5 TEMPLE SQUARE TEMPLE STREET LIVERPOOL

PPA Reference	
Tenure	Leasehold
Demised Premises	Ground and First Floor Offices 5 Temple Square Temple Street Liverpool (shown edged red on the attached plans)
Date of Lease	30/3/05
New or old lease for purposes of Landlord and Tenant (Covenants) Act 1995	New
Description	Offices
Use	Offices
Registered / Unregistered	Unregistered
Landlord	Villagate Commercial Limited
Term	5 years from and including the 11 February 2005
Break Clause	None
User	Any use within Class A2 or B1 (a) of the schedule to the Town and Planning (Use Classes) Order 1987.
Rent	From and including the 11 July 2005 One hundred and sixty seven thousand five hundred and thirty nine pounds fifty pence (£167,539.50) per annum (exclusive of VAT)
Rent review	None
Interest on late payment	The Tenant shall pay to the Landlord Interest on any rents and VAT (if applicable) which is not paid to the Landlord within 14 days of the date it is due (whether payment is formally demanded or not)
Service charge	Tenant is to pay a due proportion of the total service charge incurred by the Landlord. Due proportion means a fair proportion as determined by a duly qualified surveyor or accountant (acting reasonably) on behalf of the Landlord. The decision of the Landlord or its

	surveyor (acting fairly) in making apportionments (except in the case of manifest error) is to be conclusive. The Landlord's services are listed in the lease and are fairly typical for this type of property including heating, lights, building maintenance etc.
Insurance	Landlord to insure the building against risks of loss or damage by fire, storm, tempest, flood, lightning, explosion, aircraft, articles dropped from aircraft, riot, civil commotion, malicious damage, impact, bursting and overflowing of water tanks, apparatus and pipes and by such other perils against which the Landlord may insure. Insurance is to cover three years' loss of rent, service charge and VAT and is also to cover third party and public liability in the sum of no less than £5 million. In the event of damage or destruction by an insured risk the Landlord is to seek appropriate consents and apply insurance monies received into the rebuilding and reinstatement of the premises. If the premises are damaged or destroyed by an insured risk so as not to be useable then the rent and service charge are to be suspended for a period of three years or until the sooner reinstatement of the premises. If the premises have not been rebuilt by the end of the three year period then either party may terminate the lease on giving notice to the other.
Repair	The Tenant shall put and keep the premises at all times in good and substantial repair and condition and in addition carry out all works of re-instatement and renewal of the Premises whether in whole or in part. The Tenant shall within three months of receipt of notice from the Landlord of any breach of the lease commence and carry out with reasonable expedition the repair cleaning or decoration required to remedy the breach. If the Tenant fails to comply with such notice by the expiry of the period specified the Landlord may enter and carry out the works and the Tenant shall upon demand pay to the Landlord all costs which the Landlord properly incurs in doing so.
Decoration	The Tenant must decorate and keep the Premises decorated to a good standard and to redecorate the Premises in the last six months of the Term howsoever determined in the original colours or such other colours as have first been approved by the Landlord.
Alterations	The Tenant shall make no structural addition or

	alteration to the Premises The Landlord will not unreasonably withhold or delay consent for the carrying out of internal alterations. The Tenant shall be permitted to erect and remove internal demountable partitioning at the Premises without the Landlord's consent.
Alienation	The Tenant shall not assign underlet or share occupation of the premises or hold them on trust other than as set out below: 1. An assignment of the whole of the Premises is permitted to an assignee who shall have joined in a licence to assign to give direct covenants to the Landlord to pay the rents and to perform and observe the tenant's covenants and the provisions of the Lease. Preconditions to any assignment are: (a) where the proposed assignee is a corporate body and the Landlord reasonably so requires) the assignee must first procure a covenant by deed with the Landlord from two individuals who are or a company which is reasonably acceptable to the Landlord as surety for the assignee (b) the prior consent of the Landlord (which will not be unreasonably withheld/or delayed) must be obtained (c) the Tenant must enter into an Authorised Guarantee Agreement pursuant to Section 16 of the Landlord and Tenant (Covenants) Act 1995 in the form annexed to the Lease guaranteeing the performance by the assignee of the covenants on the part of the Tenant (d) anyone who has guaranteed the obligations of the Tenant under the Lease (except by way of an Authorised Guarantee Agreement) must enter into the Authorised Guarantee Agreement entered into by the Tenant 2. No charge over the whole of the Premises (other than under a floating charge relating to the Tenant's assets) is permitted except with the prior consent of the Landlord. 3. An underletting of the whole or a "permitted part" is permitted provided that there shall be no more than two underlettings of permitted parts (a "permitted part" is one whole floor comprised

	within the Premises). The Tenant shall not underlet the whole or a permitted part of the Premises: (a) unless the proposed undertenant has first covenanted directly by deed with the Landlord in such form as the Landlord may reasonably require to observe and perform the underlease covenants. (b) where the proposed undertenant is a corporate body and the Landlord reasonably so requires without first procuring a covenant by deed with the Landlord from two individuals who are or a company which is reasonably acceptable to the Landlord as surety for the undertenant nor (c) except by way of a "permitted underlease" or (d) without the prior written consent of the Landlord (which will not be unreasonably withheld or delayed) A "permitted underlease" is an underlease which (a) is granted without any fine or premium (b) reserves a rent not less than the rent which the Tenant ought reasonably to obtain in the open market upon the grant of such underlease (c) is (so far as is consistent with an underlease) in a form substantially the same as the Lease except that further sub-letting shall be prohibited (d) is validly excluded from security of tenure provisions of the Landlord & Tenant Act 1954 The Tenant shall enforce the provisions of the underlease (but without being under an obligation to forfeit the underlease) and shall not waive or vary the provisions of an underlease. Furthermore, the Tenant is permitted to share occupation of the premises with a member of the same group of companies as defined by Section 42 of the Landlord and Tenant Act 1954 and whilst the Tenant is the Secretary of State for Health or any other government department it may share occupation with any other government department or a company to which the functions of a government department have been outsourced subject to the Landlord's approval which is not to be unreasonably withheld for as long as both the Tenant and the company are members of the same group, provided that the Landlord receives

	confirmation of the sharing taking place within 21 days of its commencement and provided that no relationship of Landlord and Tenant is created and provided the premises are not used as public caller facilities.
Landlord's Covenants	Subject to the Tenant paying the rents and other sums due under the Lease and complying with its covenants the Landlord covenants with the Tenant for quiet enjoyment. The Landlord also covenants to insure as set out above.
Tenant's Covenants	1. Tenant shall pay and indemnify the Landlord against all rates taxes assessments impositions duties charges and other outgoings in respect of the Premises (except any tax assessed on the Landlord or any superior landlord in respect of its ownership of rental income from or any dealing with its reversionary interest) 2. The Tenant shall also pay and indemnify the Landlord against all charges for electricity gas and other services at the Premises 3. The Tenant shall not fix anything outside the Premises nor to the exterior or interior of any doors or windows save for signs showing the Tenant's name and business on the lift lobbies and corridors adjoining and exterior doors of the Premises subject to first obtaining the written approval of the Landlord 4. The Tenant shall not display any flashing moving or other sign notice etc which is visible from outside the Premises 5. The Tenant shall not create or permit to be created in the Premises any noise or vibration whatsoever (including music) which may be heard or felt outside the Premises, use the Premises in a manner which may be or become or cause a nuisance disturbance injury or damage to the Landlord or any other person, or reside or sleep on the Premises nor use them for any sale by auction or for any dangerous noisy or offensive purposes or for any illegal or immoral activity 6. The Tenant is not to overload the structure of the Premises or make use of Conduits beyond their capacity nor in a manner which may block or damage them and in particular will not stop up or obstruct or permit oil grease or other deleterious

matter or substance to enter any drain or sewer or cause any obstruction of access to or egress from the car park located within the Building

7. The Tenant shall permit the Landlord the right to enter the Premises at all reasonable time after not less than two days written notice with tools and equipment to:

(a) inspect the Premises

(b) to execute works

(c) to take schedules or inventories

(d) to carry out any works of repair construction development improvement or alterations in respect of the Estate or any other property in the ownership of the Landlord or which the Landlord has authority to develop and also to erect scaffolding.

8. The Tenant is to permit the affixation to suitable parts of the Premises of re letting notices during the six months preceding the Determination of the Term but only during such time as no proceedings for renewal have been commenced pursuant to Part II of the Landlord and Tenant Act 1954.

9. The Tenant shall pay and indemnify the Landlord against properly incurred costs and expenses etc connected with and incidental to:

(a) an application for the Landlord's consent save where the Landlord's consent has been unreasonably withheld where it is obliged by this lease or by statute to act reasonably.

(b) a schedule of dilapidations served during the Term or within three months of the Determination of the Term

(c) notice under sections 146 or 147 of the Law of Property Act 1925

(d) the recovery of arrears of rents or other sums payable by the Tenant under the Lease;

(e) the enforcement of any covenant or obligations of the Tenant under the Lease;

(f) abating a nuisance caused by the Tenant or by someone under its control which the Tenant fails to abate.

	10. The Tenant is to comply with statutory obligations and obligations to the local authority in respect of the premises. 11. The Tenant is to comply with all planning obligations and is not to make any planning application without the Landlord's prior consent which is not to be unreasonably withheld. 12. The Tenant is to give the Landlord notice of any defect which comes to its attention in respect of which the Landlord may have obligations under the Defective Premises Act 1972. 13. The Tenant is not to stop up any windows in the premises and is not to permit any easements or encroachments to be acquired against the premises. 14. The Tenant is to yield up having removed all Tenant's fixtures and fittings and furniture and to yield up the premises in a state and condition consistent with its compliance with its covenants and obligations under the lease including the replacement of carpeting and other floor finishes.
Rights Granted	The right of access to and egress from the Premises through the common parts and the right otherwise to use the common parts for the purposes for which they are intended in connection with the Premises on foot only The right to connect into and use (subject to the regulations of any appropriate Authority) the service media for the supply of services and for drainage and such other service media as may from time to time be available for connection to individuals units as well as the right to connect into and use such facilities as may from time to time be available for connection to individual units The right for support and protection for the Premises from the remainder of the Building.
Rights Reserved	The free and uninterrupted passage and running of water soil gas electricity telephone and other services or supplies from and to other parts of the building or estate in and through the relevant service media which are or may hereafter during the Term be in upon through under or over the Premises. The right to construct and to maintain in upon through under or over the Premises at any time during the term conduits or services for the benefit of any part of the

	building or estate. The right at any time during the Term at reasonable times and upon reasonable notice except in cases of emergency to enter (or in the case of emergency to break and enter) the Premises (a) to inspect cleanse connect lay repair remove relay replace alter or execute any works whatever to or in connection with the service media (b) view the state and condition of and repair and maintain the Building where such viewing or work would not otherwise be reasonably practicable (c) carry out work or carry out the Landlord's obligations in this Lease (d) take schedules or inventories of fixtures and other items to be yielded up on the expiry of the Term and (e) exercise any of the rights granted to the Landlord by this Lease (f) provide the services in so far as these cannot be provided without entry onto the Premises The right to erect scaffolding for any purpose connected with or related to the Building notwithstanding that such scaffolding may temporarily restrict the access to or enjoyment and use of the Premises The right to alter the Building or to erect new structures on the Landlord's retained land and to carry out any development within the estate in such manner as the Landlord shall think fit notwithstanding the fact that the same may obstruct affect or interfere with the amenity of or access to the Premises or the passage of light and air to the Premises provided that the Landlord shall use reasonable endeavours to minimise the disruption caused as far as practicable The right to build on or into any external wall of the Premises and after giving reasonable prior notice to enter the Premises to place and lay such footings for any intended party wall or party structure with the foundations therefore as the Landlord shall think proper Full right and liberty at any time hereafter to alter vary close demolish stop divert amend construct new buildings or other structures re-construct or otherwise

	deal with any part or parts of the Landlord's retained land and the estate in such manner as the Landlord may require and without payment of compensation or obtaining any consent from the Tenant notwithstanding the fact that the same may affect or interfere with the amenity of or access to the Premises or the passage of light and air to the Premises provided that the Landlord shall use reasonable endeavours to minimise the disruption caused to the Tenant as far as practicable All rights of support and protection afforded by the Premises All rights which the Tenant covenants to permit under the Lease All rights excepted and reserved to the Superior Landlord in the Head Lease
Forfeiture	The Landlord may at any time after the occurrence of any of the following events re-enter the Premises whereupon this demise shall absolutely determine (but without prejudice to any right of action of either Party in respect of any antecedent breach of covenant) (a) if any of the rents remains unpaid 21 days after it is due (whether formally demanded or not) or (b) if any covenant or stipulation in the Lease which is to be performed or observed by the Tenant is not performed or observed or (c) if the Tenant permits any execution or distress to be levied on any goods in the Premises or (d) if the Tenant (or any one party included within the definition of the Tenant) becomes insolvent
Ancillary Documentation:	The Tenant entered into a Licence for Alterations on 30 March 2005 relating to the initial PPA fit out. The Licence contained obligations to reinstate the premises at the end of the term. However, this obligation is to be disregarded for the purposes of a rent review (there is, in fact, no rent review in the lease as it is only a five year term). The Landlord also entered into side letters permitting deliveries to the premises and out of hours use.