

16/42456

**Books of Council and Session**

**Extract Registered 21 Oct 2016**

LEASE

HAZLEDENE HOUSE LIMITED  
SCOTTISH SEA FARMS LIMITED

PINSENT MASONS LLP  
DX 723301 EDINBURGH 43

# Registers of Scotland

16/42456

AT EDINBURGH the Twenty First day of October Two thousand and sixteen the Deed hereinafter reproduced was presented for registration in the Books of the Lords of Council and Session for preservation and execution and is registered in the said Books as follows:-

LEASE

between

1. **HAZLEDENE HOUSE LIMITED** registered in the Isle of Man with registered number 012203V and having its registered office at Fort Anne, Douglas, IM1 5PD (hereinafter called the "Landlord" which expression shall where the context so admits include all persons deriving title from them); and
2. **SCOTTISH SEA FARMS LIMITED**, a company incorporated under the Companies Acts (Registered Number 00958001) and having its Registered Office at c/o Shepherd and Wedderburn LLP, Condor House, 10 St Paul's Churchyard, London, EC4M 8AL (hereinafter called the "Tenant" which expression shall where the context so admits and in substitution include all persons deriving title from them)

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

The following definitions shall apply throughout this lease (the "Lease"):

"Break Date": 29 August 2019;

"Break Notice": has the meaning ascribed thereto in Clause 2.2 of the Lease

"Break Option": has the meaning ascribed thereto in Clause 2.2 of the Lease;

"Building": the building known as Laurel House, Laurelhill Business Park, Stirling forming part of the Development;

"Common Parts": the Development under exception of the Premises and all other Lettable Premises, and the Common Parts shall include the foundations, roof and roof space, the external car parking areas within the Development, the external and internal structural walls (excluding the interior surfaces and parts of all windows and window frames in and the covering or other finish of the interior walls enclosing Lettable Premises), all load bearing pillars, the floors, slabs and ceilings (excluding the coverings and screed of floors or the plaster or other finish of ceilings and any suspended non-structural ceilings so far as enclosing or within Lettable Premises) and all gas, electricity, water, telephone and other supply or drainage pipes, cables and conductors serving more than one of the Lettable Premises and relevant apparatus and appurtenances and including any additions, alterations and improvements thereto made during the Duration;

"Conducting Media": the pipes, channels, ventilation ducting, drains, sewers, rhones, conduits, watercourses, wires, cables, aerials or other conducting media, pumps, valves, manholes, meters and connections for the time being and from time to time in and passing through or serving the Development, save for any situated within and exclusively serving any Lettable Premises;

"Date of Entry": 30 August 2016;

"Date of Termination": the date of expiry or earlier termination (however terminated) of the Lease;

"Development": the development of office space and car parking situated at and known as Laurel House, Polmaise Road, Stirling, FK7 9JH, being the subjects registered in the Land Register of Scotland under Title Number STG19506;

"Duration": the period for which the Lease is granted together with any continuation thereof (whether by tacit relocation, under any statute or for any other reason);

"Insurance Charge": an amount sufficient to reimburse to the Landlord the Tenant's fair and equitable share of the proper and reasonable cost to the Landlord of maintaining the insurance specified in Clause 6 of the Lease, and the Tenant's fair and equitable share of such cost shall be that proportion of the total of such costs which the net internal area of the Premises bears to the net

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internal area of the Lettable Premises save that the Insurance Charge shall include the whole cost to the Landlord of insuring the loss of Rent and Service Charge as after-mentioned;

**"Insured Risks"**: the risks (subject always to the reasonable availability of cover as reasonably determined from time to time by the Landlord, and to such normal commercial exclusions and limitations as may be imposed from time to time by the Landlord's insurer) of fire, explosion, aircraft, storm and tempest and flood, loss or damage by fire, lightning, thunderbolt, explosion, earthquake, storm, tempest, bursting or overflowing of water tanks, apparatus or pipes, rot impact of road vehicles, accidental damage to underground water or gas pipes or electricity cables, property owners liability, civil commotion and malicious damage, terrorism, strikes, labour or political disturbances, aircraft (other than hostile) and aerial devices and articles dropped therefrom and such other normal commercial risks or perils as the Landlord shall reasonably require;

**"Landlord's Insurances"** means the insurances to be effected by the Landlords in accordance with Clause 6;

**"Lettable Premises"**: all parts of the Development, including the Premises which are capable of being let as or as part of separate premises, whether or not the same are actually let at the relevant time;

**"Plan 1"**: the plan marked Plan 1 annexed and executed as relative hereto;

**"Plan 2"**: the plan marked Plan 2 annexed and executed as relative hereto;

**"Plan 3"**: the plan marked Plan 3 annexed and executed as relative hereto;

**"Planning Acts"**: the Town and Country Planning (Scotland) Act 1997, the Planning (Listed Buildings) and Conservation Areas (Scotland) Act 1997, the Planning (Hazardous Substances) (Scotland) Act 1997, the Planning (Consequential Provisions) (Scotland) Act 1997 and the Planning etc. (Scotland) Act 2006 and any other legislation (existing or future) of a similar nature including any re-enactment or amendment thereof;

**"Premises"**: ALL and WHOLE the subjects forming office premises on the second floor of the east wing of the Building being the subjects shown delineated in red on Plan 1 and where applicable, any part of such subjects including the inner surface of and the paint, paper and other decorative finishes applied to the interior or the exterior walls of the said office premises but not any other part of the exterior walls; the floor finishes so that the lower limit of the said office premises includes such finishes but does not extend to anything below them; the paint, paper and other decorative finishes applied to the underside of the ceiling of the said office premises but no other part of the roof of the Building and no air space above the Building; the inner half of the internal walls severed medially dividing the said office premises from the adjoining units or the Common Parts; the windows and window frames, all additions and improvements to the said office premises; all the Landlord's fixtures and fittings in or upon or which shall be in or upon the said office premises (whether originally affixed or fastened to or upon the same or otherwise) except any such fixtures installed by the Tenant and that can be removed from the said office premises without damaging the same, and any pipes or other service media which exclusively serve the said office premises TOGETHER ALSO WITH the exclusive right to use the 12 car parking spaces shown delineated in blue on Plan 2 with access and egress therefrom and thereto (the "Car Parking Spaces");

**"Prescribed Rate"**: the rate of four percentage points above the base rate for the time being of the Royal Bank of Scotland plc or if there shall cease to be such a base rate, above such other rate reasonably equivalent thereto which may from time to time be reasonably substituted therefor by the Landlord;

**"Quarter Days"**: 28 February, 28 May, 28 August and 28 November, and "Quarter Day" shall be construed accordingly;

**"Reinstatement"**: to reinstate the Premises and/or the Building or the part or parts thereof so destroyed or damaged so that the Premises are again fit for occupation and use in terms of the Lease;

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"Rent Commencement Date" means 1 March 2017;

"Schedule": the schedule of 3 parts annexed and executed as relative hereto;

## 1.2 Interpretation

- 1.2.1 In the Lease, any right or power expressed to be reserved to or conferred on the Landlord, any inspection or works expressed to be carried out by the Landlord and any notice, request or demand expressed to be served or issued by the Landlord may be exercised, carried out, served or issued by the Landlord and/or its duly authorised employee, factor, professional adviser, agent and/or contractor.
- 1.2.2 Any obligation of the Tenant under the Lease which has the effect of prohibiting or restricting any act of the Tenant shall be deemed to incorporate an obligation on the part of the Tenant not to allow or suffer any other person for whom they are legally responsible to infringe such prohibition or restriction.
- 1.2.3 In any case where the rent or any other payment made or to be made by the Tenant falls to be apportioned by reference to time, the portion of such payment due by the Tenant shall be equal to that fraction of such payment whose numerator is the number of days in the period over which the Tenant's liability in respect of such payment extends and whose denominator
- (a) in the case of the rent (notwithstanding any reference in the lease to equal quarterly payments) and any other annual payment is three hundred and sixty five (365); and
- (b) in any other case is the total number of days in the period to which such payment relates.
- 1.2.4 Any reference in the Lease to an Act or Acts of Parliament shall be deemed to include any statutory modifications or re enactment of such Act or Acts for the time being in force and any statutory instrument issued in pursuance of such Act or Acts or in pursuance of such Act as so modified or re enacted.
- 1.2.5 Where any matter requires the consent of the Landlord under the Lease and also the consent of any other person in terms of the title deeds of the Premises or in terms of any lease to which the Landlord's interest in the Premises is subject, the consent of such other person shall be a necessary, but not a sufficient, condition of the grant of such consent by the Landlord.
- 1.2.6 Any phrase introduced by the words "including", "include", "in particular" or any similar expression shall be construed as illustrative only and shall not be construed as limiting the generality of the preceding words.

## 2. SUBJECTS, PERIOD OF LEASE

- 2.1 The Landlord lets to the Tenant (but excluding assignees and sub-tenants legal or voluntary and creditors and managers for creditors in any form except in so far as permitted under the Lease) the Premises TOGETHER WITH (One) the right to use in common with the Landlord and its tenants within the Development the Common Parts; (Two) a right in common with the Landlord and other tenants and occupiers of the Development to use (if any) the lifts, staircases, common passages and landings providing access and egress to and from the Premises and any common entrance or foyer to the Development including the toilet accommodation on the first floor of the Development; (Three) the free passage and running of services and other supplies to and from the Premises in and through the Conducting Media that serve the Premises and land in or through or under other parts of the Premises; and (Four) the right to support and protection for the benefit of the Premises as is now enjoyed from all other parts of the Development under reservation of the Exceptions and Reservations set out or referred to in Part 3 of the Schedule, and that all for the period from the Date of Entry to 29 August 2021.
- 2.2 Notwithstanding the foregoing, the Tenant shall be entitled to terminate the Lease on the Break Date on serving on the Landlord written notice to that effect (the "Break Notice"), which Break Notice to be effective must be served no later than nine calendar months prior to the Break Date

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(time being of the essence to the effect that service of such notice outwith the foregoing period shall be ineffective) (the "Break Option").

2.3 PROVIDED ALWAYS that:

2.3.1 notwithstanding that a valid Break Notice has been timeously served as aforesaid, in the event that the Tenant is in arrears of the annual rent or the Service Charge as at the Break Date (provided that (i) for the purposes of this Clause 2.3.1 the Tenants shall be deemed not to be in arrears of the annual rent or the Service Charge as at the Break Date where the Tenant has paid such sums in respect of the Quarter ending on 27 August 2019 and (ii) such sums have been properly demanded by the Landlord in writing not less than 28 days prior to the Break Date), then in either case the Landlord shall be entitled but not bound to treat the said Break Notice as ineffective and void and of no further effect and the Lease shall continue until the natural expiry thereof as if the Break Notice had never been served;

2.3.2 that if at any time any provisions of the Lease become or are held to be of no effect or unenforceable, whether by operation of law or by reason of uncertainty or otherwise, that shall not affect the validity or enforceability of this Clause 2 including the Break Option which shall remain in full force and effect, and shall, but without limitation to the foregoing, continue notwithstanding service of the Break Notice.

2.4 In the event that the Lease is terminated on the Break Date pursuant to Clause 2.2, the Landlord shall, within 14 days of the Break Date, refund to the Tenant all sums paid by the Tenant in terms of the Lease in respect of any period after the Break Date.

3. TENANT'S ACCEPTANCE OF PREMISES

The Tenant accepts the Premises and the Common Parts as in good, substantial and tenable condition and satisfactory in all respects for the purposes for which they are respectively let and/or intended to be used.

4. TENANTS PECUNIARY OBLIGATIONS

4.1 Rent

The Tenant undertakes:

4.1.1 To pay without the need for any demand from the Landlord, without deduction, and by some automated method of direct bank transfer approved by the Landlord (acting reasonably), a yearly rent of **FORTY ONE THOUSAND, FIVE HUNDRED POUNDS (£41,500) STERLING** (exclusive of Value Added Tax) payable by equal quarterly payments in advance on the Quarter Days in each year. The first of such payments shall become due and payable at the Rent Commencement Date and shall be a proportionate payment for the period from the Rent Commencement Date to the first Quarter Day occurring thereafter, and the next payment shall become due and payable at such Quarter Day for the quarter following and so forth, quarterly and termly thereafter during the Duration. For the avoidance of doubt, no rent shall be payable in respect of the period commencing on (and including) the Date of Entry and ending on (and including) 28 February 2017, the said period being rent free.

4.1.2 For the avoidance of doubt, all sums referred to in the Lease are expressed exclusive of Value Added Tax and it is hereby declared that the Tenant shall also be required to pay Value Added Tax at the prevailing rate on the said rent and all other sums payable by the Tenant in terms of the Lease, in each case in addition to the relevant payment and at the same time as the relevant payment is due to be made, in exchange for a valid Value Added Tax invoice addressed to the Tenant.

4.2 Other Charges

The Tenant further binds and obliges itself to pay punctually and without deduction during the whole Duration, the whole proper and reasonable charges hereinafter specified, and to free and relieve the Landlord of liability therefor, and if reasonably required, to exhibit the receipts of such payments to the Landlord or its agents or factors, videlicet:-

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- 4.2.1 the Service Charge as defined in, at the times specified in, and ascertained from time to time as provided for in Part 1 of the Schedule;
- 4.2.2 the Insurance Charge, which shall be payable by the Tenant to the Landlord within 14 days of written demand;
- 4.2.3 all existing and future rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever, whether parliamentary, local, national or regional (and whether or not of a capital or non-recurring nature) at any time during the Duration upon or payable in respect of the Premises or upon the owner or occupier thereof but excluding (i) any of the foregoing payable by the Landlord as a result of any disposition of, dealing (or deemed dealing) with or ownership of the Landlord's interest in this Lease, the Premises or the Development (ii) any taxes payable by the Landlord by reason of the receipt of rents (other than VAT on the rents);
- 4.2.4 to the appropriate authority or service provider all electricity, gas, water, telephone and other utility charges incurred by the Tenant so far as the same relate exclusively to the Premises and are not covered by and included in the Service Charge and are attributable to the Duration;
- 4.2.5 liability to the public or third parties arising from the use of occupancy of the Premises by the Tenant (save in so far as the same is covered by the Insured Risks or the Landlord's Insurances, or where such liability arises from the act or default of the Landlord or any other matter which is the responsibility of the Landlord or is excluded from the Tenant's obligations under this Lease);
- 4.2.6 to the Landlord any insurance shortfall due to the normal commercial insurance excess rather than to under insurance.

#### 4.3 Deficiency in insurance proceeds

To pay as soon as reasonably practicable a sum equal to the amount of any deficiency in the proceeds of any insurance policy effected by the Landlord in respect of the Development to the extent properly attributable to any act, neglect or default of the Tenant or those for whom the Tenant is legally responsible.

#### 5. TENANT'S NON PECUNINARY OBLIGATIONS

The Tenant further undertakes:

##### 5.1 Title Conditions

Save in so far as the Landlord's responsibility in terms of the Lease to observe and implement the conditions, provisions and others specified or referred to in the title deeds of the Premises as at the Date of Entry and to indemnify the Landlord against any proper and reasonable loss or liability sustained or incurred by the Landlord or any competent claim by a third party against the Landlord arising as a result of a breach on the part of the Tenant or those for whom the Tenant is legally responsible of such conditions, provisions and others.

##### 5.2 Restrictions on use

- 5.2.1 Not to use the Premises for any other purpose than as commercial office premises and not to use the Car Parking Spaces otherwise than for car parking.
- 5.2.2 Not to use the Premises for any noisy or noxious trade, business or occupation nor for any illegal or immoral purpose nor for any purpose which in the Landlord's reasonable opinion may be a legal nuisance or disturbance to the Landlord or the owners or occupiers of any neighbouring premises.
- 5.2.3 Not to use the Premises for any sale by auction or for any exhibition or public meeting or for gambling.

##### 5.3 Restrictions on alienation

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- 5.3.1 Not to assign or in any other way deal with the Tenant's interest in, not to sub-let, nor to part with or share the possession or occupation of part as distinct from the whole of the Premises.
- 5.3.2 Not to assign or in any other way deal with the Tenant's interest in, nor to part with or share the possession or occupation of the whole of the Premises without the previous written consent of the Landlord (which consent shall not be unreasonably withheld or delayed in the case of a prospective assignee, who is respectable and responsible, and demonstrably capable of performing the tenant's obligations hereunder).
- 5.3.3 Not to sub-let or agree to sub-let the whole of the Premises without the previous consent of the Landlord (which consent shall not be unreasonably withheld or delayed) provided always that:-
- (a) the sub-lease shall be granted without any fine, premium or *grassum*;
  - (b) the rent shall not be less than the then open market rent in respect of the Premises and shall be payable in advance on the dates on which rent is payable under the Lease;
  - (c) the sub-lease shall contain materially the same terms as those contained in the Lease and in particular shall contain a prohibition against sub-letting or assigning or otherwise dealing with the Premises without the prior consent of the Landlord (such consent not be unreasonably withheld or delayed). The Tenant must enforce the obligations of the sub-tenant under any permitted sub-lease (and must not release or waive any obligation in a permitted sub-lease at any time).;
  - (d) in the event of any material breach or non-performance of any of the terms of the Lease by any permitted sub-tenant, the Tenant shall as soon as reasonably practicable and at their own expense institute the appropriate proceedings and take all reasonable steps to procure the remedy of such breach or non-performance, but without prejudice to the rights and claims of the Landlord arising directly or indirectly therefrom; and
  - (e) notwithstanding the foregoing provisions of this Clause 5.3 or any other provisions of the Lease, the Tenant shall without the consent of the Landlord be entitled to part with or share occupation of the whole or any part of the Premises with any holding company or subsidiary of the Tenant or a subsidiary of such holding company (as the terms "subsidiary" and "holding company" are defined in Section 1159 of the Companies Acts 2006) ("Related Company") provided that (a) no tenancy rights are created or security of tenure thereby conferred; (b) the acceptance of rent or performance of other obligations by the Landlord from any Related Company shall not be deemed to be acceptance of any right of tenancy or otherwise in a question with a Related Company or the Tenant and the Landlord; (c) in questions with the Landlord, the Tenant shall be responsible for and shall indemnify the Landlord in respect of loss or liability arising from acts, neglects, defaults or omissions or a Related Company or for those whom they are responsible at law; (d) the Tenant previously intimated in writing to the Landlord the introduction of a Related Company and subsequently the date on which they cease to occupy any part of the Premises; (e) the Tenant bears any resultant increased premium or premiums in respect of the insurance of the Premises, which is properly and reasonably incurred; and (f) if any Related Company ceases to be a Related Company such occupation shall immediately cease.

## 5.4 Repair of the Premises

During the currency of the Lease well and substantially to maintain, repair and when necessary renew, rebuild and reinstate the Premises, whatever may be the nature, cause or degree of the defect or damage necessitating such maintenance, repair, renewal, rebuilding or reinstatement and shall include the obligation of keeping the Premises aired and warmed and generally in all respects in good and substantial repair and condition and carrying out painting and redecoration necessary to keep the Premises in good condition and repair all to the reasonable satisfaction of the Landlord, and that irrespective of the age or state of dilapidation of the Premises, the cause of or extent of the damage, deterioration or destruction of the Premises, but excepting always from the Tenant's obligations any obligation to repair, make good, pay for or contribute towards the cost of making good

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damage caused by an Insured Risk save to the extent that the insurance monies are rendered irrecoverable in whole or in part in consequence of any action, neglect, default or omission of the Tenant or others for whom the tenant is responsible at law). Declaring that, in the event of such repair, maintenance, renewal, rebuilding or reinstatement becoming necessary, the Lease shall (save to any extent otherwise expressly provided for in the Lease) not terminate but shall endure for the full period thereof.

## **5.5 Compliance with statutory requirements**

5.5.1 To comply with the requirements of any relevant Act of Parliament and any relevant notice which may be served after the Date of Entry by any public, local or statutory authority in respect of the Premises or the Tenant's use of the Premises and to execute all works directed or required to be executed on or in respect of the Premises whether by the owner of the Premises, by the Landlord, by the Tenant, by any other person having an interest in the Premises derived from the owner or by the occupier of the Premises, save where such works are necessitated by damage from an Insured Risk or the act or default of the Landlord.

5.5.2 Not by any act or omission in relation to the Premises to render the Landlord liable to pay any penalty imposed by or to bear any expense incurred under any Act of Parliament, direction, requirement or notice.

## **5.6 Decoration**

At reasonable times and at reasonable intervals but, in any event, in the last year of the Lease (however the Lease may be determined), to paint in a proper and workmanlike manner all the inside wood and iron and other work of the Premises usually painted, with two coats of good quality paint, and such internal painting shall be of a tint or colour to be approved by the Landlord (such approval not to be unreasonably withheld or delayed), as also with every such internal painting grain, varnish, paper and otherwise decorate in a proper and workmanlike manner all such internal parts of the Premises as have been so treated so that the tints, colours and patterns of all such works of internal decoration shall be such as shall be approved by the Landlord (such approval not to be unreasonably withheld or delayed); and the Tenant shall be bound, during the whole currency of the Lease, to use reasonable endeavours to ensure that all parts of the Premises and all fittings and fixtures therein are kept free from rust, dry rot, wet rot, woodworm and other sources of deterioration.

## **5.7 Cleaning**

To keep the Premises in a clean and tidy condition and clear of all rubbish.

## **5.8 Relief from occupiers' liability**

To free and relieve the Landlord of liability and responsibility in respect of the Premises imposed upon it by the Occupiers' Liability (Scotland) Act 1960 (save to the extent that the same is covered by the Insured Risks or the Landlord's Insurances).

## **5.9 Regulation of signs**

Not to paint, fit up or fix any sign, device or advertisement upon the windows of the Premises nor insert structural fastenings, staples or holdfasts nor cut, mark, paint or letter any part of the external walls without the previous consent of the Landlord, such consent not to be unreasonably withheld or delayed.

## **5.10 Prohibition of alterations**

Not to make any alteration or addition, structural or otherwise, in or to the Premises or erect any external signage at the Premises or signage visible from exterior of the Premises, in each case without the prior written consent of the Landlord, which in the case of non structural alterations or additions, will not be unreasonably withheld or delayed.

## **5.11 Prohibition of hazardous articles or operations**

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Not to knowingly bring into the Premises anything which is or may become dangerous, offensive, radioactive or explosive nor to carry on or do any hazardous trade or act in consequence of which the Landlord might be prevented from insuring the Premises at the ordinary rate of premium or whereby any insurance effected in respect of the Premises or such other property could be vitiated or prejudiced or whereby any additional premium could become payable for the insurance of the Premises or such other property.

5.12 **Prohibition of overloading**

Not to knowingly place or keep in the Premises any articles in such position or in such quantity or otherwise in such manner as to overload or cause damage to or be in the Landlord's reasonable opinion likely to overload or cause damage to the Premises or any subjects common to the Premises and other property.

5.13 **Prohibition of obstruction of drains, etc.**

Not to knowingly obstruct, overload or in any way adversely affect the operation of any lift or escalator or any power, plumbing, heating, ventilation, alarm, fire fighting or fire control system situated within the Premises or serving (whether exclusively or otherwise) the Premises.

5.14 **Servitudes**

5.14.1 Not by building or otherwise to interrupt or obstruct any right (a "Servitude Right") of the nature of servitude, wayleave, privilege or encroachment enjoyed by any property. Not to permit any new Servitude Right to be acquired over, under or into the Premises.

5.14.2 To notify the Landlord as soon as reasonably practicable of any claim or attempt to exercise any new servitude right and at the cost of the Landlord to adopt such means as the Landlord may reasonably request for preventing the acquisition of any such right.

5.14.3 Not to give any third party any acknowledgement that the Tenant enjoys any Servitude Right in respect of the Premises by the consent of such third party nor to pay any sums of money to or enter into any agreement with such third party for the purpose of inducing or obliging such third party to abstain from interrupting or obstructing any such Servitude Right.

5.14.4 To notify the Landlord as soon as reasonably practicable in the event of the owner or occupier of any adjacent land or building doing or threatening to do anything which interrupts or obstructs or could interrupt or obstruct any Servitude Right enjoyed in respect of the Premises.

5.15 **Planning**

5.15.1 Subject to Clause 5.4 of the Lease, to comply in all aspects with the Planning Acts and to keep the Landlord indemnified in respect of matters arising out of the Planning Acts, resulting from a breach by the Tenant of its obligations under the Lease.

5.15.2 Not to make any application for planning permission or give any notice to any relevant authority of an intention to commence or to carry out any development coming within the definition of "development" for the purposes of the Planning Acts without the previous consent of the Landlord (such consent not to be unreasonably withheld or delayed) and as soon as reasonably practicable after the grant or refusal of such application to provide the Landlord with a copy of the notification of such grant or refusal for retention.

5.15.3 Not to implement any planning permission until any condition attached to such planning permission has been intimated to and approved by the Landlord (such consent not to be unreasonably withheld or delayed).

5.15.4 To notify the Landlord as soon as reasonably practicable of the receipt of any notice (including a notice of any order of a proposal for an order) served on the Tenant or at the Premises by any competent authority under or by virtue of the Planning Acts and, if so requested by the Landlord, to produce such notice to the Landlord.

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- 5.15.5 At the joint cost of the Tenant and Landlord to make or join with the Landlord in making such objection or representation against or in respect of any notice, order of proposal for an order as the Landlord may reasonably request.
- 5.16 **Notification of receipt of any notice**  
To notify the Landlord as soon as reasonably practicable of the occurrence of any event or the receipt of any notice, order of requisition or direction which may be capable of affecting the Landlord's interest in the Premises and, if so reasonably requested by the Landlord, to produce to the Landlord such notice, order requisition or direction.
- 5.17 **Notification of any improvement**  
To notify the Landlord as soon as reasonably practicable of any improvement of or other alteration to the Premises effected by the Tenant which could affect the amount for which the Premises or any other property in which the Landlord has an insurable interest should be insured by the Landlord.
- 5.18 **Notification of any damage or defect**  
To notify the Landlord forthwith of any damage to the Premises caused by any of the Insured Risks or any defect in the Premises which could give rise to a duty on the Landlord or on any other person having an interest in the Premises.
- 5.19 **Landlord's rights of entry**
- 5.19.1 To permit the Landlord at reasonable times during normal business hours and on reasonable prior written notice (or forthwith in the case of emergency) to enter the Premises and from any subjects common to the Premises and other property to view the state and repair of the Premises and to carry out works to subjects adjoining the Premises, provided that (1) such right of entry will be exercised in such a way as to cause the least inconvenience to the Tenant, their sub-tenants or any other authorised occupiers and the business carried on from the Premises; and (2) the Landlord shall promptly make good all damage caused thereby to the Tenant's reasonable satisfaction and (3) there is no practicable alternative to entering the Premises for such purposes.
- 5.20 **Termination of the lease**
- 5.20.1 At the date of termination to remove from the Premises and leave the Premises vacant and clear in such repair, decoration and condition in all respects in accordance with the obligations undertaken by the Tenant under the Lease.
- 5.20.2 At the date of termination, and unless otherwise required by the Landlord not less than 6 months prior to the date of termination (declaring that the Landlord shall respond within a reasonable period to any request made by the Tenant within the period commencing 9 months' prior to the termination date as to the extent to which alterations and additions are to be removed), the Tenant must remove all alterations and additions made to the Premises (a) during the Duration; and (b) as detailed in the Tripartite Licence amongst MJ Gleeson Group plc, Capital Bank plc and Hydro Seafood GSP Limited dated 4 May and 1 June 1998 and 10 March 1999 and registered in the Books of Council and Session on 31 March 1999. The Tenant hereby undertakes to obtain all local authority necessary and required consents and permissions and to comply with all obligations on the Sub-Tenants as defined in the said Tripartite Licence, in removing such alterations and additions. The Tenant shall make good any damage caused by the removal of all such alterations and additions prior to the date of termination and that to the Landlord's reasonable satisfaction. The Tenant will be under no obligation to (but shall be entitled to) remove or reinstate the partitioning highlighted green on Plan 3, save in the event that the lease terminates on the Break Date as a result of the Tenant exercising its break option contained in clause 2.2 of the Lease, in which event the Tenant shall remove the said partitioning, leaving the Premises as an open plan unit on or prior to the Break Date (unless otherwise required by the Landlord not less than 6 months prior to the date of termination).
- 5.21 **Applications for consent**

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Upon making an application for any consent or approval which is required under the Lease to disclose to the Landlord such information as the Landlord may reasonably require and pay the Landlord's reasonable and properly incurred expenses in connection with such application (including any application where consent is refused or the application is withdrawn) but excluding any occasion on which the Landlord unreasonably withholds to approval notwithstanding an obligation not to do so).

5.22

## **Indemnity**

The Tenant binds and obliges itself to indemnify the Landlord and keep it indemnified from legal liability in respect of any injury to or death of any person, damage to any property, moveable or immovable, the infringement, disturbance or destruction of any right, servitude or privilege or otherwise by reason of or arising out of any breach by the Tenant of its obligations under the Lease, and from all proceedings, costs, claims and demands in respect of any such liability, except in so far as the Landlord may already be indemnified by receipt of the insurance proceeds of any public liability insurance taken out by the Landlord. The said indemnity shall not apply where arising through any act, or default or negligence on the part of the Landlord or those for whom the Landlord is legally responsible.

6.

## **INSURANCE AND DESTRUCTION OR DAMAGE**

6.1

The Development (including the Premises) and the plate glass in the Premises (if any) shall be insured and kept insured by the Landlord (with the Tenant's interest noted thereon either specifically or generally) with a reputable UK insurance company against loss or damage by the Insured Risks for such sum as represents the full cost of Reinstatement thereof (such cost to be not less than the cost determined by the Landlord's surveyor acting reasonably and including such proper and reasonable sums (related to Reinstatement cost) for architects, surveyors and engineers fees) together with insurance for Loss of Rent and Service Charge for 3 years. The Landlord shall maintain adequate insurances in respect of Property Owner's Liability (for not less than £1,000,000), Third Party Liability and Employer's Liability.

6.2

The Tenant shall allow representatives of the Landlord's insurers access to the Premises at reasonable times during normal business hours and on reasonable prior written notice to carry out any inspection and shall give any reasonable assistance necessary in having such inspections carried out, and shall comply with any requirements of the insurers.

6.3

If the Premises or any part thereof or any part of the Common Parts upon which the Premises depend for access, fire escape, egress or other necessary purposes are at any time during the Duration destroyed or so damaged by any of the Insured Risks and provided that the Landlord's insurance shall not have been rendered void or voidable or the payment of policy monies refused or withheld in whole or in part in consequence of any act or default on the part of the Tenant or those for whom the Tenant is legally responsible and the Tenant has not made good such shortfall, the Landlord shall forthwith cause all monies received by virtue of such insurance (except for monies received in respect of loss of rent insurance which shall be paid out to the Landlord in satisfaction pro tanto of the rent) to be laid out (subject to all necessary statutory and other consents (which the Landlord shall use reasonable endeavours to obtain) being obtained) in rebuilding, repairing or reinstating the part or parts so damaged or destroyed and shall make up any shortfall from its own funds. Declaring that notwithstanding the foregoing, if the Premises or any part thereof or any part of the Common Parts upon which the Premises depends for access, fire escape, egress or other necessary purposes shall not have been rebuilt, reinstated or replaced or made good within the period of two years and eleven months from the date of destruction or damage caused by any of the Insured Risks, the Landlord or the Tenant (but in the case of the Tenant provided always that the policy or policies of insurance have not been rendered void or payment of the insurance monies refused in whole or in consequence of any act, default or omission of or by the Tenant and the Tenant has not made good such shortfall) may terminate the Lease by giving to the other one month's notice in writing to that effect, and on expiry of the said notice the Lease shall at once cease and determine and the Tenant shall forthwith give to the Landlord vacant possession of the Premises; such termination shall however be without prejudice to any claims competent to the Landlord and the Tenant against the other party arising prior to the expiry of the said notice or in respect of any breach by either party to such expiry of any obligation under the Lease.

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- 6.4 If the Premises or any part thereof or any part of the Common Parts upon which the Premises depends for access, fire escape, egress or other necessary purposes are at any time during the Duration are destroyed or so damaged by any of the Insured Risks to the extent that the Premises are wholly or partially unfit for occupation or use and neither the property insurance nor the loss of rent insurance has been vitiated nor payment of the policy proceeds refused in whole or in part in consequence of any act, neglect or default of the Tenant or those for whom they are legally responsible and the Tenant has not made good such shortfall, the rent and Service Charge payable under the Lease or such proportion of the rent and Service Charge as shall be reasonable, having regard to the nature and extent of the deprivation of occupancy or use, shall be suspended and cease to be payable until the Premises shall again be fit for beneficial occupation and use or until the expiry of a period of three years after the date of such destruction or damage, whichever shall be the earlier.
- 6.5 Any rule of law which has the effect of terminating the Lease on the occurrence of any destruction or damage which causes the Premises to be wholly or partially unfit for occupation and use (including (for the avoidance of any doubt) destruction or damage of any part of the Common Parts upon which the Premises depend for access, fire escape, egress or other necessary purpose) shall be inoperative.
- 6.6 Subject to the Tenant paying the Service Charge, the Landlord shall manage the Development throughout the Duration of the Lease in the interests of good estate management and without prejudice to that generality shall provide the services referred to in Part 2 of the Schedule.
7. **DISCLAIMERS**
- 7.1 Nothing in the Lease shall imply that the Premises may be used for the purpose or purposes authorised in the Lease in accordance with the Planning Acts and the Tenant acknowledges that the Landlord has not made or given at any time any representation or warranty that such use is or will remain a permitted use under the Planning Acts.
- 7.2 The Landlord shall not be liable for any injury, loss, damage or liability to third parties sustained or incurred by the Tenant arising out of or in connection with: any malfunction or breakdown of any lift or escalator of any power, plumbing, heating, ventilation, alarm, fire fighting or fire control system; or any latent defect or insufficiency in the Premises (save to the extent that such injury, loss, damage or liability is caused as a result of any act, neglect or default of the Landlord or those for whom they are responsible at law), provided that the Landlord shall be bound to take all practicable and reasonable steps to remedy and make good the same as soon as reasonably possible.
8. **LANDLORD'S REMEDIES ON DEFAULT BY TENANT**
- 8.1 The Tenant shall pay to the Landlord in demand interest at the Prescribed Rate on any sum falling to be paid by the Tenant to the Landlord (including any sum for the payment or expenditure of which the Landlord falls to be reimbursed by the Tenant) under the Lease and which remain unpaid fourteen days after being due, such interest to run (as well after as before any decree) from the date when such sum shall have become due by the Tenant until payment.
- 8.2 In the event of the Tenant:
- 8.2.1 painting, fitting up or fixing any sign, device or advertisement upon the windows, of the Premises;
  - 8.2.2 inserting in the walls of the Premises structure fastenings, staples or holdfasts;
  - 8.2.3 cutting, marking, painting or letting any part of the external walls; or
  - 8.2.4 making any alteration or addition in or to the Premises

# Registers of Scotland

otherwise than in accordance with the provisions of the Lease, the Landlord shall be entitled to serve a notice on the Tenant requiring the Tenant to make good such deficiency and in the event of the Tenant failing to comply with any such notice within fourteen days (or such longer period as may be appropriate having regard to the nature of the works required) to the reasonable satisfaction of the Landlord, the Landlord shall be entitled to remove the same, restore the Premises wherever so altered and make good any damage caused to the Premises by such removal or restoration.

8.3 In the event of the Tenant failing to fulfil the obligations undertaken by it under the Lease including the obligations in respect of:-

8.3.1 maintaining, repairing, renewing, rebuilding, decorating and cleaning the Premises;

8.3.2 executing all such works as are under or in pursuance of any Act of Parliament directed or required to be executed on or in respect of the Premises or the Tenant's use of the Premises;

8.3.3 leaving the Premises at the date of termination vacant and clear and in such repair, decoration and condition and in all such other respects as shall be in accordance with the obligations undertaken by the Tenant under the Lease; and

8.3.4 removing at the date of termination signs or paintings of the name or business of the Tenant or other occupier of the Premises from any subjects common to the Premises and other property;

then the Landlord shall be entitled to serve a notice on the Tenant requiring the Tenant to make good any such deficiency (whether before or within 2 months after the Date of Termination) and in the event of the Tenant failing to comply with any such notice to the reasonable satisfaction of the Landlord within three months of the service of such notice (or sooner if appropriate or requisite) the Landlord shall be entitled to make good such deficiency.

8.4 If the Landlord exercises any of the rights conferred upon it by Clause 8 of the Lease, the Tenant shall reimburse the Landlord within 14 days of written demand all proper and reasonable expenditure so incurred.

8.5 Exercise of any of the rights conferred upon the Landlord by this Clause 8 shall be without prejudice to any other right of action or remedy available to the Landlord.

## 9. IRRITANCY

Subject to the provisions of Sections 4, 5 and 6 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 in the event that:

9.1 the rent or any other sum due by the Tenant (whether legally demanded or not) is at any time in arrears for 14 days after the due date for payment; or

9.2 the Tenant is at any time in breach of any of the non pecuniary obligations undertaken by it under the lease; or

9.3 the Tenant entered into any composition with its creditors or becomes notour bankrupt or sequestrated or (being a company) has a receiver or administrator or an administrative receiver appointed or the Tenant goes into liquidation whether compulsory or voluntary (other than a voluntary liquidation when solvent for the purpose of amalgamation or reconstruction) then and in any of any such events the Landlord at its option may by notice served on the Tenant bring the Lease to an end forthwith, but without prejudice to any other right of action or remedy available to the Landlord arising out of or in connection with failure to pay any rent or any other sum due by the Tenant, any breach of any non pecuniary obligation of the Tenant under the Lease or the premature termination of the Lease.

9.4 providing always that the Landlord's right of irritancy herein contained may not be exercised:-

9.4.1 in case of a breach which is capable of being remedied, albeit late, unless and until a reasonable period (specified in the aftermentioned notice and having due regard to the nature and extent of the breach complained and in the case of pecuniary obligations being a period of not less than 14 days) has elapsed after written notice has been given by the Landlord to the Tenant and every

# Registers of Scotland

creditor in any floating charge by the Tenant that has been notified to the Landlord detailing the failure or contravention and referring to this Clause 9 without the Tenant or any such creditor having remedied the same; or

- 9.4.2 in the case of the Tenant becoming insolvent or apparently insolvent or going into liquidation (other than for the purpose of reconstruction or amalgamation) or suffering a receiver or administrator to be appointed unless and until it shall first allow the interim trustee or permanent trustee or the liquidator, receiver or administrator as the case may be (such interim trustee and others being hereinafter generically referred to as the "Insolvency Practitioner") a period of six months or such shorter period as may be requested by the Insolvency Practitioner (provided that the Insolvency Practitioner shall personally accept and implement full responsibility for all outstanding obligations, including payment of monies, incumbent upon the Tenant under the Lease whether relating to a period before or after the said date of appointment until the earliest of (a) the expiry of the said period of six months, (b) the date of entry under a permitted disposal of the Lease, or (c) the expiry of the shorter period requested by the Insolvency Practitioner as the case may be) of the Tenant's interest in the Lease within the said period. The Landlord shall deal with any request for consent to assign this Lease by an Insolvency Practitioner in the same manner as if the request had been made by the Tenant. And it is hereby for the avoidance of doubt provided that demand for or acceptance of rent (and any other sums due hereunder) by the Landlord or its agents shall not constitute or be construed as a waiver of any of the obligations on the Tenant or of the Landlord's remedies for breach thereof provided that this provision shall have effect in relation only to a demand for or acceptance of rent (or other sums) during such period as may be reasonable for enabling the parties to carry out negotiations for remedying the breach after the Landlord has been made aware thereof.

## 10. SERVICE OF NOTICES

- 10.1 Every consent and approval under the Lease shall be in writing.
- 10.2 Every notice under the Lease shall be in writing and shall be served upon the party to whom it falls to be issued or addressed.
- 10.3 Any notice shall be sufficiently sent by recorded delivery post: to the Tenant at the address of its registered office (or, if the tenant is not an incorporated body, at its last known address); or to the Landlord at the address of its registered office (or, if the landlord is not an incorporated body, at its last known address) or, if the Landlord so requests, at the address of the Landlord's agents and such notice shall be deemed to be served on the Tenant or Landlord (as the case may be) at 48 hours after such posting.
- 10.4 In the absence of evidence to the contrary, in proving service it shall be sufficient to prove that an envelope containing the notice was duly addressed and posted in accordance with the provisions of this Clause 10.

## 11. PAYMENT OF LANDLORD'S COSTS

- The Tenant undertakes to reimburse the Landlord all expenses properly and reasonably incurred by the Landlord (including any land and buildings transaction tax, the cost of registration of the lease in the Books of Council and Session and obtaining three extracts, one of which shall be for the Tenant);
- 11.1 in connection with any assignment or sub lease or transmission or devolution of the Lease or of any sub-lease;
- 11.2 recording the conditions attaching to any consent granted by the Landlord in respect of any alteration or addition in or to the Premises;
- 11.3 in the preparation and service of a schedule of dilapidations whether before or within four months after the Date of Termination; and
- 11.4 in procuring the payment of any arrears due by the Tenant or the remedy of any breach of non pecuniary obligation undertaken by the Tenant under the Lease.

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12. **WARRANTICE**

The Landlord grants warrantice.

13. **REGISTRATION**

The parties consent to registration of the lease for preservation and execution IN WITNESS WHEREOF these presents consisting of this and the preceding 13 pages together with the Schedule of three parts and the three Plans annexed as relative hereto are executed as follows:-

SUBSCRIBED for and on behalf of  
Scottish Sea Farms Limited

at  
on the 13TH day  
of OCTOBER 2016

by [Signature] Director/Secretary/Authorised Signatory  
SIM GARDNER Full Name

before this witness

[Signature] Witness  
Emma Leyden Full Name  
62 Hazelbank Address  
Gardens, Stirling, FK8 1QA

SUBSCRIBED for and on behalf of  
Hazledene House Limited

at DOUGLAS, ISLE OF MAN  
on the 13th day  
of October 2016

by [Signature] Director  
JOHN MICHAEL KILLIP Full Name

before this witness

[Signature] Witness  
GRAHAM CHARLES CRAIG Full Name  
PORT AVENUE, DOUGLAS, IOM Address

# Registers of Scotland

This is the Schedule referred to in the foregoing Lease between HAZLEDENE HOUSE LIMITED and SCOTTISH SEA FARMS LIMITED relative to Office premises on the Second Floor of the East Wing of the building known as Laurel House, Laurelhill Business Park, Stirling

## SCHEDULE

### Part 1 – Service Charge

#### 1. DEFINITIONS

In this part of the Schedule:-

- 1.1 "Auditor" means an independent accountant or auditor appointed by the Landlord from time to time to prepare accounts and certificates relating to the calculation of the Service Charge;
- 1.2 "First Year" means the period from the Date of Entry to 28 February 2017 (or such other date as may have been specified in accordance with sub-paragraph 1.7 of this Part of the Schedule) in the year next following;
- 1.3 "Last Year" means the period commencing on the 1 March (or such other date as may have been specified in accordance with sub-paragraph 1.9 of this Part of the Schedule) immediately preceding the expiration or sooner determination of the Duration and ending on such expiration or sooner determination;
- 1.4 "Managing Agent" means the properly qualified surveyor or managing agent appointed by the Landlord (acting reasonably) from time to time, or in the absence thereof the Landlord;
- 1.5 "Service Charge" means the sum calculated in the manner set out in paragraph 2 of this Part of the Schedule and payable in the manner set out in paragraph 5 of this Part of the Schedule;
- 1.6 "Service Expenditure" means the proper and reasonable expenditure referred to in Part 2 of the Schedule under exclusion of costs, which would otherwise form part of the Service Expenditure, relating to repairs, reinstatement, renewals, rebuilding or reconstruction or others necessitated by (One) the occurrence of any of the Insured Risks (except to the extent that the proceeds under the insurance policy or policies effected by the Landlord under the Landlord's property insurance detailed in Clause 6 of the Lease shall have been refused or withheld in consequence of any act or default of the Tenant or those for whom it is legally responsible and the Tenant has not made good such shortfall), (Two) any act, neglect, default or omission of the Landlord or those for whom the Landlord is legally responsible; (Three) any Lettable Premises being unlet; (Four) attempting to let any Lettable Premises including advertising or promotional costs; (Five) any dealing or attempted dealing by the Landlord in or with its interest in the Development; (Six) the non-payment of any sums due from other tenants or occupiers of the Building; (Seven) any improvements to the Development or any plant and equipment to the extent that such costs exceed the cost of repairing and maintaining (and where beyond economic repair, renewing or replacing) the same in accordance with the Landlord's obligations in Part 2 of the Schedule; and (Eight) any extension of the Development.
- 1.7 "Service Charge Percentage" means that proportion of the Service Expenditure expressed as a percentage equivalent to the proportion which the net internal area of the Premises bears to the net internal area of the Lettable Premises or such other fair and equitable percentage as may be substituted by the Landlord (acting reasonably) from time to time as provided for in paragraph 2.3 of this Part of the Schedule;
- 1.8 "Year" (other than in relation to the First Year and the Last Year as herein defined) means each consecutive period of twelve months beginning with 1 March provided always that the Landlord may (acting reasonably) determine that the Year may be a different period of twelve months and that during the transition period be greater or lesser than one year in which case Year shall mean the duration of such transition period.

#### 2. PROPORTION OF SERVICE CHARGE AND VARIATION OF SERVICE CHARGE APPORTIONMENT

# Registers of Scotland

- 2.1 The Service Charge shall in relation to any Year other than the First Year and the Last Year consist of the Service Charge Percentage of the Service Expenditure and, provided that pending determination of the Service Expenditure, it shall be the Managing Agent's proper and reasonable estimate of the Service Expenditure in terms of paragraph 3 of this Part of the Schedule;
- 2.2 The Service Charge shall in relation to the First Year and the Last Year consist of the Service Charge Percentage of such reasonable part of the Service Expenditure (subject to the proviso referred to in sub-paragraph 2.1 above) whenever disbursed incurred or made and whether prior to the date hereof or otherwise, all as the Managing Agent in the reasonable exercise of his discretion allocates as being fair and reasonable in the circumstances;
- 2.3 If at any time during the Duration, the extent of the Building is adjusted on a permanent basis or the benefit of any of the services performed by the Landlord under the Lease is extended to adjoining or neighbouring property or if some other event occurs as a result of which the Service Charge Percentage then applicable to the Premises is no longer fair and appropriate to the Premises or if the Landlord acting reasonably and in the interests of good estate management and in the interests of the tenants of the Building as a whole determines that the Service Charge Expenditure should be divided into categories and separate Service Charge Percentages introduced in respect of each such category of expenditure or allocated in a different manner to different parts of the Building, then the Service Charge Percentage then applicable to the Premises shall be varied and/or additional Service Charge Percentages introduced with effect from the commencement of the relevant Year following such event, by agreement between the parties or in default of agreement within three months of the first proposal for variation made by the Landlord, in such manner as shall be determined to be fair and reasonable in the light of the event in question by an arbiter appointed by the Landlord (acting reasonably).
3. **ESTIMATES**
- The Managing Agent, acting reasonably and in accordance with the principles of good estate management, shall within two months before or as soon as practicable after the commencement of each Year (other than the First Year) (but the Tenant shall not be entitled to object to any delay on the part of the Managing Agent) prepare an estimate of the Service Expenditure for that Year and shall in respect of the First Year prepare an estimate of the Service Expenditure for the First Year.
4. **CERTIFICATION**
- 4.1 As soon as practicable after the calculation of the Service Expenditure shall have been completed in respect of any Year or part thereof (including the First Year and the Last Year) the Auditor shall certify the amount of the Service Expenditure for that Year and such certificate of the Service Expenditure (in the absence of manifest or demonstrable error) shall be final and binding on the Tenant and the Landlord.
- 4.2 Such certificate of the Service Expenditure shall contain a fair and accurate summary of the expenses and outgoings incurred by the Landlord during the Year to which it relates which are properly comprised in the Service Expenditure for that Year and confirm the relevant service charge proportion(s) in respect of the Lettable Premises during the period of (or periods within) the relevant Year.
5. **TIMES OF PAYMENT**
- 5.1 The Service Charge based upon the Managing Agent's proper and reasonable estimate of the Service Expenditure in respect of each Year (excluding the First Year) pursuant to paragraph 4 of this Part of the Schedule shall be payable by equal quarterly instalments in advance on the Quarter Days;
- 5.2 The Service Charge for the First Year based upon the Managing Agent's proper and reasonable estimate of the Service Expenditure for the First Year shall be payable on the Date of Entry and on whichever of the Quarter Days fall between the Date of Entry and the end of the First Year apportioned pro rata;
- 5.3 Any credit due to the Tenant at the end of any Year other than the Last Year shall be retained by the Landlord and deducted from the immediately succeeding payment due by the Tenant for the

# Registers of Scotland

Service Charge and any credit due to the Tenant at the end of the Last Year shall be paid to the Tenant within 14 days of the calculation of the actual Service Expenditure for that Year being certified, with interest at the Prescribed Rate in the event of late payment from the due date until payment is made to the Tenant in full; any underestimate of Service Charge for any Year and/or the First Year and/or the Last Year shall be payable by the Tenant to the Landlord within 14 days of written demand by the Landlord;

5.4 If the Tenant shall not have been given notice of the Managing Agent's estimate of amount of the Service Charge for any Year before the first Quarter Day (or other date substituted therefor as aforesaid) in that Year the Tenant shall on that and any subsequent Quarter Day (or other date substituted therefor as aforesaid) before such notice is given pay an amount equal to the last quarterly payment of Service Charge in respect of the previous Year and the requisite adjustment by way of an additional payment in respect of any underpayment or credit in respect of any overpayment shall be made/given by adjusting the first quarterly payment after such notice has been given;

5.5 The provisions of this Part of the Schedule shall continue to apply notwithstanding the expiration or sooner determination of the Lease but only in respect of the period down to such expiration or sooner determination of the Lease.

## 6. PROVISION OF INFORMATION

The Landlord shall, at no cost to the Tenant, allow the Tenant or its agents, by prior appointment during the period of twelve months after the issue of any certificate referred to in paragraph 4 of this Part of the Schedule, to examine detailed accounts and supporting vouchers (or certified copies of vouchers) in respect of the Service Expenditure for the relevant Year at the offices of the Landlord or the Landlord's agent or some other location in the United Kingdom reasonably specified by the Landlord.

## 7. FURTHER SERVICE CHARGE PROVISION

Notwithstanding any term of the Lease, the Service Charge must not be increased by reason that any Lettable Premises:

- (a) remain unlet;
- (b) are let on terms that do not require the tenant or other occupier to pay a service charge; or
- (c) are let on terms that cap the liability of any tenant or other occupier for service charge.

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## Part 2 - Service Expenditure

### 1. PERFORMANCE OF LANDLORD'S OBLIGATIONS

#### Landlord's obligations

Expenditure properly and reasonably incurred in or about the performance of the obligations to provide the following services;

#### 1.1 Repairs etc. of Structure

Proper and reasonable costs of maintaining, repairing, decorating, lighting and cleansing and where necessary due to the same being beyond economic repair renewing the Common Parts and all (if any) ways, roads, pavements, sewers, drains, pipes, watercourses, walls, fences, passages or others which may belong to be leased by or be used by the Landlord or the tenants of the Building along or in common with other premises near or adjoining the Building, including any amounts which the Landlord may properly be called upon to pay as a contribution towards such expenditure;

#### 1.2 Rates

Any existing or future taxes, rates, charges, duties, assessments, impositions and outgoings whatsoever (whether parliamentary, local, national or regional and whether or not of a capital or non-recurring nature) which are at any time during the Duration payable in respect of the Common Parts;

#### 1.3 Other outgoings

All charges, assessments and outgoings for water, electricity, fuel, telephone and public or statutory utilities payable in respect of the Common Parts, including the proper and reasonable cost of the operation and running of the central heating and comfort cooling systems in the Building;

#### 1.4 Staff Costs

Proper and reasonable costs of providing and administering staff including wages, salaries, and the costs of providing special clothing and uniforms of and for all persons from time to time employed by the Landlord exclusively for purposes connected with the Development and payments in respect of national insurance, graduated pensions, industrial training levies, redundancy and similar or ancillary payments required to be made by statute;

#### 1.5 Refuse collections

Proper and reasonable costs of periodic refuse collection services together with any additional levy imposed by the local or other competent authority;

#### 1.6 Lighting etc

Proper and reasonable costs of lighting and furnishing the Common Parts to such standard as the Landlord may from time to time determine acting reasonably and in accordance with the principles of good estate management, including provision and operation of floodlighting outside the Building;

#### 1.7 Maintenance equipment

Proper and reasonable costs of inspecting, maintaining, repairing, operating and where necessary due to the same being beyond economic repair renewing and replacing of any machinery articles and materials for the purpose of refuse collection and the costs of inspecting maintaining, repairing, servicing and when necessary due to the same being beyond economic repair replacing and renewing and cleaning and treating the Common Parts, and including the proper and reasonable cost of entering into any contracts for the carrying out of any or all of these services which the Landlord may acting reasonably and in accordance with the principles of good estate management deem necessary.

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1.8 **Parking**

Without prejudice to the generality of paragraph 1.8 of this Part of the Schedule, controlling traffic in the Development including maintaining, operating, repairing and where necessary due to the same being beyond economic repair renewing and replacing, automatic barriers and control equipment.

1.9 **Managing Agent's Fees**

Properly incurred and reasonable fees of any external Managing Agent as defined in Part 1 of the Schedule and if no such external Managing Agent is employed, a proper and reasonable fee for the provision of such management by the Landlord (but not fees charged by the Managing Agent for the initial letting or reletting of the Premises or other Lettable Premises in the Building) which fees shall be on the basis of services supplied and not linked to the levels of rent or Service Expenditure for the Building.

1.10 **Professional Fees**

Properly incurred and reasonable fees and charges of the Auditor and any other accountant, architect, engineer, surveyor or other professional adviser employed to certify any matter or thing to be certified for the purpose of any provisions of this Part of the Schedule or Part 1 of the Schedule and the proper and reasonable costs of reasonable, regular (but not more than once in every three years) independent professional valuations of the relevant parts of the Development (including the Building and relevant parts of the Building) for the purpose of assisting towards the determination of the full cost of reinstatement.

2. **OTHER AMENITY FACILITIES ETC**

Expenditure properly and reasonably incurred in the provision, inspection, maintenance, repair and where necessary due to the same being beyond economic repair replacement and renewal of such, shrubs, flowers, and other plants and of such flags, flagpoles, decorative lights, or other like amenities as the Landlord acting reasonably and in accordance with the principles of good estate management shall think fit to provide or maintain on or in the Development.

3. **SECURITY SERVICES**

Expenditure properly and reasonably incurred in the provision of any security staff, contractors and equipment and apparatus as the Landlord shall acting reasonably and in accordance with the principles of good estate management think fit and proper to employ and/or use and in the maintenance and where necessary due to the same being beyond economic repair the replacement and renewal of such security equipment from time to time.

4. **LEASING AND FINANCING COSTS**

The proper and reasonable costs of leasing any item reasonably required for the purpose of carrying out any of the matters referred to in this Part of the Schedule.

5. **VAT**

VAT charged to the Landlord or its agents in respect of any item of expenditure specified or referred to in this Part 2 of the Schedule, except to the extent (if any) that the Landlord or its agents are entitled to recover or reclaim the same from HM Revenue and Customs.

6. **ORDERS, STATUTORY REQUIREMENTS ETC.**

6.1 Expenditure properly and reasonably incurred in taking all steps deemed expedient by the Landlord acting reasonably and in accordance with the principles of good estate management for complying with or making representations against or otherwise contesting the incidence of the provisions of any legislation or orders or statutory requirements thereunder concerning town planning, compulsory purchase, public health, highways, streets, drainage, environmental or other matters relating to or alleged to relate to the Development, to the extent that this is expenditure for

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which neither the Tenant nor the tenants of other premises within the Development or any one or more of them are directly responsible under the Lease or their leases (as the case may be).

- 6.2 Without prejudice to the generality of paragraph 6.1 of this Part of the Schedule, all expenditure required to free and relieve and indemnify the Landlord on demand in respect of compliance by the Landlord with the environmental laws so far as relating to the Development but only to the extent that the relevant breach did not exist as at the Date of Entry and was not caused by the Landlord or their predecessors in title in respect of the Development.

7. **FIRE FIGHTING EQUIPMENT ETC.**

Expenditure reasonably and properly incurred in providing fire fighting equipment appliances (including fire alarm sprinkler systems and smoke detectors) and any other signs or other notices required by the local fire officer (other than such as are supplied in the Premises by the Tenant) and the cost of repair and maintenance of the same.

8. **TITLE DEEDS**

Any costs exigible from or in respect of the Development in terms of the titles for the Building.

9. **OTHER MATTERS**

Expenditure on the proper and reasonable cost of any other service or matter relative to the Development which the Landlord, acting reasonably and in accordance with the principles of good estate management and having regard to the interests of all the tenants of the Development considers ought properly to be provided for the efficient management and use of the Development or reasonably calculated to be for the benefit of the tenants of the Development.

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## Part 3 – Exceptions and Reservations

### 1. PASSAGE OF UTILITIES

The right to free and uninterrupted passage of and running of ventilation, heating, water, soil, drainage, gas, electricity and telephone and other services in and through the Conducting Media.

### 2. ENTRY FOR REPAIR

The right to enter upon the Premises (but only where there is no practicable alternative) at reasonable times during normal working hours with agents, workmen and others and with or without equipment and/or materials on not less than 4 working days prior written notice (or no notice in cases of emergency) for the purposes of:-

2.1 cleaning (including windows), inspecting, repairing, altering, maintaining or renewing any part of the Development including without limitation any part of the Common Parts; and

2.2 building, constructing, rebuilding and/or altering, from the Premises, any buildings on any other land adjoining or neighbouring the Premises and of installing (whether by way of replacement or extension) new or additional parts of any of the Conducting Media, in, upon, under or near to the Premises or any part or parts thereof.

### 3. RIGHT OF SUPPORT

The right of support from the Premises for the remainder of the Development.

### 4. RIGHT TO USE WALLS, ETC

The right to take into use all boundary walls of and Conducting Media within the Premises and to build upon, connect with or otherwise use the same, the Landlord making good all physical damage thereby occasioned to the Premises and causing as little interference as reasonably possible to the Tenant.

### 5. RIGHT TO ATTACH FIXTURES TO OUTSIDE WALLS

The right to affix at any time during the duration to the Common Parts or blank elevations of any other part of the Development any such items which may be considered by the Landlord acting reasonably to be requisite and including fire escapes, information panels, and other articles or structures of a like nature, television aerials and connections, lighting, brackets (with lamps attached), seats, or waste paper receptacles.

### 6. SCAFFOLDING

The right to erect scaffolding, ladders or other equipment for any purpose connected with or related to the Development provided that any ladders, scaffolding or similar equipment is kept in place for the minimum period reasonably required and is removed as soon as reasonably practicable and that the Tenant is at all times afforded reasonable access to and egress from the Premises.

### 7. VARIATION AND CONTROL OF COMMON PARTS

The right (having due regard to the interests of good estate management) to:-

7.1 vary, alter, restrict or extend the Common Parts, the Landlord making good all physical damage thereby occasioned to the Premises; and

7.2 regulate and control the use of the Common Parts, and in particular (but without prejudice to the generality of the foregoing) to vary, alter, change the use of close or control access and/or egress to and from the whole or any part thereof (provided that the Landlord shall, where appropriate, provide reasonable alternative access).

Declaring that in the exercise of the foregoing rights specified in this Part 3 of the Schedule the following conditions shall apply:-

# Registers of Scotland

- (i) all damage to the Premises and to the Tenant's fittings and fixtures therein and thereon and any damage caused to the part of the Development upon which the Premises depend for access, support or servicing shall be made good by the Landlord within a reasonable period of time (having regard to the nature of such damage) and to the satisfaction of the Tenant (acting reasonably);
- (ii) all of the foresaid rights shall be exercised in such a manner as will cause the minimum practicable disruption and inconvenience to the Tenant and the use of the Premises and/or the Car Parking Spaces and the business carried on by the Tenant from the Premises and/or the Car Parking Spaces;
- (iii) the Landlord shall be prohibited from carrying out any alterations which materially diminishes the Tenant's ability to use and enjoy the Premises and the Car Parking Spaces and/or their interest in the Premises and the Car Parking Spaces and those parts of the Development upon which the Premises depend for access, support and servicing, including (a) anything which reduces the floor area of the Premises; (b) anything which restricts access to the Premises and/or the Car Parking Spaces; (c) anything which imposes on the Tenant an inequitable proportion of any right of burden shared by the Tenant in common with the Landlord or any other party; and (d) any material alteration to the entrances and exits of the Premises and/or the Development.

X Jim Gamble  
SSF

X Hill

And the said Lords grant Warrant for lawful execution hereon.

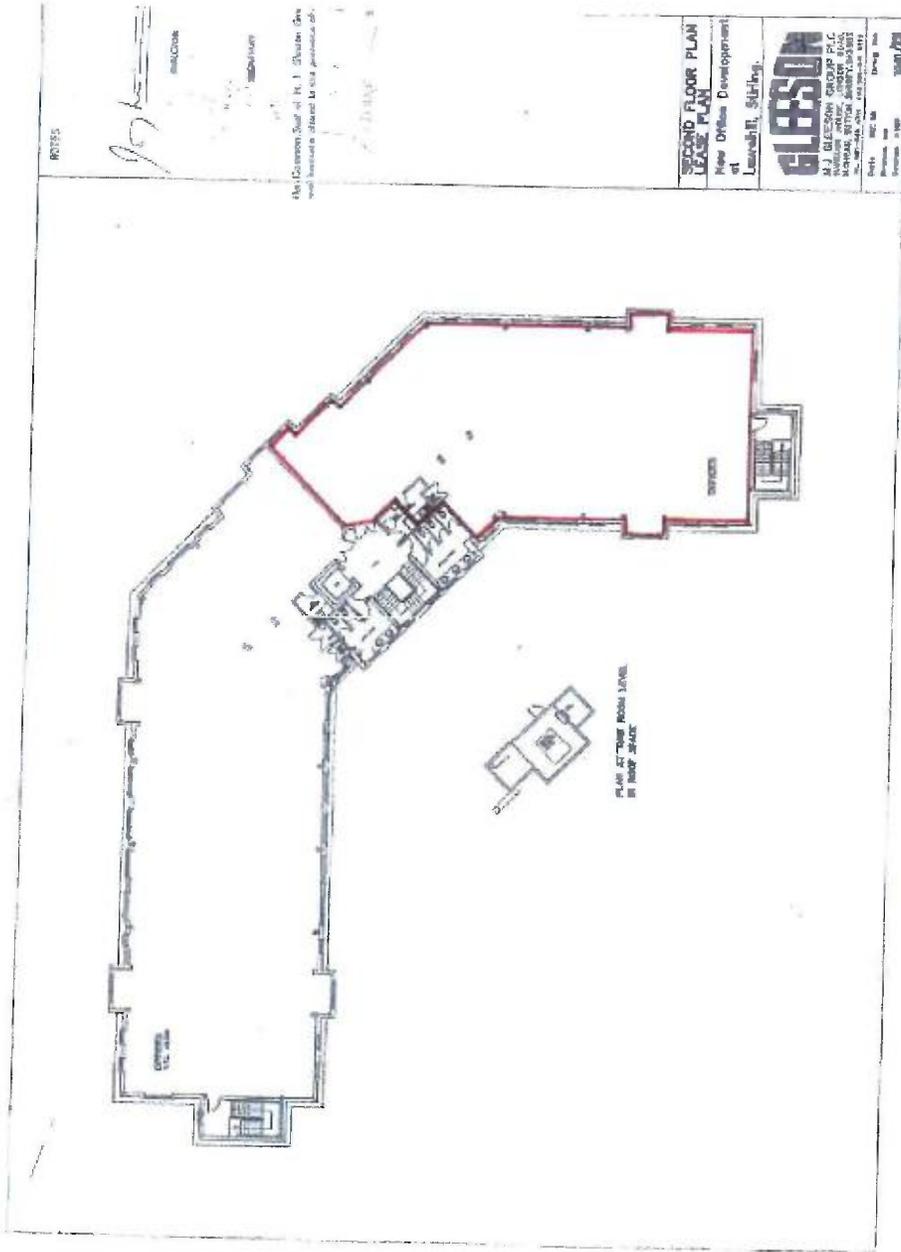
EXTRACTED by me having commission to that effect from the  
Keeper of the Registers of Scotland.

SF

This is also a ...

This is Plan 1 annexed to the foregoing Lease between Harzedene House Limited and Scottish Sea Farms Limited.

Plan 1



*Jim Gannell*

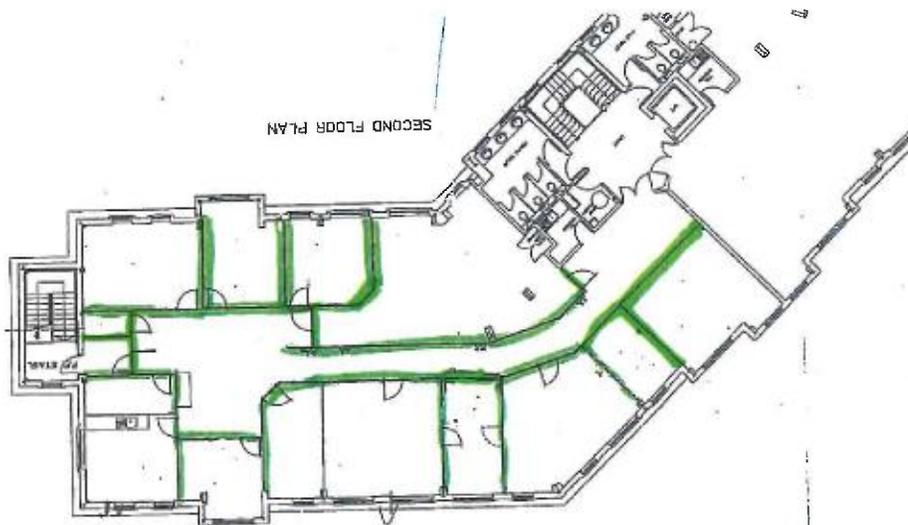
SS.F





This is plan 3 annexed to the foregoing  
Lease between Hazledere House Limited  
and Scottish Sea Farms Limited.

Plan 3



← *for gateway* → SSF

← *[Signature]* → HHL