

DATED 25th November 2002

PCR/TIG/L11251

LIVERPOOL CITY COUNCIL

to

CARLISLE INVEST LIMITED

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LEASE

of

21 Roscoe Street, Liverpool

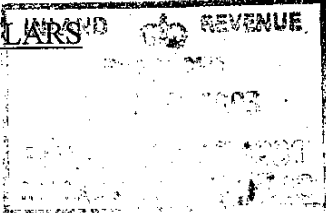
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G. CREER  
CITY SOLICITOR  
LIVERPOOL CITY COUNCIL

J. KEITH PARK & CO - Solicitors  
WE HEREBY CERTIFY that this is  
a true copy of the original.

J. Keith Park & Co  
5003  
SAFE  
000300

THIS LEASE made the 25th day of November 2002

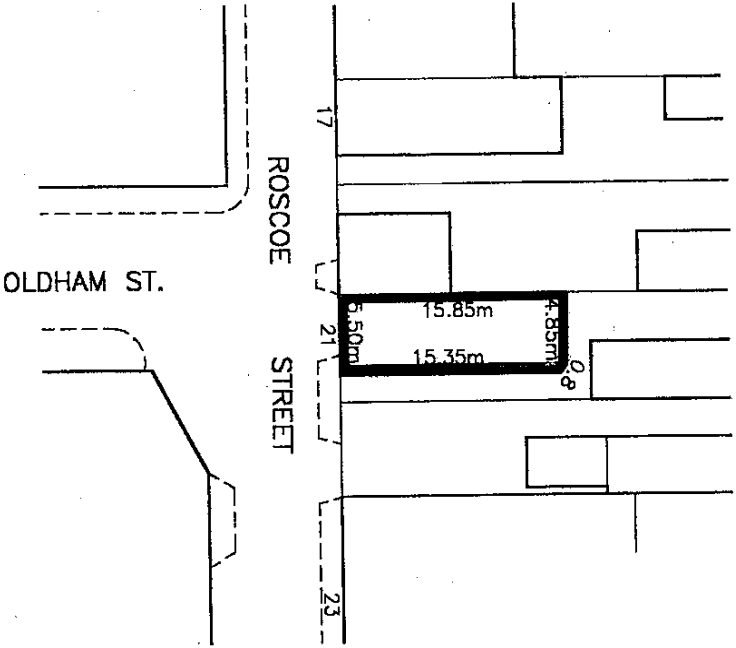
- 1. PARTICULARS
  - 1.1 the Lessor  LIVERPOOL CITY COUNCIL of  
Municipal Buildings, Dale Street, Liverpool  
L69 2DH
  - 1.2 the Lessee CARLISLE INVEST LIMITED (company  
number 484375 British Virgin Islands) 11  
Vicarage Close, Hale Village, Liverpool,  
L24 4BH
  - 1.3 the Premium Thirty three thousand one hundred and fifty  
pounds (£33,150.00)
  - 1.4 the Premises. ALL THAT building situate on the  
south-easterly side of Roscoe Street in the  
City of Liverpool comprising an area of  
approximately 87 square metres and which  
for identification purposes only is edged in  
red on the annexed plan
  - 1.5 the Term 125 years from and including the date hereof
  - 1.6 the Permitted User "Mews" style dwelling with ancillary car  
parking


2. DEFINITIONS AND INTERPRETATION

- 2.1 For all purposes of this Lease the terms defined in clauses 1 and 2 have the meanings specified
- 2.2 The expression 'Pipes' means all pipes, sewers, drains, mains, ducts, conduits, gutters, watercourses, wires, cables, channels, flues and all other conducting media and includes any fixings, louvres, cowls and any other ancillary apparatus which are in, on, over or under or which serve the Premises
- 2.3 The expression 'the Premises' includes:
  - 2.3:1 such of the Works as may from time to time have been carried out
  - 2.3:2 all buildings or erections from time to time and at any time erected on the Premises
  - 2.3:3 all additions and improvements to the Premises
  - 2.3:4 all fixtures which shall from time to time be in or upon the Premises except any such installed by the Lessee that can be removed from the

Plan referred to

21 ROSCOE STREET. L1.



<p>Liverpool Land &amp; Development Services Kingsway House Hatton Garden Liverpool L69 2DJ</p>	 <p>The City of Liverpool</p>
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Plan referred to in Item

Drawn by: [illegible] Date: [illegible] Rev: [illegible]

Premises without defacing the same

- 2.3:5 all Pipes in, on, over or under the Premises (whether laid or installed in the course of the Works or otherwise)
- 2.4 The expression 'rental purchase agreement' means an agreement for the purchase of a dwellinghouse, flat or maisonette under which the whole or part of the purchase price is to be paid in three or more instalments and the completion of the purchase is deferred until the whole or a specified part of the purchase price has been paid
- 2.5 The expression 'Surveyor' means any person or firm appointed by the Lessor to perform any of the functions of the Surveyor under this Lease (including an employee of the Lessor)
- 2.6 The expression 'the Term' includes any period of holding over or extension or continuance of the Term whether by statute or common law
- 2.7 References to 'the expiration of the Term' include the expiration of the Term if the Term shall determine otherwise than by effluxion of time
- 2.8 Any covenant by the Lessee not to do an act or thing shall be deemed to include an obligation not to permit or suffer such act or thing to be done by another person
- 2.9 References to 'consent of the Lessor' or words to similar effect mean a consent in writing signed by or on behalf of the Lessor and to 'approved' and 'authorised' or words to similar effect mean (as the case may be) approved or authorised in writing by or on behalf of the Lessor
- 2.10 Any references to a specific statute include any statutory extension, modification, amendment or re-enactment of such statute and any regulations or orders made under such statute and any general reference to 'statute' or 'statutes' includes any regulations or orders made under such statute or statutes
- 2.11 Unless otherwise stated all sums costs and payments referred to in this Lease shall be exclusive of Value Added Tax
- 2.12 Unless the contrary intention appears in this Lease:
- 2.12:1 words importing one gender include all other genders
- 2.12:2 words importing the singular include the plural and vice versa
- 2.12:3 where the Lessee for the time being is two or more persons all covenants and obligations expressed to be made by or with the Lessee are deemed to be made by or with such persons jointly and severally

2.13 The expressions 'the Lessor' and 'the Lessee' wherever the context so admits include the person for the time being entitled to the reversion immediately expectant on the expiration of the Term and the Lessee's successors in title respectively

3. DEMISE

In consideration of the payment by the Lessee to the Lessor of the Premium (the receipt of which the Lessor acknowledges) the Lessor demises to the Lessee the Premises EXCEPT AND RESERVING to the Lessor or its tenants the rights specified in the Schedule TO HOLD the Premises unto the Lessee for the Term SUBJECT to all rights, easements, privileges, restrictions, covenants and stipulations of whatever nature affecting the Premises

4. THE LESSEE'S COVENANTS

The Lessee covenants with the Lessor:

4.1 Outgoings

To pay and indemnify the Lessor against all rates, taxes, duties, charges, assessments, impositions and outgoings which are now or during the Term shall be assessed, charged or imposed upon the Premises or upon the owner or occupier of them

4.2 Payment of expenses, costs, charges etc

To pay to the Lessor on an indemnity basis all expenses, costs, fees, charges and disbursements (including without prejudice to the generality of the above those payable to bailiffs, counsel, solicitors and surveyors) properly and reasonably incurred by the Lessor in relation to or incidental to:

4.2:1 the preparation and service of a notice under Section 146 of the Law of Property Act 1925 or the contemplation or taking of proceedings under Sections 146 or 147 of that Act notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court

4.2:2 every application made by the Lessee for a consent or licence required by the provisions of this Lease whether such consent or licence is granted or refused or proffered subject to any qualification or condition or whether the application is withdrawn

4.2:3 the recovery or attempted recovery of any sums due from the Lessee

4.2:4 any steps taken in connection with the preparation and

service of a schedule of dilapidations or notice regarding the repair or condition of the Premises during or on the expiration of the Term

4.3 Insurance and reinstatement

- 4.3:1 To insure the Premises at all times during the Term against loss or damage by fire, flood and other risks and special perils normally insured under a comprehensive policy on property of the same nature as the Premises in a sum equal to the full cost of rebuilding and reinstatement in case of total destruction together with architects' and surveyors' fees and the cost of demolition and site clearance with a substantial and reputable insurance office
- 4.3:2 To pay all premiums and other money necessary to effect and maintain such insurance and to produce to the Lessor on demand the policy or policies or such insurance and the receipt or receipts for the then current year's premium
- 4.3:3 Upon the occurrence of any damage to or destruction of the Premises to pay all money received by the Lessee under any such policy into an account at a bank to be nominated by the Lessor and without delay to rebuild and reinstate the Premises to the reasonable satisfaction of the Lessor in accordance with plans, elevations, sections and specifications to be previously approved by the Surveyor and so far as may be necessary by the local planning authority it being hereby agreed that all moneys to be received by virtue of any such insurance shall be applied in so rebuilding and reinstating the Premises the Lessee making up any difference between the cost of rebuilding and reinstating the Premises and the money received out of the Lessee's own monies

Provided Always that if the Lessee shall fail to insure in accordance with this clause 4.3 the Lessor may (but without prejudice to any other right or remedy of the Lessor in respect of such failure) itself effect and maintain such insurance and all premiums and other money paid by the Lessor for such purpose shall be repaid by the Lessee to the Lessor on demand with interest at 4% per year above the base lending rate of Barclays Bank plc from time to time in force from the date of payment by the Lessor until the date of repayment by the Lessee

4.4 Works and repair

- 4.4:1 Within 2 months of the date of this Lease at the Lessee's own cost to submit to the Lessor for approval plans and

specifications ('the Specifications') for the repair and refurbishment of the Premises ('the Works') such approval not to be unreasonably withheld or delayed

4.4:2 At the Lessee's own cost to amend the Specifications or submit others as often as the Lessee may reasonably be called upon to do so by the Lessor until the same shall be finally approved in writing by the Lessor and prior to the commencement of the Works

4.4:3 Within 12 months of the date of this Lease to carry out and complete the Works to the satisfaction of the Lessor in accordance with the Specifications approved pursuant to clause 4.4:2

4.4:4 After the Works have been completed to keep the Premises in good and tenantable repair and condition

4.5 Decoration

To redecorate the outside and inside of the Premises as often as is necessary in the reasonable opinion of the Surveyor in order to maintain a high standard of decorative finish and attractiveness and in the last year of the Term

4.6 Yield up

At the expiration of the Term quietly to yield up the Premises to the Lessor in repair and in accordance with the terms of this Lease together with all landlord's fixtures safe, undefaced and fit for use

4.7 Inspection

4.7:1 To permit the Lessor and all persons authorised by the Lessor (including professional advisers, contractors, agents, workmen and others) during reasonable hours in the daytime upon reasonable notice in writing (except in the case of emergency) to enter the Premises to inspect their state of repair and condition and to ascertain that the covenants and conditions of this Lease have been observed and performed and thereupon the Lessor may serve upon the Lessee notice in writing specifying any repairs, maintenance or decoration that the Lessee has failed to execute in breach of the terms of this Lease

4.7:2 Within three months of the service of such a notice to execute the work specified in the notice to the reasonable satisfaction of the Lessor at the Lessee's own cost absolutely and in the event of the Lessee failing to comply

with the notice the Lessee shall permit the Lessor with workmen and others to enter the Premises to carry out any work necessary to comply with the notice and shall pay to the Lessor the cost of so doing and all expenses incurred by the Lessor within 14 days of a written demand

4.8 Building

Except to the extent expressly provided in this Lease but not further or otherwise not at any time during the Term to erect any building or erection in or upon the Premises or make any alteration or addition to the Premises or change in any way the design or appearance or the decorative scheme of the exterior of the Premises or the structural layout of the interior of the Premises except in accordance with plans, elevations, sections, and specifications previously submitted to and approved in writing by the Surveyor and (so far as may be necessary) by the local authority and the local planning authority nor make any access to the adjoining roads without the prior consent in writing of the Lessor and in the event of any breach of these conditions the Lessor shall be at liberty to remedy such breach and the Lessee shall pay to the Lessor the cost of so doing and all expenses incurred by the Lessor (including legal costs and surveyors' fees) within 14 days of a written demand

4.9 Asbestos

Not to use asbestos or asbestos related materials or compounds in connection with the repair, construction or alteration of the Premises

4.10 User

Not at any time during the Term to use or allow to be used the Premises or any part of them:

- 4.10:1 for the purposes of a betting office, a taxi office, a private members' cinema club, an amusement arcade or the commercial operation and use of computer or video game machines
- 4.10:2 as a sex establishment as defined in Schedule 3 to the Local Government (Miscellaneous Provisions) Act 1982
- 4.10:3 for occupation by a licensee or under a rental purchase agreement
- 4.10.4 as a site for a telecommunications mast or associated apparatus
- 4.10.5 otherwise than for the Permitted User



4.11 Advertisements

Not to exhibit on or from the Premises any sign, nameplate, board, notice, fascia, advertisement, placard or sky-sign of any kind except such as shall have been previously approved in writing by the Lessor PROVIDED THAT it shall not be a breach of this clause for the Lessee to erect a "for sale" or "to let" sign

4.12 Alienation

4.12:1 Not to assign or underlet or part with possession of the Premises until such time as the Works are completed to the satisfaction of the Surveyor and thereafter:

4.12:1.1 Not to assign a part only of the Premises

4.12:1.2 Not to assign or part with the possession of the whole of the Premises without the previous written consent of the Lessor such consent not to be unreasonably withheld or delayed

4.12:1.3 Not to or underlet the Premises or any part of them without the previous written consent of the Lessor such consent not to be unreasonably withheld or delayed provided always that consent shall not be required for an underletting for a term not exceeding three years

4.12:2 Within 28 days of any assignment, underlease for a term exceeding three years, charge or any transmission or other devolution of the interest of the Lessee in the Premises under this Lease to produce for registration to the Solicitor for the time being of the Lessor such deed or document (or a certified copy of it) and to pay his reasonable charges for the registration of every such deed or document such charges not being less than £50

4.13 Loading of wagons

Not to load or unload any goods or materials from carts, wagons or lorries or convey such goods or materials to or from the Premises except through the entrance or entrances provided for the purpose by the Lessee and approved by the Lessor ensuring at all times that there shall be no congestion or inconvenience to any other user of any of the adjoining roadways

4.14 Machinery

Not without the previous consent in writing of the Lessor at any time after the completion of the Works to erect, install or use any engine, motor or other machinery in or on the Premises or any part of them except such as are necessary for the user of the Premises

4.15 Statutory obligations

To comply in all respects with the provisions of any statutes and any other obligations imposed by law or by any byelaws applicable to the Premises or relating to the user of the Premises

4.16 Encroachments and rights to light etc

4.16:1 Not otherwise than by buildings erected with the previous approval of the Lessor to stop up, darken or obstruct the access of light or air to any windows, lights or openings in any building of the Lessor or its tenants

4.16:2 Not to stop up, darken or obstruct any windows or light belonging to the Premises

4.16:3 To take all reasonable steps to prevent any new window, light, opening, doorway, path, passage, pipe or other encroachment or easement being made or acquired in, against, out of or upon the Premises and to notify the Lessor immediately if any such encroachment or easement shall be made or acquired (or attempted to be made or acquired) and at the request and expense of the Lessor to adopt such means as shall reasonably be required to prevent such encroachment or the acquisition of any such easement

4.17 Maintenance

To keep the Premises including particularly any open area, forecourt, garden or other open space between any buildings and the adjoining roads in a clean and tidy condition and free from noxious weeds, deposits of materials or refuse and not to bring or keep on the Premises anything which is or may become in the opinion of the Lessor untidy, unhealthy, unsightly or in any way detrimental to the amenity of the neighbourhood and in the event of a breach of any of the conditions of this clause 4.17 to comply within one month with the requirements of any written notice given by the Lessor to remedy such breach provided that if the Lessee shall fail to comply with such notice the Lessor shall be entitled to enter the Premises and carry out any works necessary to comply with such notice and to recover the

4.18 cost of so doing from the Lessee on demand  
Indemnity

To indemnify and keep indemnified the Lessor from and against all proceedings, costs, claims, demands, losses and expenses of whatsoever nature arising out of the Lessee's use of the Premises or in respect of any liability which would not have arisen but for the demolition, construction or structural alteration of any building or erection or the execution of any other works on the Premises by or on behalf of the Lessee during the Term

4.19 Nuisance

Not to do upon the Premises any act or thing which may be a nuisance, damage or annoyance to the Lessor or its tenants or to the occupiers of the adjoining properties

5. LESSOR'S COVENANT

The Lessor covenants with the Lessee to permit the Lessee peaceably and quietly to hold the Premises without any interruption or disturbance from or by the Lessor or any person lawfully claiming under it

6. PROVISOS

6.1 Re-entry

If default is made in the performance or observance of any of the covenants, conditions or provisions on the part of the Lessee contained in this Lease the Lessor or any person duly authorised by it may re-enter the Premises or any part of them in the name of the whole at any time and then the Term will absolutely cease without prejudice to any rights or remedies which may have accrued to the Lessor against the Lessee in respect of any breach of covenant or other term of this Lease (including the breach in respect of which re-entry is made)

6.2 Lessor's right to deal with adjoining property

The Lessor shall retain the free and unfettered right to sell, lease or otherwise deal with any other part of the Lessor's adjoining or neighbouring property free from any or all of the covenants contained in this Lease and either subject to or free from any restrictions or stipulations and in such manner and on such terms as it thinks fit and to release or vary any covenant or stipulation imposed by the Lessor and affecting such adjoining or neighbouring property

6.3 Service of notices

The provisions of Section 196 of the Law of Property Act 1925 as amended by the Recorded Delivery Service Act 1962 shall apply to the giving and service of all notices under or in connection with this Lease

6.4 Preservation of powers of local authority and planning authority

Nothing contained in this Lease shall prejudice or abridge any of the rights and powers for the time being vested in the local authority and the local planning authority for the City of Liverpool and all such rights and powers shall in regard to the Premises or the tenant or occupier of them be enforceable and exercisable by the local authority and the local planning authority as fully and freely as if this Lease had not been executed

6.5 Rights, easements etc

The Lessee shall not during the Term acquire or become entitled by any means whatever to any easement from or over or affecting any neighbouring or adjoining land in which the Lessor has a freehold or leasehold interest or in which during the Term the Lessor shall have acquired a freehold or leasehold interest

6.6 Building inspector

The only person entitled to carry out the functions of an approved inspector (for the purposes of the Building Act 1984) shall be the Lessor's Head of Building Surveying and Licensing or any other officer authorised by the Lessor to carry out such functions

6.7 Rights of third parties

Unless expressly stated herein nothing in this Lease will create rights pursuant to the Contracts (Rights of Third Parties) Act 1999 in favour of any person or body other than the parties hereto

7. CERTIFICATES

IT IS CERTIFIED that:

- 7.1 the transaction effected by this Lease does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds the sum of £60,000

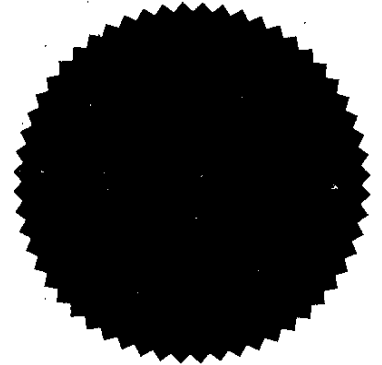
IN WITNESS of which the Lessor and the Lessee have executed this Lease the day and year first before written

THE SCHEDULE  
(Exceptions and Reservations)

1. The full and free right to erect, build, rebuild or alter as they think fit at any time and from time to time any buildings or bays or projections to buildings on any land adjoining the Premises and/or on the opposite sides of the adjoining streets and access ways
2. The right to the free and uninterrupted passage and running of water, sewage, gas, electricity, telephone and other services or supplies from or to any other building and land adjoining or near to the Premises in and through the Pipes which now are or may be during the Term in, on, over or under the Premises the Lessor and its tenants making good all damage occasioned in enjoyment of or arising out of such right

(Original)

THE COMMON SEAL of )  
LIVERPOOL CITY COUNCIL was )  
affixed to this deed: )



*A. Du*  
City Solicitor  
*ML Exec Board*  
*26/7/02*

(Counterpart)

THE COMMON SEAL of )  
CARLSILE INVEST )  
LIMITED was affixed to )  
this deed in the presence of: )

Seal No.  
68-02

Director

Director/Secretary