

Date \_\_\_\_\_ 2010

**LEGAL & GENERAL PROPERTY PARTNERS (INDUSTRIAL FUND) LIMITED  
LEGAL & GENERAL PROPERTY PARTNERS (INDUSTRIAL) NOMINEES LIMITED**

[ ]

**LEASE**

Unit [ ] [ ]  
[ ] Industrial/Trading Estate  
[ ]

**MACFARLANES**

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT

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## PARTICULARS

### LR1. Date of lease

201[ ]

### LR2. Title number(s)

#### LR2.1 Landlord's title number(s)

[ ]

#### LR2.2 Other title numbers

*Existing title number(s) against which entries of matters referred to in LR9, LR10, LR11 and LR13 are to be made.*

None.

[or:] [ ]

### LR3. Parties to this lease

*Give full names, addresses and company's registered number, if any, of each of the parties. For Scottish companies use a SC prefix and for limited liability partnerships use an OC prefix. For foreign companies give territory in which incorporated.*

#### Landlord

**LEGAL & GENERAL PROPERTY PARTNERS (INDUSTRIAL FUND) LIMITED** (Company Registration Number 03431928) and **LEGAL & GENERAL PROPERTY PARTNERS (INDUSTRIAL) NOMINEES LIMITED** (Company Registration Number 07361190) both of whose registered offices are at One Coleman Street, London EC2R 5AA ("the Landlord" which expression shall include the person for the time being entitled to the reversion immediately expectant on the determination of the Term).

#### Tenant

[ ] **LIMITED/PLC** [(Company Number [ ])] whose registered office is at [of] [ ] and its successors in title ("the Tenant")

#### *Other parties*

[ ] **LIMITED/PLC** [(Company Number [ ])] whose registered office is at [of] [ ] ["the Surety"]

### LR4. Property

**In the case of a conflict between this clause and the remainder of this lease then, for the purposes of registration, this clause shall prevail.**

[ ] Industrial/Trading Estate more particularly described in schedule 1 ("the Premises").

### LR5. Prescribed statements etc.

None.

**LR6. Term for which the Property is leased**

The term is as follows: [ ] years commencing on and including [the date of this Lease] [ ] 20[ ] (“the Term Commencement Date”) [and any continuation or extension of it and any holding over, whether by statute, at common law or otherwise.]<sup>1</sup>

**LR7. Premium**

None.

**LR8. Prohibitions or restrictions on disposing of this lease**

This lease contains a provision that prohibits or restricts dispositions.

**LR9. Rights of acquisition etc.**

**LR9.1 Tenant’s contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land**

None.

**LR9.2 Tenant’s covenant to (or offer to) surrender this lease**

None.

*[or if lease contains, eg, an “offer-back” clause:]* See clause [ ].

**LR9.3 Landlord’s contractual rights to acquire this lease**

None.

**LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property**

None.

*[or if lease contains, eg, an exclusivity covenant:]* See clause [ ].

**LR11. Easements**

**LR11.1 Easements granted by this lease for the benefit of the Property**

See schedule 2.

**LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property**

See schedule 3.

**LR12. Estate rentcharge burdening the Property**

None.

**LR13. Application for standard form of restriction**

None.

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<sup>1</sup> Remove if Lease is to be contracted out.



THIS LEASE is made on the date set out in the Particulars between [the Landlord and the Tenant] [the Landlord, the Tenant and the Surety] named in the Particulars.

**THIS DEED WITNESSES as follows:-**

**1 Interpretation**

1.1 In this Lease, except where the context requires otherwise, the following words and expressions have the following respective meanings:-

**Advisory Report:** has the same meaning as under the Energy Performance Regulations;

**the Common Parts:** any part or parts of the Estate available for use in common by two or more occupiers at the Estate including (without prejudice to the generality of the foregoing) roads, hard standing, parking and landscaped areas, footpaths, lighting equipment, Conducting Media and signs;

**Conducting Media:** sewers, drains, pipes, gutters, wires, cables and other conduits and any related plant and machinery;

**Display Energy Certificate:** has the same meaning as under the Energy Performance Regulations;

**Enactment:** statutes and subordinate legislation and every regulation, order, by-law or direction made or issued under them including every statutory amendment, modification, consolidation and re-enactment and statutory extension thereof for the time being in force;

**Energy Performance Certificate:** has the same meaning as under the Energy Performance Regulations;

**the Energy Performance Regulations:** the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007;

**Estate:** the land and buildings known as [ ] as the same may be added to or decreased from time to time;

**Insured Risks:** fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft (other than hostile aircraft) and other aerial devices and articles dropped from them, riot, civil commotion, malicious damage, subsidence, heave, landslip, terrorism where available at commercial rates, and bursting or overflowing of watertanks, apparatus and pipes and such other risks as the Landlord may require (but excluding any risks in respect of which insurance is not available from time to time in the normal market at a reasonable premium);

**Outgoings:** all existing and future rates, taxes, duties, charges, assessments, charges for utilities and other services and outgoings whatsoever (whether or not of a capital or non-recurring nature);

**Recommendation Report:** has the same meaning as under the Energy Performance Regulations;

**Term:** as stated in LR6 of the Particulars;

**Utilities:** the transmission of water, electricity, gas and telecommunications;

**VAT:** Value Added Tax as referred to in the Value Added Tax Act 1994 (or any tax of a similar nature which may be substituted for or levied in addition to it);

**1995 Act:** the Landlord and Tenant (Covenants) Act 1995.

- 1.2 The words and expressions used in the Particulars shall have in this Lease the meanings ascribed to them in the Particulars.
- 1.3 References in this Lease to:-
- 1.3.1 any right of (or covenant to permit) the Landlord to enter the Premises shall also be construed as entitling the Landlord to remain on the Premises with or without equipment and permitting such right to be exercised by all persons authorised by the Landlord,
  - 1.3.2 rent or other sums are references to such sums exclusive of VAT;
  - 1.3.3 where a party consists of two or more persons the obligations of such persons shall be joint and several;
  - 1.3.4 unless otherwise stated, a reference to any statute shall include any statutory amendments, modification or re-enactment of it for the time being in force and all subordinate legislation made under it;
  - 1.3.5 headings to clauses and titles to sub-clauses are for convenience only and do not affect the interpretation of this Lease;
  - 1.3.6 the consent of the Landlord is to an unqualified consent in writing signed by or on behalf of the Landlord.

## 2 Demise and Rents

- 2.1 In consideration of the rents reserved by this Lease and the covenants on the part of the Tenant the Landlord [at the request of the Surety] demises the Premises to the Tenant for the Term yielding and paying therefor by way of rent:-
- 2.1.1 first, [from and including the date of this Lease to and including the day preceding the Rent Commencement Date a peppercorn (if demanded) and thereafter] from and including the Rent Commencement Date the Yearly Rent payable by equal quarterly payments in advance on the usual quarter days the first such payment in respect of the period from and including the Rent Commencement Date until and including the day preceding the quarter day next following to be made on the Rent Commencement Date;
  - 2.1.2 secondly, within 7 days of receipt of written demand, by way of further rent, an amount equal to the costs and expenses which the Landlord from time to time incurs in effecting and maintaining insurance pursuant to Clause 4.3 or (if the Premises are insured with other premises on the Estate) a due proportion of all costs and expenses which the Landlord from time to time incurs in effecting and maintaining such insurance (including, without limitation, the cost of valuations for insurance purposes);
  - 2.1.3 thirdly, the service charge calculated and payable in accordance with schedule 4 by equal quarterly instalments in advance on the usual quarter days the first such payment to be made on the date hereof in respect of the period from the date hereof until the day preceding the quarter day next following;
  - 2.1.4 fourthly, on demand interest at 4% per year above the base rate of HSBC Bank PLC on any sum which is overdue after its due date calculated (both before and after any judgment) from the due date until payment;
  - 2.1.5 fifthly, all VAT payable in respect of any sum payable under this Lease to be payable contemporaneously with the sum to which it relates;
  - 2.1.6 sixthly, any other sum due to the Landlord under the terms of this Lease.

- 2.2 The rights set out in schedule 2 are granted to the Tenant and the rights set out in schedule 3 are excepted and reserved for the Landlord and all persons authorised by the Landlord.
- 2.3 This Lease is granted subject to all easements, quasi easements and rights affecting the Premises.
- 2.4 [The Yearly Rent will be subject to review on the Review Date in accordance with schedule 6.]

### 3 **Tenant's Covenants**

The Tenant covenants with the Landlord throughout the Term:-

#### 3.1 **Rent**

To pay the rents reserved by this Lease on the days and in the manner set out in Clause 2 (by standing order if requested) without deduction or set-off.

#### 3.2 **Compliance with Enactments**

3.2.1 To pay and discharge all Outgoings payable at any time in respect of the Premises or any part of them.

3.2.2 To comply at the Tenant's cost with all Enactments and the requirements of any government department, local authority or other competent authority in respect of the Premises, their use and occupation, employment of personnel in them and any work being carried out to them (whether the requirements are imposed upon the owner, lessee or occupier) and to carry out any remedial work required to achieve such compliance or to meet such requirements.

3.2.3 Within two months of the date hereof to prepare and thereafter maintain a register as required by Regulation 4 of the Control of Asbestos Regulations 2006 and to supply the Landlord forthwith on demand with a copy of the register from time to time and to hand over to the Landlord the register at the end or sooner determination of the Term.

3.2.4 To pay as rent on demand any costs and expenses properly incurred by the Landlord in remedying any breach of Clause 3.2.3.

3.2.5 The Tenant shall not during the last six months of the Term (howsoever determined) apply for empty rates relief and shall indemnify the Landlord against the loss of empty rates relief for any period following the end of the Term.

#### 3.3 **Notices**

Forthwith following receipt to give to the Landlord a complete and accurate copy of any communication from any government department, local authority or other competent authority and without delay to comply in all respects at the Tenant's cost with the provisions thereof.

#### 3.4 **Repair**

To keep the Premises in good and substantial repair and condition throughout the Term (damage by any of the Insured Risks excepted save to the extent that the insurance effected by the Landlord shall have been vitiated, avoided or forfeited because of some act or default of the Tenant or of any person deriving title over, under or through the Tenant or of its or their servants or agents).

### **3.5 Decoration and general condition**

- 3.5.1 To keep the Premises maintained in good decorative order and clean and tidy and keep the external areas of the Premises free from all rubbish and waste and not to store any items on such external areas including for the avoidance of doubt any containers.
- 3.5.2 To redecorate [the interior of the Premises in the fifth year of the Term and] the exterior of the Premises in every third year of the Term and both the interior and exterior of the Premises in the last three months of the Term (howsoever determined) the colour and method of which at all times shall be approved by the Landlord whose consent shall not be unreasonably withheld or delayed. The Landlord may in the absence of such approval carry out the work in a different colour at the cost of the Tenant (which cost may be recovered by the Landlord from the Tenant as liquidated damages).

### **3.6 To permit entry**

To permit the Landlord at all reasonable times on reasonable prior notice (except in an emergency) to enter the Premises in order to give effect to any proper purpose connected with the interest of the Landlord in the Premises or the Estate provided always that in respect of any entry in accordance with this Clause 3.6 the Landlord shall make good all damage thereby caused to the Premises as soon as reasonably practicable.

### **3.7 Compliance with notices relating to repair or condition**

- 3.7.1 To comply with any notice requiring the Tenant to remedy any breach of the tenant's covenants and conditions contained in this Lease.
- 3.7.2 If the Tenant shall not within three months comply with any such notice to permit the Landlord to enter the Premises to remedy the breach as the Tenant's agent and at its cost.
- 3.7.3 To pay to the Landlord on demand any costs and expenses properly incurred by the Landlord pursuant to the provisions of this Clause 3.7.

### **3.8 Alterations**

- 3.8.1 Not to make any improvements, alterations or additions of any nature to the Premises or to their Conducting Media.
- 3.8.2 Notwithstanding Clause 3.8.1 the Tenant may with the consent of the Landlord (which will not be unreasonably withheld):-
- 3.8.2.1 make non-structural alterations to the interior of the Premises;
- 3.8.2.2 erect a non-illuminated sign on the exterior of the Premises of a size and design approved by the Landlord displaying the Tenant's name and business.
- 3.8.3 If the Landlord provides consent pursuant to clause 3.8.2, the Tenant will before starting the works, if the works are substantial, provide security acceptable to the Landlord sufficient to cover the cost of reinstatement of the Premises on the expiry or determination of this Lease (which for the avoidance of doubt includes any renewal thereof) if the Tenant does not reinstate the Premises to the Landlord's reasonable satisfaction.
- 3.8.4 The Tenant will (unless requested not to do so) reinstate all alterations and additions to the Premises [carried out during or at any time prior to the commencement of the Term] whether made pursuant to this Lease or any

preceding tenancy of the Premises by the Tenant at the end or sooner determination of the Term to the reasonable satisfaction of the Landlord.

### 3.9 **Use**

- 3.9.1 Not to use the Premises otherwise than for the Permitted Use.
- 3.9.2 Not to use any car parking area forming part of the Premises other than for the parking of trade vehicles or private motor vehicles of the employees of the Tenant or their customers.
- 3.9.3 Not to use the Premises for any dangerous, noxious, noisy, illegal, offensive or immoral trade, business or activity or in such a way as to cause nuisance, damage, injury or annoyance to the Landlord or the occupiers of the Estate.
- 3.9.4 Not to use the Premises for the recycling, processing or storage of chemical waste products or similar uses or for any use which requires a licence from the Environment Agency.
- 3.9.5 Not to use the Premises for the creation, treatment, processing, transfer, disposal or storage of special waste (as defined in the Special Waste Regulations 1996 or any amendment thereto or replacement thereof) or hazardous waste (as defined in the EC Hazardous Waste Directive (91/689/EEC) or any amendment thereto or replacement thereof).
- 3.9.6 To permit the Landlord, after reasonable prior notice, to fix on any suitable exterior part of the Premises, a notice board for re-letting (during the last 6 months of the Term, however determined) or selling the Premises, and not to remove or obscure the board.

### 3.10 **Insurance**

- 3.10.1 To comply with the recommendations or requirements of the insurers of the Premises and the local fire officer.
- 3.10.2 If the Premises are damaged or destroyed by any risk insured against by the Landlord and the policy of insurance in respect of it is vitiated, avoided or forfeited or the payment of the policy monies or any part of them is refused or withheld by reason of the act or default of the Tenant or any person deriving title under the Tenant or their respective agents, servants or licensees then and in every such case to pay to the Landlord on the date when the policy monies would otherwise have been paid an amount equal to the sum so refused or withheld.
- 3.10.3 Not to insure the Premises against any risks which are from time to time insured against by the Landlord.

### 3.11 **Alienation**

- 3.11.1 Not to assign, mortgage, charge, hold on trust for another, underlet or in any other manner part with possession or share occupation of the whole or any part of the Premises or agree to do so.
- 3.11.2 Notwithstanding Clause 3.11.1:
  - 3.11.2.1 the Tenant is entitled to share occupation of the Premises with any company which is a member of the same group as the Tenant (within the meaning of Section 42 of the Landlord and Tenant Act 1954) for so long as both companies remain members of the group and only in a way that does not create or transfer a legal estate; and

- 3.11.2.2 the Tenant may with the prior written consent of the Landlord (which shall not be unreasonably withheld) assign, underlet or charge the whole (but not part) of the Premises.
- 3.11.3 For the purposes of Section 19(1A) of the Landlord and Tenant Act 1927, the Landlord may withhold its licence to an assignment if any of the circumstances set out in Clause 3.11.4 applies and may grant such licence subject to any or all of the conditions set out in Clause 3.11.5 (but without prejudice to the Landlord's right to withhold licence in other circumstances or to grant it subject to other conditions if it would be reasonable to do so).
- 3.11.4 The circumstances referred to in Clause 3.11.3 are as follows:-
- 3.11.4.1 there is at the time of the application for licence any material subsisting breach of the Tenant's obligations under this Lease;
- 3.11.4.2 the proposed assignee is not a person who in the Landlord's reasonable opinion is likely to be able to comply with the obligations of the Tenant under this Lease; and
- 3.11.4.3 where the proposed assignee is a group company or associated company of the Tenant (within the meaning of section 416 of the Income and Corporation Taxes Act 1988) the Landlord reasonably considers that the Financial Standing of the proposed assignee (aggregated with the Financial Standing of any guarantor or guarantors for the proposed assignee) is less than the Financial Standing (as at the date of this Lease) of the Tenant (aggregated with the Financial Standing (as at the date of this Lease) of any guarantor or guarantors for the Tenant).
- For the purposes of Clause 3.11.4.3 "Financial Standing" means in respect of the relevant entity:
- (i) its total operating profit on ordinary activities after deduction of any exceptional or extraordinary items; and
- (ii) its net worth
- as reported in the last three years' profit and loss accounts and balance sheets for that entity prepared in accordance with GAAP standards and audited by an independent firm of reputable accountants.
- 3.11.5 The conditions referred to in Clause 3.11.3 are as follows:-
- 3.11.5.1 the Tenant wishing to assign this Lease ("the outgoing tenant") and any guarantor of the Tenant's obligations enters into an authorised guarantee agreement within the meaning of the 1995 Act in such form as the Landlord reasonably requires in respect of the performance by the assignee of the Tenant's obligations contained in this Lease;
- 3.11.5.2 such other persons as the Landlord reasonably requires guarantee the performance by the assignee of the Tenant's obligations contained in this Lease in such form as the Landlord reasonably requires;
- 3.11.5.3 the licence to assign shall contain a covenant by the assignee directly with the Landlord to pay the rents and otherwise

comply with the provisions of this Lease until the assignee is released from its obligations under this Lease by virtue of the 1995 Act; and

- 3.11.5.4 when the proposed assignee is a group company or associated company of the Tenant (within the meaning of section 416 of the Income and Corporation Taxes Act 1988) the outgoing tenant procures that:
- (i) the proposed assignee deposits with the Landlord an amount equal to at least two quarters of the principal yearly rent together with an amount equivalent to the VAT thereon upon such terms as the Landlord may lawfully in its discretion require; or
  - (ii) a guarantee or other financial security in either case reasonably acceptable to the Landlord is provided in respect of the proposed assignee's performance of the tenant covenants. The guarantee or other relevant financial security shall be in such form as the Landlord may lawfully in its discretion require.
- 3.11.6 Every licence for any underlease and for the assignment of any underlease shall contain a covenant by the underlessee or assignee (as the case may be) directly with the Landlord to comply with the provisions of this Lease (save as regards the payment of the Rents but including a covenant in terms similar to this covenant) until the underlessee or assignee (as the case may be) is released from its obligations under the underlease by virtue of the 1995 Act.
- 3.11.7 Any underlease permitted by this Clause 3.11 shall:-
- 3.11.7.1 be at a rent not less than the full market rental at the time of the grant of the underlease (without the payment or receipt of any fine or premium or other consideration) [with provision for upwards only rent reviews on the same dates and the same terms as provided for in this Lease];
  - 3.11.7.2 contain a covenant in the same terms as this Clause 3.11, with such modifications as the circumstances may require (including a requirement that the prior written consent of the Landlord under this Lease be obtained to any assignment of the underlease or any sub-underletting);
  - 3.11.7.3 otherwise impose covenants on the part of the parties to the underlease and other provisions in the form of the covenants and provisions contained in this Lease with such variations only as are necessary to reflect the fact that the letting is an underlease;
  - 3.11.7.4 be excluded from the provisions of Sections 24 to 28 of the Landlord and Tenant Act 1954.
- 3.11.8 The Tenant shall take all necessary steps and proceedings to remedy any breach of the covenants of the undertenant under any underlease, and shall not waive any breach and the Tenant shall not vary the provisions of any underlease.
- 3.11.9 [The Tenant shall not settle or compromise any rent review under the terms of any underlease without the consent of the Landlord which will not be unreasonably withheld.]

3.11.10 Within one month after any disposition the Tenant shall produce to the Landlord's solicitors a certified copy of the document giving effect to such disposition, and pay to them a registration fee of £40.

**3.12 Payment of cost of notices, consents, etc**

To pay on demand all proper costs (including counsels', solicitors', surveyors' and bailiffs' fees) incurred by the Landlord in and incidental to:-

3.12.1 the preparation and service of a notice under section 146 Law of Property Act 1925 or in connection with any proceedings under section 146 or 147 of that Act notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;

3.12.2 every application for consent, licence or approval under this Lease whether or not the application is withdrawn or properly refused; and

3.12.3 the preparation and service of a schedule of dilapidations at any time.

**3.13 Title Matters**

To observe and perform all covenants, conditions or other matters contained or referred to in any deed or document contained in schedule 5 and any rules and regulations made from time to time by the Landlord.

**3.14 Non-obstruction**

3.14.1 Not to obstruct any of the Common Parts.

3.14.2 Not to park or otherwise leave any unroadworthy or untaxed motor vehicle on any part of the Estate.

**3.15 Indemnity**

To indemnify the Landlord against all actions, costs, claims, demands and expenses arising as a result of any breach or non-observance of the Tenant's covenants in this Lease or by reason of any act or default of the Tenant or any person deriving title under the Tenant or their respective agents, servants or licensees.

**3.16 Information and Energy Performance Certificates**

3.16.1 To produce on request any plans, documents or other evidence which the Landlord requires to satisfy itself that the tenant covenants have been complied with.

3.16.2 To allow the Landlord and any person authorised by the Landlord access to all documentation, data and information in the Tenant's possession or under its control reasonably required in order to:-

3.16.2.1 prepare an Energy Performance Certificate, Display Energy Certificate, Recommendation Report and/or Advisory Report in respect of the Estate or any part of it; and

3.16.2.2 comply with any duty imposed on the Landlord under the Energy Performance Regulations;

and the Tenant shall co-operate with the Landlord, and any persons so authorised, so far as reasonably necessary to enable them to carry out such functions.

3.16.3 If the Tenant prepares an Energy Performance Certificate, Display Energy Certificate, Recommendation Report and/or Advisory Report in relation to the Premises, it shall forthwith provide the Landlord with a copy free of charge.

3.17 **[Registration**

To as soon as reasonably practicable procure the registration of this Lease by the Land Registry.]

4 **Landlord's Covenants**

The Landlord covenants with the Tenant:-

4.1 **Quiet enjoyment**

The Tenant paying the rents reserved by this Lease and observing and performing the covenants on its part may peaceably hold and enjoy the Premises without any lawful interruption by the Landlord or any person claiming through under or in trust for it.

4.2 **Services**

Subject to the payment by the Tenant of the service charge reserved by Clause 2.1.3, the Landlord shall use reasonable endeavours to carry out or otherwise perform the services set out in part 2 of schedule 4.

4.3 **Insurance**

4.3.1 Subject to the payment by the Tenant of the rent reserved by Clause 2.1.2 and subject to any excesses, exclusions or limitations imposed by the insurers the Landlord shall insure in respect of (1) loss or damage to the Estate by the Insured Risks for the full reinstatement cost making such allowances as the Landlord may properly require (2) loss of the yearly rent for not less than three years and (3) third party and public liability and any other proper risks relating to the management of the Estate and the provision of services to it.

4.3.2 At the reasonable request of the Tenant the Landlord shall produce evidence of the insurances effected pursuant to Clause 4.3.1.

4.4 **Reinstatement**

4.4.1 If the Premises or any part of them are destroyed or damaged by any of the Insured Risks then, subject to Clauses 4.4.3 and 4.4.4, the Landlord shall as soon as reasonably practicable use all monies paid by the insurers in respect of the Premises (excluding sums in respect of loss of rent) in rebuilding, repairing or otherwise reinstating the Premises.

4.4.2 If the insurance moneys are rendered irrecoverable in whole or in part as a result of any default of the Tenant or if in respect of any damage by an Insured Risk an excess is applicable which the insurers are not liable to pay out on the insurance claim:-

4.4.2.1 the Tenant shall pay to the Landlord on demand the amount irrecoverable as a result of the default of the Tenant and/or (as the case may be) the amount of the excess not payable by the insurers; and

4.4.2.2 the Landlord shall not be obliged to comply with its obligations under Clause 4.4.1 unless and until the Tenant complies with Clause 4.4.2.1.

4.4.3 The Landlord shall not be obliged to comply with its obligations under Clause 4.4.1 unless and until it is able to obtain any consents necessary to enable it to do so, or if it is otherwise prevented from doing so by any other circumstance beyond its reasonable control.

4.4.4 If the damage or destruction caused by an Insured Risk has not been made good by the expiry of 3 years from its occurrence so that the Premises or any part of them are still unfit for occupation and use, then the Landlord or the Tenant may at any time thereafter by not less than 2 months' notice served on the other terminate this Lease, so that on the expiry of that notice:-

4.4.4.1 the Term will come to an end, but without prejudice to any rights that either party may have against the other in respect of any previous breach of the provisions of this Lease; and

4.4.4.2 all insurance monies payable under any such insurance policy or policies shall belong to the Landlord absolutely.

## 5 Further Provisions

### 5.1 Forfeiture and re-entry

Without prejudice to any other remedies and powers contained in this Lease or otherwise available to the Landlord if:-

5.1.1 the whole or part of the rents shall be unpaid for twenty-one days after becoming payable; or

5.1.2 any of the Tenant's covenants in this Lease are not performed or observed; or

5.1.3 the Tenant or any surety in respect of the tenant covenants (or if more than one person any one of them) being a company is the subject of a petition for its winding up or enters into liquidation whether voluntarily (except for reconstruction or amalgamation of a solvent company) or compulsorily or has a provisional liquidator or a receiver (including an administrative receiver) appointed or is the subject of an administration order or a petition for one or of a voluntary arrangement or a proposal for one under Part I Insolvency Act 1986 or is unable to pay its debts within the meaning of Section 123 Insolvency Act 1986 or is otherwise insolvent or having been registered with unlimited liability acquires limited liability or being an individual is the subject of a bankruptcy petition or bankruptcy order or of any application or order or appointment under Section 253 or Section 273 or Section 286 Insolvency Act 1986 or otherwise becomes bankrupt or insolvent or dies or enters into or makes any proposal to enter into any arrangement or composition for the benefit of his creditors

5.1.4 the Tenant or any surety in respect of the tenant covenants become subject to any analogous events to those detailed in Clause 5.1.3 in a foreign jurisdiction

the Landlord may at any time thereafter (and notwithstanding the waiver of any previous right of re-entry) re-enter the Premises whereupon this Lease shall absolutely determine but without prejudice to any Landlord's right of action in respect of any antecedent breach of the Tenant's covenants in this Lease.

### 5.2 No implied warranty

Nothing contained or implied in this Lease or in any such licence, consent or approval is to be taken to be a warranty or representation by the Landlord that the Premises are fit to be used for any purpose permitted by this Lease.

### 5.3 **No implied rights**

Save as otherwise expressly provided, the Tenant shall not be entitled by implication of law or otherwise, to any easement or right. Neither Section 62 of the Law of Property Act 1925, nor the rule in Wheeldon v. Burrows applies.

### 5.4 **Notices**

In addition to any other mode of service any notices to be served under this Lease shall be validly served if served in accordance with Section 196 Law of Property Act 1925 as amended by the Recorded Delivery Service Act 1962 or (in the case of any notice to be served on the Tenant) by sending it to the Tenant [or the Surety] at the Premises.

### 5.5 **Rent Cesser**

If and whenever during the Term:-

5.5.1 the Premises (other than the Tenant's plant and equipment and trade fixtures) are damaged or destroyed by any of the Insured Risks so that the Premises are incapable of occupation and use; and

5.5.2 the insurance of the Premises or the payment of any insurance money has not been vitiated, avoided or forfeited by the act, neglect, default or omission of the Tenant or of any person deriving title under or through the Tenant or their respective servants agents and invitees

the rent first reserved by this Lease or a fair proportion of it according to the nature and extent of the damage sustained shall be suspended and cease to be payable from the date of destruction or damage until the Premises are made fit for substantial occupation and use or for the period of three years, whichever is the shorter and any dispute about such suspension shall be referred to the award of a single arbitrator to be appointed in default of agreement on the application of the Landlord or the Tenant to the President for the time being of the Royal Institution of Chartered Surveyors in accordance with the Arbitration Act 1996.

### 5.6 **Energy Performance Certificate etc prepared by the Landlord**

If the Landlord prepares an Energy Performance Certificate, Display Energy Certificate, Recommendation Report and/or Advisory Report in relation to the Premises or the Estate, the Tenant shall be entitled to receive a copy of such document on payment to the Landlord of the costs and expenses (or, in the case of the Estate, a fair share of the costs and expenses) incurred by the Landlord in preparing it.

### 5.7 **Declaration**

5.7.1 [The parties certify that there is no agreement for lease to which this Lease gives effect.]

5.7.2 No term of this Lease may be enforced solely by virtue of section 1 of the Contracts (Rights of Third Parties) Act 1999.

5.7.3 The Landlord shall be released from liability under this Lease on the disposal of its reversionary interest in the Premises.

### 5.8 **[Break Right**

5.8.1 The [Landlord and] [Tenant] may determine this Lease on the Break Date by serving on the [Landlord] [Tenant] [other] not less than [ ] months' prior written notice to that effect.

- 5.8.2 This Lease shall only determine as a result of notice served by the Tenant under Clause 5.8 if on the Break Date:-
- 5.8.2.1 the Tenant gives vacant possession of the whole of the Premises to the Landlord;
  - 5.8.2.2 the Tenant has paid in full the Yearly Rent;
  - 5.8.2.3 the Tenant has paid in full any insurance rent and service charge duly demanded; and
  - 5.8.2.4 the Tenant is not in material breach of this Lease.
- 5.8.3 The Landlord may in its absolute discretion waive compliance with all or any of the conditions set out in Clause 5.8.2 in which case the Term will still end on the Break Date but the Tenant shall remain liable to comply with the preconditions afterwards.
- 5.8.4 If the provisions of this Clause 5.8 are complied with then upon the Break Date this Lease shall determine but without prejudice to any right of action of the Landlord in respect of any previous breach by the Tenant of this Lease.
- 5.8.5 Time is of the essence in respect of this Clause 5.8 [but nothing in this Clause 5.8 has the effect of making time of the essence in relation to the rent review provisions in this Lease].
- 5.8.6 Any notice of determination served under this Clause 5.8 shall be irrevocable.
- 5.8.7 On the Break Date the Tenant shall send to the Landlord the original of this Lease a release of any charge on the Premises (where appropriate) and any other title documents to the Premises but it is expressly acknowledged that any failure to comply with this obligation (with the exception of the release of any charge) does not affect determination of this Lease. (*Unregistered lease*)
- OR
- 5.8.7 On the intended date of determination the Tenant shall send to the Landlord the original of the Lease and where appropriate a Land Registry Form DS1. (*Registered lease*)
- 5.8.8 [The right contained in this Clause 5.8 is personal to *[insert name of original tenant]* in its capacity as original tenant under this Lease and will not enure for its successors in title and will cease immediately on *[insert name of original tenant]* executing and dating an instrument of transfer of this Lease, whether or not such transfer is registered at the Land Registry.]
- 5.8.9 If the Tenant does not exercise its rights under Clause 5.8.1 and a new tenancy is granted by virtue of any rights which the Tenant may have at the relevant time, the Landlord (without acknowledging that such rights will or may exist) and the Tenant agree that the new tenancy will not contain provisions equivalent or similar to those contained in Clause 5.8 of this Lease unless the Landlord and the Tenant expressly agree otherwise.

**5.9 [Exclusion of Security of Tenure]**

- 5.9.1 The parties agree in accordance with Section 38A(1) of the Landlord and Tenant Act 1954 (“the Act”) that the provisions of Sections 24 to 28 of the Act shall be excluded in relation to the tenancy created by this Lease (“the Tenancy”).
- 5.9.2 In that regard:

5.9.2.1 on [ ], being [not less than 14 days] before the date on which the Tenant entered into the Tenancy or (if earlier) became contractually bound to do so ("the Effective Date"), the Landlord served on the Tenant a notice pursuant to Section 38A(3)(a) of the Act;

5.9.2.2 a [declaration] [statutory declaration] was made by or on behalf of the Tenant pursuant to Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 on [ ], being a date before the Effective Date.]

## 6 Jurisdiction

6.1 This Lease is subject to English Law and all disputes will be heard within the exclusive jurisdiction of the English Courts

6.2 [The Surety hereby irrevocably and unconditionally submits to the jurisdiction of the English Courts and agrees and declares that its address for service of all proceedings and notices in England is as specified above and agrees that this shall remain the address for service of proceedings and notices unless and until the Landlord has received written notice from the Surety nominating an alternative address for service in England.

6.3 Notwithstanding the provisions of Clause 6.2 the submission to the said jurisdiction shall not (and shall not be construed so as to) limit the right of the Landlord to take proceedings against the Surety in whatsoever jurisdiction shall to it seem fit nor shall the taking of proceedings including without limitation the making enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such action or proceedings so limit the right of the Landlord to take proceedings in any jurisdiction as aforesaid.]

## 7 Surety

### 7.1 Definitions

In this Clause 7:-

7.1.1 "the Tenant" means [ ] (company registration number [ ]) only and not any successor in title;

7.1.2 "the Relevant Period" means the period between the date of this Lease and the date on which the Tenant is released from its obligations under this Lease by virtue of the Landlord and Tenant (Covenants) Act 1995.

### 7.2 Surety's guarantee

7.2.1 The Surety covenants with and guarantees to the Landlord in consideration of the grant of the Lease to the Tenant at its request:-

7.2.1.1 that the Tenant will at all times during the Relevant Period pay the rents reserved by this Lease and comply with all the provisions of this Lease; and

7.2.1.2 to indemnify the Landlord against, and pay on demand and make good to the Landlord, all loss sustained by the Landlord as a result of any breach by the Tenant of the provisions of this Lease.

7.2.2 The Surety's obligations contained in Clause 7.2.1 shall apply notwithstanding and shall not be released or affected by any act or thing which, but for this

Clause 7.2.2, would cause the guarantee contained in Clause 7.2.1 to be released.

### 7.3 Disclaimer

7.3.1 The Surety covenants with the Landlord that if at any time during the Relevant Period:-

7.3.1.1 this Lease is forfeited; or

7.3.1.2 the Tenant becomes bankrupt or (if it is a limited company) goes into liquidation (except for the purposes of amalgamation or reconstruction not involving any reduction in capital) and its trustee in bankruptcy or its liquidator disclaims this Lease;

then it will comply with whichever of Clauses 7.3.2 and 7.3.3 applies.

7.3.2 If within 3 months of the date of the forfeiture or disclaimer the Landlord by notice in writing requires the Surety to accept a lease of the Premises for a term equal to the residue of the Term unexpired at the date of the forfeiture or disclaimer, at the same rent and subject to the same covenants and conditions as are contained in this Lease, then the Surety shall accept such a lease, to take effect from the date of the forfeiture or disclaimer, and shall execute and deliver to the Landlord a counterpart of it.

7.3.3 If the Landlord does not require the Surety to accept a lease in accordance with Clause 7.3.2, the Surety shall pay to the Landlord on demand an amount equal to the difference between any money received by the Landlord for the use or occupation of the Premises and the rents reserved by this Lease which would otherwise have been payable under this Lease had it not been disclaimed, in respect of the period commencing with the date of disclaimer and ending on whichever is the earlier of the following dates:-

7.3.3.1 the date twelve months after the forfeiture or disclaimer;

7.3.3.2 the date (if any) on which the Premises are fully re-let and income producing.

### 7.4 Restrictions on Surety's remedies against the Tenant

Whilst any liabilities of the Tenant or the Surety to the Landlord under this Lease remain outstanding the Surety shall:-

7.4.1 not claim in any liquidation, bankruptcy, composition or arrangement of the Tenant in competition with the Landlord;

7.4.2 pay to the Landlord the proceeds of all judgments and distributions it may receive from any liquidator, trustee in bankruptcy or other person administering the assets of the Tenant;

7.4.3 hold for the benefit of the Landlord all security and rights which the Surety may have over the Tenant's assets;

7.4.4 not be entitled to participate in any security held by the Landlord in respect of the Tenant's obligations to the Landlord under this Lease or to stand in the place of the Landlord in respect of any such security.]

**Executed as a deed** and delivered on the date set out at the head of this Lease.

## **SCHEDULE 1**

### **The Premises**

Unit [            ] [            ] Industrial/Trading Estate, [            ] shown edged in red on the annexed Plan.

## **SCHEDULE 2**

### **Rights granted**

- 1 The right in common with the Landlord, the tenants and occupiers of the Estate and all others so authorised by the Landlord during the usual hours of business of access to the Premises over the roadways, footpaths and passageways of the Estate leading to the Premises designated by the Landlord from time to time for the purpose of access thereto and egress therefrom only.
- 2 The right (subject to interruption for repair, alteration or replacement) to Utilities to and from the Premises through the Conducting Media on the Estate that now serve the Premises and other parts of the Estate.
- 3 [The right to use [        ] parking space[s] for the parking of motor vehicles which spaces may be allocated by the Landlord from time to time by written notice.]

## **SCHEDULE 3**

### **Exceptions and Reservations**

- 1 The right to erect or alter or to consent to the erection or alteration of any building for the time being on any adjoining or neighbouring premises notwithstanding that such erection or alteration may diminish the access of light and air enjoyed by the Premises and the right to deal with any such property as it may think fit.
- 2 The right of passage and running of Utilities through the Conducting Media as are now or may after the date of this deed be installed in the Premises and serving or capable of serving other parts of the Estate or adjoining or neighbouring property or any buildings now or after the date of this deed erected on such property together with the right to enter upon the Premises to inspect, repair or maintain any such Conducting Media.
- 3 The right to enter upon the Premises in connection with the erection, alteration, improvement, repair or maintenance of any such parts or property or building and for such purpose to underpin, shore up and bond and tie into the structure of the Premises.
- 4 The right to lay or construct new conduits in the Premises and to connect into such conduits as are now or may after the date of this deed be installed in the Premises (other than Conducting Media capable of serving only the Premises).
- 5 The rights and liberties to enter upon the Premises in the circumstances in which in the covenants by the Tenant contained in this Lease the Tenant covenants to permit such entry.
- 6 All easements, quasi-easements, privileges and rights whatsoever now enjoyed by other parts of the Estate or adjoining or neighbouring property in, under, over or in respect of the Premises as if such parts or such adjoining or neighbouring property and the Premises had at all times heretofore been in separate ownership and occupation and such matters had been acquired by prescription or formal grant.

## **SCHEDULE 4**

### **Service Charge**

#### **PART 1**

##### **Service Charge provisions**

1 In this Schedule:-

“Service Charge Year” means a calendar year expiring on 31 December or on such other date as shall from time to time be advised to the Tenant in writing;

“Service Charge Costs” means expenditure properly incurred by or on behalf of the Landlord relating to the Estate including the matters set out in Part 2 of this Schedule;

“Service Charge” means the Service Charge Percentage of the Service Charge Costs.

“Service Charge Percentage” means the proportion which is attributable to the Premises as determined by the Landlord in its reasonable discretion calculated primarily on a comparison of the gross internal area of the buildings on the Premises with the gross internal areas of the buildings on the Estate let or capable of being let by the Landlord, provided that in the event of such calculation being inappropriate having regard to the nature of the expenditure incurred or the parts of the Estate benefited by it or otherwise the Landlord shall in its reasonable discretion adopt such other method of calculation of the Service Charge Percentage as shall be fair and reasonable in the circumstances (including if appropriate the attribution of the whole of such expenditure to the Premises).

2 The Service Charge shall be payable on account and in advance and each payment shall be one quarter of the anticipated annual service charge for the current year (and so in proportion for any part of the year) as adjusted under paragraph 3.

3 The Landlord shall as soon as practicable after the end of each Service Charge Year submit to the Tenant a statement giving full details of the Service Charge for that Service Charge Year and if the Service Charge shall be more or less than the total of the four on account payments (or the grossed-up yearly equivalent of such payments if made for any period of less than a year) then any sum due to or payable by the Landlord by way of adjustment in respect of the service charge shall be paid by the Tenant within 7 days of receipt of a written demand or credited against the Tenant’s future Service Charge liabilities as the case may be.

4 In the event that the Landlord shall be required during any year of the term to incur heavy or exceptional expenditure which forms part of the Service Charge the Landlord shall be entitled to recover from the Tenant the Service Charge Percentage of that expenditure on the following quarter day.

#### **PART 2**

##### **Costs and expenses**

1 All Outgoings payable by the Landlord in respect of the Estate except insofar as the Tenant or any other occupier of the Estate is liable for the same.

2 Taking all steps deemed desirable or expedient by the Landlord for complying with, making representations against or otherwise contesting the incidence of the provisions of any legislation for which the Tenant is not directly liable under this Lease.

3 Enforcing or attempting to enforce against any owner or occupier of adjoining or neighbouring premises the payment of any contribution towards anything used in common with the Estate.

- 4 Repairing, renewing, cleaning and maintaining the Common Parts, Estate nameboard or other conveniences which may belong to or be used by the occupiers of the Estate in common with other premises near or adjoining it and not forming part of the Premises.
- 5 The provision of staff for the efficient management of the Estate including, but not limited to wages, insurance, health, pension and other payments and all other expenditure relating to such employment and the supplying of uniforms, equipment and any necessary accommodation for such staff.
- 6 Providing, maintaining and renewing name boards and signs at the entrances and other parts of the Estate.
- 7 Providing and maintaining any receptacles for refuse for the Estate and the cost of collecting, storing and disposing of refuse.
- 8 The proper and reasonable fees of the Landlord and/or the Landlord's agents in respect of the general supervision and management of the Estate.
- 9 The proper fees and costs payable in respect of the statement referred to in part 1 of this Schedule and of accounts kept and audits made for the purpose thereof and of employing accountants or other professional persons for the proper administration of the Estate and preparing accounts in connection with the Service Charge Costs.
- 10 Providing operating repairing and renewing all security and emergency systems and fire fighting equipment in the Common Parts including fencing access gates CCTV equipment static or mobile security systems and access control equipment.
- 11 Bank charges and interest on proper overdrawings in respect of any separate bank account maintained by the Landlord or its agents for discharging expenditure comprised within the Service Charge after giving credit for any interest earned (net of any tax).
- 12 (If the Landlord so desires) the establishment and maintenance of a reserve fund based on the principles of good estate management to cover prospective and contingent costs of carrying out works, repairs and other items referred to in this Part 2 to the intent (so far as may reasonably be practicable) that the charge for such items made to the Tenant and other tenants and occupiers of the Estate shall be progressive and cumulative rather than irregular.
- 13 Providing any other service or amenity or matter which the Landlord in its reasonable discretion shall think proper for the better and more efficient management and/or use of the Estate and the Common Parts or for the comfort and convenience of the generality of the tenants and their agents, servants and invitees visiting the Estate.
- 14 VAT payable in respect of any of the charges and expenses referred to in the other paragraphs of this Part 2.

## **SCHEDULE 5**

### **Title Matters**

The matters contained or referred to in the property and charges registers of title number [ ] [and in the following documents:-]

## SCHEDULE 6

### [Review of the Yearly Rent

- 1 On the Review Date the Yearly Rent shall be reviewed so that on and after the Review Date the Yearly Rent shall be the greater of:-
  - 1.1 the Yearly Rent reserved immediately before the Review Date (disregarding any rent cesser or other suspension of the Yearly Rent); and
  - 1.2 the Open Market Rent as at that Review Date, as defined in this Schedule, and as agreed between the parties (or determined by the Independent Surveyor in the absence of agreement between the parties, as provided below).
- 2 The Open Market Rent shall be the yearly rent at which the Premises might be expected to be let in the open market:-
  - 2.1.1 for a term of 5 years;
  - 2.1.2 as between a willing landlord and a willing tenant;
  - 2.1.3 without the landlord taking a fine or premium;
  - 2.1.4 as a whole;
  - 2.1.5 with vacant possession;
  - 2.1.6 by a lease in the same terms in all other respects as this Lease (save as to the amount of the Yearly Rent and any rent free period allowed to the Tenant, [but including provisions for review of rent at the same intervals and on the same terms as those of this Lease]). \* *Take instructions where lease is for a term of more than 10 years*
- 2.2 It shall be assumed that at the relevant Review Date:-
  - 2.2.1 the Premises are ready fit and available for immediate occupation and use for the purpose or purposes required by the willing tenant referred to in paragraph 2.1.2, and that all the services required for such occupation and use are connected to the Premises;
  - 2.2.2 no work has been carried out to the Premises by the Tenant or by any undertenant or any of their predecessors during the Term which has diminished the rental value of the Premises;
  - 2.2.3 if the Premises or any Conducting Media or means of access have been destroyed or damaged, they have been fully restored;
  - 2.2.4 the Premises are in good and substantial repair;
  - 2.2.5 the covenants contained in this Lease on the part of the Landlord and the Tenant have been fully observed and performed;
  - 2.2.6 the willing tenant has had the benefit of any rent free or concessionary rental period or other contribution which would be offered in the open market at the [relevant] Review Date to reflect the need to fit out the Premises.
- 2.3 There shall be disregarded:-
  - 2.3.1 any effect on rent of the fact that the Tenant or any undertenant or their respective predecessors in title have been in occupation of the Premises;

- 2.3.2 any goodwill attached to the Premises by reason of the carrying on there of the business of the Tenant or any undertenant or their predecessors in title in their respective businesses;
  - 2.3.3 any effect on rent of any improvements to the Premises made with the Landlord's consent (where required) by the Tenant or any undertenant, except improvements carried out in pursuance of an obligation to the Landlord or at the Landlord's expense.
- 3 In the absence of agreement between the parties on the revised yearly rent the question shall at the request of either of them as soon as practicable be referred to the decision of a surveyor appointed by agreement between the parties or, in the absence of agreement, appointed on the request of either party by the President ("the President") of the Royal Institution of Chartered Surveyors ("the Independent Surveyor") acting as an arbitrator or, if the Landlord so elects, as an expert.
- 3.1 The decision of the Independent Surveyor (including any decision as to the costs of his determination) shall be final and binding on both parties.
  - 3.2 If before issuing his decision the Independent Surveyor dies or is unable or unwilling to act then either party may apply to the President for a substitute to be appointed in his place.
- 4 If the yearly rent payable after the Review Date has not been ascertained by that date the Yearly Rent payable immediately before the Review Date shall continue to be payable and within 14 days after the date when the revised Yearly Rent is ascertained the Tenant shall pay to the Landlord:-
- 4.1 any shortfall between the Yearly Rent which would have been paid on the Review Date and any subsequent quarter days if the revised Yearly Rent had been ascertained on or before the Review Date and the payments made by the Tenant on account; and
  - 4.2 interest at the base rate of HSBC Bank plc in respect of each instalment of the yearly rent due on or after the relevant Review Date, on the amount by which each such instalment which would have been payable on the Review Date or such quarter day if the revised yearly rent had been ascertained on or before the Review Date exceeds the amount paid on account, and such interest shall be payable for the period from the date upon which the instalment was due up to the date of payment of the shortfall.

Executed as a Deed by )  
**LEGAL & GENERAL PROPERTY** )  
**PARTNERS (INDUSTRIAL FUND)** )  
**LIMITED** whose common seal was hereunto )  
affixed in the presence of:- )

Authorised Signatory

Executed as a Deed by )  
**LEGAL & GENERAL PROPERTY** )  
**PARTNERS (INDUSTRIAL) NOMINEES** )  
**LIMITED** whose common seal was hereunto )  
affixed in the presence of:- )

Authorised Signatory

THE COMMON SEAL of [ )  
] LIMITED/PLC )  
was hereunto affixed )  
in the presence of:- )

Director

Secretary

OR

EXECUTED as a Deed by )  
[ ] LIMITED/PLC )  
acting by:- )

Director

Director/Secretary

OR

SIGNED by [*Name of Director*] for and )  
on behalf of [ ] )  
LIMITED/PLC )

Witness:- Signature :

Name :

Address :

Occupation :

OR



**RIDER 1 (this should appear at clause 4.5)**

**7.5 Uninsured Damage**

In this clause 7.5, "Uninsured Damage" means damage to or destruction of the whole or any part of the Premises by any risks expressly specified in the definition of the Insured Risks which renders the Premises unfit for occupation and use and which:

- 7.5.1 is not insured because insurance is not available in the London insurance market at economic rates; or
- 7.5.2 is not insured, or not fully insured, due to a condition, exclusion or limitation (but not an excess) imposed by the Landlord's insurers
- 7.5.3 such that the full cost of reinstatement is not recoverable by the Landlord under the insurance policy. "Uninsured Damage" shall not, however, include any damage caused by, or in respect of which the insurance money is irrecoverable in whole or in part as a result of, the Tenant's default.
- 7.5.4 If there is Uninsured Damage:
  - 7.5.4.1 clause 5.5 shall apply as if the damage or destruction had been caused by an Insured Risk; and
  - 7.5.4.2 the Landlord may, by serving a notice in writing (an "Election Notice") on the Tenant, elect to rebuild or reinstate the Premises.
- 7.5.5 If the Landlord serves an Election Notice:
  - 7.5.5.1 the Landlord shall proceed to reinstate the Premises with reasonable expedition but subject to clause 4.4.3; and
  - 7.5.5.2 if the damage or destruction has not been made good within three years after the date of the Election Notice, so that the whole or any material part of the Premises is still unfit for occupation and use, then either the Landlord or the Tenant may serve notice terminating this Lease with immediate effect.
- 7.5.6 If the Landlord has not served an Election Notice within twelve months after the date on which Uninsured Damage occurs (time being of the essence), then either the Landlord or the Tenant may at any time (unless in the meantime the Landlord serves an Election Notice) serve notice terminating this Lease with immediate effect.
- 7.5.7 If notice is served to terminate this Lease under clause 7.5.5.2 or 7.5.6, then the Term will end immediately, but without prejudice to any rights that either party may have in respect of any previous breach of this Lease. Any insurance money received will belong to the Landlord.