

DATED 31 October 1997

SUN LIFE PENSIONS MANAGEMENT LIMITED

- and -

SIBERT TECHNOLOGY LIMITED

- and -

MICHAEL KEITH WHITE

---

COUNTERPART  
LEASE

- of -

Unit 2A  
Merrow Business Centre  
Merrow Street  
Merrow  
Guildford  
Surrey

---

AFM SL90/1  
afmnew/leases white.lse

THIS LEASE made the 31<sup>st</sup> day of October 1997  
BETWEEN

1997



- (1) **SUN LIFE PENSIONS MANAGEMENT LIMITED** having its registered office at 107 Cheapside London EC2V 6DU (hereinafter called "the Landlord" which expression where the context so admits includes the person deriving title under it)
- (2) **SIBERT TECHNOLOGY LIMITED** having its registered office at Old Printers Yard 156 South Street Dorking Surrey RH4 2EU (hereinafter called "the Tenant" which expression where the context admits includes its successors in title) and
- (3) **MICHAEL KEITH WHITE** of 43 Pewley Way Guildford Surrey GU1 3PZ (hereinafter called "the Guarantor")

WITNESSETH as follows:-

1. THE LANDLORD HEREBY DEMISES unto the Tenant ALL THAT land and buildings TOGETHER with all Landlord's fixtures and fittings in and about the same from time to time situate and known as Unit 2A The Merrow Business Centre Merrow Street Merrow Guildford and shown edged red on the attached plan the Landlord's title to which is registered at H M Land Registry under Title No: SY623432 hereinafter referred to as "the demised premises" which expression shall where the context so admits include all additions and alterations thereto and the said Landlord's fixtures and fittings) TOGETHER WITH the benefit of rights and provisions equivalent to those mentioned or referred to on the Property Register of Title No: SY623432 SUBJECT TO the covenants and other provisions mentioned or referred to in entries numbered 1, 2 and 3 on the Charges Register TO HOLD the same UNTO the Tenant from and including the 31<sup>st</sup> day of October 1997 for a TERM of THIRTEEN YEARS YIELDING AND PAYING therefor during the said term and so in proportion for any period less than a year FIRST the YEARLY RENTS ascertained in accordance with the provisions of the Schedule hereto such rents to be paid by equal quarterly payments in advance on the usual quarter days clear of all deductions whatsoever the first of such payments in respect of the period from the day of 1997 to the day of 1997 to be made on the signing hereof AND SECONDLY by way of further rent on demand all costs and expenses incurred by the Landlord in or towards the management of the demised premises and the fees and or commission of any person or firm employed to undertake such management

2. THE TENANT HEREBY COVENANTS with the Landlord:-

- (1) (a) To pay the said rents at the times and in the manner aforesaid.  
(b) If so required in writing by the Landlord to make such payments by banker's order or credit transfer to any bank and account in the United Kingdom that the Landlord may from time to time nominate.
- (2) To pay and discharge all existing and future rates taxes duties charges assessments

RAILWAY

OFFICIAL COPY OF FILED PLAN  
LAND

ALPEN CLOSE

HENCHLES DENE

2a 2b

Perram Works

Morrow  
Business  
Centre

Warehouse

Station Cottages

Domestic Cottages



impositions and outgoings whatsoever (whether parliamentary parochial local or otherwise) which now are or may at any time hereafter be charged levied assessed or imposed upon the demised premises or upon the owner or occupier in respect thereof (or a due proportion thereof in the event of the same referring to other premises as well as to the demised premises) and to pay all charges incurred in respect of gas and electric current and power supplied to the demised premises (including all standing charges and meter rents).

(3) In addition to the rents charges costs fees and other payments which are or shall be reserved or may become payable pursuant to the provisions of this Lease (in this Clause called "the Payments") by or on behalf of the Tenant to the Landlord or any person firm or company acting on the Landlord's behalf to pay any Value Added Tax (or any tax duty or imposition which replaces or supplements Value Added Tax) which is or may from time to time become legally payable in respect of the Payments and in default of payment the same shall be recoverable by action or by distress as rent in arrear

(4) To pay to the Landlord on demand a fair proportion to be conclusively determined by its surveyor of the expense of repairing and maintaining or rebuilding any party walls fences gutters drains roadways pavements passages and service areas used by the Tenant in common with the owners or occupiers of any adjoining or neighbouring premises.

(5) At all times during the said term well and substantially to keep in repair and maintain all buildings now or hereafter forming part of the demised premises and also the Landlord's fixtures thereon and all boundary walls forming part of the demised premises and all sewers drains soil and other pipes and sanitary water gas and electric pipes cables wires and apparatus in or under the demised premises.

(6) To the reasonable satisfaction of the Surveyor for the time being of the Landlord to remove all rust and to paint clean render and otherwise treat the exterior of all buildings comprised in the demised premises and any additions thereto with suitable materials of good quality in the year 2001 and at least once in every period of four years during the said term and in the last year thereof (howsoever determined) and also to paint with two coats of good quality paint all the wood metal and other parts normally painted of the interior of the said building in the year 2004 and at least once in every period of seven years during the said term and in the last year thereof (howsoever determined) and after every such painting to decorate wash stop whiten colour or suitably treat all such parts as have previously been so dealt with.

(7) To permit the Landlord and its agents at all reasonable times with or without workmen to enter the demised premises to view the state of repair and condition thereof and to ascertain whether the covenants on the part of the Tenant contained in this Lease are being duly observed and performed and to take a Schedule of the Landlord's fixtures and of any dilapidations.

(8) Well and substantially to repair all defects and wants of reparation of which notice in writing shall be given to the Tenant by the Landlord within thirty days after the giving of such notice (or sooner if requisite) and if the Tenant shall fail to comply with such notice

it shall be lawful (but not obligatory) for the Landlord (without prejudice to the right of re-entry hereinafter contained) to enter the demised premises to make good the same at the cost of the Tenant which cost shall be repaid by the Tenant to the Landlord on demand together with all Solicitors' and Surveyors' charges which may be incurred by the Landlord in relation thereto.

- (9) (a) Not to destroy damage obstruct or in any way interfere with any drains sewer pipes wires cables or other services in on over or under the demised premises and in particular not to discharge into the said drains and sewers any effluent which is or may become corrosive or harmful in any way to or cause obstruction or deposit within the said drains or sewers.
- (b) To keep the demised premises in a clean and tidy condition free from rubbish and in particular to clean the windows thereof at least once in every month.
- (10) (a) Not to permit any sale by auction or public exhibition or meeting to take place on the demised premises and not to bring or permit to be brought into the demised premises or to place or store or permit to be placed or stored or to remain in or about the demised premises anything which is or may become dangerous or offensive combustible explosive or radioactive and not without the previous consent in writing of the Landlord to place or keep or permit to be placed or kept in the demised premises any heavy articles in such position or in such quantity or weight or otherwise in such manner howsoever as to overload or cause damage to or to be in the opinion of the Landlord likely to overload or cause damage to the demised premises or to any adjoining premises and not to use or permit the demised premises to be used for any purpose which is or may become noisy noxious offensive or dangerous or which is illegal or immoral nor do or suffer to be done on the demised premises anything which in the opinion of the Landlord may be or tend to become an annoyance or nuisance damage disturbance or inconvenience to the Landlord or to the owners or occupiers of any adjoining or neighbouring premises and not to use nor permit the demised premises to be used otherwise than for light industrial purposes as defined in Use Class B(1) (c) of the Town and Country Planning (Use Classes) Order 1987 and for no other purpose whatsoever except for ancillary office user not exceeding 10% of the gross floor area of the demised premises PROVIDED THAT nothing contained therein or in any consent given hereunder shall constitute any representation or warranty that any such use is or will be or remain a permitted use within the provisions of the Planning Acts (as hereinafter defined).
- (b) Not to use the demised premises as sleeping accommodation or for residential purposes nor keep any animal fish reptile or bird anywhere on the demised premises
- (11) Not to erect any new buildings structures erections or apparatus upon or cut remove divide alter or injure the demised premises nor to make any alterations or additions to the demised premises except with the previous consent in writing of the Landlord and in

accordance with drawings and specifications previously approved in writing by the Landlord's Surveyors PROVIDED ALWAYS that the Landlord may as a condition of giving any consent require the Tenant to enter into such covenants with the Landlord as the Landlord may require in regard to the execution of any works and the reinstatement of the demised premises at the determination of the term (howsoever the same may be determined) or otherwise.

- (12) (a) To keep the demised premises insured at all times during the subsistence of the term hereby granted in the joint names of the Landlord and the Tenant against loss or damage by fire and explosion (including terrorism cover) lightning aircraft earthquake riot civil commotion malicious damage storm tempest flood bursting of pipes or impact under a policy or policies issued by a member of the Association of British Insurers in a sum equal to the full reinstatement value thereof together with Architects' Surveyors' legal and other fees property owner's liability and two years' rent such figure to reflect increases in rent having regard to periodic rent reviews and to make all payments necessary for the above purposes within seven days after the same shall respectively become due and to produce to the Landlord or his agent on demand the policy or policies of such insurance and the receipt for each such payment and to have the interest in the policy of the Landlord's mortgagee endorsed upon the Landlord so requesting in writing and to cause all monies received by virtue of any such insurance (other than monies received in respect of rent) to be forthwith laid out in rebuilding and reinstating the demised premises or any part thereof in respect of which such monies shall have become payable or have been received in accordance with the original plans elevations and details thereof with such variations (if any) as may be agreed by the Landlord or may be necessary having regard to the then existing statutory provisions byelaws and regulations affecting the same and any necessary planning approval (which it shall be the Tenant's obligation to obtain) and to the satisfaction in all respects of the Surveyor for the time being of the Landlord and to make up any deficiency out of the Tenant's own monies PROVIDED ALWAYS (i) that if the rebuilding or reinstatement of the buildings or any part thereof shall be frustrated such insurance monies (other than as aforesaid) relating to the building or part in respect of which the frustration occurs shall belong to the Landlord absolutely and (ii) that if the Tenant shall at any time fail to keep the demised premises insured as aforesaid the Landlord may do all things necessary to effect and maintain such insurance and any monies expended by him for that purpose shall be repayable by the Tenant on demand and be recoverable forthwith by action or otherwise as if the same were rent reserved by these presents and in arrear
- (b) Not to do or permit or suffer to be done anything whereby the policy or policies of insurance effected by or at the expense of the Tenant on the demised premises may become void or voidable AND to carry out in accordance with the directions of the insurers of the demised premises such works as may be required by them or by any competent authority for the better protection of the demised premises.

- (13) Not to stop up darken or impair any of the existing windows or lights of the demised premises nor to do or omit or permit to be done anything whereby any right of

light or other easement appertaining to the demised premises is or may become defeated or lost nor knowingly to allow any encroachment to be made or any easement acquired on or over the demised premises (except with the consent or by the direction of the Landlord) but to give to the Landlord immediate notice of the happening of anything whereby any such easement or encroachment as aforesaid may be made or acquired as aforesaid and at the Tenant's own expense to join with the Landlord (if so required) in taking such action as the Landlord may deem reasonably necessary to prevent such encroachment or the acquisition of any such easement as aforesaid.

(14) Not to erect or exhibit or permit to be erected or exhibited in or upon the demised premises any aerial bill placard advertisement hoarding or other sign (whether illuminated or not) without the previous consent in writing of the Landlord as to the size design and position thereof other than a sign indicating the Tenants name and such other details consistent with the user permitted by sub-clause (10)

(15) (a) Not to assign or part with or share possession of part only of the demised premises except by an underlease of a Permitted Part in accordance with Clause 2(15)(b)

(b) (i) Not to underlet part only of the demised premises otherwise than by means of an underlease of a Permitted Part (as defined in subclause (ii) hereof) and not to allow more than one such underlease to subsist at any one time

(ii) A Permitted Part means a part of the demised premises of which and of the proposed access to which the Landlord shall have approved in writing as appropriate for underletting in all the circumstances

(iii) Not to underlet a Permitted Part without the prior written consent of the Landlord nor otherwise than by means of an Underlease which complies with the provisions of sub-clause (iv) and is granted at a full open market rent without any fine or premium being taken

(iv) In any underlease of a Permitted Part referred to in sub-clause (iii):

(A) such underlease shall contain the same provisions as those contained in this Lease with such amendments as may be approved in writing by the Landlord (such approval not to be unreasonably withheld)

(B) the rent reserved by such underlease shall not be payable more than 6 months in advance

(C) if the term of such underlease shall extend beyond a date upon which the basic rent payable under this lease is to be reviewed such underlease shall contain provisions for the upwards only review of rent to take effect at the same intervals on the same dates as those provided in this Lease and on like terms

(D) no sublessee shall have the right to underlet hold on trust share or part with the possession or occupation of the whole or any part of the underleased premises or to assign or charge part only of it but shall have only the right (with the prior consent in writing of the Landlord and the Tenant) to assign or charge the whole of the premises contained in such underlease

(E) the Tenant shall not demise any part of the structure or common parts of the demised premises and such underlease shall contain provisions for a service charge under which the sublessee is liable

to pay a fair proportion of the cost of repairing the structure and common parts and of other services provided in connection with the demised premises

(c) If the Tenant shall at any time during the term desire to assign the demised premises as a whole and shall on each occasion procure that any intended assignee shall first covenant direct with the Landlord to perform the covenants and conditions contained in this Lease then in such case only and subject to the written consent of the Landlord being first obtained such consent not to be unreasonably withheld the Tenant shall be permitted to assign the whole of the demised premises provided that

(i) the Landlord is entitled to give consent subject to the condition that before the Tenant assigns this lease the Tenant enters into an agreement under which he:

(a) guarantees the performance by the proposed assignee of all the covenants on the part of the Tenant contained in this lease

(b) is liable to the Landlord as principal debtor and is not released even if the Landlord gives the proposed assignee extra time to comply with any obligation or does not insist on its strict terms

(c) agrees that in the event that this Lease is disclaimed and on being so required by the Landlord he will accept the grant of a new tenancy of the demised premises:

(I) on the same terms and conditions as this Lease at the date of the disclaimer and

(II) for a term expiring on the term date of this Lease

ii) the Landlord may withhold consent to an assignment to a limited company unless at least two of the directors of that company covenant with the Landlord as principal debtors that:



- (a) the company will pay the rents reserved by this lease and will observe and perform the tenant's covenants in this lease
  - (b) they will indemnify the Landlord against any loss resulting from default by the company and
  - (c) if this lease is disclaimed on the insolvency of the company they will if the Landlord requires together take a new lease of the demised premises on the same terms and conditions as this lease and for a term equal to the period of the term granted by this lease which is unexpired at the date of the disclaimer
- (d) Not to underlet or agree to underlet or part with or share possession of the whole of the demised premises PROVIDED ALWAYS that if the Tenant shall at any time during the term desire to underlet the same as a whole as aforesaid and shall on each occasion procure that every Underlease of the demised premises (no such Underlease to be at a rent less than the full rack rental market value or less than the rent hereby reserved or subject to the payment of any fine or premium) shall be made subject to the Tenant's covenants (other than the covenant to pay the rents) and the conditions herein contained and shall contain a covenant by the Underlessee not to assign part only of the demised premises nor to underlet agree to underlet or part with or share the occupation of the demised premises or any part thereof nor (without the prior written consent of the Landlord under this Lease) to assign the demised premises as a whole and a condition for re-entry upon breach of such covenant and a provision for the review of the rent payable thereunder in an upward direction only at such times as to coincide with the rent reviews provided for in this Lease then but in such case only and subject always to the written consent of the Landlord being first obtained such consent not to be unreasonably withheld the Tenant shall be permitted to underlet the whole of the demised premises
- (e) Not at any time either expressly or by implication to waive the covenants conditions and provisions to be contained in every underlease of the demised premises as hereinbefore provided but at all times to take all necessary action (including re-entry or forfeiture) to enforce the same.
- (16) Within twenty-eight days after the date of any assignment or other devolution of the Tenant's interest under this Lease to produce or cause to be produced (without any demand by any person) to the Landlord's solicitors for registration a certified copy of the document effecting or evidencing such assignment underletting or devolution as aforesaid and to pay the Landlord's solicitors reasonable charges for the registration thereof of at least Twenty Pounds (£20)
- (17)(a) To pay all costs and expenses incurred by the Landlord incidental to the preparation and service of any notice under Section 146 of the Law of Property Act 1925 and/or incurred in or in contemplation of proceedings under sections 146 and

147 of the act or any statutory modification or re-enactment thereof notwithstanding in any such case that forfeiture may be avoided otherwise than by relief granted by the Court

- (b) To pay all costs and expenses incurred by the Landlord incidental to the preparation and service of any Notice and/or Schedule relating to a Schedule of Dilapidations and whether or not the same is served during or after the determination of the said term (howsoever the same may be determined) but relating in all cases to dilapidations which accrued prior to the expiration or sooner determination of the term.

(18) To execute all works as are or may under or in pursuance of any Act of Parliament (including but without prejudice to the generality of the foregoing the Offices Shops and Railway Premises Act 1963) already or hereafter to be passed be directed or required to be done or executed at any time upon or in respect of the demised premises or the Tenant's user thereof whether by the owner and or the Landlord and/or the Tenant thereof and at all times to conform with the provisions of any regulations orders or directions made or issued under any Act of Parliament for ensuring the health safety and welfare of the persons using the demised premises or any part thereof or otherwise and to comply with any notices which may be served by any competent authority and not to permit or suffer to be working in the demised premises at any one time such a number of persons that there is a breach of the requirements as to sanitary conveniences and washing facilities imposed by or under any such Act instrument regulation order or direction and not to do or permit to be done on the demised premises anything whereby the Landlord may become liable to pay any penalty imposed or to bear the whole or any part of any expenses incurred under any such Act instrument regulation order or direction as aforesaid and to keep the Landlord fully and effectually indemnified against all proceedings costs expenses claims and demands in respect thereof AND ALSO to pay and indemnify the Landlord against all expenses incurred in the abatement of any nuisance (whether in obedience to a notice served by any competent authority or not).

(19) In relation to the Planning Acts (which expression shall mean the Town and Country Planning Acts 1971 to 1990 and any other or future legislation of a similar nature and any statutory modification or re-enactment thereof for the time being in force and any order instrument plan regulation permission and direction made thereunder or deriving validity therefrom):

- (a) Not at any time during the said term to do or omit or permit to be done or omitted anything on the demised premises the doing or omission of which shall be a contravention of the Planning Acts and to indemnify the Landlord against all actions proceedings damages penalties costs charges claims and demands in respect of such acts and omissions or any of them
- (b) (i) Not without the previous written consent of the Landlord to make any application for planning permission or give any notice to any Authority of an intention to carry out any development or any step related thereto and

(if and in so far as it is lawful for the parties hereto to make such an arrangement) to indemnify the Landlord against all charges payable in respect of any such application

- (ii) Forthwith after the grant or refusal of any such application to produce to the Landlord for noting by the Landlord the document granting or refusing such application and to supply (free of expense to the Landlord) a copy thereof and in the case of a refusal of such an application or in the case of a grant thereof subject to conditions which the Landlord considers unreasonable forthwith if the Landlord so requires but at the Tenant's expense to give notice of appeal to the competent authority and at the Tenant's cost to proceed diligently with such appeal and at all times at the request of the Landlord to keep the Landlord informed of the progress thereof
  - (iii) Forthwith upon the receipt of any notice order or any proposal for the same from any planning authority to give full particulars thereof to the Landlord and if required to produce to the Landlord such notice order or proposal and at the Tenant's cost at the request of the Landlord to make or join with the Landlord in making any objection or representation against or in respect of any such notice order proposal as the Landlord shall deem expedient
- (c) Not to implement any planning permission or approval until the same has been submitted to and approved in writing by the Landlord
  - (d) Not to enter into any agreement with a competent authority regulating the development or use of the demised premises
  - (e) Not to serve on a competent authority any notice under Part VI of the Town and Country Planning Act 1990
  - (f) Unless the Landlord shall otherwise direct to carry out before the determination of the said term (howsoever the same may be determined) any works stipulated to be carried out to the demised premises by a date subsequent to such determination as a condition of any planning permission which shall have been implemented during the said term
  - (g) To produce to the Landlord such evidence as the Landlord may reasonably require in order to satisfy itself that the provisions of this Clause have been complied with.
- (20) In relation to the Environmental Legislation which expression means the Control of Pollution Act 1974 and the Environmental Protection Act 1990 and all other environmental or control or pollution legislation from time to time in force):-
- (a) Not to release discharge or treat or permit the release leakage or treatment of any Hazardous Substances (which expression means polychlorinated biphenyls)

petroleum and oil products radioactive and special wastes as defined in the Environmental Legislation and any other liquid or substance that may be harmful to the demised premises or adjoining or nearby land premises occupiers or people) toxic substances pollutants contaminants or petroleum upon in under or on the demised premises

- (b) Not to store generate or dispose of any Hazardous Substances toxic substances pollutants contaminants or petroleum upon in or on the demised premises
- (c) Not to allow any Hazardous Substances toxic substances pollutants contaminants or petroleum to be spilled or leaked upon or escape from the demised premises
- (d) To obtain and comply with all consents licences approvals or other authorisations as may from time to time be required under the Environmental Legislation in respect of the business of the Tenant and the demised premises and all operations undertaken upon the demised premises and which relate to the environment public health and safety or employees health and safety including without limitation those relating to:-
  - (i) emission discharges or threatened discharges of pollutants contaminants Hazardous Substances toxic substances or petroleum into the air, water or land
  - (ii) the manufacture processing distribution use treatment storage disposal transport or handling of pollutants contaminants Hazardous Substances toxic substances or petroleum
  - (iii) to indemnify and keep indemnified the Landlord against all or any costs, claims, liabilities or demands arising as a result of the Tenants failure to comply with its obligations under this sub-clause

(21) Upon receipt of any notice or order or any proposal for the same or other thing or upon the happening of any occurrence which may be capable of adversely affecting the Landlord's interest in the demised premises forthwith at its own expense to deliver full particulars thereof to the Landlord and at the request of the Landlord but at the cost of the Tenant to make or join with the Landlord in making such objection or representation in respect thereof as the Landlord shall deem expedient.

(22) To permit the Landlord at any time to fix and retain on the demised premises in such a position as not to affect the use and enjoyment of the demised premises by the Tenant a notice board for the reletting (in the event of the termination for whatever reason of the said term) and/or the sale of the same and not to take down or obscure the said notice board and to permit all persons authorised in writing by the Landlord to view the demised premises at all reasonable hours in the daytime.

(23) Upon making an application for any consent or approval which is required under

these presents to disclose to the Landlord such information as the Landlord may require and to pay all costs and expenses incurred by the Landlord on all licences and the duplicate copies thereof resulting from all applications by the Tenant for any consent or approval of the Landlord or its Surveyors required by these presents including costs and expenses actually incurred in cases where consent is refused or the application is withdrawn.

(24) At the determination of the said term (howsoever the same may be determined) quietly to yield up unto the Landlord the demised premises in such repair and condition as shall be in accordance with the covenants on the part of the Tenant herein contained together with all fixtures fittings improvements and additions which now are or may at any time hereafter be in or about the demised premises (except Tenant's fixtures and fittings) and in case any of the Landlord's fixtures and fittings shall be missing broken damaged or destroyed forthwith to replace them with others of a similar character and of equal value and to remove every moulding sign writing or painting of the name or business of the Tenant or other occupiers from the demised premises and to make good all damage caused to the demised premises by the removal of the Tenant's fixtures fittings furniture and effects.

(25) Within 28 days of the death during the said term of any Guarantor or of such person becoming bankrupt or having a receiving order made against him or having a receiver appointed under the Mental Health Act 1983 or being a company passing a resolution to wind up or entering into liquidation or having a receiver appointed to give notice of this to the Landlord and if so required by the Landlord at the expense of the Tenant within 28 days to procure some other person acceptable to the Landlord such acceptance not to be unreasonably withheld to execute a guarantee in respect of the Tenant's obligations contained in this Lease in the form of the Guarantor's covenants contained in this Lease

(26) To pay to the Landlord the Landlord's costs incurred in the preparation of and incidental to the grant of this Lease and the stamp duty on the counterpart thereof.

(27) To observe and perform the covenants set out in the Seventh Schedule of a Transfer dated 15th January 1992 made between (1) Markham Developments Limited (in administrative receivership and liquidation) (2) John Trevor and Adrian Clery and (3) the Landlord and to indemnify and keep indemnified the Landlord against all liability for any breach non-observance or non-performance thereof.

3. THE GUARANTOR COVENANTS with the Landlord and without the need for any express assignment with all its successors in title that:-

(1) During the said term the Tenant shall punctually pay the rents and observe and perform the covenants and other terms of this Lease and if at any time during the said term the Tenant shall make any default in payment of the rents or in observing or performing any of the covenants or other terms of this Lease the Guarantor will pay the rents and observe or perform the covenants or terms in respect of which the Tenant shall be in default and make good to the Landlord on demand and indemnify the Landlord against all losses

damages costs and expenses arising or incurred by the Landlord as a result of such non-payment non-performance or non-observance notwithstanding:

- (i) any time or indulgence granted by the Landlord to the Tenant or any neglect or forbearance of the Landlord in enforcing the payment of the rents or the observance or performance of the covenants or other terms of this Lease or any refusal by the Landlord to accept rents tendered by or on behalf of the Tenant at a time when the Landlord was entitled (or would after the service of a notice under the Law of Property Act 1925 Section 146 have been entitled) to re-enter the demised premises
- (ii) that the terms of this Lease may have been varied by agreement between the parties provided such variation is not prejudicial to the Guarantor
- (iii) that the Tenant shall have surrendered part of the demised premises in which event the liability of the Guarantor under this Lease shall continue in respect of the part of the demised premises not so surrendered after making any necessary apportionments under the Law of Property Act 1925 Section 140 and
- (iv) any other act or thing by which but for this provision the Guarantor would have been released other than a variation of the terms of this Lease agreed between the parties that is prejudicial to the Guarantor

(2) If at any time during the said term the Tenant (being an individual) shall become bankrupt or (being a company) shall enter into liquidation and the trustee in bankruptcy or liquidator shall disclaim this Lease the Guarantor shall if the Landlord shall by notice within 60 days after such disclaimer so require take from the Landlord a lease of the demised premises for the residue of the said term which would have remained had there been no disclaimer at the rent then being paid under this Lease and subject to the same covenants and terms as in this Lease (except that the Guarantor shall not be required to procure that any other person is made a party to that lease as guarantor) such new lease to take effect from the date of such disclaimer and in such case the Guarantor shall pay the costs of such new lease and execute and deliver to the Landlord a counterpart of it

(3) If this Lease shall be disclaimed and for any reason the Landlord does not require the Guarantor to accept a new lease of the demised premises in accordance with clause 3(2) the Guarantor shall pay to the Landlord on demand an amount equal to the difference between any money received by the Landlord for the use or occupation of the demised premises and the rents in both cases for the period commencing with the date of such disclaimer and ending on whichever is the earlier of the following dates:

- (i) the date 6 months after such disclaimer and
- (ii) the date (if any) upon which the demised premises are relet

4. THE LANDLORD HEREBY COVENANTS with the Tenant (subject to the payment by the Tenant of the rents hereinbefore reserved and provided that the Tenant has complied with all the covenants and obligations on the part of the Tenant to be performed and observed) that the Tenant shall and may peaceably hold and enjoy the demised premises during the said term without interruption by the Landlord or any person rightfully claiming through under or in trust for it.

5. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED as follows:-

(1) That if the rents hereby reserved or any part thereof shall be in arrears for twenty-one days next after any of the days when the same ought to have been paid (whether legally demanded or not) or if there shall be any breach or non-observance of any of the covenants on the part of the Tenant contained in this Lease or if the Tenant shall suffer any distress or execution to be levied on the demised premises or the contents thereof or enters into an arrangement for the benefit of the Tenant's creditors or an individual Tenant becomes bankrupt or a company Tenant enters into liquidation either voluntary or compulsory (otherwise than a voluntary liquidation for the purpose of amalgamation or reconstruction) or has a receiver appointed then and in any such case it shall be lawful for the Landlord at any time thereafter to re-enter the demised premises and thereupon the said term shall absolutely cease but without prejudice to any right of action of the Landlord in respect of any antecedent breach or non-observance of any of the covenants by the Tenant contained in these presents.

(2) That any notice or demand for payment required to be given to the Tenant shall be sufficiently given if sent by the Landlord or its agents through the post by recorded delivery addressed to the Tenant at the demised premises or left for the Tenant at the demised premises and any notice required to be given to the Landlord shall be sufficiently given if sent by the Tenant through the post by recorded delivery addressed to the Landlord at its last known address or if sent as aforesaid addressed to any agent from time to time authorised by the Landlord to receive the rent payable hereunder.

(3) If any rent due hereunder is unpaid for fourteen days or if any other sums payable by the Tenant to the Landlord under this Lease shall not be paid to the Landlord within fourteen days after the same shall have become due then (but without prejudice to any other right or remedy of the Landlord) the same shall be payable with interest thereon at the rate of Two per cent per annum above the base lending rate of Royal Bank of Scotland plc for the time being (as well after as before any judgment) calculated on a day to day basis from the date upon which the same became payable down to the date of actual payment and the aggregate amount for the time being so payable shall at the option of the Landlord be recoverable by action or by distress as rent in arrear

(4) Any statutory rights of the Tenant to claim compensation from the Landlord on vacating the demised premises shall be excluded to the extent that the law allows

(5) No acceptance of or demand for or receipt of rent or other monies due under this Lease by the Landlord shall operate as a waiver in whole or part of any breach of the

Tenant's covenants herein contained or of the Landlord's rights of forfeiture or re-entry in respect thereof but that any such breach shall for the purposes of these presents be a continuing breach of covenant so long as such breach shall be subsisting and no person taking any estate or interest under the Tenant shall be entitled to set up any such acceptance of or demand or receipt for rent as a defence in any action or proceeding by the Landlord

(6) The expression "the said term" includes the term of years hereby demised and any period of holding-over or extension or continuance thereof whether by statute or common law

6.1 WHERE there are two or more persons included in the expression "the Tenant" or "the Guarantor" covenants contained in this Lease which are expressed to be made by the Tenant or the Guarantor shall be deemed to be made by such persons jointly and severally

6.2 THE expression "the Guarantor" includes not only the person named as the party of the third part but also any person who enters into covenants with the Landlord pursuant to clauses 2(15)(c) and 2(25)

7. WE certify that there is no Agreement for Lease to which this Lease gives effect

#### THE SCHEDULE

##### The Rent and Rent Review

1. IN THIS LEASE "review date" means the 31<sup>st</sup> day of October in the year 2002 and in every fifth year thereafter and "review period" means the period starting with any review date up to the next review date or starting with the last review date up to the end of the said term

2. THE YEARLY RENT shall be

(A) £15,000 until the first review date PROVIDED THAT in the first four years of the term the yearly rent shall be:

£12,000 in the first year

£12,750 in the second year

£13,500 in the third year and

£14,250 in the fourth year

(B) during each successive review period a rent equal to the rent previously payable hereunder or such revised rent as may be ascertained as herein provided whichever be the greater

3. SUCH revised rent for any review period may be agreed at any time between the Landlord and the Tenant or (in the absence of agreement) determined not earlier than the relevant review date by an independent valuer (acting as an expert and not as an arbitrator) such valuer to be nominated in the absence of agreement by or on behalf of the President for the time being of



the Royal Institution of Chartered Surveyors on the application of the Landlord or the Tenant made not earlier than six months before the relevant review date and so that in the case of such valuation the revised rent to be determined by the valuer shall be such as he shall decide is the yearly rent at which the demised premises might reasonably be expected to be let at the relevant review date

(A) On the following assumptions at that date:

(i) That the demised premises:

- (a) are available to let on the open market without a fine or premium with vacant possession by a willing landlord to a willing tenant for a term of five years
- (b) are to be let as a whole subject to the terms of this Lease other than the amount of the rent hereby reserved
- (c) are fit and available for immediate occupation
- (d) may be used for any of the purposes permitted by this Lease as varied or extended by any licence granted pursuant thereto

(ii) That the covenants herein contained on the part of the Tenant have been fully performed and observed

(iii) That no work has been carried out to the demised premises which has diminished the rental value and that in case the demised premises have been destroyed or damaged they have been fully restored

(iv) That no reduction is to be made to take account of any rental concession which on a new letting with vacant possession might be granted to the incoming tenant for a period within which its fitting out works would take place

(B) But disregarding:

- (i) any effect on rent of the fact that the Tenant its sub-tenants or their respective predecessors in title have been in occupation of the demised premises
- (ii) any goodwill attached to the demised premises by reason of the carrying on thereat of the business of the Tenant its sub-tenants or their predecessors in title in their respective businesses and
- (iii) any increase in rental value of the demised premises attributable to the existence at the relevant review date of any improvement to the demised premises or any part thereof carried out with consent where required otherwise than in pursuance of an obligation to the Landlord or its predecessors in title except obligations requiring

compliance with statutes or directions of local authorities or other bodies exercising powers under statute or Royal Charter by the Tenant its sub-tenants or their respective predecessors in title during the said term or during any period of occupation prior thereto arising out of an agreement to grant such term

4. IT HEREBY FURTHER PROVIDED in relation to the ascertainment and payment of revised rent as follows:

- (A) (i) the fees and expenses of the valuer including the cost of his nomination shall be borne equally by the Landlord and the Tenant who shall otherwise bear their own costs and
- (ii) the valuer shall afford the Landlord and Tenant an opportunity to make representations to him and
- (iii) if the valuer nominated pursuant to Paragraph 3 of this Schedule shall die, delay or become unwilling, unfit or incapable of acting or if for any other reason the President for the time being of the Royal Institution of Chartered Surveyors or the person acting on his behalf shall in his absolute discretion think fit he may on the application of either the Landlord or the Tenant by writing discharge the valuer and appoint another in his place
- (B) When the amount of any rent to be ascertained as hereinbefore provided shall have been so ascertained memoranda thereof shall thereupon be signed by or on behalf of the Landlord and the Tenant and annexed to this Lease and the counterpart thereof and the Landlord and the Tenant shall bear their own costs in respect thereof
- (C) (i) If the revised rent payable on and from any review date has not been agreed by that review date rent shall continue to be payable at the rate previously payable and forthwith upon the revised rent being ascertained the Tenant shall pay to the Landlord any shortfall between the rent and the revised rent payable up to and on the preceding quarter day together with interest at the rate specified in Clause 5(3) such interest to be calculated on a day-to-day basis from the relevant review date on which it would have been payable if the revised rent had then been ascertained to the date of actual payment of any shortfall and the interest so payable shall be recoverable in the same manner as rent in arrear
- (ii) For the purposes of this proviso the revised rent shall be deemed to have been ascertained on the date when the same has been agreed between the Landlord and the Tenant or as the case may be the date of the determination by the valuer
- (D) If either the Landlord or the Tenant shall fail to pay the moiety of the fees and expenses of the valuer under the provisions hereof within twenty-one days of the same being demanded by the valuer the other shall be entitled to pay the same and the amount so paid shall be repaid by the party chargeable on demand

- (E) (i) If at any of the review dates there shall be in force a statute which shall prevent restrict or modify the Landlord's right to review the rent in accordance with this Lease and/or to recover any increase in the rent the Landlord shall when such restriction or modification is removed relaxed or modified be entitled (but without prejudice to its rights (if any) to recover any rent the payment of which has only been deferred by law) on giving not less than one month's nor more than 3 months' notice in writing to the Tenant to invoke the provisions of paragraph (ii)
- (ii) Upon the service of a notice pursuant to paragraph (i) the Landlord shall be entitled:
- (a) to proceed with any review of the rent which may have been prevented or further to review the rent in respect of any review where the Landlord's right was restricted or modified and the date of expiry of such notice shall be deemed for the purposes of this Lease to be the review date (provided that without prejudice to the operation of this paragraph nothing in this paragraph shall be construed as varying any subsequent review dates)
- (b) to recover any increase in rent with effect from the earliest date permitted by law

IN WITNESS whereof this deed has been executed the day and year first before written

EXECUTED as a Deed by

~~THE COMMON SEAL of~~

SIBERT TECHNOLOGY LIMITED

was heretofore affixed in the presence of:

acting by two directors/a director  
and secretary

Director

Secretary

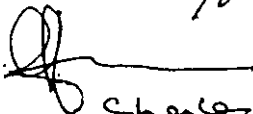
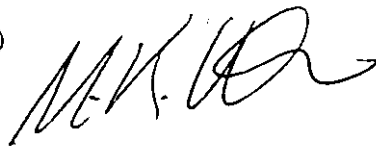
SIGNED as a deed by the said )  
MICHAEL KEITH WHITE )  
in the presence of: )

Witness's Signature:

Name (BLOCK CAPS):

Address:

Occupation:



Charles H. P. J. J. J.

3 Jenner Road  
Ridgford

Solvent