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C-7.12

DATED 8th April 2002

COSALT plc

- to -

COSALT INTERNATIONAL LIMITED
(and Cosalt plc as Surety)

LEASE

of Premises

Unit 5 Valiant Way
Lairside Technology Park
Birkenhead

rm.lease
fricosalt
28.02.02.7

Confidential - Not for Distribution
Alpha
James Edwards, James.Edwards@CliffordChance.com,
193.171.29.198
10:37 GMT, 18/10/2010

Willie
Chadwick

INLAND REVENUE
THE STAMP DUTY ACT made on the

19th day of April 1980

BETWEEN
COSALT plc of Fish Dock Road Grimsby North East Lincolnshire
DN31 3NW ("the Landlord") (1)

COSALT INTERNATIONAL LIMITED also of Fish Dock Road Grimsby
North East Lincolnshire DN31 3NW ("the Tenant") (2)

COSALT plc ("the Surety") (3)

WITNESSETH as follows:-

1. IN consideration of the rent hereby reserved and of the covenants on the part of the Tenant and the Surety hereinafter contained the Landlord HEREBY DEMISES unto the Tenant with full guarantee

ALL THAT property described in the First Schedule hereto ("the Premises")

TO HOLD the same from the day and for the term specified in the Second Schedule hereto

YIELDING AND PAYING therefor

FIRST the rent specified in the Second Schedule hereto such rent to be paid by equal quarterly payments in advance on the usual quarter days and

SECONDLY within 14 days of written demand a further rent equal to the gross amount which the Landlord shall from time to time pay by way of premium (including any premium whether in respect of the Premises or any other premises of the Landlord payable by reason of any act or omission of the Tenant or by the use (whether authorised or not) to which the Tenant puts the Premises) for keeping the Premises insured

2. THE Tenant HEREBY COVENANTS with the Landlord as follows:-

- 2.1 to pay the reserved rents at the times and in manner aforesaid without any deduction or set-off whatsoever and in the case of the firstly reserved rent by bankers order if so required by the Landlord

- 2.2 to pay (or in the absence of a direct assessment on the Tenant to repay to the Landlord a fair proportion of) all existing and future rates taxes assessments impositions and outgoings payable by law in respect of the Premises either by the owner or occupier thereof

- 2.3 throughout the term to keep the whole of the Premises and all additions thereto and the fixtures thereon including the boundary walls and fences thereof and the drains soil and other pipes sanitary and water apparatus thereof in good and substantial repair and condition including damage by any inherent defect

- 2.4 without prejudice to the preceding sub-clause in a good and workmanlike manner and to the reasonable satisfaction of the Landlord or the Landlord's surveyor to decorate with good quality materials the exterior of the Premises every three years and to keep the interior decoration of the Premises clean and tidy to the reasonable satisfaction of the Landlord and decorated with good quality materials every five years and both the exterior and the interior in the last year of the term (howsoever determined) but the Tenant shall not be required so to decorate any part of the Premises that was so decorated within the previous twelve (12) months and PROVIDED THAT the colours design and materials of all work done in the last year of the term shall be such as the Landlord shall reasonably require
- 2.5 to bear and pay a fair proportion (to be settled in the case of dispute by the surveyor for the time being of the Landlord whose decision shall be final and binding on the Tenant) for or towards the making supporting repairing cleaning and amending of all party walls fences gutters sewers drains passageways roads including the costs of adoption of Valiant Way pavements forecourts gardens yards and other things the use of which is common to the Premises and to any neighbouring property such proportion to be paid by the Tenant on demand and in default to be forthwith recoverable as a debt due from the Tenant together with interest thereon from the date of demand to the date of payment by the Tenant
- 2.6 to permit the Landlord and persons authorised by the Landlord with or without workmen and others at reasonable times to enter upon and examine the condition of the Premises and thereupon the Landlord may serve upon the Tenant a notice in writing specifying any repairs or decorations necessary to be done and require the Tenant forthwith to execute the same and if the Tenant shall not within ten (10) days after service of such notice proceed diligently with the execution of such repairs or decorations then to permit the Landlord to enter upon the Premises and execute the same and the cost thereof shall be paid by the Tenant on demand and in default be forthwith recoverable as a debt due from the Tenant together with interest from the date of completion of the work to the date of payment by the Tenant
- 2.7 2.7.1 Not to assign share occupation or part with possession or charge part only of the Premises save as hereinafter provided
- 2.7.2 2.7.2.1 Subject to clauses 2.7.2.2. and 2.7.2.3. not to assign the whole of the Premises without first obtaining the written licence of the Landlord which shall not be unreasonably withheld

performance of the tenant covenants of the Lease when assessed at the date of the grant or assignment of the Lease to that Tenant);

2.7.2.2.5 the assignee or any guarantor for the assignee (other than any guarantor under an authorised guarantee agreement) has the benefit of state or diplomatic immunity; and

2.7.2.2.6 the assignee or any guarantor for the assignee (other than any guarantor under an authorised guarantee agreement) is a corporation registered in (or otherwise is resident in) a jurisdiction in which the order of a court obtained in England and Wales will not necessarily be enforced against the assignee or guarantor without any consideration of the merits of the case

2.7.2.3 The Landlord may impose any or all of the following conditions (which are specified for the purposes of Section 19(1A) of the Landlord and Tenant Act 1927) on giving any licence for an assignment by the Tenant and any such licence shall be treated as being subject to each of the following conditions:-

2.7.2.3.1 upon or before any assignment and before giving occupation to the assignee the Tenant making the application for the licence to assign shall enter into an authorised guarantee agreement in favour of the landlord in the terms set out in the Fourth Schedule;

2.7.2.3.2 if so reasonably required by the Landlord the assignee shall upon or before any assignment and before taking occupation procure one or more guarantors reasonably acceptable to the Landlord who

2.7.2.2 If any of the following circumstances (which are specified for the purposes of section 19(1A) of the Landlord and Tenant Act 1927) shall apply either at the date when application for the licence to assign is made, or after that date but before such licence is given, the Landlord may withhold licence for the assignment and if, after such licence has been given but before completion of the assignment any such circumstances apply the Landlord may revoke such licence (whether such licence is expressly subject to a condition as referred to in clause 2.7.2.3.4 or not):-

2.7.2.2.1 any sum due from the Tenant under this Lease remains unpaid;

2.7.2.2.2 there are any material outstanding breaches of any covenant which relates to the state and condition of the Demises Premises

2.7.2.2.3 (subject to clause 2.7.2.2.4) in the Landlord's reasonable opinion the assignee is not a person who is likely to be able both to comply with the tenant covenants of this Lease and to continue to be such a person following the assignment:

2.7.2.2.4 in the case of an assignment to a company which is in the same group (within the meaning of section 42 of the Landlord and Tenant Act 1954) as the Tenant in the Landlord's reasonable opinion the assignee is an entity who is or may become less likely to be able to comply with the tenant covenants of this Lease that the Tenant making the application for the licence to assign (which likelihood is adjudged by reference in particular to the financial strength of that Tenant aggregated with that of any guarantor and the value of any other security for the



shall covenant by way of indemnity and guarantee (if more than one jointly and severally) with the Landlord in the terms set out in the Fourth Schedule;

2.7.2.3.3 any condition regarding remedial work required to the Premises; and

2.7.2.3.4 a condition that if at any time prior to the assignment the circumstances (or any of them) specified in clause 2.7.2.2. apply the Landlord may revoke the licence by written notice to the Tenant

2.7.3 Not (save for an underletting in accordance with the provisions of clauses 2.7.4. and 2.7.5.) to underlet or part with the possession of the whole or part of the Demised Premises

2.7.4 Not to underlet the whole of the Premises or create more than one underlease of part of the Premises except after obtaining the written consent of the Landlord which shall not be unreasonably withheld

2.7.5 Notwithstanding the foregoing provisions of this clause (2.7) not to grant an underlease of the Premises (whether mediate or immediate) unless:-

2.7.5.1 the rent reserved by that underlease shall be at a rent which at the date of the grant of that underlease is equal to or greater than the current passing rent for the Premises so underlet;

2.7.5.2 that underlease is granted on or subject to terms which do not provide for the taking from the Underlessee of a premium or the granting by the relevant underlessor of any rent free period in excess of six months; and

2.7.5.3 on or before the grant of that underlease the relevant underlessee shall deliver to the Landlord a deed of covenant by the relevant underlessee with the Landlord to observe and perform during the period when the underlessee is bound by the tenant covenants of the underlease together with any additional period during which the underlessee is bound by an authorised guarantee

agreement the Tenant covenants contained in this Lease and the underlease (except the covenant to pay the rent reserved by this Lease)

2.7.5.4 (if the Landlord shall reasonably require) on or before the grant of that underlease one or more guarantors reasonably acceptable to the Landlord shall covenant by way of indemnity and guarantee (if more than one jointly and severally) with the Tenant and the landlord as provided for in the Fourth Schedule;

2.7.5.5 that underlease imposes upon the relevant underlessee, covenants conditions and provisions (which there Tenant covenants with the Landlord to operate and enforce):

2.7.5.5.1 for upward only reviews of rent on the same dates and on the same terms as the review dates and terms specified by this lease and occurring at least as frequently as under this lease;

2.7.5.5.2 for re-entry by the relevant underlessor on breach of any covenant by the relevant underlessee;

2.7.5.5.3 no less onerous than those imposed upon the Tenant by or pursuant to this lease (except the covenant to pay the rent reserved by this lease);

2.7.5.5.4 prohibiting the relevant underlessee from doing or allowing any act or thing on or in relation to the Premises inconsistent with or in breach of the covenants and conditions imposed upon the Tenant by or pursuant to this lease;

2.7.5.5.5 restricting (in the case of any underletting of the whole) assignment underletting and parting with possession in terms similar to those contained in this lease and upon the basis that the

Landlord as well as the relevant underlessor shall have the right to approve of permissible dealings and to require direct covenants and guarantees and in particular the underlease shall contain provisions that if the Landlord shall reasonably require on or before every assignment of that underlease one or more guarantors reasonably acceptable to the Landlord shall covenant by way of indemnity and guarantee (if more than one jointly and severally) with the Tenant and the Landlord as provided for in the Fourth Schedule;

2.7.5.5.6 requiring in each assignment of that underlease that the relevant assignor of the underlease enters into an authorised guarantee agreement in favour of the Landlord in the terms set out in the Fourth Schedule of this lease;

2.7.5.6 the property to be underlet falls wholly within the Premises as comprised within this lease and does not include any property or any right over any property which is not demised by this lease; and

2.7.5.7 that underlease is otherwise in a form approved by the Landlord

2.7.5.8 in the case of an undertaking of part an order excluding the security of tenure provisions of the Landlord and Tenant Act 1954 Part II sections 24-28 has been obtained

2.7.6 Not to vary the terms or accept any surrender of any underlease except after obtaining the written consent of the Landlord which shall not be unreasonably withheld

2.7.7 Not to take any step (whether before or after the granting of any underlease) which would prevent the Landlord exercising any statutory right which the Landlord may at any time have in respect of any underlease whether in relation to the power to collect underlease rents or otherwise

2.7.8 To ensure that:-

2.7.8.1 the rent reserved by any underlease is neither reduced nor commuted nor payable further in advance than provided for by that underlease;

- 2.7.8.2 the rent reserved by any underlease is reviewed in accordance with its terms;
- 2.7.8.3 no agreement is reached with the relevant underlessee about any reviewed rent except after obtaining the written consent of the Landlord which shall not be unreasonably withheld
- 2.7.9 Within fourteen days of the death during the term hereby granted of any person who has or shall have guaranteed to the Landlord the payment of the said rents and the observance and performance of the covenants on the part of the Tenant/Assignee herein contained or of such person becoming bankrupt or having a Receiving Order made against him or being a Company suffering a Receiver to be appointed passing a Resolution to wind up or entering into Liquidation then to give notice thereof to the Landlord and if so required by the Landlord at the expense of the Tenant/Assignee within twenty eight days to procure some other person acceptable to the Landlord to execute a Guarantee in respect of the payment of the said rents and the observance and performance of the said covenants in the same terms as those herein contained
- 2.7.10 In case of any instrument operating or purporting to assign transfer demise let charge discharge dispose of or affect the demised premises or any part thereof or any interest therein or to create assign transfer dispose of or affect any derivative interest in the said term or any charge on the demises premises or affecting or occasioning a devolution or transmission of the same respectively by operation of law to leave such instrument or a certified copy thereof within one calendar month after the date of such instrument or (in the case of Probate of a Will or Letters of Administration) after the date of the Grant of Probate or Letters of Administration as the case may be for seven days or to produce the same and (if so required) leave a true copy thereof for seven days at the offices of the solicitors for the time being of the Landlord and to the intent that the same may be registered and to pay them a reasonable charge for each such registration
- 2.8 to permit the Landlord and persons authorised by the Landlord with or without workmen and others at reasonable times to enter upon the Premises to execute repairs or alterations on any adjoining premises all damage to the Premises thereby caused being made good at the Landlord's expense

- 2.9 not to carry on or permit or suffer to be carried on in or upon the Premises or any part thereof any dangerous noxious noisy or offensive trade or business and not to permit any person to sleep or reside there but to use the Premises only for the purposes described in the Third Schedule hereto
- 2.10 not to do or permit or suffer to be done anything in or upon the Premises or any part thereof which may be or become a nuisance or annoyance or cause damage to the Landlord or the owners or occupiers of the other property in the neighbourhood
- 2.11 2.11.1 not to do or permit or suffer to be done on the Premises anything which may render an increased or extra premium payable for the insurance of the Premises or any other premises of the Landlord or which may make void or voidable any policy of insurance effected in respect of the Premises
- 2.11.2 in the event of the Premises or any part of the Premises being destroyed or damaged by any of the insured risks to give immediate notice to the Landlord
- 2.11.3 in the event of the Premises or any part of the Premises being destroyed or damaged by any of the insured risks and the insurance money under any policy of insurance effected by the Tenant being wholly or partly irrecoverable by reason of any act or default of the Tenant then and in every such case the Tenant will forthwith (in addition to the rent) pay the Landlord the whole or (as the case may require) the irrecoverable proportion of the cost of rebuilding and reinstating the Premises
- 2.12 to comply forthwith at the Tenant's own expense with any nuisance, sanitary or other statutory notice lawfully served by any local or public authority upon either the Landlord or the Tenant with respect to the Premises and similarly to comply with all requirements of or made under or deriving validity from any local or national legislation or regulations which are now or may hereafter come in force whether as to the Premises or any alteration addition or improvement thereto the user thereof the employment of any person or in connection with any fixture machinery plant or chattel therein
- 2.13 not to do or omit to do or permit or suffer to be done or omitted to be done anything in or about the Premises or any premises used for the

purposes of but not comprised in the Premises whereby the Landlord may become exposed to the liability to pay any penalty damages compensation costs charges or expenses and to keep the Landlord indemnified against all such liabilities

2.14 not without the Landlord's consent in writing first had and obtained to display any external sign or advertisement on the Premises or any part thereof or otherwise affect alter or modify the external appearance of the Premises or any part thereof

2.15 not at any time during the said term to make any alteration in or addition to the Premises without the previous written consent of the Landlord

PROVIDED THAT in any licence in which the Landlord gives its consent to alterations the carrying out of which will (or may) be covered by the Construction Design and Management (Regulations) 1994 "the Regulations" to covenant with the Landlord that:-

2.15.1 the alterations will be carried out for the benefit of the Tenant and the Tenant in carrying out the alterations will not be acting as the agent of the Landlord

2.15.2 the Tenant will be "the Client" for the purposes of the Regulations in relation to the alterations and the Tenant will make a written declaration to the Health and Safety Executive in accordance with Regulation 4 stating that it is the only Client

2.15.3 the alterations will not be commenced unless and until the Tenant has provided the Landlord with a copy of the said declaration and the notice received from the Health and Safety Executive in accordance with paragraph (5) of Regulation 4 of the Regulations

2.15.4 the Tenant will comply with the Regulations in relation to the alterations and will indemnify the Landlord against all losses, costs and expenses resulting directly or indirectly from any failure to comply with the Regulations

2.15.5 all documentation produced in accordance with the Regulations will on completion of the alterations belong to (and be supplied to) the Landlord and the Tenant will procure the grant to the Landlord

of any copyright or other licences that are necessary to enable the Landlord to make use of such documentation and the Tenant will deliver to the Landlord at the end of the term hereby granted all health and safety files relating to the Premises in accordance with the Regulations

if the Tenant under the provisions of any consent given by the Landlord shall make any alteration or addition to the Premises the Tenant shall at the end or sooner determination of the term (if the Landlord shall so require but not otherwise) at the Tenant's own expense restore the Premises to the reasonable satisfaction of the Landlord to the same condition in which they were prior to the making of such alteration or addition

2.16 to pay all expenses together with any value added tax thereon (including solicitors' costs and disbursements and surveyors' fees) incurred by the Landlord:-

2.16.1 incidental to the preparation and service of a Notice under Section 146 of the Law of Property Act 1925 or incurred in or in contemplation of proceedings under sections 146 or 147 of that Act (notwithstanding in any such case that forfeiture is avoided otherwise than by relief granted by the Court) and in connection with every application for any consent made under this Lease whether such consent shall be granted or not

2.16.2 in or incidental to the service of all notices and schedules relating to wants of repair of the Premises whether the same be served during or after the expiration or sooner determination of the term hereby granted (but relating in all cases to such wants of repair that accrued not later than the expiration or sooner determination of the said term as aforesaid)

2.16.3 in or incidental to the collection and recovery of any rent payable hereunder which shall be in arrear (including the costs of any collection agency) or any action reasonably taken by or on behalf of the Landlord in order to prevent or procure the remedying of any breach or

non-performance by the Tenant of any of the covenants conditions or agreements herein contained and on the part of the Tenant to be observed and performed

- 2.17 for the period of six (6) months immediately preceding the determination of this Lease to permit a notice board to be exhibited on some conspicuous part of the Premises intimating that the same are to be let or sold and during such period of six (6) months to permit an inspection at any reasonable time in the day by or on behalf of any person desirous of becoming a tenant or purchaser of the Premises upon an appointment being made for that purpose
- 2.18 at all times throughout the term to permit any person desiring or contemplating to be a purchaser of the reversion expectant on the termination hereof and such person's advisors to inspect the Premises at reasonable times (PROVIDED THAT such person shall bear a letter of authority signed by or on behalf of the Landlord) and to permit a notice board to be exhibited on some conspicuous part of the Premises intimating that the same are to be sold
- 2.19 not to insure in respect of any risks against which the Landlord has insured under the provisions herein contained
- 2.20 to insure and keep insured with an insurance company approved by the Landlord any plate glass in the windows and doors of the Premises to the full value thereof and to produce to the Landlord or his agent on demand the receipt for the last premium due in respect of such insurance and in the event of any damage to the said plate glass forthwith to reinstate the same
- 2.21 not to put into the drainage system anything save as may be approved both as regards quantity and content by the Local Authority
- 2.22 not to hold or permit to be held any sale by auction on the Premises
- 2.23 to yield up the Premises with the fixtures and additions thereto at the determination of the term hereby granted with vacant possession and in tenantable repair and condition in accordance with the covenants hereinbefore contained
- 2.24 to observe and perform the covenants contained or referred to in title number MS399024

THE Landlord HEREBY COVENANTS with the Tenant as follows

- 3.1 the Tenant paying the rent hereby reserved and

performing and observing the several covenants on the Tenant's part herein contained shall peaceably hold and enjoy the Premises during the said term without any interruption by the Landlord or any person rightfully claiming under or in trust for the Landlord

3.2. 3.2.1. subject to prior payment by the Tenant of the premium in respect thereof and subject to excesses and limitations imposed by insurers from time to time to use all reasonable endeavours to keep the Premises insured (unless the insurance is rendered void by any act or omission of the Tenant or persons on the Premises with the consent of the Tenant) against loss or damage by fire storm tempest explosion and such other risks as the Landlord thinks fit for the full re-instatement value thereof (including all professional fees debris removal and site clearance and the cost of any work which might be required by or by virtue of any Act of Parliament) and three (3) years' loss of rent

3.2.2. to produce to the Tenant on fourteen (14) days notice at the offices of the Landlord or the Landlord's solicitor the policy of insurance maintained by the Landlord and the receipt for the last premium payable for it

3.2.3. if required by the Tenant to use the Landlord's best endeavours to procure that the Tenant's interest and that of the Tenant's mortgagees (if any) is noted on the policy

4. PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED as follows:-

4.1 if the rent hereby reserved or any part thereof shall at any time be unpaid for fourteen (14) days after becoming payable (whether formally demanded or not) or if the covenants on the Tenant's part herein contained shall not be performed or observed or if the Tenant or any other person in whom the term shall be vested or any other person who may at any time covenant with the Landlord as a surety under this Lease shall become bankrupt or have a receiving order made against the Tenant or any such other person or being a company enter into liquidation or if the goods of the Tenant or any such other person on the Premises shall be taken in execution then and in any such case it shall be lawful for the

Landlord at any time thereafter to re-enter upon the Premises or any part thereof in the name of the whole and thereupon this demise shall absolutely determine but without prejudice to the right of action of the Landlord in respect of any antecedent breach of the Tenant's covenants herein contained

4.2 if the Premises or any part thereof shall at any time during the said term be destroyed or damaged by any risk insured by the Landlord so as to be unfit for occupation and use and the policy or policies of insurance effected by the Landlord shall not have been vitiated or payment of the policy moneys refused in whole or in part in consequence of any act or default of the Tenant the rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended until the Premises shall again be rendered fit for habitation and use

4.3 if for any reason (other than the default of the Landlord) it becomes impossible or impracticable to reinstate the Building in accordance with the Landlord's covenant herein contained in the event of the Building being destroyed or damaged by any of the perils against which the Landlord has insured the term hereby granted shall absolutely determine and the insurance monies received by the Landlord in respect of the Building and the loss of rent shall belong to the Landlord absolutely

4.4 any dispute or difference concerning the provisions of this Lease or the operation or construction of any of the clauses hereof or the rights or liabilities of the parties hereunder shall be referred to arbitration by a single arbitrator to be appointed by the President for the time being of The Law Society under the provisions of the Arbitration Act 1996 and any Act amending or replacing the same

4.5 any notice under this Lease shall be in writing and shall be deemed to be sufficiently served if complying with the provisions of the Law of Property Act 1925 Section 196

4.6 if any instalment of rent or any other money which may become payable by the Tenant to the Landlord under any of the provisions of this Lease at any time or times remains unpaid for fourteen (14) days after becoming payable then the amount for the time being unpaid shall (without prejudice to the Landlord's right of re-entry or any other right or remedy of the Landlord) as from the date on which it became

payable and until paid bear and carry interest and the Tenant accordingly COVENANTS with the Landlord that in such circumstances and during such period or periods the Tenant will pay to the Landlord interest (as well after as before any judgment) on any such unpaid amount

4.7 all sums payable under or in connection with this lease in respect of rent payable or taxable supplies received by the Tenant shall be deemed to be exclusive of value added tax (or any similar tax which shall replace value added tax) and upon the production by the Landlord to the Tenant of any invoice appropriate to that tax the Tenant shall pay such tax in addition to those sums and the Landlord shall have the same remedies for non payment of the tax as if the tax were part of the rent or the supply

4.8 nothing in this lease or in any consent granted by the Landlord under this lease shall imply or warrant that the Premises may lawfully be used under the Planning Acts for the purpose authorised in this lease (or any purpose subsequently authorised) or are fit for their purpose

4.9 if after the Tenant has vacated the Premises on the expiry of the Term any property of the Tenant remains in or on the Premises and the Tenant fails to remove it within 7 days after being requested in writing by the Landlord to do so or if after using its best endeavours the Landlord is unable to make such a request to the Tenant within 14 days from the first attempt so made by the Landlord

4.9.1 the Landlord may as the agent of the Tenant sell such property and the Tenant will indemnify the Landlord against any liability incurred by it to any third party whose property shall have been sold by the Landlord in the mistaken belief held in good faith (which shall be presumed unless the contrary be proved) that such property belonged to the Tenant

4.9.2 if the Landlord having made reasonable efforts is unable to locate the Tenant the Landlord shall be entitled to retain such proceeds of sale absolutely unless the Tenant shall claim them within 6 months of the date upon which the Tenant vacated the Premises and

4.9.3 the Tenant shall indemnify the Landlord against any damage occasioned to the Premises and any actions claims proceedings costs expenses and demands

made against the Landlord caused by or related to the presence of the property in or on the Premises

- 4.10 any statutory right of the Tenant to claim compensation from the Landlord on vacating the Premises shall be excluded to the extent that the law allows
5. A person who is not a party to this Lease has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Lease
6. 6.1. WHERE in this Lease the context so admits:
- 6.1.1. words importing one gender include all other genders and words importing the singular include the plural and vice versa
- 6.1.2. the expressions "the Landlord" and "the Tenant" include their respective successors in title and the expression "the Landlord" includes the reversioner for the time being immediately expectant upon the term hereby created and any superior landlord
- 6.1.3. where for the time being there are two or more persons within the meaning of the expressions "the Landlord" or "the Tenant" or two or more persons are surety or guarantor under this Lease or a licence thereunder obligations expressed or implied and made or to be made by or with that party are made by or with those persons jointly and severally
- 6.1.4. interest payable by the Tenant to the Landlord means interest at 4% above the base rate of National Westminster Bank PLC or approved member of the Committee of London Clearing Bankers from time to time or 10% per annum whichever is the greater

6.2 Where under the terms of this Lease the Tenant is liable to pay to the Landlord any sum on account of the supply of goods or services which for the avoidance of doubt shall include rent (whether to the Landlord or to the Tenant) the Tenant shall also pay to the Landlord any value added tax chargeable on such supply which the Landlord is unable to reclaim

IT IS HEREBY CERTIFIED that there is no agreement to Lease to which this Lease gives effect

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

Only authorized by landlord or Tenant

THE FIRST SCHEDULE

The Premises

ALL THOSE premises situate and known as Unit 5 Valiant Way Lairside Technology Park Birkenhead comprised in title number MS 399024 which are demised together with except and reserved and subject to as is therein mentioned or referred to

THE SECOND SCHEDULE

Part I

Term commences : 25th March 2002

Length of Term : 15 years

Part II

1. In this Schedule "Review Date" means the 25th day of March 2007 and the 25th day of March 2012 and "Review Period" means the period starting with the Review Date up to the next Review Date or from the last Review Date until the end of the term hereof
2. The yearly rent shall be:
 - (a) until the 24th day of March 2007 a rent of One Hundred Thousand Pounds (£100,000)
 - (b) from the 25th day of March until the 24th day of March 2012 a rent of One Hundred and Fifteen Thousand Pounds (£115,000) (or the revised rent as may be ascertained as herein provided whichever shall be greater) and
 - (c) during the last 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 a 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 at the option of the Landlord either by an arbitrator or by an independent valuer (acting as an expert and not as an arbitrator) such arbitrator or 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 made not earlier than six (6) months before the relevant Review Date and so that in the case of such arbitration or valuation the revised rent to be awarded or determined by the arbitrator or valuer shall be such as the arbitrator or valuer shall decide should be the yearly rent at the Review Date for the Premises:-

on the following assumptions at that date:-

- (i) that the Premises are fit for immediate occupation and use and that no work has been carried out thereon by the Tenant sub-tenants or their predecessors in title during the term which has diminished the rental value of the Premises and that in case the Premises have been destroyed or damaged they have been fully restored
- (ii) that the Premises are available to let by a willing landlord to a willing tenant as a whole without a premium but with vacant possession and subject to the provisions of this Lease (other than the amount of the rent hereby reserved but including the provisions for rent review) for a term equal to the residue of the term of this Lease and
- (iii) that the covenants herein contained on the part of the Tenant have been fully performed and observed

AND having regard to open market rental values current at the Review Date

but disregarding:-

- (i) any effect on rent of the fact that the Tenant sub-tenants or their respective predecessors in title have been in occupation of the Premises
- (ii) any goodwill attached to the Premises by reason of the carrying on thereof of the business of the Tenant sub-tenants or their predecessors in title in their respective businesses
- (iii) any increase in rental value of the Premises attributable to the existence at the Review Date of any underleases affecting part of the Premises and any improvement to the Premises or any part thereof carried out with consent where required otherwise than in pursuance of an obligation to the Landlord or the Landlord's predecessors in title by the Tenant sub-tenants or their respective predecessors in title during the term and
- (iv) any restriction as to user contained in this Lease

4. IT IS HEREBY FURTHER PROVIDED in relation to the revised rent as follows:-

- (a) (in the case of arbitration) the arbitration shall be conducted in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force
- (b) (in the case of determination by a valuer):-
 - (i) the fees and expenses of the valuer including the cost of the valuer's appointment shall be borne equally by the Landlord and the Tenant who shall otherwise each bear their own costs
 - (ii) the valuer shall afford to each of the parties hereto an opportunity to make representations to the valuer and
 - (iii) if the valuer shall die delay or become unwilling 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 such President's behalf shall in such President's absolute discretion think fit such President may by writing discharge the valuer and appoint another in the valuer's place
- (c) 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 Counterpart thereof and the parties shall bear their own costs in respect thereof
- (d) if the revised rent payable during the Review Period has not been agreed by the 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 4% below the rate specified in clause 6.1.4. hereof
- (e) 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 parties or as the case may be the date of the award of the arbitrator or of the determination by the valuer

THE THIRD SCHEDULE

The permitted use

~~Authorised with the business of the Tenant~~

(Town and Country Use (Lower Order))

THE FOURTH SCHEDULE

1. For the purposes of this "Liability Period" shall mean in the case of:-

1.1. the party of the third part to this Lease the period during which the party of the second part is bound by the tenant covenants of this Lease whether as original signatory or under the provisions of an Authorised Guarantee Agreement

1.2. any guarantor required pursuant to clause 2.7.2-3.2 the period during which the relevant assignee is bound by the tenant covenants of this Lease together with any additional period during which the assignee is liable under an authorised guarantee agreement and

1.3. any guarantor under an authorised guarantee agreement the period during which the relevant assignee is bound by the tenant covenants of this Lease

2. In the case of clause 1.1. above the Surety hereby covenants with the Landlord that:-

2.1 The Tenant or the Surety shall during the Liability Period duly perform and observe all the covenants on the part of the Tenant contained in this Lease, including the payment of the rents and all other sums payable under this Lease in the manner and at the times herein specified, and the Surety indemnifies the Landlord against all claims, demands, losses damages, liabilities, costs, fees and expenses whatsoever sustained by the Landlord by reason of or arising in any way directly or indirectly out of any default by the Tenant in the performance and observance of any of its obligations or the payment of any rent and other sums.

2.2. The Surety further covenants with the Landlord that the Surety is jointly and severally liable with the Tenant (whether before or after any disclaimer by a liquidator or trustee in bankruptcy) for the fulfilment of all the obligations of the Tenant under this Lease and agrees that the Landlord, in the enforcement of its rights hereunder, may proceed against the Surety as if the Surety were named as the Tenant in this Lease.

2.3. The Surety waives any right to require the Landlord to proceed against the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Surety.

2.4. None of the following, or any combination thereof, shall release, discharge or in any way lessen or affect the liability of the Surety under this Lease:-

2.4.1 any neglect, delay or forbearance of the landlord in endeavouring to obtain payment of the rents or the amount required to be paid by the Tenant, or in enforcing the performance or observance of any of the obligations of the Tenant under this lease;

2.4.2 any refusal by the landlord to accept rent tendered by or on behalf of the Tenant at a time when the landlord was entitled (or would have been entitled after the service of a notice under the Law of Property Act 1925, Section 146) to re-enter the Demised Premises;

2.4.3 any extension of time given by the Landlord to the Tenant;

2.4.4 any variation of the terms of this Lease or that the Tenant shall have surrendered part of the Premises (including any reviews of the rent payable under this Lease) or the transfer of the landlord's reversion or the assignment of this Lease;

2.4.5 any other act, omission, matter or thing whatsoever whereby, but for this provision, the Surety would be exonerated either wholly or in part (other than a release under seal given by the Landlord).

2.5 The Surety further covenants with the Landlord that:-

2.5.1 if a liquidator or trustee in bankruptcy shall disclaim or surrender this Lease; or

2.5.2 if this Lease shall be forfeited; or

2.5.3 if the Tenant shall cease to exist; then the Surety shall, if the Landlord by notice in writing given to the Surety within 180 days after such disclaimer or other event so requires, accept from and execute and deliver to the Landlord a counterpart of a new lease of the Premises for a term commencing on the date of the disclaimer or other event and continuing for the residue then remaining unexpired of the Term, such new lease to be at the cost of the Surety and to be at the same rents and subject to the same covenants, conditions and provisions as are contained in this Lease;

2.5.4 If the Landlord shall not require the Surety to take a new lease, the Surety shall nevertheless upon demand pay to the Landlord a sum equal to the rents and other sums that would have been payable under this Lease but for the disclaimer or other event in respect of the Period from any including the date of such disclaimer or other event until the expiration of 180 days therefrom or until the Landlord shall have granted a lease of the Premises to a third party (whichever shall first occur)

3. If in the circumstances contemplated in 1.2 and 1.3 above the Landlord shall require a guarantor or guarantors then such guarantor or guarantors shall be required to enter into a deed giving guarantee and indemnity covenants expressed to benefit the Landlord incorporating a standard of obligations similar to the covenants and provisions in clause 2 above but adapted to suit the circumstances in which the guarantee is given

SIGNED by the Landlord
as a Deed acting by and
in the presence of a
Director and the Company
Secretary

Director
Secretary