

DATED

19 May 2022

LEASE

between

SOUTHERN COUNTIES FUELS LIMITED

and

AVANTI GAS LIMITED

PRESCRIBED CLAUSES

LR1. Date of lease 19 May 2022

LR2. Title number(s)

LR2.1 Landlord's title number(s)

ESX73869

LR2.2 Other title numbers

LR3. Parties to this lease

Landlord

Southern Counties Fuels Limited

2nd Floor 302 Bridgewater Place Birchwood park Warrington Cheshire WA3 6XG

Company number 00903234

Tenant

Avanti Gas Limited

Ugi House Gisborne House Staveley Chesterfield Derbyshire S43 3JT

Company number 00481121

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.

See the definition of "Property" in clause 1.1 of this lease.

LR5. Prescribed statements etc.

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.

None.

LR5.2 This lease is made under, or by reference to, provisions of:

None.

LR6. Term for which the Property is leased

The term as specified in this lease at clause 1.1 in the definition of "Contractual Term".

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.

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.

LR11. Easements

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

None

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

The easements as specified in clause 3 of this lease.

LR12. Estate rentcharge burdening the Property

None.

LR13. Application for standard form of restriction

None.

LR14. Declaration of trust where there is more than one person comprising the Tenant

THIS LEASE is dated 19 May 2022

PARTIES

- (1) Southern Counties Fuels Limited, incorporated and registered in England and Wales with company number 00903234 whose registered office is at 2nd Floor 302 Bridgewater Place Birchwood Park Warrington Cheshire WA3 6XG (**Landlord**).
- (2) Avanti Gas Limited, incorporated and registered in England and Wales with company number 00481121 whose registered office is at Ugi House Gisborne House Staveley Chesterfield Derbyshire S43 3JT (**Tenant**).

AGREED TERMS

1. Interpretation

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

"Act of Insolvency"

- (b) the making of an application for an administration order or the making of an administration order in relation to the Tenant or any guarantor; or
- (c) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the Tenant or any guarantor; or
- (d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or any guarantor; or
- (e) the commencement of a voluntary winding-up in respect of the Tenant or any guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
- (f) the making of a petition for a winding-up order or a winding-up order in respect of the Tenant or any guarantor; or
- (g) the striking-off of the Tenant or any guarantor from the Register of Companies or the making of an application for the Tenant or any guarantor to be struck-off; or
- (h) the Tenant or any guarantor otherwise ceasing to exist (but excluding where the Tenant or any guarantor dies); or

- (i) the presentation of a petition for a bankruptcy order or the making of a bankruptcy order against the Tenant or any guarantor.

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (SI 1994/2421) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (SI 2001/1090) (as amended).

Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction.

"Annual Rent"	Rent at an initial rate of £20,000 exclusive of VAT per annum and then as revised pursuant to this lease.
"Contractual Term"	a term of ten years beginning on, and including 30 May 2022 and expiring on 29 May 2032
"CDM Regulations"	the Construction (Design and Management) Regulations 2007.
"Default Interest Rate"	Three percentage points above the Interest Rate.
"Insured Risks:"	means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and articles dropped from them, impact by vehicles, riot, civil commotion and Insured Risk means any one of the Insured Risks.
"Interest Rate"	interest at the base lending rate from time to time of HSBC Bank Plc or if that base lending rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord.
"LTA 1954"	Landlord and Tenant Act 1954.
"Permitted Use:"	Storage and distribution.
"Property"	All the land and buildings at Chiddingly Road Horam registered under the title number ESX73869.
"Rent Commencement Date"	30 May 2022.
"Rent Payment Dates"	25 March, 24 June, 29 September and 25 December
"Reservations"	all of the rights excepted, reserved and granted to the Landlord by this lease.

"Review Date"	30 May 2025, 30 May 2028 and 30 May 2031
"Service Media"	all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.
"VAT"	value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of this lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns. A reference to a **guarantor** is a reference to any guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined by the Landlord acting reasonably and properly.
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, references to the **Property** are to the whole and any part of it.
- 1.7 A reference to the **term** is to the Contractual Term.
- 1.8 A reference to the **end of the term** is to the end of the term however it ends.
- 1.9 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 39.4 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 39.5.
- 1.10 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.11 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.12 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.13 Any obligation in this lease on the Landlord or the Tenant not to do something includes an obligation not to agree to or suffer that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person.
- 1.14 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.15 A **person** includes a corporate or unincorporated body.

- 1.16 References to **writing** or **written** do not include faxes or email.
- 1.17 Except where a contrary intention appears, a reference to a clause or Schedule, is a reference to a clause of, or Schedule to, this lease and a reference in a Schedule to a paragraph is to a paragraph of that Schedule.
- 1.18 Clause, Schedule and paragraph headings do not affect the interpretation of this lease.

2. Grant

- 2.1 The Landlord lets with full title guarantee the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made excepting and reserving to the Landlord the rights set out in clause 3.
- 2.3 The grant is made with the Tenant paying the following as rent to the Landlord:
 - 2.3.1 the Annual Rent and all VAT in respect of it;
 - 2.3.2 the Insurance Rent, and
 - 2.3.3 all interest payable under this lease

3. Rights excepted and reserved

- 3.1 The following rights are excepted and reserved from this lease to the to the extent possible for the benefit of any neighbouring or adjoining property in which the Landlord acquires an interest during the term:
 - 3.1.1 rights of light, air, support and protection to the extent those rights are capable of being enjoyed at any time during the term;
 - 3.1.2 the right to use and to connect into Service Media at, but not forming part of, the Property which are in existence at the date of this lease or which are installed or constructed during the period of the term of this Lease subject to the Landlord causing as little damage and disturbance to the Tenant or (as the case may be) any occupiers in the connection to such Service Media

notwithstanding that the exercise of any of the Reservations or the works carried out pursuant to them result in a reduction in the flow of light or air to the Property or loss of amenity for the Property provided that they do not materially adversely affect the use and enjoyment of the Property for the Permitted Use.

- 3.2 The Landlord reserves the right to enter the Property on reasonable prior written notice in writing and accompanied by the Tenant or a representative of the Tenant:
 - 3.2.1 to repair, maintain, install, construct re-route or replace any Service Media or structure relating to any of the Reservations; and
 - 3.2.2 for any other purpose mentioned in or connected with:
 - 3.2.2.1 this lease;
 - 3.2.2.2 the Reservations; and
 - 3.2.2.3 the Landlord's interest in the Property or the Estate.
- 3.3 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them, and by anyone authorised by the Landlord.
- 3.4 The Tenant shall allow all those entitled to exercise any right to enter the Property, to do so with their workers, contractors, agents and professional advisors, and to enter the Property at any reasonable time (whether or not during usual business hours)

and, except in the case of an emergency, after having given reasonable notice to the Tenant PROVIDED THAT such entry shall be accompanied by a representative of the Tenant.

- 3.5 No party exercising any of the Reservations, nor its workers, contractors, agents and professional advisors, shall be liable to the Tenant or to any undertenant or other occupier of or person at the Property for any loss, damage, injury, nuisance or inconvenience arising by reason of its exercising any of the Reservations except for:
- 3.5.1 physical damage to the Property; or
 - 3.5.2 any loss, damage, injury, nuisance or inconvenience in relation to which the law prevents the Landlord from excluding liability.

4. **Third Party Rights**

- 4.1 The Tenant shall comply with all obligations on the Landlord relating to all matters revealed or referred to in title number ESX73869 as at the date of this lease ("the Third Party Rights") insofar as those obligations relate to the Property and shall not do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Rights.
- 4.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Rights to enter the Property in accordance with its terms.

5. **The Annual Rent**

- 5.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant.
- 5.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on 30 May 2022 and shall be the proportion, calculated on a daily basis, in respect of the period from the date of this lease until the day before the next Rent Payment Date.

6. **Rent Review**

6.1 **Definitions**

In this clause 6 the following expressions shall have the following meanings:

Base RPI Month

March 2022 or, where there has been at least one review of the Annual Rent in accordance with this clause the month that falls two months before the month in which the most recent prior Review Date fell.

Base Rent

the Annual Rent payable immediately before a Review Date.

Indexed Rent

the rent determined in accordance with clause 6.

Interest Rate

the base rate from time to time of the Bank of England, or if that base rate stops being used or published then at a comparable commercial rate reasonably determined by the Landlord.

RPI

the Retail Prices Index or any official index replacing it.

Revised Rent

the rent ascertained in accordance with this clause

Shortfall Payment Date

the date which is ten working days from and including the date that the Revised Rent is calculated by the Landlord and notified to the Tenant.

- 6.2 In this clause, the President is the President for the time being of the Royal Institution of Chartered Surveyors or a person acting on their behalf (**President**), and the Surveyor is the independent valuer appointed pursuant to this clause (**Surveyor**).
- 6.3 The Annual Rent shall be reviewed at each Review Date to equal the higher of the passing Annual Rent and the Revised Rent.
- 6.4 The Indexed Rent for a Review Date shall be determined by multiplying the Base Rent by the index value of the RPI for the month that falls two months before the month in which that Review Date falls, then dividing the product by the index value of the RPI for the Base RPI Month.
- 6.5 The Landlord shall calculate the Indexed Rent as soon as reasonably practicable and shall give the Tenant written notice of the Revised Rent as soon as it has been ascertained.
- 6.6 If the Revised Rent has not been calculated by the Landlord and notified to the Tenant on or before the relevant Review Date, the Tenant shall:
 - 6.6.1 continue to pay the Annual Rent at the rate payable immediately before that Review Date; and
 - 6.6.2 on or before the Shortfall Payment Date, pay:
 - 6.6.2.1 the shortfall (if any) between the amount of Annual Rent that the Tenant has paid for the period from and including that Review Date and the amount of Annual Rent for that period that would have been payable had the Revised Rent been calculated by the Landlord and notified to the Tenant on or before that Review Date; and
 - 6.6.2.2 interest at the Interest Rate on that shortfall. That interest shall be calculated on a daily basis by reference to the Rent Payment Dates on which parts of the shortfall would have been payable if the Revised Rent had been calculated by the Landlord and notified to the Tenant on or before that Review Date and the Shortfall Payment Date [(or, if the Tenant pays the shortfall earlier than the Shortfall Payment Date, the date of that payment)].
- 6.7 Time shall not be of the essence for the purposes of this clause.
- 6.8 If there is any change to the methods used to compile the RPI, including any change to the items from which the RPI is compiled, or if the reference base used to compile the RPI changes, the calculation of the Indexed Rent shall be made taking into account the effect of this change.
- 6.9 The Landlord and the Tenant shall endeavour, within a reasonable time, to agree an alternative mechanism for setting the Annual Rent if either:
 - 6.9.1 the Landlord or the Tenant reasonably believes that any change referred to in clause 6.8 would fundamentally alter the calculation of the Indexed Rent in accordance with this clause and has given notice to the other party of this belief; or

6.9.2 it becomes impossible or impracticable to calculate the Indexed Rent in accordance with this clause

This alternative mechanism may (where reasonable) include, or consist of, substituting an alternative index for the RPI. In default of agreement between the Landlord and the Tenant on an alternative mechanism for setting the Annual Rent, the Surveyor shall determine an alternative mechanism.

6.10 The Surveyor shall determine a question, dispute or disagreement that arises between the parties in the following circumstances:

6.10.1 where any question or dispute arises between the parties as to the amount of the Annual Rent payable or as to the interpretation, application or effect of any part of this clause 6; or

6.10.2 where the Landlord and the Tenant fail to reach agreement under clause 6.

The Surveyor shall have full power to determine the question, dispute or disagreement, and shall have power to determine any issue involving the interpretation of any provision of this lease, their jurisdiction to determine the question, dispute or disagreement referred to them or their terms of reference. When determining such a question, dispute or disagreement, the Surveyor may, if they consider it appropriate, specify that an alternative mechanism for setting the Annual Rent should apply to this lease, and this includes (but is not limited to) substituting an alternative index for the RPI.

6.11 The Surveyor shall be an independent valuer who is a Member or Fellow of the Royal Institution of Chartered Surveyors. The Landlord and the Tenant may, by agreement, appoint the Surveyor at any time before either of them applies to the President for the Surveyor to be appointed.

6.12 The Surveyor shall act as an expert and not as an arbitrator. The Surveyor's decision shall be given in writing, and the Surveyor shall provide reasons for any determination. The Surveyor's written decision on the matters referred to them shall be final and binding in the absence of manifest error or fraud.

6.13 The Surveyor shall give the Landlord and the Tenant an opportunity to make written representations to the Surveyor and to make written counter-representations commenting on the representations of the other party to the Surveyor. The parties will provide (or procure that others provide) the Surveyor with such assistance and documents as the Surveyor reasonably requires for the purpose of reaching a decision.

6.14 Either the Landlord or the Tenant may apply to the President to discharge the Surveyor if the Surveyor:

6.14.1 dies;

6.14.2 becomes unwilling or incapable of acting; or

6.14.3 unreasonably delays in making any determination.

clause 6.12 shall then apply in relation to the appointment of a replacement.

6.15 The fees and expenses of the Surveyor and the cost of the Surveyor's appointment and any counsel's fees, or other fees, reasonably incurred by the Surveyor shall be payable by the Landlord and the Tenant in the proportions that the Surveyor directs (or if the Surveyor makes no direction, then equally). If the Tenant does not pay its part of the Surveyor's fees and expenses within ten working days after demand by the Surveyor, the Landlord may pay that part and the amount it pays shall be a debt

of the Tenant due and payable on demand to the Landlord. The Landlord and the Tenant shall otherwise each bear their own costs in connection with the rent review.

7. Insurance

7.1 The Tenant covenants with the Landlord (to the extent that insurance is generally available in the UK insurance market for premises such as the Property) to insure the Property and keep it insured (or procure that the Property is insured and kept insured), against damage or destruction by the Insured Risks in an amount equal to the full cost of rebuilding and reinstating the Property

7.2 The Tenant covenants with the Landlord to observe and perform the following:

7.2.1 to use reasonable endeavours to comply with all requirements and recommendations of the insurers;

7.2.2 to not knowingly do or omit to do anything that could cause any insurance policy effected in accordance with this lease to become wholly or partly void or voidable;

7.2.3 to supply to the Landlord within 14 days of reasonable demand a copy of every insurance policy effected in accordance with this lease and the receipt for the then current year's premium or sufficient details to show that the Tenant has complied with the terms of this clause but not more than once a year;

7.2.4 if at any time the Tenant is entitled to the benefit of any insurance of the Property that is not effected or maintained in pursuance of any obligation contained in this lease, to apply all moneys received by virtue of that insurance in making good the loss or damage in respect of which the money is received

7.3 This clause applies if and whenever during the Term the Property or any part of it are damaged or destroyed by one or more of the Insured Risks

7.3.1 the Tenant shall use all reasonable endeavours to obtain the planning permissions and other permits and consents necessary to enable the Property to be rebuilt and reinstated;

7.3.2 as soon as reasonably practicable after all the necessary permissions, permits and consents have been obtained, the Tenant shall lay out the insurance proceeds to rebuild and reinstate the Premises in accordance with such permissions, permits and consents but the Tenant is not under any obligation to provide accommodation identical in layout or design to that previously at the Property;

7.4 If the Tenant at any time fails to keep the Property insured in accordance with its obligations under this lease the Landlord may effect and maintain the insurance. The Tenant must reimburse the Landlord the cost of such insurance premium

7.5 If for whatever reason reinstatement of the Property in accordance with clause 7.3 cannot be effected within such time as is reasonable in the then current circumstances, then the monies received under the insurance effected by the Tenant shall be apportioned between the Landlord and the Tenant according to their respective interests in the premises so damaged and if the Landlord and the Tenant are unable to agree on such apportionment it shall be decided by a surveyor who shall be appointed in default of agreement by the President of the RICS on the application of either party and who shall act as an arbitrator and whose costs shall be borne in such proportion as he shall direct

7.6 If the Property is damaged or destroyed by an Insured Risk so as to be unfit for occupation and use or if the Common Parts are damaged or destroyed by an Insured

Risk so as to make the Property inaccessible or unusable then, unless the policy of insurance in relation to the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property or the Common Parts with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use so as to make the Property accessible or useable, or until the end of three years from the date of damage or destruction, if sooner.

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

8. Rates and taxes

- 8.1 The Tenant shall pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:
- 8.1.1 any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
 - 8.1.2 any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.
- 8.2 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.
- 8.3 If, after the end of the term, the Landlord loses rating relief (or any similar relief or exemption) because it has been allowed to the Tenant, then the Tenant shall pay the Landlord an amount equal to the relief or exemption that the Landlord has lost.

9. Utilities

- 9.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.
- 9.2 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

10. VAT

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

11. Default interest and interest

- 11.1 If any Annual Rent or any other money payable under this lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any

judgment) on that amount for the period from the due date to and including the date of payment.

- 11.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

12. Costs

- 12.1 The Tenant shall pay the reasonably and properly incurred costs and expenses of the Landlord including any solicitors' or other professionals' reasonable and proper costs and expenses (incurred both during and after the end of the term) in connection with or in proper contemplation of any of the following:

- 12.1.1 serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;
- 12.1.2 serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- 12.1.3 the preparation and service of a schedule of dilapidations in connection with this lease served on the Tenant prior to or within two months after the end of the Term and relating only to wants of repair occurring during the Term; or
- 12.1.4 any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it).

13. Compensation on vacating

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

14. No deduction, counterclaim or set-off

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

15. Registration of this lease

Promptly following the grant of this lease, the Tenant shall apply to register this lease at HM Land Registry. The Tenant shall use reasonable endeavours to ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly and the Landlord shall offer the Tenant all assistance necessary as required. Within one month after completion of the registration, the Tenant shall send the Landlord official copies of its title.

16. Assignments

- 16.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

- 16.2 The Tenant shall not assign part only of this lease.

- 16.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to all or any of the following conditions:
- 16.3.1 a condition that where reasonably required by the Landlord the assignor (and any former tenant who because of section 11 of the Landlord and Tenant (Covenants) Act 1995 has not been released from the tenant covenants of this lease) enters into an authorised guarantee agreement which:
 - 16.3.1.1 is in respect of all the tenant covenants of this lease;
 - 16.3.1.2 is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
 - 16.3.1.3 imposes principal debtor liability on the assignor (and any former tenant);
 - 16.3.1.4 requires (in the event of a disclaimer of liability of this lease) the assignor (or former tenant as the case may be) to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
 - 16.3.1.5 is otherwise in a form reasonably required by the Landlord;
 - 16.3.2 a condition that a person of standing acceptable to the Landlord enters into a guarantee and indemnity of the tenant covenants of this lease in the form set out in the Schedule (but with such amendments and additions as the Landlord may reasonably require).
- 16.4 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may refuse its consent to an assignment if any Annual Rent or other money due under this lease is outstanding (except where a bona fide dispute exists in respect of any such rent or sum).
- 16.5 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.
- 17. Underlettings**
- 17.1 The Tenant shall not underlet the whole of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld.
- 17.2 The Tenant shall not underlet part only of the Property.
- 17.3 The Tenant shall not underlet the Property:
- 17.3.1 together with any property or any right over property that is not included within this lease;
 - 17.3.2 at a fine or premium or reverse premium; nor
 - 17.3.3 allowing any rent free period to the undertenant that exceeds the period as is then usual in the open market in respect of such a letting.
- 17.4 The Tenant shall not underlet the Property unless, before the underlease is granted, the Tenant has given the Landlord:

- 17.4.1 a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy to be created by the underlease; and
 - 17.4.2 a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the LTA 1954.
- 17.5 Any underletting by the Tenant shall be by deed and shall include:
- 17.5.1 an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the LTA 1954 are excluded from applying to the tenancy created by the underlease;
 - 17.5.2 the reservation of a rent which is not less than the full open market rental value of the Property at the date the Property is underlet and which is payable at the same times as the Annual Rent under this lease (but this shall not prevent an underlease providing for a rent-free period of a length permitted by clause 17.3.3);
 - 17.5.3 provisions for the review of rent at the same dates and on the same basis as the review of rent in this lease, unless the term of the underlease does not extend beyond the next Review Date;
 - 17.5.4 a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
 - 17.5.5 provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease
- and shall otherwise include tenant covenants no less onerous (other than as to the Annual Rent) than those in this.
- 17.6 In relation to any underlease granted by the Tenant, the Tenant shall:
- 17.6.1 not vary the terms of the underlease nor accept a surrender of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed;
 - 17.6.2 enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease; and
 - 17.6.3 ensure that in relation to any rent review the revised rent is not agreed without the approval of the Landlord, such approval not to be unreasonably withheld.

18. Sharing occupation

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the LTA 1954) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement.

19. Charging

- 19.1 The Tenant shall not charge the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 19.2 The Tenant shall not charge part only of this lease.

20. **Prohibition of other dealings**

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

21. **Registration and notification of dealings and occupation**

21.1 In this clause a **Transaction** is:

21.1.1 any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or

21.1.2 the creation of any underlease or other interest out of this lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or

21.1.3 the making of any other arrangement for the occupation of the Property.

21.2 In respect of every Transaction that is registrable at HM Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall use reasonable endeavours to procure that any requisitions raised by HM Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the Landlord official copies of its title (and where applicable of the undertenant's title).

21.3 No later than one month after a Transaction the Tenant shall:

21.3.1 give the Landlord's solicitors notice of the Transaction;

21.3.2 deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors; and

21.3.3 pay the Landlord's solicitors a registration fee of £30 (plus VAT).

21.4 If the Landlord so requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

22. **Closure of the registered title of this lease**

Within two months after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord informed of the progress and completion of its application.

23. **Repairs**

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

23.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:

23.2.1 the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant; or

23.2.2 the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 7.1.

23.3 The Tenant shall keep the external areas of the Property in a clean and tidy condition and not allow any rubbish or waste to be left there.

24. **Decoration**

24.1 The Tenant shall decorate the outside and the inside of the Property as often as is reasonably necessary and also in the last three months before the end of the term.

24.2 All decoration shall be carried out in a good and proper manner using good quality materials that are appropriate to the Property and the Permitted Use and shall include all appropriate preparatory work.

24.3 All decoration carried out in the last three months of the term shall also be carried out to the satisfaction of the Landlord and using materials, designs and colours approved by the Landlord.

25. **Alterations**

25.1 The Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property without the Landlord's consent (such consent not to be unreasonably withheld or delayed).

25.2 The Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

25.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld

25.4 The Tenant may make any alteration to any fascia or signage in the colours of the corporate livery from time to time of Avanti Gas Ltd or any group company (within the meaning of section 42 of the LTA 1954) whilst that company is the tenant or otherwise the occupier of the Property.

26. **Signs**

26.1 In this clause **Signs** include signs, fascia, placards, boards, posters and advertisements.

26.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside except Signs of a design, size and number and in a position that are appropriate to the Property and the Permitted Use, without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

26.3 Before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal.

27. **Returning the Property to the Landlord**

27.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease including removal of all alterations made under the Contractual Term of this lease and made under the term of the lease of the Property dated 30 May 2012 made between the Landlord and the Tenant

27.2 If the Landlord gives the Tenant notice, the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.

27.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.

27.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

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

28. Use

28.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.

28.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, or legal nuisance to the Landlord, the other tenants or occupiers of the Lettable Units or any owner or occupier of neighbouring property.

28.3 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property.

29. Management of the Estate

29.1 The Tenant shall observe all reasonable and proper regulations made by the Landlord from time to time in accordance with the principles of good estate management and notified to the Tenant.

30. Compliance with laws

30.1 The Tenant shall comply with all laws relating to:

30.1.1 the Property and the occupation and use of the Property by the Tenant;

30.1.2 the use of all Service Media and machinery and equipment at or serving the Property;

30.1.3 any works carried out at the Property; and

30.1.4 all materials kept at or disposed from the Property.

30.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.

30.3 Within twenty working days after receipt of any notice or other communication affecting the Property or the Estate (and whether or not served pursuant to any law) the Tenant shall:

30.3.1 send a copy of the relevant document to the Landlord; and

30.3.2 in so far as it relates to the Property, take all steps necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may require.

30.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent not to be unreasonably withheld or delayed.

30.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file.

The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term.

- 30.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires from time to time to comply with the Landlord's obligations under the CDM Regulations.
- 30.7 As soon as the Tenant becomes aware of any defect in the Property, it shall give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 30.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property or reasonably recommended by them or reasonably required by the Landlord and shall keep that machinery, equipment and alarms properly maintained and available for inspection.

31. Encroachments, obstructions and acquisition of rights

- 31.1 The Tenant shall not grant any right or licence over the Property to any person.
- 31.2 If any person makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:
- 31.2.1 Immediately upon becoming aware give notice to the Landlord; and
 - 31.2.2 take all reasonable steps (including any proceedings) the Landlord reasonably and properly requires to prevent or license the continuation of that encroachment or action.
- 31.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property.
- 31.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party.
- 31.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property the Tenant shall:
- 31.5.1 Immediately upon becoming aware notify the Landlord; and
 - 31.5.2 take all reasonable steps (including proceedings) the Landlord reasonably and properly requires to prevent or secure the removal of the obstruction.

32. Breach of repair and maintenance obligations

- 32.1 Upon reasonable prior written notice the Landlord may enter the Property to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.
- 32.2 If the Tenant has not begun any works needed to remedy that breach within three months following that notice (or if works are required as a matter of emergency, then immediately) then the Landlord may enter the Property and carry out the works needed.
- 32.3 The reasonable and proper costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.

32.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 36.

33. Indemnity

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

34. Landlord's covenant for quiet enjoyment

The Landlord covenants with the Tenant, that the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.

35. Guarantee and indemnity

35.1 The provisions of the Schedule apply.

35.2 If an Act of Insolvency occurs in relation to a guarantor, or if any guarantor (being an individual) dies or becomes incapable of managing his affairs the Tenant shall, if the Landlord requests, procure that a person of standing acceptable to the Landlord enters into a replacement or additional guarantee and indemnity of the tenant covenants of this lease in the same form as that entered into by the former guarantor.

35.3 Clause 35.2 shall not apply in the case of a person who is guarantor by reason of having entered into an authorised guarantee agreement.

35.4 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

36. Re-entry and forfeiture

36.1 The Landlord may re-enter the Property (or any part of the Property in the name of the whole) at any time after any of the following occurs:

36.1.1 any rent is unpaid 28 days after becoming payable whether it has been formally demanded or not;

36.1.2 any material breach of any condition of, or tenant covenant, in this lease;

36.1.3 an Act of Insolvency.

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

37. Liability

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

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

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

38. Entire agreement and exclusion of representations

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

38.2 The Tenant acknowledges that in entering into this lease it has not relied on, nor shall have any remedy in respect of, any statement or representation made by or on behalf of the Landlord except those made in writing by the Landlord's solicitor.

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

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

39. Notices, consents and approvals

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

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

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

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

39.4.1 it is given in writing and signed by a person duly authorised on behalf or the Landlord; and

39.4.2 it expressly states that the Landlord waives the requirement for a deed in that particular case.

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

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

39.5.1 the approval is being given in a case of emergency; or

39.5.2 this lease expressly states that the approval need not be in writing.

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

40. Governing law and jurisdiction

40.1 This lease and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

40.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

41. Exclusion of sections 24-28 of the LTA 1954

41.1 The parties confirm that:

41.1.1 the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, before this lease was entered into;

41.1.2 the Tenant made a statutory declaration dated in accordance with the requirements of section 38A(3)(b) of the LTA 1954; and

41.1.3 there is no agreement for lease to which this lease gives effect.

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

42. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this lease shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999 [but this does not affect any right or remedy of a third party which exists, or is available, apart from that Act].

43. Landlord and Tenant (Covenants) Act 1995

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

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

Schedule Guarantee and indemnity

1. Guarantee and indemnity

1.1 The Guarantor guarantees to the Landlord that the Tenant shall:

1.1.1 pay the rents reserved by this lease and observe and perform the tenant covenants of this lease and that if the Tenant fails to pay any of those rents or to observe or perform any of those tenant covenants, the Guarantor shall pay or observe and perform them; and

1.1.2 observe and perform any obligations the Tenant enters into in an authorised guarantee agreement made in respect of this lease (the **Authorised Guarantee Agreement**)

1.2 The Guarantor covenants with the Landlord as a separate and independent primary obligation to indemnify the Landlord against any failure by the Tenant:

1.2.1 to pay any of the rents reserved by this lease or any failure to observe or perform any of the tenant covenants of this lease; and

1.2.2 to observe or perform any of the obligations the Tenant enters into in the Authorised Guarantee Agreement.

2. Guarantor's liability

2.1 The liability of the Guarantor under paragraph 1.1.1 and paragraph 1.2.1 shall continue until the end of the term, or until the Tenant is released from the tenant covenants of this lease by virtue of the Landlord and Tenant (Covenants) Act 1995, if earlier.

2.2 The liability of the Guarantor shall not be affected by:

2.2.1 any time or indulgence granted by the Landlord to the Tenant; or

2.2.2 any 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 this lease or in making any demand in respect of any of them; or

2.2.3 any refusal by the Landlord to accept any rent or other payment due under this lease where the Landlord believes that the acceptance of such rent or payment may prejudice its ability to re-enter the Property; or

2.2.4 the Landlord exercising any right or remedy against the Tenant for any failure to pay the rents reserved by this lease or to observe or perform the tenant covenants of this lease; or

2.2.5 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 Tenant's liability to pay the rents reserved by this lease or observe and perform the tenant covenants of the lease including the release of any such security; or

2.2.6 a release or compromise of the liability of any one of the persons who is the Guarantor, or the grant of any time or concession to any one of them; or

2.2.7 any legal limitation or disability on the Tenant or any invalidity or irregularity of any of the tenant covenants of the lease or any unenforceability of any of them against the Tenant; or

- 2.2.8 the Tenant being dissolved, or being struck off the register of companies or otherwise ceasing to exist, or, if the Tenant is an individual, by the Tenant dying or becoming incapable of managing its affairs; or
- 2.2.9 without prejudice to paragraph 4, the disclaimer of the Tenant's liability under this lease or the forfeiture of this lease; or
- 2.2.10 the surrender of part of the Property, except that the Guarantor shall not be under any liability in relation to the surrendered part in respect of any period after the surrender, or

by any other act or omission except an express written release of the Guarantor by the Landlord.

- 2.3 The liability of each of the persons making up the Guarantor is joint and several.
- 2.4 Any sum payable by the Guarantor shall be paid without any deduction, set-off or counter-claim against the Landlord or the Tenant.

3. Variations and supplemental documents

- 3.1 The Guarantor shall, at the request of the Landlord, join in and give its consent to the terms of any consent, approval, variation or other document that may be entered into by the Tenant in connection with this lease
- 3.2 The Guarantor shall not be released by any variation of the rents reserved by, or the tenant covenants in, this Lease whether or not:
 - 3.2.1 the variation is material or prejudicial to the Guarantor; or
 - 3.2.2 the variation is made in any document; or
 - 3.2.3 the Guarantor has consented, in writing or otherwise, to the variation.
- 3.3 The liability of the Guarantor shall apply to the rents reserved by and the tenant covenants in this lease as varied except to the extent that the liability of the Guarantor is affected by section 18 of the Landlord and Tenant (Covenants) Act 1995.

4. Guarantor to take a new lease or make payment

- 4.1 If this lease is forfeited or the liability of the Tenant under this lease is disclaimed and the Landlord gives the Guarantor notice not later than six months after the forfeiture or the Landlord having received notice of the disclaimer, the Guarantor 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 forfeiture or disclaimer and the new lease shall:
 - 4.2.1 be granted subject to the right of any person to have this 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;
 - 4.2.2 be for a term that expires at the same date as the end of the Contractual Term of this lease had there been no forfeiture or disclaimer;
 - 4.2.3 reserve as an initial annual rent an amount equal to the Annual Rent payable under this lease at the date of the forfeiture or disclaimer or which would be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it (subject to paragraph 5) and which is subject to review on the same terms and dates provided by this lease; and
 - 4.2.4 be excluded from sections 24 to 28 of the LTA 1954; and

- 4.2.5 otherwise be on the same terms as this lease (as varied if there has been any variation).
- 4.3 The Guarantor shall pay the Landlord's reasonably and properly incurred solicitors' costs and disbursements and any VAT in respect of them 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 Guarantor shall be without prejudice to any other rights which the Landlord may have against the Guarantor or against any other person or in respect of any other security that the Landlord may have in connection with this lease.
- 4.5 The Landlord may, instead of giving the Guarantor notice pursuant to paragraph 4.1 but in the same circumstances and within the same time limit, require the Guarantor to pay an amount equal to six months Annual Rent and the Guarantor shall pay that amount on demand.
- 5. Rent at the date of forfeiture or disclaimer**
- If at the date of the forfeiture or disclaimer there is a rent review pending under this lease, then the initial annual rent to be reserved by the new lease shall be the greater of:
- 5.1 the Annual Rent previously payable (or which would have been payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) under the lease prior to forfeiture or disclaimer; and
- 5.2 the open market rent of the Property at the relevant Review Date, as determined by the Landlord before the grant of the new lease.
- 6. Payments in gross and restrictions on the Guarantor**
- 6.1 Any payment or dividend that the Landlord receives from the Tenant (or its estate) or any other person in connection with any insolvency proceedings or arrangement involving the Tenant shall be taken and applied as a payment in gross and shall not prejudice the right of the Landlord to recover from the Guarantor to the full extent of the obligations that are the subject of this guarantee and indemnity.
- 6.2 The Guarantor shall not claim in competition with the Landlord in any insolvency proceedings or arrangement of the Tenant in respect of any payment made by the Guarantor pursuant to this guarantee and indemnity. 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 Guarantor shall not, without the consent of the Landlord, exercise any right or remedy that it may have (whether against the Tenant or any other person) in respect of any amount paid or other obligation performed by the Guarantor under this guarantee and indemnity unless and until all the obligations of the Guarantor under this guarantee and indemnity have been fully performed.
- 7. Other securities**
- 7.1 The Guarantor warrants that it has not taken and covenants that it shall not take any security from or over the assets of the Tenant in respect of any liability of the Tenant to the Guarantor. If it does take or hold any such security it shall hold it for the benefit of the Landlord.
- 7.2 This guarantee and indemnity is in addition to any other security that the Landlord may at any time hold from the Guarantor or the Tenant or any other person in respect of the liability of the Tenant to pay the rents reserved by this lease and to observe

and perform the tenant covenants of this lease. It shall not merge in or be affected by any other security.

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

Executed as a deed by Southern Counties Fuels Limited acting by a director in the presence of a witness:

Steve Little
.....
Director

I confirm that the witness named below was physically present when I signed this deed

Witness: *Anne Brash*

Name: Anne Brash

Address: 302 Bridgewater Place, Warrington WA3 6XG

Occupation: Office Manager

I confirm that I was physically present when the above signatory signed this deed

Executed as a deed by Avanti Gas Limited acting by a director in the presence of a witness:
Director

Witness:

Name:

Address:

Occupation: