

DATED 23 November 2012

RENT DEPOSIT DEED

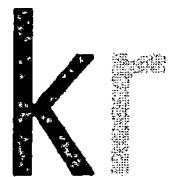
Relating to

**UNITS A TO H SPECTRUM HOUSE, CLIVEMONT ROAD
CORDWALLIS INDUSTRIAL ESTATE
MAIDENHEAD, BERKSHIRE SL6 7FW**

BETWEEN

MAIDENHEAD INDUSTRIAL ESTATES LIMITED (1)

iomart GROUP PLC (2)



SOLICITORS

Kidd Rapinet
33 Queen Street
Maidenhead
Berkshire SL6 1NB
Tel 01628 621301
Fax: 01628 783150
www.kiddrapinet.co.uk

Ref: 04.40.hdk.MA11/90

Dated

23

of November

2012

PARTIES

- (1) **MAIDENHEAD INDUSTRIAL ESTATES LIMITED** incorporated and registered in England and Wales with company number 660031 whose registered office is at Belmont Place, Belmont Road, Maidenhead, Berkshire SL6 6TB (**Landlord**).
- (2) **iomart GROUP PLC** incorporated and registered in Scotland with company number SC204560 whose registered office is at Lister Pavilion, Kelvin Campus, West of Scotland Science Park, Glasgow G20 0SP (**Tenant**).

BACKGROUND

- (A) This deed is supplemental and collateral to the Leases.
- (B) The Landlord is entitled to the immediate reversion of the Leases.
- (C) The residue of the Terms are now vested in the Tenant.
- (D) It was a condition precedent to the Landlord's granting the Leases to the Tenant that the Tenant would deposit with the Landlord the Deposit in accordance with the terms of this Deed and the parties have hereto entered into this Deed to satisfy such requirement.

AGREED TERMS

1. INTERPRETATION

1.1 The definitions in this clause apply in this deed.

Account: a separate, designated interest bearing deposit account in which to hold the Deposit at the Bank in the name of the Landlord and designated "re iomart Group Plc – Rent Deposit Account".

Bank: The Royal Bank of Scotland plc and its successors and assigns or such other reputable bank or building society in England or Wales as the Landlord may from time to time nominate.

Default: any failure by the Tenant to:

- (a) pay the whole or any part of the Rents and any other sums reserved by the Leases on the due dates for payment prescribed by

the Leases, and in respect of the annual rent only whether formally demanded or not;

- (b) observe and perform any tenant covenant contained or referred to in the Leases including the reinstatement of the Property at the end of the Terms granted by the Leases howsoever determined; and
- (c) make good to the Landlord any reasonable and proper expense, cost, loss, damage or liability on the part of the Tenant arising from the determination of the Leases before the end of the Term whether by forfeiture or the disclaimer of the Lease by any liquidator or trustee in bankruptcy of the Tenant.

Deposit: means £240,000 (Two Hundred and Forty Thousand pounds) (including an amount equal to VAT in the sum of £40,000 (Forty Thousand Pounds)) and any other sums from time to time standing to the credit of the Account.

Expenses: any reasonable and proper expenses, costs, losses, damages or other liabilities arising from either forfeiture or disclaimer of the Leases by any liquidator or trustee in bankruptcy of the Tenant including (but not limited to) the following costs and expenses:

- (a) the reasonable costs and expenses payable to legal advisers, surveyors and accountants for advice in connection with such forfeiture or disclaimer;
- (b) the reasonable costs and expenses for marketing the Property for reletting purposes for no more than four months from forfeiture or disclaimer
- (c) mesne profits from the date of forfeiture or disclaimer until the date of possession by the Landlord;
- (d) a sum of rent at an annual rate equal to the amount payable by the Tenant under the Leases immediately before the date of forfeiture or disclaimer, in respect of the period beginning on the date that possession is obtained until the earlier of the date on which the Property is relet and the expiry of six months from the date that possession is obtained;

- (e) the reasonable fees and expenses payable to any agents or surveyors in connection with the reletting or attempted reletting of the Property; and
- (f) the reasonable costs and expenses payable to legal advisers in connection with the reletting of the Property.

Interest: means any interest accruing on the Deposit.

Lawful Assignment: an assignment of either the whole of the Property demised by the Leases or the part of the Property demised by one of the Leases or a Permitted Part (as defined in the Leases) of the Property (other than an assignment in breach of the terms of the Leases).

Leases: the lease of that part of the Property known as Units A, B D and D Clivemont Road, Cordwallis Industrial Estate, Maidenhead, Berkshire dated 4 July 2008 and made between (1) the Landlord and (2) Rapidswitch Limited as amended by a Deed of Variation dated 30 March 2009 between (1) the Landlord and (2) Rapidswitch Limited and as amended by a Reversionary Lease dated ²³..... day of ~~November~~^{November} 2012 between (1) the Landlord and (2) the Tenant and a Lease of that part of the Property known as Units E, F, G and H Clivemont Road, Cordwallis Industrial Estate, Maidenhead, Berkshire dated ²³..... day of ~~November~~^{November} 2012 and made between (1) the Landlord and (2) the Tenant.

Property: Units A B C D E F G and H Clivemont Road, Cordwallis Industrial Estate, Maidenhead, Berkshire as more particularly described in and demised by the Leases.

Rents: any sums reserved as rent under the Leases.

Term: has the meaning ascribed to it in the Leases.

VAT: value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

Working Day: means a day which is not Saturday, Sunday, a bank holiday or a public holiday in England and Wales.

- 1.2 References to the **Landlord** include a reference to the person entitled for the time being to the immediate reversion of the Lease.
- 1.3 The obligations of the **Tenant** under this deed are personal to the entity named as the Tenant in this deed.

- 1.4 The expression **tenant covenant** has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.5 Unless otherwise specified, reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force or made under it.
- 1.6 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.7 A **person** includes a corporate or unincorporated body.
- 1.8 Except where a contrary intention appears, a reference to a clause is a reference to a clause of this deed.
- 1.9 Clause headings do not affect the interpretation of this deed.

2. DEPOSIT

- 2.1 The Landlord acknowledges receipt of the Deposit from the Tenant and undertakes to place the Deposit in the Account as soon as reasonably possible, but in any event within ten Working Days after the date of this deed and to provide to the Tenant written evidence from the Bank of such deposit into the Account.
- 2.2 The Landlord undertakes to hold the Deposit on trust for the Tenant in accordance with, and subject to, the terms of this deed.

3. LANDLORD'S POWERS AND DUTIES

- 3.1 The Landlord is not obliged to secure any particular rate of Interest.
- 3.2 The Landlord as trustee will not be liable to the Tenant for any loss to the Deposit or any loss of Interest arising from any act or default made in good faith unless such loss arises from the wilful default or negligence of the Landlord.

4. INTEREST

- 4.1 Except where this deed otherwise provides, any Interest earned on the Deposit will accrue to the Tenant and the Landlord will pay Interest quarterly to the Tenant, as

soon as reasonably possible after the Interest is credited to the Landlord until further notice.

- 4.2 The Landlord may revoke and/or suspend the instruction to the Bank to pay Interest to the Tenant where the Tenant is in Default or the Lease is forfeited or disclaimed.
- 4.3 The Landlord will be entitled (but not obliged) to withhold such sums from any Interest accruing on the Deposit as represent any tax that may lawfully be due and to pay such sums to the appropriate tax authority.
- 4.4 In circumstances where the Landlord does not elect to withhold any sums pursuant to clause 4.3, the Tenant will indemnify the Landlord on demand against all tax payable in respect of any Interest accruing on the Deposit which has been paid to the Tenant.

5. WITHDRAWALS

- 5.1 Following any Default if the Tenant has failed to make payment to the Landlord within 14 days after the payment has become due under the Leases the Landlord will be entitled to withdraw from the Deposit such proportion of the Deposit as may be reasonably necessary to make good any such Default.
- 5.2 Subject to the other provisions of this clause 5, the Landlord may make withdrawals from the Deposit as often as necessary and will not be required to give any prior notice to the Tenant where the Tenant is in Default.
- 5.3 The Landlord will be entitled to withdraw from the Deposit an amount equal to any reasonable costs, outgoings, losses, damages and expenses (and any VAT on them) properly incurred by the Landlord and arising from any Default.
- 5.4 The Landlord shall give written notice to the Tenant within five Working Days following each and every withdrawal specifying the amount of the withdrawal, the date of the withdrawal and the invoice or liability to which the withdrawal relates.

6. TOP UP OF THE DEPOSIT

- 6.1 Without prejudice, and in addition, to the Tenant's other obligations in this deed, the Tenant will pay to the Landlord such sum(s) as shall be necessary to ensure that the Deposit is not less than £240,000 in total within ten Working Days after each occasion upon which the Landlord serves notice in writing on the Tenant that the Landlord has made a withdrawal from the Account pursuant to clause 5.4.

6.2 The Landlord undertakes to place any monies paid to it pursuant to this clause 6 into the Account as soon as reasonably possible, but in any event within five Working Days following receipt and to provide to the Tenant written evidence from the Bank of such deposit into the Account.

7. REPAYMENT OF THE DEPOSIT

7.1 Subject to the rights of the Landlord under this deed, the Landlord will pay the Deposit to the Tenant within the earlier of:

- (a) no later than two months after the date of the expiry or sooner determination of the Term; and
- (b) five Working Days after the date of a Lawful Assignment of the whole of the Property by the Tenant.

7.2 In the event of an assignment of the part of the Property demised by one of the Leases and/or assignment of a Permitted Part of the Property (as defined in the Leases) under the terms of the Leases the Landlord (acting in good faith) shall pay to the Tenant such proportion of the Deposit as is reasonable in the circumstances (to be determined by the Landlord's Surveyor in the event of dispute), this requirement to be incorporated in to the Licence to Assign provided by the Landlord in connection with the said assignment of the part of the Property demised by one of the Leases and/or the said assignment of a Permitted Part as the case may be.

7.3 In the event that one of the Leases is determined prior to the other Lease the Landlord (acting in good faith) shall pay to the Tenant such proportion of the Deposit as is reasonable in the circumstances (to be determined by the Landlord's Surveyor in the event of dispute).

7.4 The Landlord will be entitled to retain from the Deposit such proportion of the Deposit as may reasonably be necessary to make good any Default before paying the balance of the Deposit to the Tenant under either clause 7.1, 7.2 or 7.3

7.5 This deed terminates at the time mentioned in clause 7.1 and termination does not affect rights and remedies of one party against the other which have then already accrued.

7.6 On the termination of this deed the Landlord will pay the Deposit to the Tenant (subject to clause 7.4 applying) pursuant to clause 7.1.

7.7 In the event that part of the Deposit is returned to the Tenant in the terms of clause 7.2 and/or 7.3 the sum referred to in the definition of Deposit shall be deemed to be reduced accordingly.

8. SALE OF REVERSION

The Tenant will not unreasonably withhold consent to a request made by the Landlord under section 8 of the Landlord and Tenant (Covenants) Act 1995 for a release from all or any of the covenants in this deed falling to be complied with by the Landlord provided always that the Landlord shall procure the transfer of the Deposit to the Landlord's successor and seek to procure that the Landlord's successor shall deposit the Deposit in a Bank and observe and perform the covenants in this deed falling to be complied with by the Landlord and hold the Deposit on trust for the Tenant.

9. RELEASE OF RENT

In the event of a Lawful Assignment of the Property the Landlord shall release the Tenant from its obligations under this deed. In the event of a Lawful Assignment of the part of the Property demised by one of the Leases and/or a Lawful Assignment of a Permitted Part, the Landlord shall release the Tenant from its obligations contained in this deed insofar as they relate to such part of the Property and/or Permitted Part as the case may be.

10. THE RIGHT OF RE-ENTRY IN THE LEASES

The right of re-entry in the Leases will be exercisable if any covenant or condition contained in this deed falling to be complied with by the Tenant is breached, as well as if any of the events stated in the provision for re-entry in the Leases occur.

11. INDEMNITY

The Tenant will make good to the Landlord on demand and indemnify the Landlord against all losses, damages, costs, expenses and claims arising from any breach of the terms of this deed.

12. NOTICES

Any notice given pursuant to this deed must be in writing and must be delivered by hand, or sent by pre-paid first class post, or registered post or by any other means permitted by the Leases. A correctly addressed notice sent by pre-paid first class post will be deemed

to have been delivered at the time at which it would have been delivered in the normal course of the post.

13. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No term of this deed shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party.

14. JURISDICTION

The parties to this agreement irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction over any claim or matter arising under or in connection with this deed.

15. GOVERNING LAW

This deed will be governed by and construed in accordance with the law of England and Wales.

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

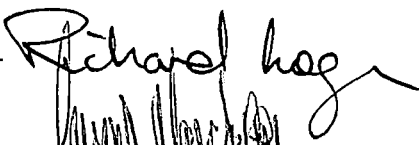
EXECUTED as a DEED by MAIDENHEAD INDUSTRIAL ESTATES acting by:

Director

Director/Company Secretary

EXECUTED as a DEED by iomart GROUP PLC acting by:

Director



Director/Company Secretary

