

Heads of Terms

(Subject to Contract & Without Prejudice)

Property: 25 Norman Way, Over, CB24 5QE

Date: 9 November 2019

1.0 Demise

The Property known as Unit 25 Norman Way, Over, CB24 5QE comprising some 12,000 sq ft including the front forecourt and parking area.

2.0 Landlord

Newco TBC

Details to be confirmed

Contact: Heikki Lanckriet

Tel: 07791 775 353

3.0 Landlord's Solicitors

DWF

4.0 Tenant

Expedeon Holdings Limited

25 Norman Way Industrial Estate, Norman Way, Over, Cambridge, England, CB24 5QE

5.0 Tenant's Solicitor

Herbert Smith Freehills LLP

Exchange House, Primrose Street, London, EC2A 2EG

6.0 Lease

The tenant will be granted a new full repairing and insuring lease for a term of 2 years to be contracted outside the security of the Landlord & Tenant Act 1954

The tenant shall be required to keep the Property in good order, repair and condition provided however that the tenant will not be liable to keep the Property in any better state or condition that is evidenced by a photographic schedule of condition which will be annexed to the lease.

The landlord shall at its cost procure an up to date asbestos survey and management register for the Property and the tenant shall allow the asbestos surveyors all necessary access to the Property to undertake the survey. The landlord shall provide a copy of the report and register to the tenant.

7.0 Break option

There will be a tenant option to break on the first anniversary of the Term Commencement Date and a further option following a period of 18 months from the Term Commencement Date, both of which are subject to a minimum of 6 months' prior written notice (time to be of the essence). The break options will be subject to the tenant yielding up the Property on the relevant break date free from its occupation and the occupation of any other lawful occupier and without any continuing underleases and the tenant paying the rent, service charge and insurance up to and including the break date.

8.0 Rent

The initial rent will be £180,000.00 per annum (exclusive of VAT) payable by standing order quarterly in advance on the usual quarter days from the Term Commencement Date with the first payment due on [6] January 2020.

The Property has been elected for VAT which will be chargeable on all payments due by the tenant subject to the provision of appropriate VAT notices.

9.0 Service charge / insurance

The tenant will be responsible for paying any estate service charge. Landlord will insure the Property against all normal commercial risks and loss of rent and the tenant will reimburse the costs of effecting such insurance to the landlord. Tenant's stock, fixtures and fittings etc. are to be insured by the tenant. In the event there is damage by an insured or uninsured risk that leaves the Property incapable of occupation, the tenant shall have a right to terminate the lease.

10.0 Outgoings

The tenant will be responsible for Business Rates and all other outgoings and utilities in respect of the Property.

11.0 Alienation

(i) Underletting

The tenant will be permitted to sublet the entire premises, subject to landlords consent not to be unreasonably withheld or delayed. Any underlease must be contracted outside the Landlord and Tenant Act 1954 and be at the then current open market rent.

The tenant shall not be permitted to underlet part only of the Property.

(ii) Assignment

The lease will permit an assignment of the whole, subject to landlords' consent not to be unreasonably withheld or delayed and the assignee being demonstrably capable of fulfilling the obligations on the part of the tenant in the lease. It is a requirement of the landlord that, where reasonably required, the tenant will enter into an AGA or such other direct covenants as the landlord may reasonably require.

The tenant shall not be permitted to assign part only of the Property.

(iii) Sharing occupation

The lease will permit sharing occupation of the Property with group companies, subject to the condition that the company remains a group company of the tenant.

12.0 Alterations

The tenant will be permitted to undertake non-structural internal alterations, subject to landlord's consent not being unreasonably withheld. For the avoidance of doubt, the tenant shall not be permitted to make any structural or external alterations to the Property.

Any alterations will be subject to a formal licence being entered into by the parties prior to the commencement of the works and full reinstatement at the end of the term, or sooner determination thereof (unless otherwise required by the Landlord in writing not less than 3 months prior to the end of the Term).

The tenant is to provide full details and associated plans of any proposed non-structural internal alterations, fit-out and signage for the landlord's approval at the earliest opportunity, in order that it is documented accordingly at lease completion.

13.0 Permitted use

The permitted use will be for office accommodation or any other use falling within Classes B1, B2 and B8 of the Town & Country Planning (Use Classes) Order 1987 with the prior written consent of the landlord. The landlord shall at its own cost use all reasonable endeavours to procure planning permission from the relevant local planning authority, for the use of part of the land held in title number CB427355, located at 25 Norman Way as a car park (sui generis use).

14.0 Timescales

The lease is to have a start date of 1 January 2020

15.0 Legal costs

Each party to bear their own legal and surveyors costs. Stamp duty land tax ("**SDLT**") (if any) to be paid by the tenant.

16.0 The Heads of Terms are subject to:

- Contract

These Heads of Terms outline the principal terms of the agreement, but full details will be set out in a draft documentation prepared by the landlord's solicitor.