

The Prescribed Clauses

LR1. Date of lease	16 th January 2020
LR2. Title number(s)	LR2.1 Landlord's title number(s) WK382431 & WK420265
	LR2.2 Other title number(s) WK456397
LR3. Parties to this lease	Landlord Gallan Estates Limited (Company registration number 07701828) whose registered office is at George Nott House, 119 Holloway Head, Birmingham, England, B1 1QP
	Tenant Elizabeth Loudon of The Fox & Hen, Bascote Heath, Southam CV47 2DN
	Other parties None
LR4. Property	In the case of a conflict between this clause and the remainder of this lease then, for the purpose of registration, this clause shall prevail The Fox & Hen, Bascote Heath, Southam CV47 2DN shown edged red on the plans annexed to this Agreement
LR5. Prescribed statements	This lease is made under, or by reference to provisions of: None.
LR6. Term for which the Property is leased	The term is as follows: 10 years starting on 2 February 2020
LR7. Premium	None
LR8. Prohibitions or restrictions on disposing of this lease	This lease contains a provision that prohibits or restricts dispositions.
LR9. Rights of acquisition	LR 9.1 Tenant's contractual right to renew this lease, to acquire the reversion in the Property

	or another lease of the Property, or to acquire an interest in other land None
	LR9.2 Tenant's covenant to (or offer to) surrender this lease None
	LR9.3 Landlord's contractual right to acquire this lease None
LR10 Restrictive covenants given in this lease by the Landlord in respect of land other than the Property	None
LR11. Easements	LR11.1 Easements granted by this lease for the benefit of the Property See Section 12 paragraph 1 of this Agreement
	LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property See Section 12 paragraph 3 of this Agreement
LR12. Estate rentcharge burdening the Property	None
LR13. Application for standard form of restriction	None
LR14. Declaration of trust where there is more than one person comprising the tenant	Not applicable

Agreement

Between

Gallan Estates Limited

and

Elizabeth Loudon

for

The Fox & Hen
Bascote Heath
Southam
CV47 2DN

Date

16th January 2020

Our agreement

Agreement period: 10 years

Start date: 2019 2 February 2020

Rent: £25,200.00 for each year

Security deposit: £6,750.00

Review Dates: 2 February 2025 ~~2024~~ and 2 February 2030 ~~2029~~

Repairs: You are responsible for all repairs to the property

Transfer: You may transfer the property after the date which is two years from the date of this agreement

The agreement

a Understanding the agreement

- 1 If you agree not to do something in this **agreement** (or agree to do it in a particular way), you must not allow anyone else to do it (or you must make sure they do it in the permitted way).
- 2 Where this **agreement** refers to a law, or legal requirement, this includes any Act of Parliament and any modification, extension or amendment of it and any regulations, bye-laws, orders or other items that have legal effect.
- 3 If 'you' or 'we' includes more than one person or company, each of them is liable on their own for all the obligations arising on your part or our part (as appropriate) in this **agreement** as well as being liable jointly with the others
- 4 The sections that follow are part of the **agreement**. The words in bold make it clearer.
- 5 If you need any consent or permission from us, you can only regard it as given if we have sent it to you in writing.
- 6 When this **agreement** gives us a right to do something, we can authorise someone else to do it.

b Granting the agreement

- 1 We let the **property** to you together with the rights listed in paragraph 1 of section 12 for the **agreement period**, as affected by the matters of ownership and any rights we retain set out in section 12, as long as you pay the **rent** and meet with all of your obligations in this **agreement**.
- 2 Both you and we agree all the terms of, and will meet our respective obligations in the sections and keep to them.

c Our commitment

- 1 As long as you meet your obligations in this **agreement**, we will allow you to occupy the **property**, without us or anyone under our control interrupting or interfering.

d Accepting this agreement

You have read this **agreement**. You accept and agree its terms in full.

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 **GALLAN**)
ESTATES LIMITED acting by a director in)
the presence of:)
)

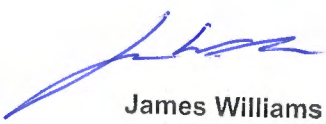
Director

W Signature
I Name
T Address
N
E
S
S Occupation

Executed as a deed by **ELIZABETH**)
LOUDON in the presence of:)
)
)

W Signature
I Name
T Address
N
E
S
S Occupation


James Williams
Solicitor
Moore & Tibbits
34 High Street
Warwick CV34 4BE

The meaning of words and phrases

In this agreement the following words and phrases have the following meanings.

Agreed rate	4% above the base rate of Barclays Bank Plc or any other bank we may specify. The base rate may change.
Agreement	This lease.
Agreement period	10 years starting on <i>2 February 2020</i> including any continuation of this agreement .
Amusement machines	Machines for amusement with or without prizes and which may or may not involve skill including: • video machines and jukeboxes; • games machines, snooker, pool, rides and all other electrical, electronic or mechanical entertainment or games; and • gaming or gambling machines. This does not include machines that are solely for use by you, your family or any of your staff living at the property
Audio-visual equipment	Equipment for reproducing or projecting visual images and sound. This does not include any machines used only by you, your family or any of your staff living at the property .
Base rate	Barclays Bank Plc's base lending rate or that of any other bank we may choose. The base rate may change.
Business	Carrying on the permitted use .
Control	This means that someone (whether they are acting alone or with others) has the power (directly or indirectly) to ensure that a company operates in line with their wishes. The control may come from: • shares held; • the right to appoint or remove the majority of directors; • voting power in that or any other company, • powers granted by the articles of association; • a contract or other document regulating that or any other company; or • any other reason.
Designated premises supervisor	The individual specified as such in the premises licence in accordance with the Licensing Act 2003.
Distress	Seize goods as security for a debt.

End date	The data this agreement ends.
Equipment	Amusement machines, audio-visual equipment , any aerial mast, dish or other device for transmitting or receiving signals, vending machines, cash dispensers and automatic teller machines
Execution	Enforced payment of a debt when a court judgement has been obtained.
Group company	This means: • our subsidiary or subsidiaries, • any subsidiary or subsidiaries of the holding company we are a subsidiary of; or • the holding company itself. The expressions 'subsidiary' and 'holding company' will have the meanings given to them by section 1159 of the Companies Act 2006.
Index	The 'all items' index of Retail Prices Index published by the Office for National Statistics, or any other official body that takes over responsibility for publishing that index. If the index changes after the date of this agreement we will inform you of the alternative which will apply.
Indexation date	Every anniversary of the start date but not the review dates of this agreement.
Insolvent	Any of the events specified in Subsection 27(2) to 27(5) inclusive of the Licensing Act 2003.
Insurance excess	£1000 This is the amount you have to pay towards each insurance claim. The amount of the excess may change if we think it is reasonable to do so.
Insured risks	Fire (including fire under ground), explosion and damage caused by aircraft, demolition and site clearance costs, professional fees and any other risks we may decide to insure against (and these may change during the agreement period) together with three years' loss of rent .
Licences	The licences, certificates or other approvals which the law requires you, your employees and the property to have to run the business during the agreement period , or which you need in connection with the business and how you use the property

Licensing authorities	Any of the people, bodies or authorities responsible for granting and regulating the licences .
Licensing service charge	Where we hold the premises licence , the amount which we reasonably charge from time to time during the agreement period for doing the things mentioned in paragraph 3 of section 4
Market rent	The amount of rent for the property as defined in paragraph 4 of section 6.
Payment days	The first day of each calendar month.
Permitted temporary activity	A temporary licensable activity specified as such under the Licensing Act 2003.
Permitted use	A fully-licensed public house or any other use which we agree to in writing. You must use any residential accommodation only as set out in this agreement .
Personal licence	A personal licence under the Licensing Act 2003.
Premises licence	A premises licence under the Licensing Act 2003.
Property	The Fox & Hen Bascote Heath Southam CV47 2DN shown edged red on the plans attached at section 12 which property is comprised in title number(s) WK382431 and WK420265 at the Land Registry.
Related premises	Licensed or unlicensed premises (other than the property) in which we or any group company owns a leasehold or freehold interest.
Rent	£25,200.00 per year for the first year of the agreement period . It is subject to indexation and increase in the way set out in section 6.
Responsible authorities	Any of the people, bodies or authorities specified as such under the Licensing Act 2003.
Review dates	2nd 2nd day of day of February February 2024 2029 2025 2030
Security deposit	£6,750.00 or any other amount that applies under paragraph 1.3.4 of section 7.
Sequestration	A court order (writ) for seizing property.
Service media	Any pipes, wires, drains, sewers, cables and all other conducting media which are at or serving the property now or which are installed at any time during the agreement period .

Start date	The date on which the agreement period starts.
The inventory	The trade fixtures and fittings and trade equipment on or in the property and any other things used in connection with the business now or which you add to or bring onto the property in accordance with the terms of this agreement during the agreement period .
VAT	Value Added Tax and any similar tax or levy which replaces or is in addition to it.
We, us	Gallan Estates Limited (Company registration number 07701828) whose registered office is at George Nott House, 119 Holloway Head, Birmingham, England, B1 1QP or (if different) the person or organisation who you must give back possession of the property to on the end date.
You, your	Elizabeth Loudon of The Fox & Hen, Bascote Heath, Southam CV47 2DN or (if different) the person responsible for paying, rent under this agreement .

Section 1

Outgoings

***Paying the rent, rates and other expenses for the
property***

Outgoings

1 Rent

1.1 You must pay us the following rents.

1.1.1 The rent.

1.1.2 The amounts we incur meeting our obligations in section 3 (Insurance) and any other amounts to be paid by you under section 3.

1.1.3 The costs we incur doing any work to the **property** that you are responsible for (under section 2) but which you have not done.

1.1.4 The costs and expenses (including VAT that we cannot recover and any professional fees) which we pay for:

- any application you make to us for permission or approval, whether we give it or not;
- preparing and serving notices on you when you have broken your obligations under this **agreement**;
- preparing and serving a schedule of work required to the **property** during this **agreement**, or after this **agreement** ends, if the **property** is not in the condition we require;
- settling any other costs we have to pay as a result of you breaking your obligations under this **agreement**;
- meeting licensing obligations for the **property** (see paragraph 1 of section 4);
- entering into this **agreement** with you; and

any other costs and expenses which apply.

1.1.5 The licensing service charge.

1.2 You must pay the **rent** in advance by equal instalments on the **payment days** and you must not deduct or set off any sum which we owe or may owe you at the time. Other sums which you must pay to us are payable when specified in this **agreement** or, if no date is specified, within seven days of us sending a written request. If you fail to pay any rents listed in paragraph 1.1 you will allow us to enter the **property** and to levy **distress** on any items found at the **property**.

1.3 You must pay interest at the **agreed rate** on any payments due from you under this **agreement** when any are more than seven days overdue. We will work out the interest from the due date and it will continue to be payable at the **agreed rate** until we get payment from you (and interest will continue at the **agreed rate** even after we get a court judgment).

1.4 You must also pay any sums you owed to us (whether or not with anyone else) under any prior lease or agreement relating to the **property** immediately we require you to do so.

1.5 You must pay all the items listed in paragraphs 1.1 and 1.3 and 1.4 above and paragraph 4 below (**VAT**) on the same terms as the **rent** and we can recover these from you as **rent**.

1.6 We may change the **payment days** (but only so that they become more frequent so you pay less **rent** in advance) and we will notify you of that change. We may change the **payment days** back to any dates that have previously applied and will notify you of that change.

2 Rates and other payments

2.1 You must pay the following to us or to the person or authority entitled to them as soon as they are due:

2.1.1 all rates, taxes and outgoings relating to the **property**, even if these are imposed or the amounts change after the date of this **agreement**;

- 2.1.2 the cost of:
 - getting, renewing or continuing any licence or registration for using the **property** for the **permitted use**; and
 - registering to protect or recognise our interest, and dealing with and taking reasonable action on notices given or received;
- 2.1.3 the cost includes any fees or expenses charged by us or our approved agents;
- 2.1.4 the cost of obtaining certificates for all gas equipment and electrical circuitry at the **property**, as often as necessary to meet with any statutory authority requirements; and
- 2.1.5 the cost of servicing all gas, electrical and mechanical items (including cooling equipment and cellar hoists) as often as reasonably required.
- 2.2 You agree that we can appoint consultants to help you with the items listed in paragraph 2.1 above. If necessary, you will enter into and keep to contracts with those consultants.
- 2.3 If the **property** benefits, or could benefit or use any items which you share with us or anyone else, you must pay a fair proportion of the cost of building, repairing, renewing, lighting, cleaning and maintaining any such items. You must pay your share within 14 days of us asking you to.
- 3 **Accepting and refusing rent**
- 3.1 If we ask you to pay **rent**, or if we receive **rent** from you, it does not mean we agree that you have fulfilled all your obligations under this **agreement**. If we ask you to pay **rent**, or we do receive **rent** from you, this will not reduce or remove any rights that we might have against you.
- 3.2 If we refuse to accept rent from you because you have not fulfilled all your obligations under this **agreement**, you must pay interest at the **agreed rate** from the due date until we are able to accept payment from you again.

4 **VAT**

If it is chargeable, you must pay **VAT** to us on the **rent** and on any other sums you must pay us under this **agreement**. You must pay the **VAT** at the same time as the sum you are paying it on.

Section 2

Repairs and Alterations

***Making changes to your property and keeping it in
good condition***

Repairs and alterations

1 Repairs

- 1.1 You are responsible for maintaining the following:
- the whole of the **property** including the structure, roof, foundations and any additions to it, windows and other glass, lettering, signage and notices (and their lighting);
 - all fences, gates, hedges or boundary structures; and
 - any areas inside the boundary of the **property** including forecourts, car parks, gardens, grounds and play areas.

You must keep them clean, tidy and in good condition and you must repair and replace them as necessary.

You must maintain the **service media**, ventilation and heating systems (including any central-heating and other boilers and all radiators). You must keep them in good condition and you must repair and replace them as necessary. You must also take all reasonable steps to prevent any damage to the **property** as a result of any problems with the **service media** which you must keep clear and free-flowing.

- 1.2 You must decorate the inside and outside of the **property** in each successive fifth year from the date of this **agreement** and in the last 12 months of the **agreement period**.

- 1.3 Except for **the inventory** you do not have to make repairs to items which are covered by insurance, provided the insurer will pay the claim. If it will not, because of something you have done or not done, you must pay us the amount of the claim, or the part of it that the insurer will not pay to us.

- 1.4 If we give you written notice to carry out work, which this **agreement** says you must do, you must start the work within two months or straight away if it is an emergency. You must then complete the work without delay.

If you do not do this we may carry out the work and charge you for doing it.

- 1.5 You must tell us as soon as you know about any damage or fault at the **property**, or of anything that could contaminate or pollute anything on the **property**.

- 1.6 You agree to keep the items on **the inventory** in good condition and in working order, renewing them when this becomes necessary.

2 Alterations

- 2.1 You must not make any structural alterations, outside alterations or add anything to the **Property**.

- 2.2 You can make any other alterations but you must let us have two sets of the specification and plans showing all the work you want to do, at least ten days before work starts. These must have been prepared by a suitably-qualified person. We can ask you to enter into an agreement setting out all the terms we reasonably require before you start. In relation to any work you do under this paragraph you must:

2.2.1 send us details of the builders and any others you want to use and get our approval of these before you start work. We will not unreasonably withhold this approval but you must show us that the work will be supervised by a suitably-qualified person;

2.2.2 at your cost, get and meet with any permission you need from any relevant authority;

2.2.3 meet with all laws and legal requirements which apply to those alterations;

2.2.4 get and meet with the conditions of any permission given by the **licensing**

authorities; and

2.2.5 remove all the works no later than the **end date** unless we ask you not to.

2.3 Any alterations you carry out to the electrical, drainage, plumbing or any other service installations must meet with all statutory regulations and requirements that apply when you do the alterations.

Section 3

Insurance

Risks that you insure against and our obligations to you

Insurance

1 Your insurance

You must insure the following at your own cost;

- any glass in the **property** for its full replacement cost, and the cost of replacing any which is damaged;
- **the inventory** and stock for their full replacement value;
- any other items at the **property** that belong to you;
- all third-party risks, including employer's and public-liability insurance; and
- any losses (including lost profit) that you may suffer if your **business** cannot trade because one of the **insured risks** has happened, or other reasons beyond your control.

2 Your obligations

- 2.1 In meeting your obligations in 1 above, you must use a reputable insurer and make sure that our interest is noted on all policies (except those for third-party risks). You must give us details of the cover if we ask for them, including evidence that you have paid the premium.
- 2.2 You must not do, or fail to do, anything that might cause your or our insurance cover to be lost, reduced or avoided in any way, or which might increase the premiums.
- 2.3 You must pay within seven days of a written request from us the full cost of our insurance obligations, mentioned at paragraph 3 of this section.
- 2.4 You must pay within seven days of a written request from us the **insurance excess** for any work we carry out to put right damage caused by an **insured risk**.

3 Our obligations

- 3.1 We will insure the **property** (but not those items listed in paragraph 1 of this section) for the full rebuilding value to cover the **insured risks**. However, we can insure ourselves for the **insured risks** and the items listed in paragraph 3.2 below or get insurance from a subsidiary or **group company** of ours. If we choose to do this, it will be assumed that we have met with this obligation and that the **property** is insured on our usual terms of insurance. These terms will include charging a premium that is fair and reasonable (according to current market rates) but not necessarily the best market rate. From time to time we will obtain a professional valuation of the **property** for insurance purposes which you must pay for.
- 3.2 We may (but this is at our discretion) also insure:
 - 3.2.1 the **licences** and the amount by which the value of our interest in the **property** will be reduced because any of the **licences** are lost;
 - 3.2.2 our liability under the Defective Premises Act 1972 and under any other laws or legal requirements; and
 - 3.2.3 our liability to third parties in relation to the **property** or its use.
- 3.3 Our obligations in paragraphs 3.1 and 3.2 above will not apply if any insurance is lost, reduced or avoided because of anything you have done or failed to do.
- 3.4 We will take all reasonable steps to get any permission we need to repair the **property** if it is damaged or destroyed. After we have received permission, we will repair the damage or destruction as soon as possible, unless the claim is not paid out due to anything you have done or failed to do. If this is the case, you must pay us the amount the insurer will not pay to us, with interest at the **agreed rate**, from the date we should have received the money until we do receive it.

3.5 If you ask, we will give you a summary of the policy.

4 Suspending the rent

If the **property** is damaged, or destroyed by any of the **insured risks** and you cannot use all or any part of it for the **permitted use**, the following will apply.

4.1 As long as you have not done or failed to do anything which has caused our insurance cover to be lost, reduced or avoided you will not have to pay **rent** (or only a fair part of it for the undamaged parts), from the date of damage until you can use the **property** again for the **permitted use**.

4.2 If:

- it is our reasonable opinion (formed at any time) that the damage cannot be repaired within three years after it has occurred, we can serve notice on you ending this **agreement**;
- the damage is not fully repaired three years after it occurred either you or we can serve notice ending this **agreement**;

If a notice is served under this paragraph, all the insurance money will belong to us and we will no longer be obliged to repair the damage under paragraph 3.4 above.

Section 4

Licences

What you need to do to run a licensed business

Licences

1 Holding the Licences

- 1.1 If you are an individual, the **licences** must be held in your name, subject to clause 1.2 below. In any other case, the **licences** should be held in the name of an individual appointed by you. Where the **licences** are held by anyone other than you, you must make sure that that person meets with these terms and must notify us immediately if that person dies or becomes mentally incapable. Whoever holds the **licences**, you must tell us immediately if that person becomes **insolvent** or, if a company or partnership, is dissolved.
- 1.2 You agree that you and that individual (as referred to in paragraph 1.1 above) will take whatever steps we require to enable the **premises licence** to be transferred.
- 1.3 We can decide whether you or we or anyone we choose for this purpose, will hold the **premises licence** for the **property**. If we decide that we or another will hold the **premises licence**, you will appoint an individual to be named as the **designated premises supervisor** in the **premises licence**.

2 Your Obligations

- 2.1 You will display in a prominent position so it can be read by visitors to the **property** a summary of the **premises licence** currently in place and keep a certified copy of the **premises licence** currently in place at the **property**.
- 2.2 You will ensure that the **designated premises supervisor** at all times holds a valid **personal licence** and that the **personal licence** is not suspended. You will notify us immediately if the **designated premises supervisor** ceases to hold a **personal licence** or his **personal licence** is suspended. If this happens, you must do anything which we ask you to do to keep the **property** open for selling alcohol. This may include nominating a different individual to replace the existing **designated premises supervisor** and doing anything which is required to vary the **premises licence** to change the **designated premises supervisor**. If you are unable to nominate a suitable individual to replace the existing **designated premises supervisor**, you will close the **property** for carrying out licensable activities and pay us compensation for any loss which we incur as a result.
- 2.3 You will ensure that all sales of alcohol at the **property** are properly authorised by a **personal licence** holder.
- 2.4 You must meet
 - any lawful conditions placed on the **licences** (including the **premises licence**).
 - any laws or requirements of the **licensing authorities** relating to the **licences** (including the **premises licence**).
- 2.5 You, (or an employee or anyone acting on your behalf) must not do anything illegal at the **property** which affects the **licences** and the **business**. Additionally, you must do everything necessary so there are no problems with the **licences** or the **business**.
- 2.6 You must make sure that the **licences** remain in force and are not suspended or made subject to conditions which might reasonably be regarded as difficult or costly to meet. You must not do anything which may result in the **licences** being reviewed, cancelled or restricted. And, you must do everything necessary to prevent the **licences** being cancelled or restricted.
- 2.7 You must not do anything which may result in the **property** being closed by the **licensing authorities** or the police. If this occurs you must do anything which needs to be done to make sure that the **property** can re-open. If we need to do so, you agree that we can take these steps in your name, on your behalf and at your cost. And, you must do everything necessary so the

licensing authorities or responsible authorities do not close the **property**.

- 2.8 If you receive any notice about the **licences**, you must immediately send a copy to us.
- 2.9 If you need to do so, you must get the permission of the **licensing authorities** before carrying out any works to the **property** or changes to the **business**.
- 2.10 Unless we agree otherwise, you must keep the **property** open for selling alcohol.
- 2.11 When this **agreement** ends (for whatever reason), you must transfer and hand over the **licences** to us, or to anyone we choose. You must do anything we ask you to or get any authority or permission needed so the person occupying the **property** after you can run the **business** at the **property**. This may include attending before the **licensing authorities**. If you fail to do so, we will treat the **licences** as if you have lost, or wilfully or unlawfully withheld them.
- 2.12 Where we, or anyone we choose for this purpose, hold the **premises licence**:
you will follow any guidance issued by us from time to time relating to the conduct of licensable activities at the **property** and you will tell us immediately of:
- any proposed change to the individual name in the premises licence as the **designated premises supervisor**;
 - any steps taken by the **licensing authorities** or the **responsible authorities** to close the property;
 - any complaint to any of the **licensing authorities** or the **responsible authorities** relating to the **property**, the **business** or the **permitted use** of which you receive notification;
 - any application for a review of the **premises licence**;
 - any proceedings for breach of the **premises licence**.
- 2.13 Where you, or an individual appointed by you, holds the **premises licence**:
- you can transfer or give up the premises licence but only if you have our prior written permission.
 - you must tell us in writing if you are asked, or want to make, any promise or commitment to the **licensing authorities**; or if you intend to apply to the **licensing authorities** for a new licence or for any changes in the conditions of the **premises licence**. You cannot make any promises or commitments or change the conditions of the **premises licences** without first obtaining our permission to do so.
 - he or you can carry out any **permitted temporary activity** at the **property** not otherwise permitted by the **premises licence**. It will be your responsibility to take the necessary steps and to pay any fee due.

3 Our Obligations

- 3.1 Where we, or anyone we choose for this purpose, hold the **premises licence**:
- we will pay the appropriate annual fee for the **premises licence** to the relevant **licensing authorities**.
 - we will retain the original of the **premises licence** and provide you with a certified copy.
- 3.2 If we agree with you to do so, we will:
- apply to the relevant **licensing authorities** to vary the **premises licence** by changing the **designated premises supervisor** and pay the relevant fee;
 - apply to the relevant **licensing authorities** for other variations to the **premises licence** and pay the relevant fee; and
 - make any other application to the relevant **licensing authorities** and pay the relevant fee.

- 3.3 On a review of the **premises licence** we shall, if we consider it appropriate, make representations and take any action we think we need to in order to maintain the **premises licence**. This may include appealing any determination made by the **licensing authorities**.

4 Licences for machines

You must get any approvals, permissions or licences (including without-limit performing rights licences) you need to keep and use **equipment**. You must install, site and operate all **equipment** so you meet the requirements of any of these approvals, permissions or **licences** and all other legal requirements.

Section 5

General obligations and rights

Responsibilities and requirements that apply to this agreement

General obligations and rights

1 Use

- 1.1 You must use the **property** only for the **permitted use**.
- 1.2 Residential accommodation at the **property** can be used
 - by you and your immediate family;
 - by your manager or other staff (provided that they do not pay you rent); and
 - for overnight bed and breakfast accommodation.
- 1.3 You may (after getting our written permission which we will not unreasonably withhold) display any advertisements or signs on the outside of the **property**.
- 1.4 You must not use the **property** for any offensive (in our reasonable opinion) or illegal activities, or in a way which will or may cause pollution or contamination at the **property** or any neighbouring property. You must not do or fail to do, anything at the **property** which annoys or causes a nuisance (or which may do so) to us or anybody who owns or occupies neighbouring property.
- 1.5 You must keep to all licences and registrations which relate to the **business** or the **property**. You must get any licences or registrations which are necessary and you must renew or amend these whenever this is required and meet any conditions.
- 1.6 You must not allow vehicles to use any car park that forms part of the **property** unless the vehicles belong to you, your customers or your suppliers.
- 1.7 You must do whatever is necessary to prevent anyone acquiring a legal right over the **property** and you must not do anything to lose or reduce any right which the **property** has.

2 Business information

If we ask you, you must provide full details of all the staff who work in the **business** and send us copies of your **business** accounts (noting details of all overheads and income) if we ask for these in connection with renewing this **agreement** or reviewing or adjusting the **rent**.

3 Good business practice

- 3.1 You must be actively involved, in managing the **business** either directly or by supervising.
- 3.2 You or a member of your staff must live in the **property**, unless:
 - there is no residential accommodation; or
 - we agree otherwise in writing.
- 3.3 You must not:
 - change the name of the **property**, or the **business**;
 - carry on any business in any other name at the **property** without our written permission (which we will not unreasonably withhold); or
 - use or allow anyone else to use unlawful force against any person at or near the **property**.

4 Other matters

- 4.1 You must do the following:
 - 4.1.1 Meet with all laws and other legal requirements which may affect or relate to the **business** or the **property** during the **agreement period**.

- 4.1.2 If you receive a notice about the **property** or any neighbouring property or their use, you must send us a copy immediately.
 - 4.1.3 Allow us to fix a notice board for the sale or letting of the **property** in a reasonable position on the outside of any buildings at the **property**.
 - 4.1.4 Make sure before applying for planning permission that we have given our written permission.
 - 4.1.5 Meet with the conditions in any planning permission, listed building consent, building regulation approval and any similar permission, consent or approval that affects the **property**.
 - 4.1.6 Compensate us for any losses we incur, including legal costs and expenses and professional fees because:
 - you do not meet with the terms of this **agreement**;
 - you carry out any works at the **property**; or
 - you are at and using the **property**.
 - 4.1.7 Meet with all of the covenants, conditions and other matters mentioned or contained or referred to in the documents that are mentioned in paragraph 2 of section 12 and make any payments that must be made under those documents (other than the principal rent payable by us under any lease of the **property**).
- 4.2 You must not:
- hire or rent any equipment or item for use at the **property** other than such **equipment**, if any, as you obtain or hire in accordance with the conditions set out in section 10. Any agreement you enter into in accordance with the conditions set out in section 10 must be capable of being ended by you before or at the same time as this **agreement**; or
 - arrange for services to be supplied to the **property** unless the agreement for this can be ended by you before or at the same time as this **agreement**.

5 Our right of access

- 5.1 You must give access to the **property** (including any residential accommodation) to us and anyone we ask to:
- 5.1.1 inspect the condition of and the way you are using the **property**;
 - 5.1.2 carry out any repairs and alterations we are allowed to, or must carry out, under this **agreement**;
 - 5.1.3 enable us to fulfil our obligations under any laws and legal requirements;
 - 5.1.4 view the **property** with anyone interested in buying it or, during the last six months of the **agreement period**, with potential new tenants;
 - 5.1.5 carry out a valuation of the **property**;
 - 5.1.6 construct, inspect, clean, repair or replace any properties nearby, or any **service media**;
 - 5.1.7 make sure you are carrying out your obligations under this **agreement**;
 - 5.1.8 put up signs, advertisements and hoardings as described in paragraph 6 below; and
 - 5.1.9 install, maintain, repair and replace **equipment**.
- 5.2 If we need access to the **property** to see you:

- 5.2.1 we can visit the **property** at any time between 8am and 10.30pm on any day, but if:
- it is an emergency; or
 - we consider you have not carried out your obligations under this **agreement**;
- we can visit at any time.
- 5.2.2 we will repair any damage we cause to the **property** or to any other item belonging to you while carrying out these rights; and
- 5.2.3 we can bring any equipment and materials we need onto the **property**.

6 Other rights

- 6.1 We can enter the **property** for the purposes and on the terms set out in this **agreement**.
- 6.2 We can put up signs, advertisements and hoardings in positions which do not:
- damage your **business**; or
 - hide any signs which you have put up.
- We are entitled to any income you receive, or are entitled to receive, as a result of displaying these hoardings, signs or advertisements.
- 6.3 We can install, connect to and use **service media** and use electricity or other services (without payment), if they serve:
- nearby property;
 - **amusement machines**; and
 - **audio-visual equipment**.
- 6.4 We can install an aerial mast, dish or device for transmitting or receiving signals at the **property** and:
- receive any income earned from them; and
 - install, connect to and use **service media** that serves them.

7 The inventory

It is a condition of this **agreement** that:

- throughout the **agreement period** you own the **inventory**, except for any items of **equipment** which you provide under arrangements with suppliers in accordance with the conditions set out in section 12, and you ensure (at your cost) that there are sufficient items in the inventory to enable you to maintain and grow the business;
- you will not remove any items in the inventory from the property, or sell them (unless you replace them with a similar item), without first offering them to us;
- you will not grant any third-party rights, bills of sale or other security over any items in the inventory; and
- you will not allow anyone to levy distress over any items in the inventory. (If someone does manage to levy distress over any item in the inventory, you must immediately clear the debt).

Section 6

Reviewing the rent

When your rent will change and how

Reviewing the rent

1 Annual indexation

On each **indexation date** we will calculate the **rent** again and after each **indexation date**, you will pay either

- 1.1 the **rent** you are paying immediately before that **indexation date**, or
- 1.2 the product of $\frac{A \times B}{C}$

To work out this figure, take your current rent (A), multiply it by the figure given in the **index** (B) on the relevant **indexation date** and divide the result by the figure given in the **index** on the most recent previous **indexation date** or **review date** (whichever is the later) or (if there has been no previous **indexation date** or **review date**) on the date this **agreement** started (C) ;

whichever figure is greater.

2 Market review

On each **review date** the **rent** will become the **market rent** on that **review date**.

3 Review dates

In this section the **review dates** are the dates listed under the heading 'The meaning of words and phrases' and any date which is four weeks (or earlier if we both agree) after any notice we send you under the following paragraphs.

- 3.1 Paragraph 7 of this section 6, after legal restrictions on reviewing or collecting rent have been removed or modified.

4 Valuation

- 4.1 In this section '**market rent**' means the best annual rent the **property** could get (with vacant possession) at the **review date**. It is the highest rent which a tenant keen to take an agreement (on the same terms as this **agreement** though not the same amount of rent) would pay in the open market.

- 4.2 In determining the **market rent**, the following will be assumed:

- 4.2.1 The agreement for the **property** will be for the same term as the original **agreement period**, but starting on the relevant **review date**. It will also be assumed that you have already received the benefit of any rent-free period, concessionary rent, contribution to works or other inducement that it might then be the practice in the open market to offer to tenants. So, the rent will be the amount payable after any such periods or concessions have expired or such contribution or inducements have been received.

- 4.2.2 The **property** is ready to be occupied and the **business** can be operated immediately on the **review date** (and that any damage caused to the **property**, or ways of getting into it, have been repaired).

- 4.2.3 The **inventory** is complete and in good condition and ready to be used in the **Business**.

- 4.2.4 Both you and we have met with all our obligations in this **agreement**.

- 4.2.5 Any prospective tenant can claim back any **VAT** that is charged on top of the **rent**.

- 4.2.6 No work has been done at the **property** which reduces the **market rent**.

4.2.7 The **licences** are all in force, whether you, us or anyone else holds them.

However, the following will be ignored:

- 4.2.8 The effect that any improvements made to the **property** may have on the **rent** (provided you have done these with our consent, if needed), unless:
- these improvements were done at our expense; or
 - you had to do them under this **agreement** or under any other obligation owed to us.

4.2.9 The fact that you run the **business**.

5 Determining the market rent

Both you and we will try to agree the **market rent** and can do so at any time before or after any **review date**. If we have not agreed the figure two months before a **review date**, either of us may refer the review to arbitration.

6 Paying rent until a review is agreed

Until we agree the new **rent** or the arbitrator sets it for us, you must keep paying **rent** at the same rate and in the same way as before. If the new **rent** is more than the rent you paid immediately before the relevant **review date**, you must pay the shortfall (backdated to the relevant **review date**) plus interest at the **agreed rate**. If the new **rent** is less than the **rent** you paid immediately before the relevant **review date**, we will take the excess you have paid (backdated to the relevant **review date**) off the next instalment of **rent** you pay.

7 Legal restrictions

If we are prevented by any law or legal requirement from indexing or reviewing the **rent**, or from demanding or receiving the full amount of **rent**, we can serve notice on you that we require either:

- indexation worked out using the formula in paragraph 1 of this section; or
- a market review of the **rent** in line with paragraphs 2 to 6 inclusive of this section;

whichever we choose when the law changes to allow it. The **indexation date** or **review date** (as appropriate) will be the date we serve notice.

Section 7

Transferring the property

Transferring the property

1 Transferring the property

1.1 You must not:

- mortgage or give a legal charge over part of the **property**;
- mortgage or give a legal charge over the whole of the **property** without our permission;
- transfer part of the **property**; and
- let, part with or share possession of all or part of the **property** for any reason within the first two years of the date of this lease, following which You must not let, part with or share possession of all or part of the **property** for any reason after the first two years from the date of this lease except as permitted in paragraph 1.2 of section 5.

1.2 Subject to the above restrictions, you can transfer the whole of the **property** as long as you get our permission first. You must agree to any reasonable conditions or requirements which we ask for in connection with the proposed transfer. We will not unreasonably withhold, or delay permission, but under section 19(1A) of the Landlord & Tenant Act 1927 we will require you to have met with all your obligations under this **agreement** and be up to date with all payments of rent and other sums due from you when the transfer takes place.

1.3 Anyone you want to transfer the **property** to must:

1.3.1 in our reasonable opinion, be of good character and a fit and proper person to hold the **licences** and have the financial standing and experience in the licensed trade to run the **business** and be able to fulfil your obligations under this **agreement**;

1.3.2 not have been declared bankrupt, made arrangements with creditors, or been principal in a business or director of a company that has had a receiver appointed over all or any of its assets or had any court judgments registered against it;

1.3.3 agree to pay the **rent** and to carry out all your obligations and to keep the other conditions in this **agreement**;

1.3.4 pay us a **security deposit**. This will either be calculated using the following formula or it will be any other amount we reasonably decide is appropriate:

$$\frac{\text{the security deposit} \times \text{the closing index}}{\text{the opening index}}$$

The '**index**' is the 'all items' index of the Retail Prices Index.

The '**closing index**' is the figure quoted in the **index** in the month before you transfer the **property**.

The '**opening index**' is the figure quoted in the **index** in the month before the date of this **agreement**;

1.3.5 procure one or more people to guarantee your obligations under this **agreement** if we ask. The guarantee will be in a form that we reasonably require; and

1.3.6 provide a business plan and evidence of their funding relating to the transfer and all of this must be satisfactory to us.

1.4 When you transfer the **property** (having first obtained our permission under paragraph 1.2 above) you must give us a legal guarantee that the person you plan to transfer the **property** to will fulfil all your obligations under the **agreement** (that guarantee being on such reasonable terms as we require).

1.5 If any transfer, mortgage, legal charge or other agreement relating to the **property** does occur, you must tell us within one month of that happening and pay us a reasonable registration fee

(not less than £40.00 plus VAT). You should send us a copy of the relevant document and any other details we ask for.

Section 8

Ending this agreement

How you and we can end the agreement and what happens afterwards

Ending this agreement

- 1 We can end this **agreement** by entering any part of the **property** if:
 - 1.1 you have not paid the **rent** (whether or not we have formally demanded it) and it is more than 14 days late;
 - 1.2 you have not carried out your obligations under this **agreement**;
 - 1.3 you are an individual and any receiver is appointed over your property or any part of it, or you are declared bankrupt or you have a bankruptcy petition presented against you;
 - 1.4 you:
 - 1.4.1 propose or enter into any arrangement with creditors generally or any class of them;
 - 1.4.2 are the subject of any judgment or order which is not complied with within seven days or become subject to any **execution, distress, sequestration** or similar legal process, in relation to anything belonging to you;
 - 1.5 you are a company and you have:
 - a fixed charge or an interim receiver or any other receiver appointed over all or any part of your assets; or
 - an administrator appointed or any corporate action or other procedure or step in relation to such an appointment is taken; or
 - a winding-up petition presented against you; or
 - gone into liquidation, unless you are merging with another company or reconstructing the **business** (and you can pay your debts); or
 - ceased to exist;
 - 1.6 any of the **licences** end without our agreement, or have conditions imposed which we reasonably consider will damage the **business** or our interest in the **property** or you are convicted of any offence which might cause you to lose any of the **licences**;
 - 1.7 any of the **licences** are suspended for more than seven days; or
 - 1.8 you close the **property** and cease trading for more than 14 days without our consent.
- 2 On the **end date** you will still be liable for any obligations under this **agreement** that you have not carried out.
- 3 If you leave any of your belongings when you leave the **property**, we will ask you to remove them. If you do not remove them within seven days of us asking you to do so, or if, after trying, we cannot ask you to move them within 14 days after first trying, we can do the following.
 - 3.1 We may, as your agent, sell these belongings and you will pay us reasonable expenses for removing, storing, selling and any other costs relating to those items. You must also compensate us for any liability we incur to any third party whose belongings we sell believing in good faith they were yours. We will assume any items left in the **property** belong to you.
 - 3.2 If, having made reasonable efforts, we cannot find you, we will be entitled to keep any money raised by the sale absolutely, unless you claim the proceeds of sale within three months of the date you left the **property**. We will deduct any money due to us under paragraph 1.1 above and under any other term of this **agreement** before paying you the proceeds.
 - 3.3 You must compensate us for any damage caused to the **property** by these belongings. You

must also pay us for any actions, claims, proceedings, costs, expenses, and demands made against us because these belongings are at the **property**.

4 When the **agreement** ends you must return the **property** to us in a state and condition which meets with your obligations in this **agreement**.

5 If we ask you to, you must remove anything that is fixed to the **property** and repair any damage this causes.

6 The inventory

6.1 When this **agreement** ends, we will have the right to buy any items in the **inventory** (free of third-party rights or any bills of sale or other security over any items we want to buy). If we decide to exercise this right, we can serve a notice on you listing those items that we wish to buy ("**the selected items**") at any time before this **agreement** ends.

6.2 You and we will both try to agree the amount to be paid for the **selected items**. If we cannot agree, the valuation will be determined by a valuer. This will be someone who is experienced in such matters, who will be independent but who we will appoint. The valuer will act as an **expert** and we will each pay one half of their costs.

6.3 We will own the **selected items** as soon as this **agreement** ends.

6.4 We will also have the right, when this **agreement** ends, to buy some or all of your stock in trade (free of any third-party rights or any bills of sale or any other security granted over any items). If we decide to exercise this right we can serve a notice on you (listing items we want to buy), at any time before this **agreement** ends. We will try to agree with you the valuation of the items we want to buy. If we cannot agree, the value will be determined by a member of the Institute of Licensed Trade Stock Auditors (who will be independent but who we will appoint). We will each pay half of the auditor's fees.

7 Compensation

You are not entitled to any compensation on the **end date**, or at any other time, because of works you may have carried out at the **property** or because you have to leave the **property**.

8 Registration

When this **agreement** ends you must close any Land Registry title or cancel any other registration that relates to it. If you do not do this, you will pay to us all the costs we incur in doing so.

Section 9

Other matters relating to this agreement

General conditions

1 Serving notice

You must send all notices to our registered office by first-class recorded delivery, or to any other address we tell you about in writing. We will serve all notices on you by first-class recorded delivery, at the address shown under the heading. 'The meaning of words and phrases', or we may leave the notice at the property.

2 Arbitration

Any matter which this **agreement** says must be decided by arbitration, will be referred to a single arbitrator under the Arbitration Act 1996. Both you and we will try to agree on the arbitrator, but if we have been unable to do so within three weeks of first trying to do so, either of us may apply to the President of the Royal Institution of Chartered Surveyors to decide which arbitrator we should use. In addition:

- 2.1 the arbitrator must (unless stated otherwise in this **agreement**) be a qualified surveyor who is experienced in letting and valuing licensed premises;
- 2.2 if the arbitrator dies, or cannot continue to act for some other reason, we will agree a new arbitrator and if we cannot, this clause will apply again; and
- 2.3 the arbitrator will:
 - allow both of us to make written representations to him;
 - provide details to each of us about the other's representations and invite comments on them;
 - decide who is to pay his costs; and
 - give written reasons for his decision.

3 Experts

Where in this **agreement** there is reference to a person dealing with a dispute as an expert ("the expert"), then he or she will be independent and where the expert's a barrister, he or she will be a person both you and we agree on. If we cannot agree, either of us can apply to the President (or Vice President) of the Bar Council to nominate a barrister;

- 3.1 the terms of paragraphs 2.2 and 2.3 above, will apply to the expert; and
- 3.2 the expert's decision will be final and binding on us both.

4 Representations

This **agreement** sets out the whole of the agreement between us. You acknowledge that you have not entered into this **agreement** because of any statement or representation made by us or on our behalf. You also agree that you have entered into this **agreement** as a result of your own inspection of the property and your own evaluation of the opportunities presented by the business. You have relied entirely on your own judgment and the advice of your advisors.

5 Your rights and privileges

You are only entitled to the rights or privileges in this **agreement**. You have no 'implied rights'. Section 62 of the Law of Property Act 1925 will not apply to this **agreement**. We can develop and use any adjoining or nearby land in any way we want.

6 Releasing us from our liability

Both you and we agree that we will not be liable to you after we have disposed of our interest in the **property**. However, with the exception of a **group company**, this clause will not apply to anyone else who acquires our interest in the **property** or any part of it after we have disposed of it.

7 Getting our permission

If this **agreement** says you must get our permission before doing something, you must let us have any information we reasonably require to enable us to make a decision. If this **agreement** says that we will not unreasonably withhold permission, we will not be acting unreasonably if (without excluding any other considerations) we withhold it because what you require permission for will or may harm any business carried out by us or occupiers of neighbouring property. Any consent we need to get from someone else must be obtained before we give our permission.

8 Third parties

No one, apart from you and us, is entitled to any rights which arise under this **agreement** under the Contracts (Rights of Third Parties) Act 1999.

Section 10

Amusement, audio-visual and other equipment

Installing using, removing equipment

Amusement, audio-visual and other equipment

1 General obligations

- 1.1 You agree not to install any **equipment** at the **property** unless we give permission. We can withdraw any permission at any time.
- 1.2 We can ask you to remove equipment we have not given permission for. If you do not remove it, we can remove it and charge you the cost of removing and disposing of the **equipment**.

2 Removing equipment

- 2.1 If we ask you to you will immediately stop using all or any of the **equipment** and will immediately remove it from public areas of the **property**.

Section 11

The security deposit

***When we can use this money and when we will repay
it to you***

The security deposit

1 General

- 1.1 You agree to pay us the **security deposit** which is due from you in whole on the date of this **agreement**. In certain circumstances we may agree that the **security deposit** may be paid to us in instalments and if this is the case we will tell you in writing how many instalments there will be and when they must be paid.
- 1.2 You agree that the **security deposit** belongs to us and will be held in our name. We can use the **security deposit** to make sure you carry out your obligations under this **agreement**.

2 Using the security deposit

- 2.1 We can use some or all of the **security deposit** (and any interest) if you do not pay any **rent** or any other money due from you under this **agreement** or, if we incur any expense or loss because you do not keep to your obligations in this **agreement**.
- 2.2 If we use the **security deposit**, because you are unable to pay your debts (here meaning that any of the events mentioned in paragraphs 1.3, 1.4 and 1.5 of section 8 occur), or because a trustee in bankruptcy or liquidator has disclaimed this **agreement** or you are no longer liable under this **agreement** for some other reason:
- we can also use the **security deposit** to recover money that would have been owed to us under this **agreement**, had none of the events listed above occurred; and
 - any part of the **security deposit** which we use will not be treated as rent (to protect our right to re-enter the **property**) and none of our rights under this **agreement** will be affected.

3 Amount of security deposit

If we do use any of the **security deposit**, you must pay us a sum equivalent to the amount we use within seven days of being asked to do so. The terms of this section will apply to any amount paid to us under this paragraph.

4 Releasing the security deposit to you

As soon as possible, after the **end date** (except where paragraph 2.2 above applies) or within 30 days of you transferring the **property** with our agreement, we will repay the **security deposit** with interest to you, but we will be entitled to

- 4.1 deduct any money owed to us or expense or loss we incur because you have not kept to your obligations in this **agreement**; and
- 4.2 keep the **security deposit** until we can accurately assess the amount due to us under paragraph 4.1 above.

5 Sale of our interest

If we sell our interest in the **property**, we will pay the **security deposit** to whoever buys it from us. They will continue to hold it on the terms of this section.

Section 12

Rights for the property, filed plan and ownership

Rights for the property, filed plan and ownership

1 Rights that benefit the property

Any matters referred to in the Property, Proprietorship or Charges Registers of the **property** at the Land Registry which benefit and affect the **property** and which remain enforceable.

2 Matters affecting our ownership

2.1 Any matters (apart from financial charges securing our indebtedness to a third party) referred to in the Property, Proprietorship or Charges Registers of the **property** at the Land Registry which affect our ownership of the **property** and which remain enforceable.

2.2 Any matters affecting our ownership of the **property** including any interest which overrides a registered disposition which is set out in Schedule 3 and Section 90 of the Land Registration Act 2002 as amended by Schedule 12 of the Land Registration Act 2002 and the Land Registration Act (Transitional Provisions) (No2) Order 2003.

2.3 Any local land charges affecting the **property** and to any development plans schemes orders restrictions requirements resolutions and to all valid statutory notices which have been or may be passed made or given by any public or local authority whether before or after the date on the front of this **agreement**.

2.4 All liabilities rights of way support water drainage and other rights and all quasi-easements rights privileges which are presently or existing or capable of being enjoyed over or in respect of the **property** whether statutory or otherwise.

2.5 Any leases, licences tenancies or similar agreements which we have granted prior to (or which we may grant after) the date of this **agreement** to a third party in relation to the matters set out in paragraphs 6.2 and 6.4 of section 5 of this **agreement**.

3 Rights we retain

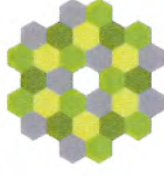
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4 Filed plan

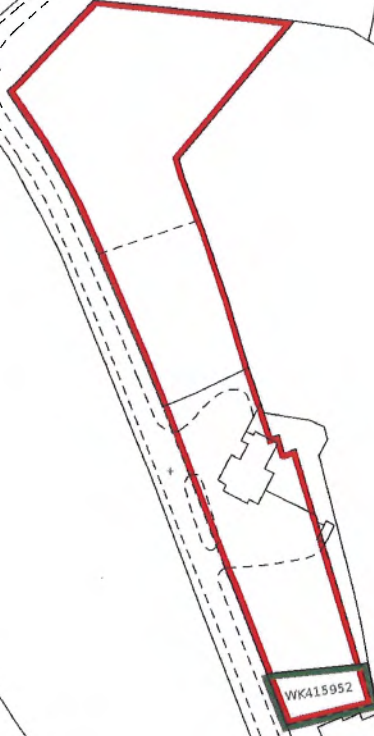
See attached.

HM Land Registry
Official copy of
title plan

Title number **WK382431**
Ordnance Survey map reference **SP3962NE**
Scale **1:2500 reduced from 1:1250**
Administrative area **Warwickshire :**
Stratford-on-Avon



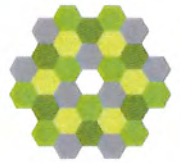
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HM Land Registry

Official copy of title plan

Title number **WK420265**
Ordnance Survey map reference **SP3962NE**
Scale **1:2500 reduced from 1:1250**
Administrative area **Warwickshire :**
Stratford-on-Avon



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