



0627

For the attention of: **ROGER COHEN**  
East Sussex Trading Standards (Food)  
St Mary's House  
52 St Leonards Road  
Eastbourne  
East Sussex  
BN21 3UU

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Date of report: 20/05/2013  
Our Reference: EF13/01801  
Sample received on: 10/04/2013

**Food Safety Act 1990 report on the analysis of sample:**

A0317A Drop Vodka

Method	Result Name	Test Value	Units
F1706	Alcohol by density meter	26.0	% vol.
F1704B	Acetaldehyde in spirits	< 2.0	g/100L alc
* F1704C	Ethyl acetate in spirits	< 2.0	g/100L alc
F1704A	Methanol in spirits	< 2.0	g/100L alc
F1704D	Propan-1-ol in spirits	< 1.0	g/100L alc
F1704E	2-methylpropan-1-ol in spirits	< 1.0	g/100L alc
F1704F	Amyl alcohols in spirits	< 1.0	g/100L alc
* F1704G	Propan-2-ol in spirits (IPA)	6520	mg/L
* F1704H	t-Butanol in spirits	< 2.0	mg/L
* F1704I	Xylene in spirits	< 2.0	mg/L
* F1704J	Chloroform in spirits	< 2.0	mg/L

**Comments:**

The amount of alcohol found in this sample is deficient of that declared to the extent of 11.5% vol, this deficiency being more than 38 times the maximum permitted tolerance of 0.3% vol., as prescribed by the Food Labelling Regulations 1996. The amount of alcohol is also deficient of the minimum alcoholic strength for vodka as required by the Spirit Drink Regulations 2008.

The amount of methanol found in the sample is satisfactory with regards to the requirements of the Spirit Drinks Regulations 2008.

Signed:

Paul Hancock, Public Analyst

**Report outcome: UNSATISFACTORY**

Report ID: 1301801-1

Page: 1 of 2

\* indicates determinand not included in UKAS accreditation. Details of methods of analysis can be obtained from the address below. Opinions, comments and interpretations expressed herein are outside the scope of UKAS accreditation.

The sample was also analysed for the presence of propan-2-ol which was detected at a level of 6520mg/L in the sample. The presence of propan-2-ol is indicative of the alcohol being of industrial origin rather than agricultural origin as required, and as such it is my opinion that the sample is not consistent with genuine vodka.

The sample was also analysed for the presence of xylene and chloroform, both of which were not detected in the sample.

The sample was not marked with the name or business name and address or registered office of either or both of the manufacturer or packer, or a seller established within the European Community, as required by the Food Labelling Regulations 1996.

Furthermore no lot mark or batch code could be identified on the sample as required by the General Food Regulations 2004, and irregularities with the HMRC duty mark indicated that the mark may not be genuine.

Signed:



Paul Hancock, Public Analyst

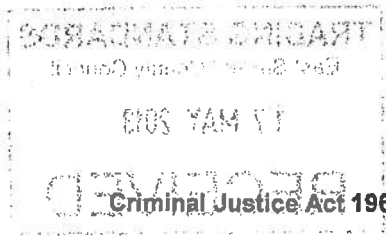
**Report outcome: UNSATISFACTORY**

Report ID: 1301801-1

Page: 2 of 2

\* indicates determinand not included in UKAS accreditation. Details of methods of analysis can be obtained from the address below. Opinions, comments and interpretations expressed herein are outside the scope of UKAS accreditation.

**Worcestershire County Council, Scientific Services, Unit 5, Berkeley Business Park, Wainwright Road, Worcester WR4 9FA**  
Tel. 01905 751300, Fax. 01905 751301, [scientificservices@worcestershire.gov.uk](mailto:scientificservices@worcestershire.gov.uk)



2a

**Witness Statement**  
**Criminal Justice Act 1967, s.9; Magistrates' Courts Act 1980,SS5A and 5B;and the Criminal Procedure Rules 2005,Rule 27.1**

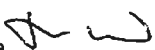
**Statement of: Iain MACLEOD**

**Age of Witness: Over 18**

**Occupation of Witness: Technical Anti Counterfeit Manager**

This statement, consisting of 2 pages each signed by me is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated anything which I know to be false or do not believe to be true.

Dated 22nd Day of April 2013

Signature  .....

"I, Iain MACLEOD am the Technical Anti Counterfeit Manager employed by DIAGEO and am authorised to make this statement on their behalf. I have been employed by Diageo as a packaging expert since 2000, and am familiar with the products manufactured by Diageo. My duties include the identification of counterfeit versions of those products, which I am able to do because of my familiarity with those products and because of my training and experience.

Diageo is the registered proprietor of trade mark No.1295657 for Smirnoff Red Vodka.

A certified copy of this trade mark registration is provided, marked as **Exhibit IM/1**

On 22/04/13 I received from Roger COHEN of EAST SUSSEX COUNTY COUNCIL TRADING STANDARDS, 2 x sealed evidence bags containing 1 x 70cl Smirnoff Red Vodka (Seal Number **NO2258194**) and 1 x 6x70cl Smirnoff Shipping Case (Seal Number **NO2258190**)

I opened the evidence bags, and made the following findings:

1. I firstly examined the bottle. The bottle profile, emboss detail and markings were incorrect. I concluded in my professional opinion beyond any doubt that the bottle was counterfeit and not genuine product as supplied to Diageo for the packaging of Smirnoff Vodka.

Signature  .....

*[Formerly form 13, Magistrates' Courts' (Forms) Rules 1981 (SI 1981/553), relating to rule 70 of the Magistrates' Courts Rules 1981, section 9 of the Criminal Justice Act 1967 and section 5B of the Magistrates' Courts Act 1980].*

**TRADING STANDARDS**

East Sussex County Council

17 MAY 2013

**RECEIVED**

Continuation of witness statement of: Iain MACLEOD

2. I examined the closure applied to the bottle. Different machine tooling to that used by Diageo had been used in its manufacture. The colours and printed Smirnoff motifs were incorrect. I concluded in my professional opinion beyond any doubt that the closure was counterfeit and not genuine product as supplied to Diageo for the packaging of Smirnoff Vodka.
3. I examined the labelling applied to the bottle. Each label was printed on the incorrect type and quality of substrate and printed using the incorrect artwork separations. I concluded in my professional opinion beyond any doubt that the labels were counterfeit and not genuine product as supplied to Diageo for the packaging of Smirnoff Vodka.
4. I finally examined the shipping case. The shipping case was printed on the incorrect type and quality of substrate and printed using the incorrect artwork separations. I concluded in my professional opinion beyond any doubt that the case was counterfeit and not genuine product as supplied to Diageo for the packaging of Smirnoff Vodka.

In view of these findings I am able to say that the items I examined were counterfeit and were not made by or on behalf of Diageo.

Diageo has not at any time consented to any other person applying any of its registered trademarks to the bottle.

On completion of my examination I arranged for the exhibits to be transferred to a secure location in our lab to enable the liquid to be analysed.

Signature  .....

*[Formerly form 13, Magistrates' Courts' (Forms) Rules 1981 (SI 1981/553), relating to rule 70 of the Magistrates' Courts Rules 1981, section 9 of the Criminal Justice Act 1967 and section 5B of the Magistrates' Courts Act 1980].*

The impact of counterfeit Smirnoff Vodka is potentially highly significant. Diageo invests a significant amount of effort and resources to ensure that all our brands are of premium quality and offer value to consumers. In addition, significant amounts are invested in promoting these brands, to raise consumer brand awareness and understanding.

Counterfeiting of Smirnoff Vodka, or indeed any other wine or spirit brand, misleads consumers into purchasing poor quality products which do not meet our high standards or the expectation of the consumer. As the deception is often not obvious to the consumer, their quality perception of the product they have purchased will be attributed to the Diageo brand which is extremely detrimental to the reputation and brand equity of Smirnoff Vodka. The counterfeit products also take unfair advantage of the high levels of consumer awareness of the Smirnoff Vodka brand, which has been built by Diageo at significant cost.

EM/1

TRADE MARKS  
REGISTRY



Registration  
Certificate

Trade Marks Act 1938 of Great Britain and Northern Ireland

SMIRNOFF

The Mark shown above has been registered in Part A of the Register under No. 1295657 as of the date 16.12.1986 in Class 33 in respect of:

Vodka included in Class 33.

In the name of:

Heublein, Inc. (United States of America, Connecticut)

*Scaled this day at my direction*

P. R. S. HARTNACK, REGISTRAR

DATE 20 SEPTEMBER 1991

TRADE MARKS  
REGISTRY



*Renewal  
Certificate*

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Trade Marks Act 1938 of Great Britain and Northern Ireland

The Trade Mark No. 1295657 in Class(es) :-

33

registered in the name of Heublein Inc.  
(United States of America, Connecticut)  
Incorporated in United States of America, CONNECTICUT  
has been renewed for a period of 14 years from the 16 December 1993  
and was advertised as renewed in Trade Mark Journal 6009.

---

*Scaled this day at my direction*

*Paul Hartnack*

P. R. S. HARTNACK, REGISTRAR  
18 November 1993

DATE



# Trade Marks Registry Renewal Certificate

The Trade Mark No. 1295657 in Class(es) :-

33

registered in the name of Diageo North America, Inc.  
Incorporated in United States of America, Connecticut  
has been renewed for a period of 10 years from the 16 December 2007  
and was advertised as renewed in Trade Mark Journal 6704.

Sealed this day at my direction

Ian Fletcher

*Comptroller General of Patents, Designs and Trade Marks United Kingdom Intellectual Property Office*

Date 10 September 2007

UK Intellectual Property Office is an operating name of the Patent Office

DDU/T500/03-07



## STATEMENT OF WITNESS

(Criminal Procedure Rules 2005, r.27.1(1);  
Criminal Justice Act 1967, s.9; Magistrates' Courts Act 1980, s.5B)

STATEMENT OF: (name of witness)

David Mackie MRSC Dipl. Brew

Age: (If over 18 enter "over 18"): Over 18

Occupation: Project Scientist

This statement (consisting of 1 page, signed by me,) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe to be true.

Dated the 3rd day of May 2013

Signed D. Mackie

I am employed as a Project Scientist in the Science & Technology department of Diageo Global Supply, Technical Centre Europe, Glenochil, Menstrie, Clackmannanshire, FK11 7ES and I am able to comment on the authenticity of Smirnoff Red vodka, which is manufactured by our Company. I have been employed by Diageo and its predecessors for over 33 years on the process, quality and analytical aspects of spirits manufacture with special emphasis on generic and brand authenticity. In this position I have full access to the Company's production records.

On the 22nd of April 2013 a sample sent by Roger Cohen of Trading Standards, East Sussex, was received at the Technical Centre lab for authenticity analysis. The sample, coded P1012, was passed to Deborah Prunty Project Scientist by Iain MacDonald, Diageo for liquid analysis and storage in a secure lab. The liquid purported to be Smirnoff Red Vodka. This was allocated the Reference No. IT-VCF-2013-0021 for our own records. Smirnoff Red vodka sold in the United Kingdom must have the alcohol strength of 37.5% vol stated on the label. Analysis, under my direction, by Deborah Prunty showed that the liquid was inferior quality spirit. The alcohol strength of the sample was measured at 35.4% vol by near infra-red (NIR) analysis. Thus, in my opinion, the suspect sample was not authentic Smirnoff Red vodka but an inferior spirit with alcohol strength similar to the specification for the product sold in the United Kingdom. Therefore it appears that the product analysed was inconsistent with the product label and would not be produced by the Company in this form. On completion of analysis, the sample was sealed in a bag with seal C000217061 then returned to East Sussex Trading Standards marked for the attention of Roger Cohen.

Signed D. Mackie

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[Homepage](#) | [News and updates](#) | [Media Centre](#) | [2011](#) | [People warned not to drink 'Drop vodka'](#)

Last updated on 23 November 2011

## People warned not to drink Drop Vodka

The Food Standards Agency is warning consumers not to drink an illegal brand of vodka called Drop Vodka, which has been found on sale in some shops.

Consumers are advised not to drink the vodka because it is not registered by any company in the UK and could be harmful. Usually, food and drink goes through rigorous testing before it is placed on the market but because 'Drop Vodka' is not registered, it has not been through this process, so the Agency cannot be sure what is in the product. Tests carried out by local authorities have identified the presence of Propan-2-ol and methanol in some of the vodka, and other substances that could harm people's health.

Colin Houston, Head of Incidents and Food Fraud at the Food Standards Agency, said: 'We urge consumers not to buy "Drop Vodka". It may be cheap, but people have got to ask if it is a price worth paying if their health could be at stake. We are working closely with local authorities to catch these criminals who are trying to profit by putting people's health at risk.'

Other tests have found that the product does not contain enough alcohol to be called vodka. Legally, vodka should contain no less than 37.5% alcohol but 'Drop Vodka' has levels of 28.6% alcohol. There are also some labelling issues with 'Drop Vodka', particularly the lack of producer's details, which are needed to ensure that the vodka is fully traceable.

If consumers discover any 'Drop Vodka' on sale, they should contact their local authority or call the Food Standards Agency food fraud hotline on 020 7276 8527.

To date, the illicit bottles of vodka have been found on sale in England and Wales, specifically in the towns of Scunthorpe, Norwich, Wakefield, Leeds, Salford, Wolverhampton, Nottingham, Milton Keynes, Potters Bar, Aldershot, Colchester and Cardiff, though it could be on sale throughout the UK. 'Drop Vodka' has been found on sale in small independent retailers, corner shops, petrol stations and so on, but there is also concern that pubs and clubs may have been targeted.

The FSA has alerted local authorities about this issue and asked them to investigate and ensure that 'Drop Vodka' is removed from sale in their areas.

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## About product withdrawals and recalls

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If there is a problem with a food product that means it should not be sold, then it might be 'withdrawn' (taken off the shelves) or 'recalled' (when customers are asked to return the product). The Food Standards Agency issues Product Withdrawal Information Notices and Product Recall Information Notices to let consumers and local authorities know about problems associated with food. In some cases, a 'Food Alert for Action' is issued. This provides local authorities with details of specific action to be taken on behalf of consumers.

You can get FSA alerts about product recall and withdrawals either by email or SMS text. Visit the Get Alerts page at the link towards the bottom of this page to find out how.

You can also subscribe to our Really Simple Syndication (RSS) feed for food and allergy alerts. RSS is a format for distributing news content and is a simple way to keep up to date with the latest news on a website.

When we publish via RSS, you can automatically get the updated content via a 'news aggregator' or 'news reader'. Our RSS feed will contain a brief summary and link back to our web content. Click on 'What is RSS' on the left of this page for more details.

### Related Items

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**Illicit 'Drop Vodka'**  
Please read the Food Alert For Action

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**EAST SUSSEX COUNTY COUNCIL  
STATEMENT OF WITNESS**


(C.J. Act 1967, s.9; M.C. Act 1980 ss5A(3)(a) and 5B, Criminal Procedure Rules 2012, Rule 27.2)

**Name: Paul Taylor**  
**Age of Witness (if over 18 enter "over 18"): Over 18**  
**Occupation: Fair Trading Officer**

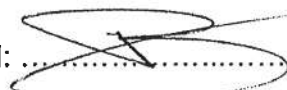
This statement (consisting of 1 pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe to be true.

Signed  Signature witnessed By.....

Dated the 25<sup>th</sup> day of June 2013

My name is Paul TAYLOR. I am a Fair Trading Officer employed by East Sussex County Council. At approximately 00.30 on Sunday 23rd June 2013 I attended at Erols Kebab Shop, 194 Queens Road Hastings East Sussex TN34 1RG. I asked for a kebab and was served by a male, 5'8" eastern european, slim build, short dark hair and only member of staff wearing a black polo shirt. Whilst my order was being cooked, a drunk female entered the shop and started speaking with the same male who served me. She asked for alcohol, the man said that they have beer and wine, she said what spirits have you got, he replied none, only beer and wine. She asked to speak with the manager and the male replied I am the boss. She then said her friend won't be happy with this. The male who confirmed he was the boss ignored her. As my kebab was presented to me and I was about to pay I asked the male for two cans of beer and did he have anything stronger, he replied only beer and wine. I then asked if by any chance he had any fags, he replied no. I paid the money and left. I placed the two cans of beer in evidence bag N01047549 which I now produce as item PDT/1 exhibit ( ). I placed the kebab in evidence bag N00090029 which I now produce as item PDT/2 exhibit (  )

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Signed:  Signature witnessed by: .....

Economy, Transport and Environment  
Rupert Clubb  
BEng (Hons) CEng MICE  
Director

Trading Standards Service  
St Mary's House  
52 St Leonards Road  
Eastbourne, East Sussex  
BN21 3UU

East Sussex  
County Council

Trading Standards  
Lucy V C Corrie  
LLB (Hons) DMS MTSI  
Head of Service

Tel: 0345 601 1111  
Fax: 01323 461111  
Email: trading.st

7 10

Mr Naki Kanik  
Trading as Erols Kebab and Steak House  
194 Queens Road  
HASTINGS  
East Sussex  
TN34 1RG

When responding  
please ask for  
Barnaby Brown  
01323 464441  
Barnaby.brown@eastsussex.gov.uk

Our Ref  
P1012

Your Ref

Date  
23<sup>rd</sup> April 2013

Dear Mr Kanik

**RE: GENERAL FOOD REGULATIONS 2004/ TRADE MARKS ACT 1994**

On Friday 29<sup>th</sup> March 2013, my colleague Roger Cohen, seized bottles 13 bottles of vodka from your premises that he had reason to believe were counterfeit. It is a requirement of the above regulations that a food operator shall be able identify any person from whom they have been supplied with food, and have in place such systems and procedures which allow for this information to be made available to competent authorities on demand. To this end, please provide me with traceability documentation for the vodka seized, namely:

1. 2 bottles of Drops Vodka and,
2. 11 bottles of Smirnoff Vodka

Examples of adequate traceability documentation would be headed invoices from known food distributors. Failure to provide such information is an offence; as is the provision of false documentation. Please provide me with the documentation at the address above within the next 5 working days.

Yours sincerely,

Barnaby Brown  
Senior Trading Standards Officer

East Sussex County Council Trading Standards Services	Exhibit No. BPB/1
Report Concerning:	EROL'S LICENCE REVIEW
Signature:	Barnaby Brown
Date:	28/8/2013



INVESTOR IN PEOPLE

eastsussex.gov.uk



The Law Society

8

Date: 01 FEBRUARY 20 08

DATE OF LEASE

PARTIES TO THIS LEASE

LANDLORD NAKI KANIK  
ADDRESS 44 THE LANDWAY MAIDSTONE  
KENT POSTCODE ME14 1BP  
COMPANY NO.

TENANT CEYHUN VAROL  
ADDRESS 194 QUEENS ROAD HASTINGS  
EAST SUSSEX POSTCODE TN34 1RG  
COMPANY NO.

GUARANTOR  
ADDRESS  
POSTCODE  
COMPANY NO.

PROPERTY

KEBAB SHOP 194 QUEENS RD HASTINGS  
shown edged red on the attached plan being part of the Building known as  
194 QUEENS RD. HASTINGS EAST SUSSEX  
POSTCODE TN34 1RG

TERM FOR WHICH THE PROPERTY IS LEASED

From and including 1ST FEBRUARY 20 08  
To and including 31ST JANUARY 20 14

PARKING

No more than ~~vehicles~~ (see clause 16.1(d))

USE ALLOWED

EROLS KEBAB SHOP  
or any other use to which the Landlord consents (and the Landlord is not entitled to withhold that consent unreasonably)

RENT

TWELVE THOUSANDS Pounds  
(£ 12,000 ) a year, subject to increase from every review date under clause 9  
(market rent review) or, if this box is ticked  , clause 19 (index-linked rent review)

FIRST PAYMENT DATE

The 1ST MARCH 20 08

MONTHLY PAYMENT DATE

The 1ST day of every month

RENT REVIEW DATES

Every THIRD anniversary of the start of the lease term

The Landlord lets the property to the Tenant for the lease term at the rent and on the terms in clauses 1 to 18 and in any additional clauses.

Law Society Business Lease (Part of Building) (Unregistered) 2008

## LANDLORD'S OBLIGATIONS

### PAYMENTS

1. The tenant is to pay the Landlord:
  - 1.1 the rent, which is to be paid by the following instalments:
    - (a) on the first payment date, a proportionate sum from that date to the next monthly payment date
    - (b) on each monthly payment date, one-twelfth of the annual rent
  - 1.2 the service charge in accordance with clause 3, and whenever a sum is overdue the Landlord is entitled to recover it as if it were rent in arrear
  - 1.3 a fair proportion (decided by a surveyor whom the Landlord nominates) of the cost of repairing, maintaining and cleaning: party walls, party structures, yards, gardens, roads, paths, gutters, drains, sewers, pipes, conduits, wires, cables and things used or shared with other property
  - 1.4 the cost (including professional fees) of any works to the property which the Landlord does after the Tenant defaults
  - 1.5 the costs and expenses (including professional fees) which the Landlord incurs in:
    - (a) dealing with any application by the Tenant for consent or approval, whether it is given or not
    - (b) preparing and serving a notice of a breach of the Tenant's obligations, under section 146 of the Law of Property Act 1925, even if forfeiture of this lease is avoided without a court order
    - (c) preparing and serving schedules of dilapidations either during the lease term or recording failure to give up the property in the appropriate state of repair when this lease ends
  - 1.6 interest at the Law Society's interest rate on any of the above payments when more than fourteen days overdue, to be calculated from its due date
  - 1.7 in making payments under this clause:
    - (a) nothing is to be deducted or set off
    - (b) any value added tax payable is to be added

2. The Tenant is also to make the following payments, with value added tax where payable:
  - 2.1 all periodic rates, taxes and outgoing payments relating to the property, including any imposed after the date of this lease (even if of a novel nature), to be paid on the due date to the appropriate authorities
  - 2.2 the cost of the grant, renewal or continuation of any licence or registration for using the property for the use allowed, to be paid to the appropriate authority
  - 2.3 a registration fee of £40 for each document which this lease requires the Tenant to register, to be paid to the Landlord's solicitors when presenting the document for registration

### 3 SERVICE CHARGE

3. The Landlord and the Tenant agree that:
  - 3.1 the service charge is the Tenant's fair proportion of each item of the service costs
  - 3.2 the service costs:
    - (a) are the costs which the Landlord fairly and reasonably incurs in complying with obligations under clauses 12 and 13
    - (b) include the reasonable charges of any agent, contractor, consultant or employee whom the Landlord engages to provide the services under clauses 12 and 13
    - (c) include interest at no more than the Law Society's interest rate on sums the Landlord borrows to discharge his obligations under clauses 12 and 13
  - 3.3 the Tenant is to pay the Landlord interim payments on account of the service charge within 21 days of receiving a written demand setting out how it is calculated

- 3.4 an interim payment is to be the Tenant's fair proportion of what the service costs are reasonably likely to be in the three months following the demand
- 3.5 the Landlord is not entitled to demand interim payments more than once every three months
- 3.6 the Landlord is to keep full records of the service costs and at least once a year is to send the Tenant an account setting out, for the period since the beginning of the lease term or the last account as the case may be:
  - (a) the amount of the service costs
  - (b) the service charge the Tenant is to pay
  - (c) the total of any interim payments the Tenant has paid
  - (d) the difference between the total interim payments and the service charge
- 3.7 within 21 days after the Tenant receives the account, the amount mentioned in clause 3.6(d) is to be settled by payment between the parties, except that the Landlord is entitled to retain any overpayment towards any interim payments already demanded for a later accounting period
- 3.8 the Landlord is either:
  - (a) to have the account certified by an independent chartered accountant, or
  - (b) to allow the Tenant to inspect the books, records, invoices and receipts relating to the service costs
- 3.9 disagreements about the amounts of the service charge or the service costs are to be decided by arbitration under clause 17.3

### 4 USE

4. The Tenant is to comply with the following requirements as to the use of the Building and any part of it, and is not to authorise or allow anyone else to contravene them:
  - 4.1 to use the property only for the use allowed
  - 4.2 not to obstruct any part of the Building used for access to the property or to any other part of the Building
  - 4.3 not to do anything which might invalidate any insurance policy covering any part of the Building or which might increase the premium
  - 4.4 not to hold an auction in the property
  - 4.5 not to use any part of the Building for any activities which are dangerous, offensive, noxious, illegal or immoral, or which are or may become a nuisance or annoyance to the Landlord or to the owner or occupier of any neighbouring property
  - 4.6 not to display any signs or advertisements on the outside of the property or which are visible from outside the property unless the Landlord consents (and the Landlord is not entitled to withhold that consent unreasonably)
  - 4.7 not to overload any part of the property
  - 4.8 to comply with every statutory obligation authorising or regulating how the property is used, and to obtain, comply with the terms of, renew and continue any licence or registration which is required

### 5 ACCESS

5. The Tenant is to give the Landlord, or anyone with the Landlord's written authority, access to the property:
  - 5.1 for these purposes:
    - (a) inspecting the condition of the property, or how it is being used
    - (b) doing works which the Landlord is permitted to do under clause 6.10 or 13
    - (c) complying with any statutory obligation
    - (d) viewing the property as a prospective buyer, tenant or mortgagee
    - (e) valuing the property

(f) inspecting, cleaning or repairing neighbouring property, or any sewers, drains, pipes, wires or cables serving the Building or any neighbouring property

5.2 and only on seven days' written notice except in an emergency

5.3 and during normal business hours except in an emergency

5.4 and the Landlord is promptly to make good all damage caused to the property and any goods there in exercising these rights

## 6 CONDITION AND WORK

6. The Tenant is to comply with the following duties in relation to the property, and for this purpose the inside of the property includes all ceilings, floors, doors, door frames, windows and window frames and the internal surfaces of all walls but excludes joists immediately above the ceilings and supporting the floors:

6.1 to maintain the state and condition of the inside of the property, but the Tenant need not alter or improve it except as required in clause 6.9

6.2 to decorate the inside of the property:

(a) in every fifth year of the lease term

(b) in the last three months of the lease term (however it ends) except to the extent that it has been decorated in the previous year

6.3 where the property has a shop front, to maintain and decorate it

6.4 when decorating, to use the colours and the types of finish used previously

6.5 not to make any structural alterations or additions to the property

6.6 not to make any other alterations affecting services or systems in the Building unless the Landlord gives written consent in advance (and the Landlord is not entitled to withhold that consent unreasonably)

6.7 to notify the Landlord of all alterations or additions to the property not covered by clauses 6.5 or 6.6

6.8 to keep any plate glass in the property insured for its full replacement cost with reputable insurers, to give the Landlord details of that insurance on request, and to replace any plate glass which becomes damaged

6.9 to do any work to the property required under a statute even if it alters or improves the property. The work is to be done on the following conditions:

(a) before doing it, the Tenant is to obtain the Landlord's written consent (and the Landlord is not entitled to withhold that consent unreasonably)

(b) the Landlord is to contribute a fair proportion of the cost, taking into account any value of the work to the Landlord

and any dispute is to be decided by arbitration under clause 17.3

6.10 if the Tenant fails to do any work which this lease requires and the Landlord gives the Tenant written notice to do it, to do that work. In such a case, the Tenant is to start the work within two months, or immediately in case of emergency, and proceed diligently with it. In default, the Tenant is to permit the Landlord to do the work.

6.11 However, this clause

(a) does not require the tenant to make good damage by a risk not required to be insured under clause 12.1 unless resulting from the act or default of the Tenant

(b) only requires the Tenant to make good damage caused by an insured risk to the extent that the insurance money has not been paid because of any act or default of the Tenant

## 7 TRANSFER ETC.

7. The Tenant is to comply with the following:

7.1 the Tenant is not to share occupation of the property and no part of it is to be transferred, sublet or occupied separately from the remainder

7.2 the Tenant is not to transfer or sublet the whole of the property unless the Landlord gives written consent in advance (and the Landlord is not entitled to withhold that consent unreasonably)

7.3 any sublease is to be on terms which are consistent with this lease, but is not to permit the sub-tenant to underlet

7.4 within four weeks after the property is transferred, mortgaged or sublet, the Landlord's solicitors are to be notified and a copy of the transfer, mortgage or sublease sent to them for registration with the fee payable under clause 2.3

7.5 If—

(a) the financial standing of the proposed transferee, and any guarantor, is lower than that of the current Tenant, or the proposed transferee is resident or registered overseas and

(b) the Landlord reasonably requires

a Tenant who transfers the whole of the property is to give the Landlord a written guarantee, in the terms set out in the Guarantee Box, that the transferee will perform the Tenant's obligations

## 8 OTHER MATTERS

8. The Tenant:

8.1 is to give the Landlord a copy of any notice concerning the property or any neighbouring property as soon as it is received

8.2 is to allow the Landlord, during the last six months of the lease term, to fix a notice in a reasonable position on the outside of the property announcing that it is for sale or to let

8.3 is not to apply for planning permission relating to the use of the property or any addition or alteration unless the Landlord gives written consent in advance (and the Landlord is not entitled to withhold that consent unreasonably where the use or addition or alteration is permitted by this lease or has the Landlord's written consent)

8.4 in occupying and doing work on the property, and in using any part of the Building, is to comply with all statutory requirements

## 9 RENT REVIEW — MARKET RENT

9.1 On each rent review date, the rent is to increase to the market rent if that is higher than the rent applying before that date

9.2 The market rent is the rent which a willing tenant would pay for the property on the open market, if let on the rent review date by a willing landlord on a lease on the same terms as this lease without any premium and for a term equal to the remainder of the lease term, assuming that at that date:

(a) no account is taken of any goodwill belonging to anyone who has occupied the property

(b) the property is vacant and has not been occupied by the Tenant or any sub-tenant

(c) the property can immediately be used

(d) the property is in the condition required by this lease and any damage caused by any of the risks to be insured under clause 12 has been made good

(e) no tenant or sub-tenant has previously during the lease term done anything to the property to increase or decrease its rental value. In this paragraph "anything" includes work done by the Tenant to comply with clause 6.9, but nothing else which the Tenant was obliged to do under this lease

9.3 If the Landlord and the Tenant agree the amount of the new rent, a statement of that new rent, signed by them, is to be attached to this lease

9.4 If the Landlord and the Tenant have not agreed the amount of the new rent two months before the rent review date, either of them may require the new rent to be decided by arbitration under clause 17.3

9.5 (a) The Tenant is to pay rent at the rate applying before the rent review date until the next rent payment date after the new rent is agreed or decided

(b) Starting on that rent payment date, the Tenant is to pay the new rent

(c) On that rent payment date, the Tenant is also to pay any amount by which the new rent since the rent review date exceeds the rent paid, with interest at 4% below the Law Society's interest rate on the excess of each instalment from its payment date



## DAMAGE

10. If the Building is damaged by any of the risks required to be insured under clause 12 and as a result of that damage the property, or any part of it, cannot be used for the use allowed:
- 10.1 the rent, or a fair proportion of it, is to be suspended for three years or, if earlier, until the whole of the property can again be used for the use allowed
- 10.2 if at any time it is unlikely that the damage will be fully repaired either within three years from the date of the damage, or (if sooner) before the end of the lease term, the Landlord (so long as he has not wilfully delayed the restoration) or the Tenant may end this lease by giving one month's notice to the other in which case
- (a) the insurance money belongs to the Landlord and
- (b) the Landlord's obligation to make good damage under clause 12 ceases
- 10.3 a notice under clause 10.2 is only effective if given within three years from the date of the damage
- 10.4 If the insurers refuse to pay all or part of the insurance money because of the Tenant's act or default:
- (a) to the extent of that refusal, the Tenant cannot claim the benefit of clause 10.1
- (b) the Tenant cannot serve notice under clause 10.2
- 10.5 If the Building is damaged (but not as a result of the act or default of the Tenant) by a risk not required to be insured under clause 12.1 and as a result of that damage the property, or any part of it, cannot be used for the use allowed:
- (a) the rent or a fair proportion of it is to be suspended for three years or, if earlier, until the whole property can again be used for the use allowed and
- (b) not earlier than two months after the date of the damage, either the Landlord or the Tenant may, unless the Landlord has previously undertaken promptly to make good the damage, end the lease by giving at least one month's notice to the other
- 10.6 Any dispute under any part of this clause to be decided by arbitration under clause 17.3

## LANDLORD'S OBLIGATIONS AND FORFEITURE RIGHTS

### 11 QUIET ENJOYMENT

11. The Landlord is to allow the Tenant to possess and use the property without lawful interference from the Landlord, anyone who derives title from the Landlord or any trustee for the Landlord

### 12 INSURANCE

12. The Landlord is to:
- 12.1 keep the building (except the plate glass) insured on reasonable terms with reputable insurers to cover:
- (a) full rebuilding, site clearance, professional fees, value added tax and three years' loss of rent
- (b) against fire, lightning, explosion, earthquake, landslip, subsidence, heave, riot, civil commotion, aircraft, aerial devices, storm, flood, water, theft, impact by vehicles, damage by malicious persons and vandals and third party liability and other risks reasonably required by the Landlord
- so far as cover is available at normal insurance rates for the locality and subject to reasonable excesses and exclusions
- 12.2 take all necessary steps to make good as soon as possible all damage to the Building by insured risks except to the extent that the insurance money is not paid because of the act or default of the Tenant
- 12.3 give the Tenant on request once a year:
- (a) particulars of the policy and evidence from the insurer that it is in force
- (b) details of any commission received by the Landlord for that insurance

### 13 SERVICES

13. The Landlord is to comply with the following duties in relation to the Building:
- 13.1 to maintain the state and condition (including the decorations) of:
- (a) the structure, outside, roof, foundations, joists, floor slabs, load bearing walls, beams and columns of the Building and any plant, machinery and fixtures required to provide the services listed in clause 18
- (b) those parts of the Building which tenants of more than one part can use ("the common parts")
- 13.2 to decorate the common parts and the outside of the Building every five years, using colours and types of finish reasonably decided by the Landlord
- 13.3 to pay promptly all periodic rates, taxes and outgoings relating to the common parts, including any imposed after the date of this lease (even if of a novel nature)
- 13.4 to pay or contribute to the cost of repairing, maintaining and cleaning party walls, party structures, yards, gardens, roads, paths, gutters, drains, sewers, pipes, conduits, wires, cables and other things used or shared with other property
- 13.5 to provide the services listed in clause 18, but the Landlord is not to be liable for failure or delay caused by industrial disputes, shortage of supplies, adverse weather conditions or other causes beyond the control of the Landlord

### 14 FORFEITURE

14. This lease comes to an end if the Landlord forfeits it by entering any part of the property, which the Landlord is entitled to do whenever:
- (a) payment of any rent is fourteen days overdue, even if it was not formally demanded
- (b) the Tenant has not complied with any of the terms of this lease
- (c) the Tenant if an individual (and if more than one, any of them) is adjudicated bankrupt or an interim receiver of the Tenant's property is appointed
- (d) the Tenant if a company (and if more than one, any of them) goes into liquidation (unless solely for the purpose of amalgamation or reconstruction when solvent), or had an administrative receiver appointed or had an administration order made in respect of it or the directors of the Tenant give notice of their intention to appoint an administrator

The forfeiture of this lease does not cancel any outstanding obligation of the Tenant or a Guarantor

### 15 END OF LEASE

15. When this lease ends the Tenant is to:
- 15.1 return the property to the Landlord leaving it in the state and condition in which this lease requires the Tenant to keep it
- 15.2 (if the Landlord reasonably requires) remove anything the Tenant fixed to the property and make good any damage which that causes
- 15.3 remove all the alterations or additions to the property made by the Tenant or its predecessors without the Landlord's consent (where that consent was required)
- 15.4 remove all or any of the alterations or additions to the property made, either with the Landlord's consent or where such consent was not required, by the Tenant or its predecessors in title if -
- (a) the Landlord reasonably requires, and
- (b) the Landlord gives the Tenant written notice of the requirement at least six months before the end of this lease, or later if shorter notice is reasonable

## PROPERTY RIGHTS

### FACILITIES

- 16.1 The Tenant is to have the following rights for the Tenant and visitors, whether or not exclusive:
- (a) to come and go to and from the property over the parts of the Building designed or designated to afford access to the property
  - (b) shelter and support of the property as is now enjoyed
  - (c) to use the existing service wires, pipes and drains, and
  - (d) to use the parking area for parking the number of vehicles specified above
- 16.2 The Landlord is to have the following rights for the Landlord, tenants of other parts of the Building and visitors over the property
- (a) to come and go to and from other parts of the Building over the parts of the property designated for that purpose
  - (b) shelter and support as is now enjoyed
  - (c) to use the existing service wires, pipes and drains

## GENERAL

### 17 PARTIES' RESPONSIBILITY

- 17.1 Whenever more than one person or company is the Landlord, the Tenant or the Guarantor, their obligations can be enforced against all or both of them jointly and against each individually

### SERVICE OF NOTICE

- 17.2 The rules about serving notices in section 196 of the Law of Property Act 1925 (as since amended) apply to any notice given under this lease

### ARBITRATION

- 17.3 Any matter which this lease requires to be decided by arbitration is to be referred to a single arbitrator under the Arbitration Act 1996. The Landlord and the Tenant may agree the appointment of an arbitrator, or either of them may apply to the President of the Royal Institution of Chartered Surveyors to make the appointment

### HEADINGS

- 17.4 The headings do not form part of this lease

## 18 SERVICES

These are services mentioned in clause 13.5 (delete or add as required):

- Cleaning of the common parts
- Lighting of the common parts
- Heating of the common parts
- Lift maintenance
- Hot and cold water to wash hand basins in the common parts
- Porterage
- Fire extinguishers in the common parts
- Heating in the property
- Window cleaning for the Building
- Furnishing the common parts

## 19 RENT REVIEW — INDEX-LINKED

- 19.1 Clause 9 does not apply to this lease
- 19.2 On each rent review date, the rent is to be adjusted by reference to the Index, as follows
- 19.3 The adjusted rent is to be: the initial rent payable under this lease (after any rent free period has expired) multiplied by the Index figure at the rent review date and divided by the Index figure at the start of the term of this lease
- 19.4 (a) The Tenant is to pay rent at the rate applying before the rent review date until the next rent payment date after the new rent is agreed or decided
- (b) Starting on that rent payment date, the Tenant is to pay the new rent
- (c) On that rent payment date:
- (i) the Tenant is also to pay any amount by which the new rent since the rent review date exceeds the rent paid, with interest at 4% below the Law Society's interest rate on the excess of each instalment from its rent payment date
  - (ii) the Landlord is to refund any amount by which the rent paid exceeds the rent payable since the rent review date, with interest at 4% below the Law Society's interest rate on the excess of each instalment from the date of receipt
- 19.5 For the purposes of this clause:
- (a) The Index means the "all items" figure of the Index of Retail Prices published by the Office of National Statistics or any officially published index intended to supersede it
  - (b) The Index figure for a particular date means the last published figure of the Index before that date
  - (c) If the method of calculation of the Index is changed, any official reconciliation between the old and the new method should be adopted.
- 19.6 Any dispute under any part of this clause is to be decided by arbitration under clause 17.3

**GUARANTEE BOX**

The terms in this box only take effect if a guarantor is named above and then only until the Tenant transfers this lease with the Landlord's written consent. The Guarantor must sign this lease.

The Guarantor agrees to compensate the Landlord for any loss incurred as a result of the Tenant failing to comply with an obligation in this lease during the lease term or any statutory extension of it. If the Tenant is insolvent or this lease ends because it is disclaimed, the Guarantor agrees to accept a new lease, if the Landlord so requires, in the same form but at the rent then payable. Even if the Landlord gives the Tenant extra time to comply with an obligation, or does not insist on strict compliance with terms of this lease, the Guarantor's obligation remains fully effective.

**CODE FOR LEASING BUSINESS PREMISES IN ENGLAND AND WALES 2007**

This lease is intended to conform to the Code, which is endorsed by the Department for Communities and Local Government, the Welsh Assembly Government, the Law Society and other bodies.  
Please see [www.lettingbusinesspremises.co.uk](http://www.lettingbusinesspremises.co.uk).

**THIS DOCUMENT CREATES LEGAL RIGHTS AND LEGAL OBLIGATIONS. DO NOT SIGN IT UNTIL YOU HAVE CONSULTED A SOLICITOR.**

If a party to this lease is a company:

- (a) two directors, or
- (b) a director and a company secretary, or
- (c) a single director whose signature is independently witnessed

must sign on behalf of the company.

Signed as a deed by/on behalf of the Landlord and delivered in the presence of:

Landlord

SEZAI GOKTURK

Witness

1 WELLS GARDENS ST LEONARDS ON SEA  
TN 38 0UX  
HASTING

Witness's occupation and address

Signed as a deed by/on behalf of the Tenant and delivered in the presence of:

Tenant

VOLKAN OKUR

Witness

FLAT 3, 19 HAVELOCK ROAD  
HASTINGS TN 34 1BP

Witness's occupation and address

Signed as a deed by/on behalf of the Guarantor and delivered in the presence of:

Guarantor

Witness

Witness's occupation and address

09/02/2009

9

I Mr Naki Kanik alcohol licence holder at Erols 194 Queens Road Hastings TN34  
1RG

When im not at the premises Mr Ceyhun Varol is authorise to sale alcohol.

Naki Kanik

A handwritten signature in black ink, appearing to be 'Naki Kanik', written over a horizontal line.

Ceyhun Varol

A handwritten signature in black ink, appearing to be 'Ceyhun Varol', written over a horizontal line.