

DATED

26 February 2016.

LEASE

relating to

FOXWOOD CLOSE, FOXWOOD ROAD, SHEEPBRIDGE, CHESTERFIELD, S41 9RB

between

POWER SYSTEM SERVICES LIMITED

and

PLANT MAINTENANCE LIMITED

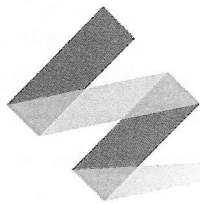
I hereby certify this is
a true copy of the
original now
produced to me.

Wake Smith

Wake Smith

Solicitors

Dated 29-02-2016



wakesmith
solicitors

This lease is dated

26 February 2016.

PARTIES

- (1) **POWER SYSTEM SERVICES LIMITED**, incorporated and registered in England and Wales with company number 02962766 whose registered office is at Carrwood Road Sheepbridge Chesterfield Derbyshire S41 9QB (**Landlord**).
- (2) **PLANT MAINTENANCE LIMITED**, incorporated and registered in England and Wales with company number 05892172 whose registered office is at Foxwood Close Chesterfield Derbyshire S41 9RB (**Tenant**).

AGREED TERMS

1. INTERPRETATION

- 1.1 The definitions and rules of interpretation set out in this clause apply to this lease.

Annual Rent: rent at a rate of £8,331.00 per annum.

Base RPI Month: March 2016

Break Date: A date which at least nine months after the start of the Contractual Term.

Break Notice: Written notice to terminate this lease specifying the relevant Break Date.

Building: Foxwood Close, Foxwood Road, Sheepbridge, Chesterfield, S41 9RB being the whole of the land comprised in title number DY276243

CDM Regulations: the Construction (Design and Management) Regulations 2015.

Contractual Term: a term of three years beginning on, and including 14 March 2016.

Default Interest Rate: four percentage points above the Interest Rate.

Insurance Rent: the aggregate in each year of:

- (a) a fair proportion of the gross cost of the premium before any discount or commission for:
 - (i) the insurance of the Building, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses;
- (b) the gross cost of the premium before any discount or commission for insurance for loss of Annual Rent from the Property for one year; and
- (c) any insurance premium tax payable on the above.

Insured Risks: means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

Interest Rate: interest at the base lending rate from time to time of HSBC Bank plc, or if that base lending rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord.

Permitted Use: a use within Use Class B2 of the Town and Country Planning (Use Classes) Order 1987 as at the date this lease is granted.

Plan: the plan attached to this lease

Property: the part of the Building shown coloured blue on the Plan bounded by and including:

- (a) the floor screed;
- (b) the ceiling finishes but nothing above them
- (c) the interior plaster finishes (if any) of exterior walls and columns;
- (d) the plaster finishes of the interior structural walls and columns that adjoin the remainder of the Building;
- (e) one half of the thickness of the interior, non-structural walls and columns that adjoin the remainder of the Building;
- (f) the doors and windows and the door and window frames of the Property

but excluding:

- (g) the structural and exterior parts of the Building
- (h) all Service Media within that part of the Building but which do not exclusively serve that part of the Building.

Rent Payment Dates: 25 March, 24 June, 29 September and 25 December

Reservations: all of the rights excepted, reserved and granted to the Landlord by this lease.

RPI: the Retail Prices Index or any official index replacing it.

Review Dates: 14 March 2017 and 14 March 2018

Service Media: all media for the supply or removal of heat electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

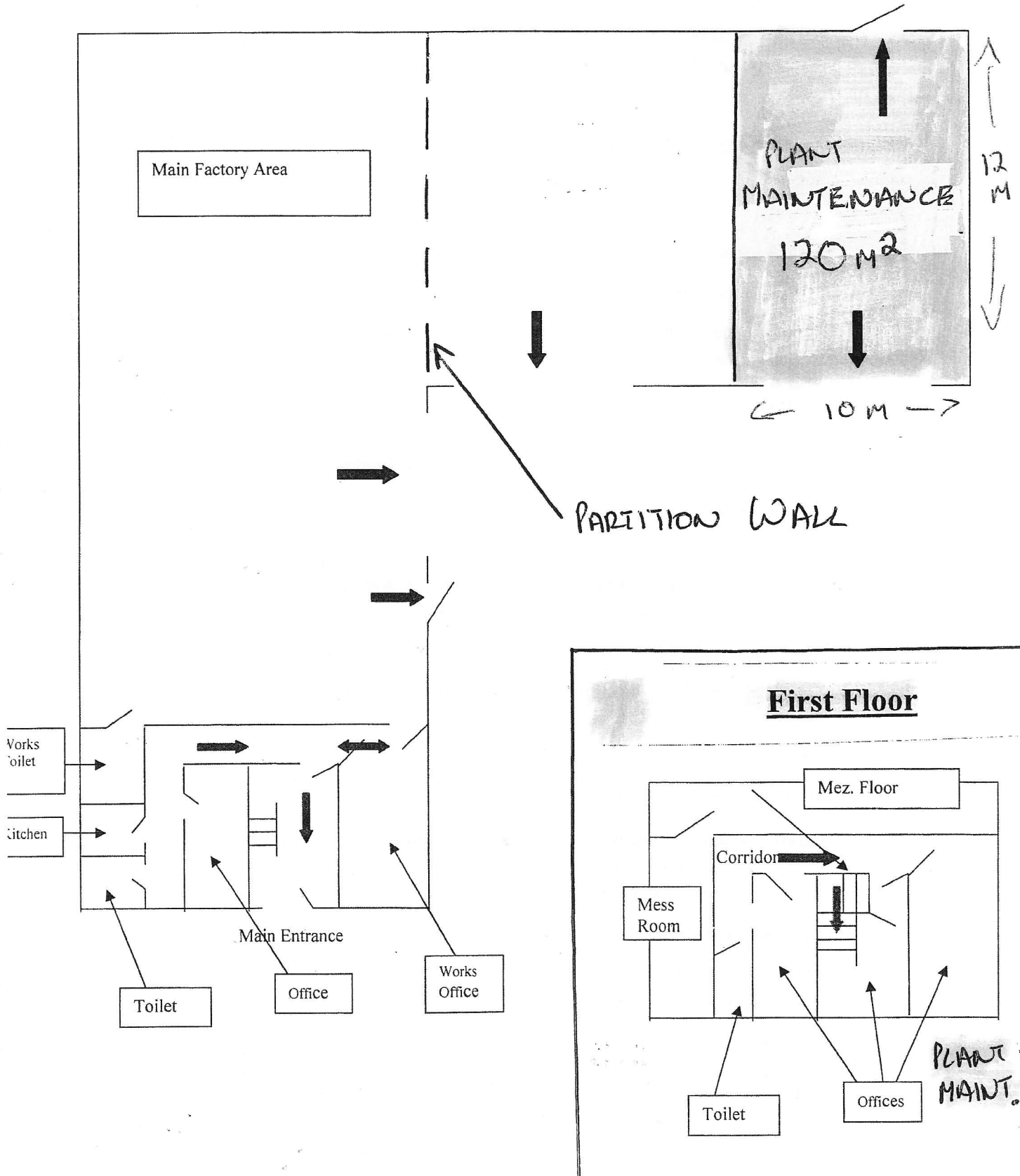
Third Party Rights: all rights, covenants and restrictions affecting the Building.

VAT: value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

1954 Act: Landlord and Tenant Act 1954.

PSS FLOOR PLAN

GROUND FLOOR



- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law) by the Landlord.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, references to the **Building** and the **Property** are to the whole and any part of them or it.
- 1.7 The expression **neighbouring property** does not include the Building.
- 1.8 A reference to the **term** is to the Contractual Term.
- 1.9 A reference to the **end of the term** is to the end of the term however it ends.
- 1.10 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 32.4 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 32.5.
- 1.11 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England
- 1.12 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.13 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.14 Any obligation in this lease on the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.

- 1.15 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.16 A **person** includes a corporate or unincorporated body.
- 1.17 References to **writing** or **written** do not include faxes or email.
- 1.18 Except where a contrary intention appears, a reference to a clause is a reference to a clause of this lease
- 1.19 Clause headings do not affect the interpretation of this lease.

2. GRANT

- 2.1 The Landlord lets the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made together with the ancillary rights set out in clause 3, excepting and reserving to the Landlord the rights set out in clause 4, and subject to the Third Party Rights.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
- (a) the Annual Rent and all VAT in respect of it;
 - (b) the Insurance Rent; and
 - (c) all interest payable under this lease; and
 - (d) all other sums due under this lease.

3. ANCILLARY RIGHTS

- 3.1 The Landlord grants the Tenant the following rights (the **Rights**):
- (a) the right to support and protection from the remainder of the Building to the extent that the remainder of the Building provides support and protection to the Property to the date of this lease;
 - (b) the right to park 4 private cars or motorbikes belonging to the Tenant, its employees and visitors at the front of the Building;
 - (c) the right to use and to connect into any Service Media at the Building that belong to the Landlord and serve (but do not form part of) the Property which are in existence at the date of this lease or are installed during the Contractual Term;
 - (d) the right to enter the remainder of the Building so far as is reasonably necessary to carry out any works to the Property required or permitted by this lease.

- 3.2 The Rights are granted in common with the Landlord and any other person authorised by the Landlord.
- 3.3 The Rights are granted subject to the Third Party Rights insofar as the Third Party Rights affect the Building and the Tenant shall not do anything that may interfere with any Third Party Right.
- 3.4 The Tenant shall exercise the Rights (other than the Right mentioned in clause 3.1(a)) only in connection with its use of the Property for the Permitted Use in accordance with any regulations made by the Landlord as mentioned in clause 23.1.
- 3.5 In relation to the Rights mentioned in clause 3.1(b) the Landlord may from time to time designate the spaces in respect of which the Tenant may exercise that Right.
- 3.6 In relation to the Rights mentioned in clause 3.1(c), the Landlord may, at its discretion, re-route or replace any such Service Media and that Right shall then apply in relation to the Service Media as re-routed or replaced.
- 3.7 In exercising the Right mentioned in clause 3.1(d), the Tenant shall:
- (a) except in case of emergency, give reasonable notice to the Landlord of its intention to exercise that Right;
 - (b) where reasonably required by the Landlord, exercise that Right only if accompanied by a representative of the Landlord;
 - (c) cause as little damage as possible to the remainder of the Building and to any property belonging to or used by the Landlord;
 - (d) cause as little inconvenience as possible to the Landlord as is reasonably practicable; and
 - (e) promptly make good (to the satisfaction of the Landlord) any damage caused to the Building (or to any property belonging to or used by the Landlord) by reason of the Tenant exercising that Right.
- 3.8 Except as mentioned in this clause 3, neither the grant of this lease nor anything in it confers any right over the Building or any neighbouring property nor is to be taken to show that the Tenant may have any right over any neighbouring property, and section 62 of the Law of Property Act 1925 does not apply to this lease.

4. RIGHTS EXCEPTED AND RESERVED

- 4.1 The following rights are excepted and reserved from this lease to the Landlord for the benefit of the Building:
- (a) rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
 - (b) the right to use and to connect into Service Media at, but not forming part of, the Property which are in existence at the date of this lease or which

are installed or constructed during the Contractual Term; the right to install and construct Service Media at the Property to serve any part of the Building (whether or not such Service Media also serve the Property); and the right to re-route any Service Media mentioned in this paragraph;

- (c) at any time during the term, the full and free right to develop the remainder of the Building as the Landlord may think fit;
- (d) the right to erect scaffolding at the Property or the Building and attach it to any part of the Property or the Building in connection with any of the Reservations;
- (e) the right to attach any structure, fixture or fitting to the boundary of the Property in connection with any of the Reservations;
- (f) the right to re-route any means of access to or egress from the Property or the Building and to change the areas over which the Rights mentioned in clause 3.1(a) to clause 3.1(b) are exercised; and
- (g) the right to re-route and replace any Service Media over which the Rights mentioned in clause 3.1(c) are exercised;

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or loss of amenity for the Property.

4.2 The Landlord reserves the right to enter the Property:

- (a) to repair, maintain, install, construct re-route or replace any Service Media or structure relating to any of the Reservations; and
- (b) to carry out any works to the remainder of the Building.
- (c) for any other purpose mentioned in or connected with:
 - (i) this lease;
 - (ii) the Reservations; and
 - (iii) the Landlord's interest in the Property or the Building.

4.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.

4.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours) and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant.

4.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other

occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of the Reservations except for:

- (a) physical damage to the Property; or
- (b) any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability.

5. THIRD PARTY RIGHTS

- 5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights insofar as those obligations relate to the Property and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.
- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

6. THE ANNUAL RENT

- 6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant.
- 6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the date of this lease and shall be the proportion, calculated on a daily basis, in respect of the period from the date of this lease until the day before the next Rent Payment Date.

7. REVIEW OF THE ANNUAL RENT

- 7.1 In this clause the **President** is the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on his behalf, and the **Surveyor** is the independent valuer appointed pursuant to clause 7.10.
- 7.2 The amount of Annual Rent shall be reviewed on each Review Date to equal:
 - (a) the Annual Rent payable immediately before the relevant Review Date (or which would then be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) or, if greater;
 - (b) the indexed rent determined pursuant to this clause.
- 7.3 The indexed rent shall be determined at the relevant Review Date by multiplying the Annual Rent by the All Items index value of the RPI for the month two months before the month in which the relevant Review Date falls, then dividing the product by the All Items index value of the RPI for the Base RPI Month.

- 7.4 The Landlord shall calculate the indexed rent as soon as reasonably practicable and shall give the Tenant written notice of the indexed rent as soon as it has been calculated.
- 7.5 If the revised Annual Rent has not been calculated by the Landlord and notified to the Tenant on or before the relevant Review Date, the Annual Rent payable from that Review Date shall continue at the rate payable immediately before that Review Date. No later than five working days after the revised Annual Rent is notified by the Landlord to the Tenant, the Tenant shall pay:
- (a) the shortfall (if any) between the amount that it has paid for the period from the Review Date until the Rent Payment Date following the date of notification of the revised Annual Rent and the amount that would have been payable had the revised Annual Rent been notified on or before that Review Date; and
 - (b) interest at the Interest Rate on that shortfall calculated on a daily basis by reference to the Rent Payment Dates on which parts of the shortfall would have been payable if the revised Annual Rent had been notified on or before that Review Date and the date payment is received by the Landlord.
- 7.6 Time shall not be of the essence for the purposes of this clause.
- 7.7 Subject to clause 7.8, if there is any change to the methods used to compile the RPI, including any change to the items from which the All Items index of the RPI is compiled, or if the reference base used to compile the RPI changes, the calculation of the indexed rent shall be made taking into account the effect of any such change.
- 7.8 If either the Landlord or the Tenant reasonably believes that any change referred to in clause 7.7 would fundamentally alter the calculation of the indexed rent in accordance with this clause 7 and has given notice to the other party of this belief, or if it becomes impossible or impracticable to calculate the indexed rent in accordance with this clause 7, then the Landlord and the Tenant shall endeavour within a reasonable time to agree an alternative mechanism for setting the Annual Rent, which may (where reasonable) include, or consist of, substituting an alternative index for the RPI. In default of such agreement, an alternative mechanism shall be determined by the Surveyor.
- 7.9 If any question or dispute arises between the parties as to the amount of the Annual Rent payable or as to the interpretation, application or effect of any part of this clause 7, or if the Landlord and the Tenant fail to reach agreement under clause 7.8, the question, dispute or disagreement is to be determined by the Surveyor. The Surveyor shall have full power to determine the question, dispute or disagreement, and shall have power to determine any issue involving the interpretation of any provision of this lease, his jurisdiction to determine the question, dispute or disagreement referred to him or his terms of reference. When determining such a question, dispute or disagreement, the Surveyor may, if he considers it appropriate, specify that an alternative mechanism for setting the Annual Rent should apply to this

lease, and this includes (but is not limited to) substituting an alternative index for the RPI.

- 7.10 The Surveyor shall be an independent valuer who is a Member or Fellow of the Royal Institution of Chartered Surveyors. The Landlord and the Tenant may, by agreement, appoint the Surveyor at any time before either of them applies to the President for the Surveyor to be appointed.
- 7.11 The Surveyor shall act as an expert and not as an arbitrator. The Surveyor's decision shall be given in writing. The Surveyor's written decision on the matters referred to him shall be final and binding in the absence of manifest error or fraud.
- 7.12 The Surveyor shall give the Landlord and the Tenant an opportunity to make written representations to the Surveyor and to make written counter-representations commenting on the representations of the other party to the Surveyor. The parties will provide (or procure that others provide) the Surveyor with such assistance and documents as the Surveyor reasonably requires for the purpose of reaching a decision.
- 7.13 If the Surveyor dies, or becomes unwilling or incapable of acting, or unreasonably delays in making any determination, then either the Landlord or the Tenant may apply to the President to discharge the Surveyor and clause 7.10 shall then apply in relation to the appointment of a replacement.
- 7.14 The fees and expenses of the Surveyor and the cost of the Surveyor's appointment and any counsel's fees, or other fees, incurred by the Surveyor shall be payable by the Landlord and the Tenant in the proportions that the Surveyor directs (or if the Surveyor makes no direction, then equally). If the Tenant does not pay its part of the Surveyor's fees and expenses within ten working days after demand by the Surveyor, the Landlord may pay that part and the amount it pays shall be a debt of the Tenant due and payable on demand to the Landlord. The Landlord and the Tenant shall otherwise each bear their own costs in connection with the rent review.

8. INSURANCE

- 8.1 Subject to clause 8.2, the Landlord shall keep the Building insured against loss or damage by the Insured Risks for the sum which the Landlord considers to be its full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure any part of the Property installed by the Tenant.
- 8.2 The Landlord's obligation to insure is subject to:
- (a) any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
 - (b) insurance being available in the London insurance market on reasonable terms acceptable to the Landlord.

8.3 The Tenant shall pay to the Landlord on demand:

- (a) the Insurance Rent;
- (b) any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy; and
- (c) a fair proportion of any costs that the Landlord incurs in obtaining a valuation of the Building for insurance purposes.

8.4 The Tenant shall:

- (a) give the Landlord notice immediately any matter occurs in relation to the Tenant or the Property that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Building;
- (b) not do or omit anything as a result of which any policy of insurance of the Building or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased insurance or additional premium may become payable;
- (c) comply at all times with the requirements and recommendations of the insurers relating to the Property;
- (d) give the Landlord immediate notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk;
- (e) not effect any insurance of the Property, but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property pay those proceeds or cause them to be paid to the Landlord; and
- (f) pay the Landlord an amount equal to any insurance money that the insurers of the Building refuse to pay (in relation to the Building) by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property or the Building with the actual or implied authority of any of them.

8.5 The Landlord shall, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) in connection with any damage to the Building to repair the damage for which the money has been received or (as the case may be) in rebuilding the Building. The Landlord shall not be obliged to:

- (a) provide accommodation or facilities identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property and its access, services and amenities is provided; or
- (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent;
or

- (c) repair or rebuild the Building after a notice has been served pursuant to clause 8.7.

8.6 If the Property is damaged or destroyed by an Insured Risk so as to be unfit for occupation and use, unless the policy of insurance in relation to the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use, or until the end of 6 months from the date of damage or destruction, if sooner.

8.7 If, following damage to or destruction of the Building, the Landlord considers that it is impossible or impractical to reinstate the Building, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall belong to the Landlord.

9. RATES AND TAXES

9.1 The Tenant shall pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:

- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
- (b) any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

9.2 If any such rates, taxes or other impositions are payable in respect of the Property together with other land (including any other part of the Building) the Tenant shall pay a fair proportion of the total.

9.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.

9.4 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

10. UTILITIES

10.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications and other services and utilities to or from the Property.

- 10.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

11. COMMON ITEMS

- 11.1 The Tenant shall pay the Landlord on demand a fair proportion of all costs payable by the Landlord for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items not on the Building but used or capable of being used by the Building in common with other land.
- 11.2 The Tenant shall comply with all reasonable regulations the Landlord may make from time to time in connection with the use of any of those Service Media, structures or other items.

12. VAT

- 12.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes.
- 12.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

13. DEFAULT INTEREST AND INTEREST

- 13.1 If any Annual Rent or any other money payable under this lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment.
- 13.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

14. COSTS

14.1 The Tenant shall pay the costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with or in contemplation of:

- (a) the enforcement of the tenant covenants of this lease;
- (b) serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
- (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- (d) the preparation and service of a schedule of dilapidations in connection with this lease; and
- (e) any consent or approval applied for under this lease, whether or not it is granted.

14.2 Where the Tenant is obliged to pay or indemnify the Landlord against any solicitors' or other professionals' costs and expenses (whether under this or any other clause of this lease) that obligation extends to those costs and expenses assessed on a full indemnity basis.

15. COMPENSATION ON VACATING

Any right of the Tenant or anyone deriving title under the Tenant to claim compensation from the Landlord on leaving the Property under the Landlord and Tenant Act 1927 or the 1954 Act is excluded, except to the extent that the legislation prevents that right being excluded.

16. NO DEDUCTION, COUNTERCLAIM OR SET-OFF

The Annual Rent and all other money due under this lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off.

17. PROHIBITION OF DEALINGS

The Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at the Land Registry or by reason only of joint legal ownership).

18. REPAIRS

18.1 The Tenant shall keep the Property clean and tidy and in good repair and condition.

- 18.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:
- (a) the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them; or
 - (b) the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 8.2.

19. DECORATION

- 19.1 The Tenant shall decorate the Property as often as is reasonably necessary and also in the last three months before the end of the term.
- 19.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.
- 19.3 All decoration carried out in the last three months of the term shall also be carried out to the satisfaction of the Landlord and using materials, designs and colours approved by the Landlord.

20. ALTERATIONS AND SIGNS

- 20.1 The Tenant shall not make any alteration to the Property.

21. RETURNING THE PROPERTY TO THE LANDLORD

- 21.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.
- 21.2 The Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.
- 21.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.
- 21.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

- 21.5 If the Tenant does not comply with its obligations in this clause, then, without prejudice to any other right or remedy of the Landlord, the Tenant shall pay the Landlord an amount equal to the Annual Rent at the rate reserved immediately before the end of the term for the period that it would reasonably take to put the Property into the condition it would have been in had the Tenant performed its obligations under this clause. The amount shall be a debt due on demand from the Tenant to the Landlord.

22. USE

- 22.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.
- 22.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord or any owner or occupier of neighbouring property.
- 22.3 The Tenant shall not overload any structural part of the Building nor any Service Media at or serving the Property.

23. MANAGEMENT OF THE BUILDING

- 23.1 The Tenant shall observe all regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant relating to the management of the Building.
- 23.2 Nothing in this lease shall impose or be deemed to impose any restriction on the use of any neighbouring property.

24. COMPLIANCE WITH LAWS

- 24.1 The Tenant shall comply with all laws relating to:
- (a) the Property and the occupation and use of the Property by the Tenant;
 - (b) the use of all Service Media and machinery and equipment at or serving the Property;
 - (c) any works carried out at the Property; and
 - (d) all materials kept at or disposed from the Property.
- 24.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.
- 24.3 Within five working days after receipt of any notice or other communication affecting the Property or the Building (and whether or not served pursuant to any law) the Tenant shall:

- (a) send a copy of the relevant document to the Landlord; and
- (b) in so far as it relates to the Property, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.

- 24.4 The Tenant shall not apply for any planning permission for the Property.
- 24.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file
- 24.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 24.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 24.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.

25. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS

- 25.1 The Tenant shall not grant any right or licence over the Property to any person nor permit any person to make any encroachment over the Property.
- 25.2 The Tenant shall not obstruct the flow of light or air to the Property.
- 25.3 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or any other part of the Building or that the means of access to the Building is enjoyed with the consent of any third party.
- 25.4 The Tenant shall immediately notify the Landlord if any person takes or threatens to take any action to obstruct the flow of light or air to the Property.

26. REMEDY BREACHES

- 26.1 The Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.

- 26.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) or if the Tenant is not carrying out the works with all due speed, then the Landlord may enter the Property and carry out the works needed.
- 26.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.
- 26.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 29.

27. INDEMNITY

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Building and loss of amenity of the Building) arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or the Building with the actual or implied authority of any of them.

28. LANDLORD'S COVENANT FOR QUIET ENJOYMENT

The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any lawful interruption by the Landlord or any person claiming under the Landlord.

29. CONDITION FOR RE-ENTRY

- 29.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:
- (a) any rent is unpaid 21 days after becoming payable whether it has been formally demanded or not;
 - (b) any breach of any condition of, or tenant covenant, in this lease;
 - (c) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant; or
 - (d) the making of an application for an administration order or the making of an administration order in relation to the Tenant; or
 - (e) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant; or

- (f) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant; or
- (g) the commencement of a voluntary winding-up in respect of the Tenant, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
- (h) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant; or
- (i) the striking-off of the Tenant or guarantor from the Register of Companies or the making of an application for the Tenant to be struck-off; or
- (j) the Tenant otherwise ceasing to exist;

29.2 If the Landlord re-enters the Property (or any part of the Property in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant.

30. LIABILITY

30.1 At any time when the Landlord, the Tenant is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

30.2 The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

30.3 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.

31. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS

31.1 This lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement between the parties relating to the transaction.

31.2 The Tenant acknowledges that in entering into this lease it has not relied on, nor shall have any remedy in respect of, any statement or representation made by or on behalf of the Landlord.

31.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.

31.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

32. NOTICES, CONSENTS AND APPROVALS

32.1 Except where this lease specifically states that a notice need not be in writing, or where notice is given in an emergency, any notice given pursuant to this lease shall be in writing.

32.2 A written notice shall be delivered by hand or sent by pre-paid first class post or recorded delivery. A correctly addressed notice sent by pre-paid first class post shall be deemed to have been delivered at the time at which it would have been delivered in the normal course of the post.

32.3 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.

32.4 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:

- (a) it is given in writing and signed by a person duly authorised on behalf of the Landlord; and
- (b) it expressly states that the Landlord waives the requirement for a deed in that particular case.

If a waiver is given, it shall not affect the requirement for a deed for any other consent.

32.5 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

- (a) the approval is being given in a case of emergency; or
- (b) this lease expressly states that the approval need not be in writing.

32.6 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

33. GOVERNING LAW AND JURISDICTION

33.1 This lease shall be governed by and construed in accordance with the law of England and Wales.

- 33.2 The Landlord, the Tenant, irrevocably agree to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this lease or the legal relationships established by it.

34. EXCLUSION OF SECTIONS 24-28 OF THE 1954 ACT

- 34.1 The parties confirm that:

- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the 1954 Act, applying to the tenancy created by this lease, not less than 14 days before this lease was entered into;
- (b) *Steven Roger Oldfield* who was duly authorised by the Tenant to do so made a declaration dated *15 February* 2016 in accordance with the requirements of section 38A(3)(b) of the 1954 Act; and
- (c) there is no agreement for lease to which this lease gives effect.

- 34.2 The parties agree that the provisions of sections 24 to 28 of the 1954 Act are excluded in relation to the tenancy created by this lease.

35. OPTION TO BREAK

- 35.1 Either the Landlord or the Tenant may terminate this lease by serving a Break Notice on the other party at least ~~one~~ *Three* month before the Break Date.

- 35.2 A Break Notice served by the Tenant shall be of no effect if, at the Break Date:

- (a) the Tenant has not paid any part of the Annual Rent, or any VAT in respect of it, which was due to have been paid;
- (b) vacant possession of the whole of the Property is not given; or
- (c) there is a subsisting material breach of any of the tenant covenants of this lease relating to the state of repair and condition of the Property.

- 35.3 Subject to clause 35.2, following service of a Break Notice this lease shall terminate on the Break Date.

- 35.4 Termination of this lease on the Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.

36. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No term of this lease shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

37. LANDLORD AND TENANT (COVENANTS) ACT 1995

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a Deed by

POWER SYSTEM SERVICES LIMITED

acting by two directors/

a director and its secretary

Director

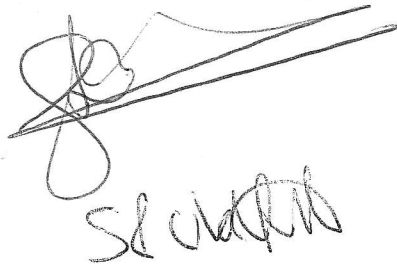
Director/Secretary

Executed as a Deed by

PLANT MAINTENANCE LIMITED

acting by two directors/

a director and its secretary



Director

Director/Secretary