable, charged or assessed on property or the owner or occupier of property, but "taxes" in this context does not include value added tax, nor any taxes imposed on the Landlord in respect of the rents reserved by this Lease or in

respect of a disposal of the reversionary interest in the Premises.

Perpetuity Period

the period of eighty years from the date of grant of this Lease

¹ Plan[s]

[]

Planning Acts

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

Planning Permission

a detailed planning permission for the Development issued pursuant to an application in that regard to be made by the Tenant under the Project Agreement which expression includes any variation to that permission which has been approved by the Landlord under the terms of this Lease;

Premises

the property described in Schedule 1, Part 1;

references to the *Premises* are to each and every part of the Premises as the context allows and include all buildings and other structures now or from time to time during the Term constructed on them;

Project Agreement

an agreement between the Landlord and the Tenant dated [] 2006 for the refurbishment and development of the Premises;

Refurbished Parts

are defined in clause 3.4.1;

Rents

the rents and Additional Rents set out in clause 2.6;

¹ Plan(s) awaited

<i>Schedule of Condition Survey</i>	the Report on Condition evidencing the state and condition of the Premises as at September 2005 prepared by King Sturge LLP a copy of which is set out in Annexure [];
<i>Services</i>	has the meaning given to it in Schedule 4;
<i>Service Charge</i>	the charge payable in respect of the provision of the services calculated in accordance with Schedule 4;
<i>Tenant</i>	includes the Tenant's successors in title and assigns in whom this Lease is for the time being vested;
<i>Term</i>	the term of 125 years granted by this Lease from and including [] and expiring on the [] day of [];
<i>Terrorism</i>	such acts or events of terrorism or civil unrest in respect of which insurance cover is available from time to time on the London Insurance Market;
<i>Theatre</i>	the existing theatre situate in the eastern section of the Premises;
<i>Uninsured Risks</i>	has the meaning given to it in Schedule 3, paragraph 5;
<i>Use Classes Order</i>	the Town and Country Planning (Use Classes) Order 1987 as amended by the Town and Country Planning (Use Classes) (Amendment) (England) Order 2005;
<i>Willis Organ</i>	the Willis Organ situated in the Premises;
<i>Working Days</i>	Monday to Fridays inclusive but excluding any days which are bank or public holidays.

1.2 Obligations and restrictions

An obligation of the Tenant in this Lease to do any act, matter or thing imposes a duty to procure that it is done; a restriction on the Tenant in this Lease imposes a duty not to permit or allow the infringement of the restriction by any person.

1.3 Clause Headings

The clause and paragraph headings in this Lease are for ease of reference only and are not to be taken into account in the construction or interpretation of any provision to which they refer.

1.4 Clause numbering

Unless the context otherwise requires, references:

1.4.1 to numbered clauses and Schedules are references to the relevant clause in or schedule to this Lease; and

1.4.2 in any schedule to a numbered paragraph are references to the relevant paragraph in that Schedule.

1.5 Single and plural references

Words in this Lease importing the singular meaning, where the context so allows, include the plural meaning and vice versa.

1.6 References to Statutes

Unless the context otherwise requires, references in this Lease to any statutes or statutory instruments include and refer to any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force; references to a statute include statutory instruments and regulations made pursuant to it.

1.7 Gender

Words in this Lease importing any one gender include both other genders and may be used interchangeably, and words denoting natural persons, where the context allows, include corporations and vice versa.

1.8 **Joint and several obligations**

At any time that a Tenant comprises two or more persons, the expression "the Tenant" includes the plural number and obligations in this Lease expressed or implied to be made by the Tenant are to be treated as made with or by those persons jointly and severally.

1.9 **Rights**

References to rights exercisable by the Tenant shall be construed as being exercisable by the Tenant, any sub-tenant or sub-tenants and all persons properly authorised by them.

2 **The Demise**

In consideration of the Premium and Deferred Premium payable by the Tenant to the Landlord and the payment of rents reserved by and the covenants of the Tenant in this Lease, the Landlord **LETS** to the Tenant:

1.1 ALL the Premises;

2.1 **TOGETHER** with the rights set out in schedule 1 part 2; and

2.2 **EXCEPT AND RESERVED** to the Landlord the rights set out in schedule 1 part 3;

2.3 **SUBJECT** to and with the benefit of the Existing Underleases;

2.4 for the **TERM**;

2.5 the Tenant **PAYING** during the Term:

2.5.1 the yearly **RENT** of a peppercorn, if demanded;

2.5.2

2.5.3 as **ADDITIONAL RENT**:

2.5.3.1 insurance premiums payable by the Landlord in insuring the Premises under clause 5.2 and Schedule 3 payable as from the date of this Lease; and

2.5.3.2 service charge payable by the Tenant under Schedule 4 payable as from the date of this Lease; and

2.5.4 such value added tax as may be chargeable in respect of the Profit Rent, Additional Rents and other payments for the taxable supply of goods and services by the Landlord under this Lease.

3 **Tenant's Covenants**

The Tenant **COVENANTS** with the Landlord as follows:

3.1 **Premiums, Rent and Interest**

3.1.1

3.1.2

3.1.3 To pay the Additional Rents reserved by this Lease, free from any deductions and rights of set-off, at the times and in the manner required specified in relation to each of them.

3.1.4 To pay the insurance premiums and the service charge in accordance with the obligations of the Tenant in Schedules 3 and 4 respectively.

3.1.5 To pay Interest to the Landlord on so much of the Premium, the Deferred Premium, the Additional Rents or other monies due under this Lease as remains unpaid fourteen days after they have respectively become due for payment until payment is made to the Landlord, and for this purpose:

3.1.5.1 unless a time is specified in this Lease in respect of a payment, a sum is to become due for payment on demand if demand is to be made for it, or otherwise on the date on which it would otherwise become due for payment by the Tenant; and

3.1.5.2 Interest is to be payable with effect from the date that the sum on which it accrues became due for payment.

3.2 **Outgoings**

3.2.1 To pay and discharge Outgoings in respect of the Premises.

3.2.2 To pay for the gas, electricity and water consumed on the Premises, charges for meters and standing charges.

3.3 Development obligations In the Project Agreement

3.3.1 To observe and perform the obligations of the Tenant and conditions in the Project Agreement.

3.3.2 The completion of the Development is to be treated as having occurred at the date of issue of the certificate of practical completion in accordance with the Project Agreement.

3.3.3 References in this Lease to completion of the Development are to construed accordingly, but do not relieve the Tenant from obligations in the Project Agreement which remain to be observed or performed thereafter.

3.4 Repair

3.4.1 In this clause 3.4:

"Operational Parts" are those parts of the Premises which are used by the Tenant for the purposes of its business or which are underlet;

"Non-operational Parts" are those parts of the Premises which have not been underlet and which are not for the time being used by the Tenant for or in connection with the Tenant's business;

a part of the Premises which is used by the Tenant only as space for the storage of goods, which is not required as part of or ancillary to a specific business activity of the Tenant, and which is not underlet, is to be treated for this purpose as a Non-operational Part;

Non-operational Parts become Operational Parts once they are used by the Tenant for the purposes of its business or once they are underlet.

"Refurbished Parts" are those parts of the Premises in respect of which works of refurbishment and development have been carried out and completed in accordance with the Project Agreement or, those parts of the Premises which, after the completion of the Development, have not been refurbished or developed but which have later in the Term been refurbished or repaired to a good and substantial standard.

Operational Parts and Non-operational Parts become Refurbished Parts at such time as the works of refurbishment and development have been carried out and substantially completed in respect of them respectively.

- 3.4.2 Before the substantial completion of the Development and subject to clause 3.4.3:
- 3.4.2.1 to keep and maintain all Operational Parts in no worse condition than that as reported and warranted to be the condition by King Sturge LLP in the Schedule of Condition Survey and repaired at least to that standard; and
 - 3.4.2.2 to keep wind and watertight and in a safe condition all Non-operational Parts.
- 3.4.3 Following substantial completion of the Development:
- 3.4.3.1 well and substantially to maintain, clean and keep in repair all Refurbished Parts;
 - 3.4.3.2 to keep and maintain all Operational Parts which have not become Refurbished Parts in the condition referred to in clause 3.4.2.1 and repaired at least to that standard until such time later in the Term that they become Refurbished Parts; and
 - 3.4.3.3 to keep wind and watertight and in a safe condition the Non-Operational Parts, subject to clause 3.4.4
- 3.4.4 To keep and maintain in at least the condition referred to Schedule of Condition Survey as reported and warranted to be the condition by King Sturge LLP, those Non-Operational Parts still subsisting at the expiration of the first fifteen years of the Term and to keep them in that condition during such part of the remainder of the Term as they remain Non-Operational Parts.
- 3.4.5 Damage caused by an Insured Risk is excepted from the obligations of the Tenant in this clause 3.4 unless and to the extent that the liability of the insurer is vitiated by the Tenant (as dealt with in Schedule 3).

3.5 Landlord's right of inspection and right of repair

- 3.5.1 To permit the Landlord and its employees or agents at all reasonable times on reasonable notice to enter into, inspect and view the Premises and examine their condition the Landlord procuring that as little inconvenience or disturbance as is practicable is caused to the Tenant and lawful occupiers of the Premises.
- 3.5.2 If any breach of covenant, defects, disrepair or unauthorised alterations or additions are found on such inspection for which the Tenant is liable then, on notice by the

Landlord to the Tenant to execute all repairs, works, replacements or removals required within such reasonable period of time as is specified in such notice received by the Tenant and to the proper satisfaction of the Landlord or its surveyor.

3.5.3 In case of default, it shall be lawful for workpeople or agents of the Landlord to enter the Premises and execute the relevant repairs, works, replacements or removals.

3.5.4 To pay to the Landlord on demand the proper expenses incurred pursuant to clause 3.5.3 with Interest on them, or so much of them as may from time to time remain unpaid, from the date of notification of the expenditure until the date they are paid by the Tenant to the Landlord (the expenses and Interest to be recoverable by the Landlord as if they were rent in arrear).

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

At the expiry or earlier determination of the Term, quietly to yield up the Premises with all additions and improvements to the Premises and all fixtures which during the Term may be fixed or fastened to or on the Premises (other than tenant's fixtures which the Tenant is then entitled to remove) repaired and maintained in accordance with the Tenant's covenants in this Lease.

3.7 **Alterations**

As from the completion of the Development in accordance with the Project Agreement, not to make any alterations or additions to or affecting the structure or exterior of the Premises without the consent of the Landlord, consent not to be unreasonably withheld or delayed subject to the taking into account of the need for:

3.7.1 compliance with the Alexandra Park Acts; and

3.7.2 the consent to the proposed alterations and additions of English Heritage (if requisite).

3.8 **Alienation**

3.8.1 Not to assign or charge part of this Lease.

3.8.2 Not to assign this Lease before the Tenant has carried out the refurbishment and development of the Premises to the extent specified in clause 5 of the Project Agreement.

3.8.3 Subject to clause 3.8.2, not to assign this Lease otherwise than to an assignee of required status.

An "assignee of required status" is an Entity which fulfils the following requirements:

3.8.3.1 an Entity which has at least equivalent financial status to that of the assignor and clauses 3.8.3.2 to 3.8.3.4 apply in relation to determining financial status;

3.8.3.2 the financial status of the assignor is to be assessed as at the time that the assignor became the Tenant, and that of the assignee is to be assessed as at a time during the month immediately preceding the proposed assignment; and

3.8.3.3 the comparison of the financial status of the assignor with the financial status of the assignee, is to be assessed by reference to its credit rating from a recognised reputable rating agency as at the time immediately before the proposed assignment; but

3.8.3.4 where the assignor was supported by a guarantee at the time that it became the Tenant, or the assignee is to be supported by a guarantee at the time of assignment, the references in preceding sub-clauses of this clause 3.8.3 to the assignor, or (as the case may be) to the assignee, are to be treated as references to its guarantor at the time that the guarantee was given.

3.8.4 The disposal by any means of the control of the Tenant, as a result of which the benefit of this Lease in effect would become vested in an Entity which would not in the case of an assignment of this Lease qualify as an assignee of required status, is to be treated as a breach of clause 3.8.3; for this purpose, "control" has the meaning give to it under section 840 of the Income and Corporation Taxes Act 1988.

3.8.5 Not to assign this Lease before having given at least 28 days prior notice to the Landlord of the Tenant's intention to do so accompanied by details of the terms of the proposed assignment and sufficient information to establish that the requirements of clause 3.8.3 would be satisfied.

3.8.6 Until the completion of the Development, not to charge this Lease otherwise than to a reputable bona fide funding or banking institution (or to such other person with

the approval of the Landlord, approval not to be unreasonably withheld or delayed) for the purpose of providing finance for the Development or for the Tenant's future operational requirements in respect of the Premises which is to be applied solely for that purpose.

3.8.7 Not to grant an underlease of the whole of the Premises before the completion of the Development.

3.8.8 Not to grant an underlease of the whole of the Premises after the completion of the Development, or an underlease of part at any time, otherwise than in accordance with the following provisions:

3.8.8.1 to reserve a rent or other revenue return in accordance with good practice in the open market at the time of grant;

3.8.8.2 not to reserve or take a premium or fine;

3.8.8.3 to include provisions in the case of reservation of a specified initial rent for the revision of rent in an upward direction (or, if not upward only, subject to the approval of the Landlord of the terms of the revision which is not to be unreasonably withheld or delayed) at intervals no less frequent than in accordance with then current open market practice throughout the term of the underlease;

3.8.8.4 as an alternative to the requirements of clause 3.8.8.3, to include provisions for the reservation of rent related to turnover in whole (or in part plus a basic proportion of the market rent which is subject to periodic revision consistent with clause 3.8.8.3)) in accordance with good market practice, then current, applicable for the purpose of the business of the underlessee;

3.8.8.5 to grant rent concessions to underlessees no greater than in accordance with prevailing market conditions for which the premises comprised in the underlease are to be used and consistent with the objective of obtaining an open market rental return on the relevant parts of Premises;

3.8.8.6 to reserve payments of rent quarterly or more frequently, in advance throughout the term of the underlease, and to reserve rent exclusive of outgoings, insurance premiums, and service charges whether or not they are reserved separately by way of additional rent;

- 3.8.8.7 to require a full repairing liability (or, in the case of a part of the Premises, an interior repairing liability, but subject to a pro-rated contribution to the cost of repairs, maintenance and upkeep of the Premises) to be undertaken by the underlessee; but the Tenant may depart from imposing such a repairing obligation where market conditions dictate otherwise so long as the Tenant's repairing liability, or ability to carry out repairs, under this Lease is not thereby diminished.
- 3.8.8.8 not to part with possession of the whole or part of the Premises otherwise than by assignment or underletting in accordance with this clause 3.8, but the Tenant may grant licences or concessions for the use of parts of the Premises in respect of events in the ordinary course of the Tenant's business activities without otherwise complying with the provisions of clause 3.8; and
- 3.8.8.9 to underlet the Premises or part of them upon terms and conditions which are not inconsistent with the observance and performance obligations of the Tenant to the Landlord in this.
- 3.8.9 Not to underlet the whole or part of the Premises before having given at least 28 days prior notice to the Landlord of the Tenant's intention to do so accompanied by details of the terms of the proposed underlease and sufficient information to establish that the requirements of clause 3.8.8 would be satisfied.

3.9 Registration of dispositions of this Lease

To produce to and leave with the solicitors for the time being of the Landlord within one month after any disposition of this Lease or the Premises (whether by assignment, charge, transfer, or underlease, or assignment or surrender of any underlease) a certified copy for retention by the Landlord of the document effecting the disposition.

3.10 Sharing with a Group Company

Notwithstanding clause 3.8 the Tenant may share the occupation of the whole or any part of the Premises with a Group Company provided that the relationship of landlord and tenant is not thereby created and on the basis that such occupation shall cease once that company ceases to be a Group Company.

3.11 **User**

*different
to rest of
the contract
with Blair Park.*

3.11.7 Nothing in this Lease implies or is to be treated as a warranty to the effect that the use of the Premises for those purposes is in compliance with all town planning laws and regulations or other relevant legislation regulating or restricting use now or from time to time in force.

3.12 **Restrictions affecting use of the Premises**

3.12.1 Not to use the Premises for any noxious, noisy or offensive trade or business nor for any illegal or immoral act or purpose.

3.12.2 Not to hold sales by auction on the Premises.

3.12.3 Not to use or carry on business in the Premises in such a manner as to cause nuisance to the owners, tenants and occupiers of neighbouring properties, but the proper use of the Premises in accordance with this Lease is not to be treated as a cause of nuisance.

3.12.4 Not to do in or upon the Premises anything which is not in accordance with or would infringe the provisions of the Alexandra Park Acts.

3.13 **Active trading and availability to the Public**

To trade actively and, so far as may be practicable, continuously from those facilities of the Premises which are intended to be made available to the public, except to the extent that:

3.13.1 the Tenant may be prevented from doing so by reason of destruction or damage to the Premises or by some other reason beyond the Tenant's control;

3.13.2 closure may be necessary diligently to carry out repairs, alterations or additions to the Premises or, where necessary, to comply with the terms of the Project Agreement;

3.13.3 closure may be necessary to complete an assignment of this Lease or grant of an underlease; or

3.13.4 to do so would be unlawful.