

DATED

21 FEBRUARY 2011

LICENCE TO ASSIGN

relating to

**LEASE OF LAND AT UNIT 9A, MEADOW CLOSE,
LANGAGE INDUSTRIAL ESTATE, PLYMPTON,
PLYMOUTH, PL7 5EX**

between

EDWARD FRANK ROOSE, PETER ADRIAN FELWICK AND IRENE MAY WHITWORTH

and

COSALT PUBLIC LIMITED COMPANY

and

COSALT INTERNATIONAL LIMITED

CONTENTS

CLAUSE

1.	INTERPRETATION.....	1
2.	CONSENT TO ASSIGN	3
3.	OBLIGATIONS RELATING TO THE ASSIGNMENT	3
4.	AUTHORISED GUARANTEE AGREEMENT	3
5.	COSTS.....	4
6.	THE RIGHT OF RE-ENTRY IN THE LEASE	4
7.	INDEMNITY	4
8.	NOTICES	4
9.	LIABILITY	4
10.	THIRD PARTY RIGHTS	4

SCHEDULE

SCHEDULE	AUTHORISED GUARANTEE AGREEMENT.....	6
1.	Guarantee and indemnity.....	6
2.	Tenant's liability	6
3.	Variations and supplemental documents	7
4.	Tenant to take a new lease.....	7
5.	Rent at the date of disclaimer	8
6.	Payments in gross and restrictions on the Tenant.....	9
7.	Other securities.....	9

THIS LICENCE is dated 21 FEBRUARY 2011

PARTIES

- (1) EDWARD FRANK ROOSE of Fairmead Farm, Vollards Lane, Hatt, Saltash, Cornwall, PL12 6RB, PETER ADRIAN FELWICK of 65 Molesworth Road, Plympton, Plymouth, Devon, PL7 4NU and IRENE MAY WHITWORTH of 67 Staddiscombe Road, Plymstock, Plymouth, Devon, PL9 9LU (**Landlord**).
- (2) COSALT PUBLIC LIMITED COMPANY, incorporated and registered in England and Wales with company number 00019628 whose registered office is at Origin 4, Origin Way, Europarc, Grimsby, South Humberside, DN37 9TZ (**Tenant**).
- (3) COSALT INTERNATIONAL LIMITED, incorporated and registered in England and Wales with company number 00553893 whose registered office is at Origin 4, Origin Way, Europarc, Grimsby, South Humberside, DN37 9TZ (**Assignee**).

BACKGROUND

- (A) This licence is supplemental and collateral to the Lease.
- (B) The Landlord is entitled to the immediate reversion to the Lease.
- (C) The residue of the term granted by the Lease is vested in the Tenant.
- (D) The Tenant intends to assign the Lease to the Assignee and, the Landlord and Tenant have agreed to grant consent for such assignment subject to the terms of this Licence.

AGREED TERMS

1. INTERPRETATION

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

Authorised Guarantee Agreement: the authorised guarantee agreement set out in the Schedule to this licence.

Lease: a lease of Unit 9a, Meadow Close, Langage Industrial Estate, Plympton, Plymouth, PL7 5EX dated 9th February 2007 and made between the Landlord and the Tenant, and all documents supplemental or collateral to that lease.

Property: Unit 9a, Meadow Close, Langage Industrial Estate, Plympton, Plymouth, PL7 5EX as more particularly described in and demised by the Lease.

1995 Act: Landlord and Tenant (Covenants) Act 1995

1954 Act: Landlord and Tenant Act 1954.

Relevant Period: the period starting from the date of transfer of the Lease to the Assignee and ending on the date when the Assignee is released from the tenants covenants (as defined in the 1995 Act) by virtue of 1995 Act.

- 1.2 References to the **Landlord** include a reference to the person entitled for the time being to the immediate reversion to the Lease.
- 1.3 The expression **tenant covenants** has the meaning given to it by the Landlord and 1995 Act.
- 1.4 References to **completion of the assignment** (and cognate expressions) are to the date on which the deed of assignment to the Assignee is dated and not to the registration of that deed at HM Land Registry.
- 1.5 Clause, Schedule and paragraph headings shall not affect the interpretation of this licence.
- 1.6 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.7 The Schedules form part of this licence and shall have effect as if set out in full in the body of this licence. Any reference to this licence includes the Schedules.
- 1.8 Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.9 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.10 Unless otherwise specified, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force as at the date of this agreement, taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.11 A reference to a statute or statutory provision shall include any subordinate legislation made as at the date of this agreement under that statute or statutory provision.
- 1.12 A reference to **writing** or **written** includes faxes but not e-mail.
- 1.13 A reference to a document is a reference to that document as varied or novated (in each case, other than in breach of the provisions of this licence) at any time.
- 1.14 Except where a contrary intention appears, references to clauses and Schedules are to the clauses and Schedules of this licence; references to paragraphs are to paragraphs of the relevant Schedule.

1.15 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2. CONSENT TO ASSIGN

2.1 In consideration of the obligations on the Assignee and the Tenant in this licence, the Landlord consents to the Tenant assigning the Lease to the Assignee.

2.2 This consent is valid for three months from (and including) the date of this licence. If the assignment has not been completed within that time, the Landlord may give notice to the Tenant extending the period of validity. If this consent ceases to be valid and the Landlord has not given notice extending its validity, all the terms of this licence except clause 2.1 shall remain in force.

2.3 It is a condition of this consent that the Tenant enters into the Authorised Guarantee Agreement.

2.4 This consent does not obviate the need for the consent or licence of any person other than the Landlord that may be required for the assignment.

3. OBLIGATIONS RELATING TO THE ASSIGNMENT

3.1 Immediately following completion of the assignment, the Assignee shall notify the Landlord (or its managing agents) of the name and address of the person to whom demands for rent should be sent.

3.2 Within one month after completion of the assignment, the Assignee shall notify the Landlord of completion, send the Landlord a certified copy of the assignment and pay the Landlord's registration fee of £30.00 plus value added tax.

3.3 The Assignee shall apply for registration of the assignment at HM Land Registry and notify the Landlord of completion of the registration in accordance with the Lease.

4. AUTHORISED GUARANTEE AGREEMENT

4.1 The obligations on the Tenant in the Authorised Guarantee Agreement are made in consideration of the consent granted in clause 2.1 and the Authorised Guarantee Agreement is made pursuant to the condition in clause 2.3.

4.2 The Authorised Guarantee Agreement shall apply for the Relevant Period.

4.3 For the avoidance of doubt, references in the Authorised Guarantee Agreement to the Lease are to the Lease as varied by this licence.

5. COSTS

On completion of this licence the Tenant shall pay the reasonable costs and disbursements of the Landlord's solicitors and its managing agents reasonably and properly in connection with this licence up to a maximum of £1050 plus VAT and disbursements.

6. THE RIGHT OF RE-ENTRY IN THE LEASE

The right of re-entry in the Lease shall be exercisable if any covenant or condition of this licence is breached as well as if any of the events stated in the provision for re-entry in the Lease occurs.

7. INDEMNITY

The Tenant and the Assignee shall indemnify the Landlord against all reasonable costs and claims reasonably and properly arising from any breach of the terms of this licence.

8. NOTICES

Any notice given pursuant to this licence shall be in writing and shall be delivered by hand or sent by pre-paid first class post or recorded delivery or by any other means permitted by the Lease. 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.

9. LIABILITY

The obligations of the Tenant and the Assignee in this licence are owed to the Landlord and are made in consideration of the consent granted in clause 2.1.

10. THIRD PARTY RIGHTS

A person who is not a party to this agreement shall not have any rights under or in connection with it.

11. GOVERNING LAW AND JURISDICTION

11.1 The Licence and any dispute, claim or obligation (whether contractual or non-contractual) arising out of or in connection with it, its subject matter or formation shall be governed by English Law.

11.2 The Parties irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non contractual) arising out of or in connection with this Licence, its subject matter or formation.

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

Schedule Authorised guarantee agreement

1. GUARANTEE AND INDEMNITY

- 1.1 The Tenant guarantees to the Landlord that the Assignee shall pay the rents reserved by the Lease and any interim rent determined under the 1954 Act and observe and perform the tenant covenants of the Lease during the Relevant Period and that if the Assignee fails to pay any of those rents or to observe or perform any of those tenant covenants, the Tenant shall pay or observe and perform them during the Relevant Period.
- 1.2 The Tenant covenants with the Landlord as a separate and independent primary obligation to indemnify the Landlord against any failure to pay any of the rents reserved by the Lease and any interim rent determined under the 1954 Act and any failure to observe or perform any of the tenant covenants of the Lease during the Relevant Period, provided the liability of the Tenant under this clause 1.2 shall be no more onerous than the liability to which it would be subject as sole or principal obligor in respect of such tenant's covenants..

2. TENANT'S LIABILITY

- 2.1 The liability of the Tenant shall not be affected by:
- (a) any time or indulgence granted by the Landlord to the Assignee (or to any person to whom the Assignee has assigned the Lease pursuant to an assignment that is an excluded assignment under section 11 of the Landlord and Tenant (Covenants) Act 1995); or
 - (b) any reasonable delay or forbearance by the Landlord in enforcing the payment of any of the rents or the observance or performance of any of the tenant covenants of the Lease or in making any demand in respect of any of them; or
 - (c) any refusal by the Landlord to accept any rent or other payment due under the Lease where the Landlord believes that the acceptance of such rent or payment may prejudice its ability to re-enter the Property; or
 - (d) the Landlord exercising any right or remedy against the Assignee for any failure to pay the rents reserved by the Lease or to observe or perform the tenant covenants of the Lease; or
 - (e) the Landlord taking any action or refraining from taking any action in connection with any other security held by the Landlord in respect of the Assignee's liability to pay the rents reserved by the Lease and observe and perform the tenant covenants of the Lease (including the release of any such security); or

- (f) a release or compromise of the liability of any one of the persons who is the Tenant, or the grant of any time or concession to any one of them; or
- (g) any legal limitation or disability on the Assignee or any invalidity or irregularity of any of the tenant covenants of the Lease or any unenforceability of any of them against the Assignee; or
- (h) the Assignee being dissolved or being struck off the register of companies or otherwise ceasing to exist; or
- (i) without prejudice to paragraph 4, the disclaimer of the liability of the Assignee under the Lease; or
- (j) the surrender of part of the Property, except that the Tenant shall not be under any liability in relation to the surrendered part in respect of any period after the surrender; or
- (k) any other act or omission except an express written release of the Tenant by the Landlord.

2.2 Any sum payable by the Tenant under this authorised guarantee agreement shall be paid without any deduction, set-off or counter-claim against the Landlord or the Assignee.

3. VARIATIONS AND SUPPLEMENTAL DOCUMENTS

3.1 The Tenant shall, where reasonable and at the request of the Landlord, join in and give its consent to the terms of any licence, consent, variation or other document that may be entered into by the Assignee in connection with the Lease.

3.2 The Tenant shall not be released by any increase of the rents reserved by, or variation of the tenant covenants in, the Lease save where the Tenant has consented, in writing or otherwise, to the variation.

3.3 Except to the extent that the liability of the Tenant is affected by section 18 of the Landlord and Tenant (Covenants) Act 1995, the Tenant's liability under this authorised guarantee agreement shall apply to:

- (a) the rents reserved by the Lease as varied and any interim rent determined under the 1954 Act; and
- (b) the tenant covenants in the Lease as varied.

4. TENANT TO TAKE A NEW LEASE

4.1 If the liability of the Assignee under the Lease is disclaimed and the Landlord gives the Tenant written notice within three months after the Landlord receiving notice of

that disclaimer, the Tenant shall enter into a new lease of the Property on the terms set out in paragraph 4.2.

4.2 The rights and obligations under the new lease shall take effect from the date of the disclaimer and the new lease shall:

- (a) be granted subject to the right of any person to have the Lease vested in them by the court and to the terms on which any such order may be made and subject to the rights of any third party existing at the date of the grant;
- (b) be for a term that expires at the same date as the end of the term granted by the Lease had there been no disclaimer;
- (c) reserve as an initial annual rent an amount equal to the rent which is first reserved by the Lease on the date of the disclaimer (subject to paragraph 5) and which is subject to review on the same terms and dates provided by the Lease; and
- (d) otherwise be on the same terms as the Lease (as varied if there has been any variation other than a variation in respect of which and to the extent that the Tenant is not liable by virtue of section 18 of the Landlord and Tenant (Covenants) Act 1995).

4.3 The Tenant shall pay the Landlord's solicitors reasonable costs and disbursements (on a full indemnity basis) reasonably and properly incurred and any VAT on them except to the extent the Landlord is able to recover such value added tax in relation to the new lease and shall execute and deliver to the Landlord a counterpart of the new lease within one month after service of the Landlord's notice.

4.4 The grant of a new lease and its acceptance by the Tenant shall be without prejudice to any other rights which the Landlord may have against the Tenant or against any other person or in respect of any other security that the Landlord may have in connection with the Lease.

5. RENT AT THE DATE OF DISCLAIMER

5.1 If at the date of the disclaimer there is a rent review pending under the Lease, then:

- (a) the relevant review date in the Lease shall also be a rent review date in the new lease;
- (b) the rent to be first reserved by the new lease shall be the open market rent of the Property at the relevant review date as agreed or determined in accordance with the new lease;
- (c) until the rent is agreed or determined the rent first reserved by the new lease shall be payable at the rate that was payable under the Lease immediately before the disclaimer; and

- (d) the provisions in the new lease relating to the payment of any shortfall and interest following agreement or determination of a rent review shall apply in relation to any shortfall between the rent payable and the rent first reserved, in respect of the period after the date of the disclaimer.

5.2 If at the date of the disclaimer there is any abatement or suspension of the rent reserved by the Lease, then, for the purposes for this agreement, that rent shall be deemed to be the amount which would be reserved by the Lease but for the abatement or suspension, but without prejudice to the provisions relating to abatement or suspension to be contained in the new lease.

6. PAYMENTS IN GROSS AND RESTRICTIONS ON THE TENANT

6.1 Any payment or dividend that the Landlord receives from the Assignee (or its estate) or any other person in connection with any insolvency proceedings or arrangement involving the Assignee shall be taken and applied as a payment in gross and shall not prejudice the right of the Landlord to recover from the Tenant to the full extent of the obligations that are the subject of this authorised guarantee agreement.

6.2 The Tenant shall not claim in competition with the Landlord in any insolvency proceedings or arrangement of the Assignee in respect of any payment made by the Tenant pursuant to this authorised guarantee agreement. If it otherwise receives any money in such proceedings or arrangement, it shall hold that money on trust for the Landlord to the extent of its liability to the Landlord.

6.3 The Tenant shall not, without the consent of the Landlord (such consent not to be unreasonably withheld or delayed), exercise any right or remedy that it may have (whether against the Assignee or any other person) in respect of any amount paid or other obligation performed by the Tenant under this authorised guarantee agreement unless and until all the obligations of the Tenant under this authorised guarantee agreement have been fully performed.

7. OTHER SECURITIES

7.1 The Tenant warrants that it has not taken and covenants that it shall not take any security from or over the assets of the Assignee in respect of any liability of the Assignee to the Tenant. If it does take or hold any such security it shall hold it for the benefit of the Landlord.

7.2 This authorised guarantee agreement is in addition to any other security that the Landlord may at any time hold from the Tenant or the Assignee or any other person in respect of the liability of the Assignee to pay the rents reserved by the Lease and to observe and perform the tenant covenants of the Lease. It shall not merge in or be affected by any other security.

7.3 The Tenant shall not be entitled to claim or participate in any other security held by the Landlord in respect of the liability of the Assignee to pay the rents reserved by the Lease or to observe and perform the tenant covenants of the Lease.

Signed as a deed by the said
EDWARD FRANK ROOSE
in the presence of:




W I T N E S S
SIGNATURE P. Dawe
NAME P. DAWE
ADDRESS PHILCHRIS
HATT
OCCUPATION RETIRED

Signed as a deed by the said
PETER ADRIAN FELWICK
in the presence of:



W I T N E S S
SIGNATURE F. Lethbridge
NAME F. LETHBRIDGE
ADDRESS PLIMPTON
PL7 4NU
OCCUPATION RETIRED.

Signed as a deed by the said
IRENE MAY WHITWORTH
in the presence of:



W I T N E S S
SIGNATURE Ian Day
NAME IAN DAY
ADDRESS 22 WOLRIGE WAY
PLIMPTON
PLMOUTH
OCCUPATION: MANAGER